



HD (AEAOH) Altona cements **Chinese** JV at Cloncurry

WC 304 words

PD 2 June 2016

SN Ralph Wragg Australian Business News

SC AAPRAW

LA English

CY Copyright 2016 RWE AUSTRALIAN BUSINESS NEWS PTY LTD. All Rights Reserved.

LP Sydney - Thursday – June 02 (RWE) – Perth's Altona **Mining** has finalised its joint venture deal with **China's Sichuan Railway Investment Group (SRIG)** over the Cloncurry **copper** project in Queensland.

The formalised agreement is now undergoing **Chinese** regulatory approval through the Sichuan Government and the State-owned Assets Supervision and Administration Commission (SASAC), with all conditions to be satisfied and closed prior to October 31, 2016.

TD Under the agreement, the **Chinese** state-owned entity will contribute US\$213.53 **million** (A\$294 **million**) in cash to the new joint venture **company**, with Altona to put in US\$25 **million**.

Altona will decrease its **stake** in the JV from 40% to 34%, reducing the **company's equity** commitment from US\$38 **million** to US\$25 **million**.

With A\$43 **million** on its balance sheet, Altona can meet its obligations without having to dilute shareholder interests.

Altona **Mining** managing director Alistair Cowden said that by diluting at the project level and not taking on debt or raising **equity** to finance development, Altona shareholders would see higher – and more immediate – returns.

"Altona avoids large dilutive **equity** raisings, debt, debt service taking precedence over shareholder dividends, mandatory hedging capping **copper** price upside and bank covenants limiting the ability to grow," Cowden said.

"On closing of the transaction, the project will be fully funded to production. The joint venture will have A\$329 **million** in cash plus the Cloncurry project."

The Altona/SRIG JV plans to develop a 7 **million** tonne per annum open pit mine at the Cloncurry project, capable of producing 39,000 tonnes of **copper** and 17,000 ounces of **gold** per annum for 11 years.

"The project is significant for Queensland bringing 300 construction jobs and when in production it will sustain 280 new direct jobs," Cowden said.

CO unvres : Altona Mining Ltd.

IN i211 : Metal Ore Mining | i2114 : Copper Ore/Nickel Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying

NS c184 : Joint Ventures | c13 : Regulation/Government Policy | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE austr : Australia | china : China | queensl : Queensland | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

PUB RWE Australian Business News Pty Ltd

AN Document AAPRAW0020160602ec620008h

Search Summary

Text ((chin* or hong kong)) and ((residential or site or commercial) and (casino resort or island or hotel or apartment or park or

estate or property) and (group or firm or company or board or entity) and (transaction* or purchase* or sale or sold or buy)) or (uranium or wind or gold or solar or ore or copper or energy or alumina or iron or lead or coal or oil) and (bonds or acquisition or merge or purchase or sale or stake or equity) and (million* or billion* or B or M) and (operations or mining or firm or company)) or (dairy or cheese or butter or milk or bread or wine) and (sold or buy or sale or equity or stake or merge or acquire) and (brand or company or business or group or firm or board) and (million* or billion* or B or M))) not (terrorism or war or navy or stock market or share market or Wall St or Wall Street or Forex or Stock Exchange or rst=asxtex) and re=austr

Date	27/05/2016 to 02/06/2016
Source	All Sources
Author	All Authors
Company	All Companies
Subject	All Subjects
Industry	All Industries
Region	All Regions
Language	English
Results Found	205
Timestamp	20 September 2017 17:28

© 2017 Factiva, Inc. All rights reserved.