

Roy Hill looks to October launch

■ Nick Evans and Alex Massey

Construction of Gina Rinehart's Roy Hill iron ore mine could begin within four months, in a sign the mining magnate is increasingly confident of securing about \$7 billion in necessary debt funding for the Pilbara project.

In a presentation to a packed hall of would-be contractors and suppliers last night, Mrs Rinehart's engineering and procurement contractor, Samsung C&T, outlined an ambitious construction schedule, with major earthworks on the \$10 billion mine, port and rail project to begin in October.

Roy Hill is yet to secure the debt funding — the \$3 billion equity component is understood to be settled — but the company says it is closing in on agreements with a number of major debt providers, with the next few months critical to the future of the 55 million tonnes a year development.

Roy Hill chief executive Barry Fitzgerald said the company remained in talks with five international export credit agencies, two from Japan and Korea, and one from the US. Roy Hill had also closed expressions of interest for its commercial debt, and had received "strong support" from commercial banks.

"We believe our funding is a matter of when, not if," he said.

About 1700 suppliers and contractors registered for last night's event but about 1950 turned up, flooding the Perth Convention and Exhibition Centre in the hope of securing some of the work on what is shaping as WA's last remaining big-ticket resources development,



Expressions of interest: The event drew 1700 bookings but about 1950 people turned up. Pictures: Ian Munro

which should create thousands of construction jobs. Samsung project director Blake Cannavo said major earthworks would begin by October and concrete would be poured by the end of the year.

Last night's Perth event followed a similar session in Port Hedland on Tuesday night at which contractors and suppliers were told that Roy Hill remained on track to ship first iron ore out of the Pilbara by September 2015. More than 250 turned out for the event at South Hedland's Matt Dann Cultural Centre. It followed a similar briefing in Newman the previous night where 110 people attended.

"It's amazing how many friends I've gained in the past six to 12 months," Mr Fitzgerald quipped in Port Hedland, highlighting how desperate the State's contracting industry was to secure a slice of the Roy Hill work.

Preliminary earthworks have begun and some long lead items have been ordered. The project includes a mine 115km north of Newman and a 344km railway to Port Hedland.



Making friends: Roy Hill chief Barry Fitzgerald at last night's briefing.

Galaxy cites potential funding alternative as it de

■ Nick Sas

Embattled lithium producer Galaxy Resources has delayed its heavily reduced rights issue the day it was due to open, citing the emergence of a potential funding alter-

said it had received a number of "positive approaches" from some of its major shareholders regarding amending the structure of the capital raising.

It is unclear whether the two de-

ed to raise a minimum of \$8 million. Galaxy last traded at 23¢ a share before its extended suspension.

The company said the decision to delay the rights issue and go into talks with its major shareholders

frame on when they were announced to shareholders.

Mr Tan was replaced by d Anthony Tse on Tuesday. Mr understood to be in Hong Ko