

Mediaportal Report

22/02/2010

▶ **Coup for miner in Chinese backing**

Australian, 22/02/10, Edition Changes - All-round First, Page 24
By: Michael Sainsbury

Clip Ref: **00065082132**

257 words
Type: News Item
Photo: No

FUNDING: Australian miner Galaxy Resources has secured the backing of prestigious stateowned commercial lender China Development Bank for part of a \$130 million loan to back its lithium concentrate and carbonate production plants.

▶ **Coup for miner in Chinese backing**

Australian, 22/02/10, Business News, Page 24
By: Michael Sainsbury

Clip Ref: **00065074049**

301 words
Type: News Item
Photo: No

AUSTRALIAN miner Galaxy Resources has secured the backing of prestigious state-owned commercial lender China Development Bank for part of a \$130 million loan to back its lithium concentrate and carbonate production plants. Official construction of the lithium carbonate plant began near Shanghai yesterday in the Zhangjiagang Free Trade Zone in Jiangsu province, about two hours drive from Shanghai.

19/02/2010

▶ **AAP Finance News in Brief, Friday, February 19**

AAP Newswire, 19/02/10, Business & Finance, Page 0
By: AAP

GALAXY RESOURCES LTD PERTH, Feb 15 AAP - Japan's Mitsubishi Corporation has agreed to buy about 30 per cent of battery-grade lithium carbonate output from Galaxy Resources Ltd's Mt Cattlin mine in Western Australia.

Clip Ref: **00065010946**

1213 words

Type: AAP Newswire

Photo: No

18/02/2010

▶ **Galaxy secures Pacific Basin, Esperance deal**

Lloyds List DCN, 18/02/10, General News, Page 6
By: Rob McKay

THE PORT of Esperance will see more Pacific Basin bulkers call following the signing of a long-term deal with miner Galaxy. The five-year, fixed-price deal will see Galaxy's spodumene concentrate shipped from Western Australia to the port of Zhangjiagang in China's Jiangsu Province.

Clip Ref: **00064903051**

108 words

Type: News Item

Photo: No

11/02/2010

▶ **AAP Finance News in Brief, Thursday, February 11**

AAP Newswire, 11/02/10, Business & Finance, Page 0
By: AAP

IFSA SYDNEY, Feb 8 AAP - Investment and Financial Services Association (IFSA) has appointed managing director of Goldman Sachs JBWere Asset Management Ian Ward-Ambler to its board.

Clip Ref: **00064633461**

1164 words

Type: AAP Newswire

Photo: No

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Coup for miner in Chinese backing

FUNDING: Australian miner Galaxy Resources has secured the backing of prestigious state-owned commercial lender China Development Bank for part of a \$130 million loan to back its lithium concentrate and carbonate production plants.

Official construction of the lithium carbonate plant began near Shanghai yesterday in the Zhangjiagang Free Trade Zone in Jiangsu province, about two hours' drive from Shanghai.

It is a rare move by an Australian miner into processing in China and the miner has also just signed an agreement with Japan's Mitsubishi to sell Chinese-made lithium carbonate.

CDB will supply about 40 per cent of the cash, with Australian bank syndicate lender RZB stumping up 60 per cent.

Galaxy last year also secured investment from Beijing-based investment group Creat, which spent \$29m on becoming a 19.9 per cent shareholder in the company.

The Chinese money will be used to build the on-site plant in Australia that will increase the lithium found in the mineral spodumene, mined by Galaxy, from a natural concentrate of 1 per cent to 6 per cent before it is shipped to China.

CDB's role is to finance China-based projects offshore.

"Progress has already been made on the Jiangsu site with the Zhangjiagang authorities allowing preparatory works to be conducted over the past few months," Galaxy chief Iggy Tan said.

"Detailed design work is being finalised . . . with commissioning and plant start-up targeted for the final quarter of 2010."

Mitsubishi will take 5000 tonnes of the plant's planned 17,000 tonnes production of lithium carbonate, which is used to make batteries, glass, airconditioners and is also used in medicine.

MICHAEL SAINSBURY



Coup for miner in Chinese backing

MICHAEL SAINSBURY
CHINA CORRESPONDENT

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Mitsubishi will take 5000 tonnes of the plant's planned 17,000 tonnes production of lithium carbonate, which is used to make batteries, glass, airconditioners and is also used in medicine.

International demand for it is expected to rise from 100,000 tonnes per year today to 300,000 tonnes in 2020.

Mr Tan said that the Japanese commitment had sent a strong signal to the market about the quality of the material expected to be produced by the plant.

AAP Finance News in Brief, Friday, February 19

GALAXY RESOURCES LTD

PERTH, Feb 15 AAP - Japan's Mitsubishi Corporation has agreed to buy about 30 per cent of battery-grade lithium carbonate output from Galaxy Resources Ltd's Mt Cattlin mine in Western Australia.

