

PE HUB

HD Denham commits \$130 mln to Australian **mining** operation

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Denham Capital has committed \$130 **million** to a newly formed venture called Auctus Minerals focused on developing **mining** production projects, as well as improving operational **mining** assets throughout Australia. Auctus is led by managing director Stephen Murdoch and based in Perth, Australia.

Press Release

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Denham Capital, a leading resources and **energy**-focused global private **equity firm**, today announced the backing of Auctus Minerals (Auctus) with an initial **equity** commitment of US\$130 **million**. The newly-formed venture will be based in Perth and focus on developing promising projects into production as well as on improving the economics of operational **mining** assets throughout Australia.

Auctus is led by Managing Director Stephen Murdoch, a metallurgical engineer with more than 25 years of experience in Australian resources, construction and manufacturing. As Chief Executive Officer, he recovered, developed and brought into production the \$A3.5 **billion** Karara **Iron Ore** Project for **Chinese/Australian** JV. Prior to that, Murdoch turned around an \$A430 **million acquisition** and integration play by Cape PLC. In addition, he previously served as General Manager of metallurgical **operations** for Mount Isa Mines.

"We're delighted to partner with resources fund heavyweight Denham Capital," said Murdoch. "Our executive team has a highly regarded pedigree in delivering value enhancement outcomes in the Australian resources space. Partnering with Denham, which provides deep entrepreneurial culture and extensive knowledge of the global resources industry, has resulted in the formation of a powerful **mining** endeavor in Australia."

Murdoch is joined on Auctus' management team by two former colleagues who have worked closely with him in the past, Finance Director Paul Sims and Commercial Director Terry O'Connor. Sims is a highly experienced and credentialed resources finance professional with more than 30 years experience in the Australian resources industry. O'Connor is a mechanical engineer with more than 30 years of experience in the Australian and international resources and manufacturing industries.

"Stephen and his team have a long and successful track record of implementing savings to operating and development costs in both base metals as well as bulk minerals," said Bert Koth, Managing Director at Denham Capital and head of the Australasian region based in Perth. "During the **mining** boom, Australia has become a high cost environment with productivity decline. Thus, the key to value creation in Australian **mining** projects today is the ability to achieve cash flow fast and reduce cost rigorously. Partnering with Stephen and his team will allow us to realize that opportunity."

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About Auctus Minerals

Auctus Minerals is a Perth-based **company** focused on developing promising projects into production and improving the economics of operational **mining** assets throughout Australia. It targets opportunistic projects that are either near or development-ready.

About Denham Capital

Denham Capital is a leading **energy** and resources-focused global private **equity firm** with more than \$7.9 **billion** of invested and committed capital across seven fund vehicles and offices in Perth, London, Boston, Houston and São Paulo. The **firm** makes direct investments in the **energy** and resources sectors, including businesses involving **mining**, power generation and **oil** and gas, across the globe and all stages of the corporate lifecycle. Denham's investment professionals apply deep operational and industry experience and work in partnership with management teams to achieve long-term investment objectives. For more information about Denham Capital, visit www.denhamcapital.com.

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