

Friday 24 October 2008

## **ADELAIDE-LED GROUP TO UNDERTAKE FEASIBILITY STUDY FOR MAJOR NEW S.A. PORT FACILITY**

A consortium led by Adelaide-based Flinders Ports was today selected by the South Australian Government to undertake a feasibility study for the development and operation one of the State's most significant infrastructure developments – the Port Bonython Bulk Commodities Export Facility.

The successful group, the *Spencer Gulf Port Link Consortium*, comprises Flinders Port Holdings, Leighton Contractors, Macquarie Capital, BIS Industrial Logistics and the Australian Rail Track Corporation (ARTC).

The major new export facility is proposed to be built at Port Bonython, near Whyalla, in SA's Spencer Gulf region, at a cost of around \$400 million.

It will be developed largely to cater for exports from the State's burgeoning resources industry, in particular the host of iron ore projects in the area.

Flinders Ports Chief Executive and Consortium spokesman, Mr Vincent Tremaine, said today the new facility would be built to initially handle in excess of 13 million tonnes of iron ore, but designed to grow in line with mining sector volume growth.

Mr Tremaine said the final design for the project would be dependent on a range of issues, including finalising user agreements with customers, a wide range of approvals, and financing for the project.

However, it was likely to include:

- a three kilometre-long jetty reaching into deep water, with enclosed conveyors and a ship loader.
- the jetty being designed to handle "Cape" size ships carrying up to 180000 tonnes of cargo, and;
- significant rail and storage facilities on land adjacent the jetty precinct.

"This project is one of the most significant infrastructure developments in South Australia's mining history," Mr Tremaine said.

"Importantly, the project is moving ahead in tandem with the ongoing needs of companies that will need such a vital facility to deliver the resources they have identified through the State's booming minerals exploration drive," he said.

"The SA Government is to be commended for fast-tracking decisions to provide such infrastructure support for the mineral discoveries that have largely flowed from the State's excellent PACE exploration incentive/funding scheme."

Mr Tremaine said the *Spencer Gulf Port Link Consortium* partners had been working tirelessly on the new port facility project since the government called for Expressions of Interest in April this year.

"We are well progressed in our design work and costings," he said.

"We can now move onto environmental, cultural and local consultation and planning, and commence detailed discussions with potential customers."

#### **About Spencer Gulf Port Link Consortium**

The Spencer Gulf Port Link Consortium comprises consortium leader, Flinders Port Holdings, Leighton Contractors, Macquarie Capital, BIS Industrial Logistics and ARTC.

#### **About Flinders Ports**

Flinders Ports is one of Australia's pre-eminent port operators, currently operating seven ports in South Australia - Port Adelaide, Port Lincoln, Port Pirie, Klein Point, Port Giles, Thevenard and Wallaroo.

#### **About Macquarie Capital**

The Consortium is being advised by Macquarie Capital Advisers, a member of the Macquarie Group.

Macquarie is a global provider of banking, financial, advisory, investment and funds management services. Founded in 1969, Macquarie operates in more than 60 office locations in 25 countries and employs more than 13,000 people. Assets under management total more than \$A230 billion.

#### **About Leighton Contractors**

Leighton Contractors is one of Australia's leading construction, mining, services and telecommunications groups with over \$9.4 billion work in hand and more than 8,300 employees across Australia and New Zealand.

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