Galaxy said in a statement on Monday it was close to finalising similar off-take agreements with other major groups and high-end users of battery grade lithium carbonate in China and other parts of Asia.

The value of the Mitsubishi deal was confidential, a Galaxy spokesman said.

Demand is growing for lithium, which is used in batteries for electric cars.

AAP rlm/pe

IMX RESOURCES LTD

PERTH, Feb 15 AAP - IMX Resources Ltd has converted an existing three-year iron ore sales contact with a Chinese entity into a life-of-mine contract for the first phase of its Cairn Hill project in South Australia.

IMX said on Monday that its August 2008 agreement with Jilin Tonghua Iron & Steel Group (Mining) Co Ltd had been varied, meaning all production from the first phase of the project is now sold.

The iron ore would be sold "at prices related to international traded benchmark prices", IMX said in a statement.

AAP rlm/klm

LEIGHTON HOLDINGS LTD

PERTH, Feb 15 AAP - Leighton Holdings Ltd subsidiary Thiess Pty Ltd has won an \$800 million long-term contract to help expand Wesfarmers Ltd's Curragh coal mine in central Queensland.

Expansion of Curragh is expected to lift metallurgical coal sales from 6.5 to 7.0 million tonnes per annum (Mtpa) currently to between 8Mtpa and 8.5Mtpa from late 2011, subject to market conditions.

Wesfarmers said seaborne metallurgical coal demand was forecast to increase.

AAP rlm/jmc

AUZEX RESOURCES LTD

PERTH, Feb 15 AAP - Mineral exploration minnow Auzex Resources Ltd has formed a joint venture with Central China Goldfields to develop the Bullabulling gold project near Kalgoorlie in Western Australia.

Auzex says London-based Central China Goldfields will pay \$2.5 million to earn half of the project within a two month timeframe.

"Part of these funds will be used to acquire the project assets from Jervois Mining Ltd," Auzex said in a statement on Monday.

If the deal proceeds as planned, Central China Goldfields will wind up with a 12.9 per cent stake in Auzex.

The issue will be subject to shareholder approval at an extraordinary general meeting in Brisbane in late March.

Central China Goldfields will also issue about 14 million of its shares to Auzex, giving the Brisbane-based company a 7.1 per cent stake.

"The intention of the parties is to fast track Bullabulling to bankable feasibility within a 12 to 18 month timeframe at an estimated cost of between \$2 million and \$2.5 million," Auzex chairman John Lawton said.

AAP rlm/klm

BOOM LOGISTICS LTD

PERTH, Feb 15 AAP - Crane hire company Boom Logistics Ltd has completed an \$87 million capital raising after a share offer was significantly oversubscribed.

Applications were received for about \$35 million worth of new shares under a share purchase plan, but was scaled back to \$20 million.

"The resultant reduced debt and strengthened balance sheet position mean that Boom is now well positioned for its upcoming project pipeline and to take advantage of future growth opportunities," chief executive Brenden Mitchell said in a statement on Monday.

AAP rlm/lk

JETSET TRAVELWORLD LTD

SYDNEY, Feb 15 AAP - Jetset Travelworld Ltd has reported a 68 per cent fall in first half profit after the global economic downturn took a toll on travel bookings, particularly for business travellers.

The travel agency franchise group's net profit for the six months ended December 31 was \$4.97 million, down from \$15.30 million in the previous corresponding half.

"Recovery is patchy but there are positive signs of leisure growth, giving me reason for cautious optimism," chief executive Peter Collins said.

Total transaction value (TTV), the price at which travel product and services were sold across its operations, declined by 21 per cent to \$1.05 billion in the half year.

But Jetset said its TTV had shown a small improvement on the second half of the 2008/09 financial year, as growth in the leisure sector offset by a decline in the corporate sector.

Mr Collins said that recovery was largely driven in the leisure sector as a consequence of improved



economic conditions and attractive pricing from suppliers.

Jetset declared an interim dividend of 1.6 cents.

Its shares ended on Monday at \$1.34, down half a cent.

AAP

WESTERN AREAS NL

PERTH, Feb 15 AAP - Nickel miner Western Areas NL has reported a turnaround to profitability for its first-half earnings due to higher production and improved nickel prices.

The result was boosted also by a one-off \$20 million payment for allowing Kagara Ltd to access its project using a decline that leads to Western Areas' Flying Fox mine, south of Marvel Lock in Western Australia.

Western Areas on Monday said it had achieved net profit of \$10.7 million for the six months to December last year, compared to a \$12.3 million net loss for the same period in 2008.

Sales revenue totalled \$85.5 million, up from \$40.7 million previously.

