

SE **Business**
HD **CITIC gets Mineralogy port win**
WC 1,241 words
PD 6 December 2014
SN The West Australian
SC TWAU
ED Second
PG 136
LA English
CY (c) 2014, West Australian Newspapers Limited
LP

CITIC has had another win in its sprawling legal battle with Clive Palmer's Mineralogy, with Mineralogy agreeing yesterday not to act on default notices issued to the **Chinese group** over alleged breaches of agreements at Cape Preston Port.

CITIC was seeking injunctions against Mineralogy over its attempts to shut down the export terminal for the giant \$10 **billion** Sino **iron** project, over a dispute about which of the two companies owns the operating rights to the port.

TD

Mineralogy had issued a series of default, suspension and termination notices over CITIC's right to ship **ore** through Cape Preston.

Yesterday, Federal Court Justice Michael Barker accepted a Mineralogy undertaking it would not act on the notices ahead of a trial in June next year on the substantive matters in dispute.

While no injunction was issued, the decision alleviates concerns CITIC could be forced to shut the massive **iron** project as a result of the default notices.

Whether CITIC sees cause — unlikely — to shut Sino **iron** because of the weak **iron ore** price is another story altogether.

LOUD LADIES

Some Western Suburbs Ladies Who Lunch may have given Cadel Evans another disturbing insight into the troubled relationship between cyclists and Perth motorists.

The 2011 Tour de France winner was back in Perth on Thursday to **lead** a leisurely riverside ride with about 80 EY clients and staff.

The pedal combines keen cyclists with day riders, all squeezed — some more aggressively than others — into fetching EY-branded lycra.

The event ended with a lunch and a question, answer session at Royal Perth Yacht Club.

All in all, an enjoyable day in perfect sunshine, perhaps blighted only by the sprays from various mainly female motorists as the EY peloton unintentionally bunched up near Claremont.

There's no word on whether Evans, at the head of the bunch, copped any.

And the hardened lycra bandits have heard it all before. But it was an eye-opener for the weekend riders.

FRIENDS FOR LIFE

News of British insurer Aviva's £5.6 **billion** (\$10.4 **billion**) friendly takeover of peer Friends Life **Group** this week caused few ripples Down Under, apart from in the Van Der Wielen household in Perth.

Perth banker and Fremantle Docker fan John Van Der Wielen is on Friends Life's **group** executive committee, having received the call-up from the insurer's masterbrain Clive Cowdery 3 1/2 years ago to run first its British arm and then the international **operations**.

Van Der Wielen is set to enjoy some pleasant spoils from Aviva's takeout when private **equity**-style value shares he and other Friends Life execs hold are cashed in post-Aviva deal.

It should help pay for his and his family's voluntary relocation from Cobham in Surrey, on the outskirts of London, to Perth in the new year to seek new adventures in banking.

HATS OFF TO SAM

If reports in a Sydney financial newsletter are to be believed, Rio Tinto boss Sam Walsh has added the collecting of hats to his passion for **milk** jugs and wasted little time in London pursuing his love of the arts by joining the **board** of the Royal Opera House.

In other words, London is becoming the man who for almost a decade presided over the Pilbara's biggest **iron ore** production house.

Not that London will be forever, because Walsh and his wife Leanne have made clear they intend to return to Perth when the Rio adventure is eventually over.

They will have to look for a new abode after selling their Peppermint Grove mansion for \$8.5 **million** to an Asian investor earlier this year, just shy of their \$8.75 **million** asking price.

The Walshes bought the Peppermint Grove property for \$10 **million** in 2010.

TARNISHED **GOLD**

The regular rejig of the S&P-ASX indices has laid bare the pain felt in the resources sector — and that is before factoring in the **oil** crisis-related falls in the share prices of Santos in particular.

Gone from the S&P-ASX 100 are steelmaker Arrium and Myer Holdings , replaced by TPG Telecom and Healthscope , while the top 200 will shed **gold** plays Medusa **Mining** and Resolute **Mining** , to be replaced by Amcom's merger partner Vocus Communications and surprise packet APN News & Media .

Resolute's fall from grace has been so remarkable that a corporate type at Azure Capital's well-attended Christmas party on Thursday night quipped a \$50 **million** investment could snare a controlling **stake** in what remains one of the biggest **gold** producers listed on the ASX.

At its 22.5¢ close last night, the Peter Sullivan -run Resolute is worth \$144 **million**, a far cry from the \$1.3 **billion** of two years ago. Resolute produced 342,774 ounces last financial year for a \$33.3 **million** net profit.

Back to the rejigged indices.

Vocus also joins the All Australian 200, along with Corporate Travel Management , at the expense of Medusa and embattled contractor NRW Holdings . Ramsay Health Care has kicked Iluka Resources out of the All Australian 50.

The changes take effect on December 20.

MERRY FERRY

Excitement is building in the United Kingdom about the arrival of an Austal high-speed ferry for cross-channel service.

Built on-spec in Henderson in the aftermath of the GFC, the 102m trimaran sat on the docks stubbornly unsold for four years until Channel Islands-based Condor Ferries snapped it up for \$61.5 **million**.

The Dorset Echo is reporting that the ferry set sail on Wednesday from Austal's shipyard in the Philippines, where it underwent \$6 **million** in modifications.

The vessel is headed for the English port of Southampton for an interior fit-out ahead of being put into service in March.

Condor has reported record sales for sailings on the new ship. It is even holding a competition to name the ferry, with one-year's free travel worth £5000 (\$9300) on offer and an invite to the VIP launch.

Would it be unkind of the Bull to suggest — given Austal's past difficulties finding a buyer — the White Elephant?

LONG PROGRAM

One thing investors like to see with contracting companies is earnings visibility.

Order books packed with multi-year contracts can give them some confidence that there are earnings to be had more than six months down the track.

Programmed Maintenance Services' latest award could set a record in that respect.

Its \$270 **million** appointment to maintain student accommodation at the University of Wollongong is 39 years long.

That means Programmed will be cleaning up after the booze-ups of undergraduates who aren't even born yet.

And perhaps their kids, too.

The Bull anticipates his contracting colleague will still be reporting on Programmed in 2053.

SEGWAY SUCCESS

Congratulations to Programmed boss Chris Sutherland , headhunters Gerard Daniels' Lloyd Smith and The Old Brewery's Greg Farnan for winning this year's segway race around the gardens of Government House for the Walk With Me Perth CEO challenge on Wednesday, the International Day of People with Disability.

The walk was organised by the Centre for Cerebral Palsy and Rocky Bay , and raised \$125,000 for the organisations.

It was part of 20 walks across the country that raised \$400,000 for people living with disability, which means WA again batted above its average. Well done.

With Peter Williams, Sean Smith

and Nick Evans

CO	citic : CITIC Group
IN	i5020017 : Harbor Construction i502 : Heavy Construction iconst : Construction icre : Real Estate/Construction i81502 : Trusts/Funds/Financial Vehicles ifinal : Financial Services iinv : Investing/Securities
NS	cprdcl : Facility Closures c24 : Capacity/Facilities ccat : Corporate/Industrial News
RE	eland : England austr : Australia waustr : Western Australia apacz : Asia Pacific ausnz : Australia/Oceania eecz : European Union Countries eurz : Europe uk : United Kingdom weurz : Western Europe
PUB	West Australian Newspapers Limited
AN	Document TWAU000020141205eac600015