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 HD **Sundance chairman upbeat on funding**
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FALLING **iron ore** prices and a dwindling share price have done little to dent the enthusiasm of Sundance Resources chairman George Jones, who has set a tight timetable for the group's ambitious \$4.5 **billion** fundraising efforts.

Mr Jones, who resumed the chairmanship of Sundance after a plane crash that killed the **company's** board four years ago today, told a meeting of investors organised by stockbrokers Morgans yesterday that he expected to define the terms of its proposed debt raising by Christmas.

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Acknowledging that many in the market viewed Sundance's plans to develop its large but remote Mbalam **iron ore** project — which sits in jungle on the border between Cameroon and the Democratic Republic of Congo — as an "impossible dream", Mr Jones said there had been strong interest from a range of potential financiers and partners.

He pointed to his previous success at **iron ore** miner Portman, where he grew the market capitalisation from \$12 **million** to \$3.2bn, and the success of Andrew Forrest in financing the development of Fortescue Metals Group's Pilbara **iron ore** assets as proof that Sundance's goals were achievable.

"People keep looking at our market capitalisation, which is about \$250m, and they say, 'How on earth can they possibly fund the \$4.5bn total capital cost?'," Mr Jones said. "Well Twiggy (Forrest) did it, \$10bn entirely in debt, and I'm hoping to emulate that with Sundance." Some \$3.5bn of the project's proposed capex cost is tied up in the rail and port infrastructure that will connect Mbalam to the ocean 500km away.

Mr Jones said the **company** already had indicative offers for finance in excess of the \$3.5bn, with Sundance aiming to define that by Christmas.

While **iron ore** prices have fallen to their lowest levels in two years amid a big lift in supply and softening **Chinese** economic growth, Mr Jones said development funds and export credit agencies around the world had shown strong interest in helping to fund the development.

"There's a lot of people whose mandate is to help a lot of these African countries get projects off the ground. We've been swamped with people who want to put money into this project," Mr Jones said.

"We've also had serious interest from export credit agencies." Sundance has appointed Standard Bank to advise it on its funding efforts. If Sundance is unable to fund Mbalam's development entirely through debt, Mr Jones said the **company** would raise **equity** through the **sale** of a small **stake** in the project itself.

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