Production was in line with guidance, at 125,049 tonnes processed at a grade of 3.4 per cent nickel, with 90 per cent recovery rates.

Western Areas is expected to announce soon an interim dividend of about three cents per share.

Shares in the miner closed 14 cents, or 3.27 per cent, weaker at \$4.14.

AAP rlm/jmc

SLATER & GORDON LTD

PERTH, Feb 15 AAP - Listed law firm Slater & Gordon Ltd has posted a 12.1 per cent rise in half year earnings and doubled its interim dividend.

Net profit for the six months to December 31 last year was \$9.48 million, compared to \$8.46 million for the previous corresponding period.

Revenue jumped 16.4 per cent to \$58.7 million, from \$50.5 million previously.

Managing director Andrew Grech said in a statement on Monday the increase in revenue was almost entirely due to organic growth, with recent acquisitions contributing less than \$1 million to fee growth.

The company said it had declared an interim dividend of two cents per share fully franked, up from one cent per share for six months to December 2008.

AAP rlm/jmc

MAP GROUP

SYDNEY, Feb 16 AAP - MMap Group has announced the appointment of Arnaud Feist as the new chief executive of its part-owned Brussels Airport.

Mr Feist has been the airport's chief financial officer since 2005.

"He will play a key role in taking forward the airport's future growth plans as well as providing appropriate continuity to the significant progress which has been made over the last year," MMap chief executive Kerrie Mather said in a statement.

MMap holds a 39 per cent stake in the Brussels Airport.

AAP dmc/lk

ASIC JOFFE

SYDNEY, Feb 16 AAP - Two Sydney men, including a former analyst with ratings agency Moody's, have been charged with insider trading over deals in 2006 and 2007, the corporate watchdog says.

The Australian Securities and Investments Commission (ASIC) says Daniel Joffe, 33, a former associate analyst at Moody's Investor Services, is alleged to have passed on information acquired in the course of his duties with Moody's to Nathan Stromer, 31, who then bought shares, warrants and contracts of difference (CFDs).

The pair faced Downing Centre Local Court in Sydney on Tuesday, each facing ten charges bought by ASIC.

Stromer's alleged purchases were made between June 2006 and January 2007, ASIC said in a statement.

They include the purchase of 135,000 CFDs in AWB Ltd in September 2006, 54,200 CFDs in Boral Ltd in October 2006, 417,790 CFDs in Rinker Group Ltd in January 2007 and over one million CFDs and 900,000 call warrants in Sydney Roads Group.

Mr Joffe is charged with procuring each of the alleged offences.

Neither defendant entered a plea to the court and the matter is scheduled to be heard again on June 1.

There have been five people charged with insider trading so far this financial year, ASIC said.

AAP dmc/jmc

FIXED RATES

MELBOURNE, Feb 16 AAP - New home loan borrowers continue to reject fixed interest rate mortgages, with demand dropping to a new record low, according to a survey by Mortgage Choice.

The national mortgage broker said demand for fixed rate mortgages dropped to 0.88 per cent of all new loan approvals in January, from a previous record low of 1.26 per cent in December.

Mortgage Choice said it is the lowest level since its survey began in January 2003, and is down from

4.07 per cent 12 months ago.

Prior to the Reserve Bank of Australia commencing a series of cuts to the official interest rate in 2008, one in three borrowers chose to fix their interest rate, Mortgage Choice's spokeswoman Kristy Sheppard said in a statement on Tuesday.

AAP ahb/klm

NATIONAL HIRE GROUP LTD

SYDNEY, Feb 16 AAP - Equipment hire company National Hire Group Ltd has reported a sharp fall in first half profit but says the decline was within the guidance given at last year's annual general meeting.

National Hire on Tuesday reported that net profit fell to \$2.8 million for the half year to December 31, down from \$15.3 million for the previous corresponding period.

The company said the decline was due mainly to the reduction in the share of profit from equity accounted investments, including Coates Hire, which was down to \$1.9 million from \$12.3 million in the previous corresponding period.

The Coates Hire result was affected by revenues being off by 19 per cent, and losses incurred through the divestment of the Allied business.

Weaker revenues in the Allight Equipment Sales and Support business led to a reduced profit contribution from this division also.

"Although the profit performance of the Coates Hire and Allight businesses was significantly down against the prior corresponding period, both businesses generated strong cash flows during this difficult trading period," said National Hire managing director Andrew Aitken.

AAP jmc

BOND RESULT

SYDNEY, Feb 17 AAP - The Australian Office of Financial Management (AOFM) sold \$500 million in Treasury bonds at tender on Wednesday.

The bonds have a coupon rate of 4.5 per cent.

