

SE News  
HD **Tinkler lowers shield**  
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WC 760 words  
PD 23 June 2014  
SN The Newcastle Herald  
SC NEHR  
ED First  
PG 10  
LA English  
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opinion OUR SAY

THE back page of Saturday's Newcastle Herald featured a Robert Dillon story on the Newcastle Jets, generated by an interview with Nathan Tinkler in the UK's Financial Times.

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Given that face-to-face Tinkler interviews are rarer than hen's teeth, I thought I'd have a look at what the former "pit leco" had to say about things. Written by the FT's Singapore senior editor Jeremy Grant and its Australian correspondent Jamie Smyth, there's a photo of the smiling subject, posed in front of a map of the world and wearing a blue open-necked shirt and a dark suit coat - one of the many, perhaps, that he'd ordered over the years from Newcastle's Rundles.

The article opens: "Nathan Tinkler's boardroom has a commanding view across Singapore - one that, on the face of it, denotes success and corporate power. The offices are on the 51st floor of a tower owned by United Overseas Bank, one of Singapore's biggest. A few minutes' walk away are the local headquarters of other big names in Asian finance. But for this one-time star of the Australian rich lists, life of late has been less gilded than the workplace trappings suggest."

While chronicling the well-trodden tale of Tinkler's rise and fall, the article covers Tinkler's recent **purchase** of Wilkie Creek, a steaming **coal** mine on the Darling Downs that was shut last year by its seller, US **company** Peabody.

Peabody said the price was \$70 **million** in cash, with Tinkler to take over its take-or-pay rail contracts and other liabilities.

Tinkler announced the deal as a \$150 **million sale**, but as journalist and author Paddy Manning - author of Boganaire - put it recently in Crikey, Tinkler usually cut his deals by "putting down small deposits . . . in staged deals that give him time to scrape together the rest of the **equity**".

The FT says: "[Tinkler's] thesis - with which many analysts agree - is that, with thermal **coal** prices having halved in three years, now is the time to invest in extraction of the commodity, in anticipation of increasing demand in **China** for lower-emission fuels such as cleaner burning thermal **coal**."

Tinkler also expects India to want more **coal** as it ramps up investments in road and rail.

"The long-term believers in the cycle, I think, are starting to move now," Tinkler says.

"**China**'s now got power stations built and has built an amazing amount of infrastructure over the last 10 years."

Tinkler says much of his previous backing came from Singapore, which has "a huge investor base".

"I've never raised a dollar, really, out of Australia. I wore out a lot of shoe leather in places like Sydney and Melbourne trying to get things funded."

A "close associate" of Tinkler defends him against his critics: "His unwillingness to put a veneer over who he is a weakness. He's a classic price arbitrageur, a 'barrow boy', but he can still pick up the phone to anyone big in the **mining** sector and they will talk."

Showing uncharacteristic modesty, Tinkler says: "I still don't think I've learnt to find my way around the financial world. It's something I still probably struggle with today. Like I said, I'm probably short on detail; big on ideas and short on detail."

On "sections of the Australian media that have documented his rise and fall", Tinkler says: "I have a low tolerance for fools. They're fundamentally against **mining**, they're fundamentally against resources and they're fundamentally against anything that's not socialist."

The FT says Tinkler lives on Sentosa, a Singaporean "haven for the ultra-wealthy", although his four-bedroom house is a rental. He pays a team of "a dozen or so guys" in Brisbane to "help evaluate opportunities".

A single reader's comment, from "Galena", refers to Tinkler's "low tolerance for fools".

"The fool knows after he has suffered - Hesiod," Galena says. Hesiod (circa 750BC) was a Greek poet sometimes called "the first economist". The quote is from Works and Days, in which Hesiod lectures his "less than responsible" brother, Perses, to stay away from violence, which was bad for poor and prosperous alike: "For justice beats outrage when she comes at length to the end of the race." Sounds like "Galena" - an **ore** of **lead** and a source of silver, as it happens - has put some thought into that quote.

**CO** uob : United Overseas Bank Limited

**IN** i814 : Banking | i81402 : Commercial Banking | ibnk : Banking/Credit | ifinal : Financial Services

**RE** austr : Australia | singp : Singapore | nswals : New South Wales | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | seasiaz : Southeast Asia

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**AN** Document NEHR000020140623ea6n0000e