The total of \$500 million in notes maturing on April 15, 2020, went at an average weighted yield of 5.5952 per cent.

Accepted bids ranged from 5.590 per cent to 5.600 per cent, with 16 per cent of bids at the top of the range allocated.

The coverage ratio - the ratio of bids received to the value of notes offered - was 4.31.

The total value of the 39 bids received was \$2.156 billion.

Sixteen bids were successful, seven of which were allocated in full.

The Reserve Bank of Australia did not take up any of the offer, the AOFM said.

Settlement date of the bonds is Monday, February 22.

AAP krc/lk

MINCOR RESOURCES NL

PERTH, Feb 17 AAP - Nickel miner Mincor Resources NL has reported a turnaround in its interim results due to an improvement in the price for the metal.

The company achieved net profit of \$14.2 million for the six months to December last year, compared to a \$22.7 million loss for the previous corresponding period when nickel prices slumped.

Mincor has increased its interim dividend to three cents per share, fully franked, from two cents per share for the same period in 2008.

This compares to six cents per share fully franked for the half year to December 31, 2007 when the market was buoyant.

Mincor's production for the recent half year was 5,611 tonnes of nickel-in-concentrate, down from 8,976 tonnes of nickel-in-concentrate previously.

Shares in Mincor closed nine cents, or 6.19 per cent, higher at \$1.545.

AAP rlm/lk

LITTLE WORID BEVERAGES LTD

SYDNEY, Feb 17 AAP - Little World Beverages Ltd, the owner of Little Creatures Brewing and White Rabbit Brewery, has flagged an almost 50 per cent increase in first half net profit.

The company says in a brief statement to the stock exchange the board expects a net profit of about \$3.4 million for the first half.

"Which is 48 per cent higher than the profit after tax achieved in the corresponding period in 2008," Little World Beverages said on Wednesday.

AAP lk

SOUTHERN URANIUM LTD

MELBOURNE, Feb 17 AAP - Explorer Southern Uranium Ltd says it has identified substantial iron ore potential at its Jungle Dam prospect in South Australia.

Shares in the uranium, copper and gold focused company jumped sharply after the announcement that it



had reassessed prior drilling undertaken at the prospect on the Eyre Peninsula of SA.

Jungle Dam was drilled by the metals division of Shell in 1985 and Acacia Resources Ltd in 1996.

Southern Uranium did its own targeted drilling at the site in 2008 and 2009.

"Of a total of nine Acacia and Southern Uranium holes with complete assays and considered to be proximal to modelled magnetic bodies, six achieved iron intersections of significant width and grades of more than 30 per cent Fe (iron)," the company said.

"The potential for substantial thicknesses of iron mineralisation is indicated by broad or adjacent intersections at the original Jungle Dam prospect," it said.

It said the type of drilling undertaken by Shell was largely ineffective in penetrating to the find.

Shares in Southern Uranium were up 1.1 cents, or 13.75 per cent, to 9.1 cents.

AAP xlc/lk

MONARCH GOLD

PERTH, Feb 17 AAP - Stirling Resources Ltd is pressing ahead with a re-listing the collapsed gold miner Monarch Gold Mining Company Ltd despite delays to a recapitalisation plan.

Stirling Resources managing director is Perth-based mining identity Michael Kiernan, who chaired Monarch until its demise in July 2008.

This followed the closure of Monarch's loss-making Davyhurst mine in Western Australia's Goldfields region.

"Completion of the recapitalisation deed did not occur on Friday 5 February 2010 as previously expected," Monarch's administrators, Perth's Pitcher Partners, said in a statement on Wednesday.

"Stirling has advised ... that it still intends to re-list Monarch as Swan Gold Mining as soon as practicable after completion."

Under the recapitalisation plan, Stirling pledged to pay back \$55 million to creditors including iron ore miner Territory Resources Ltd and restart gold mining.

AAP rlm/jmc

ANZ

MELBOURNE, Feb 18 AAP - ANZ Banking Group Ltd has appointed acting chief economist for Australia Warren Hogan to the post on a permanent basis.

Mr Hogan joined ANZ in 2005 and has been acting in the role since Saul Eslake departed the bank to join the Grattan Institute, a think tank, last August.

Mr Hogan will report to acting managing director of global markets, Rob O'Callaghan, ANZ said in a statement on Thursday.

AAP ahb/lk

IMPORTS

SYDNEY, Feb 18 AAP - Merchandise imports into Australia fell by \$741 million in January 2010, or by four per cent, to \$16.703 billion, seasonally adjusted, according to figures released on Thursday by the Australian Bureau of Statistics (ABS).

Unadjusted, merchandise imports fell by 13 per cent, or \$2.244 billion, to \$15.387 billion, from a downwardly revised \$17.631 billion in December, the ABS said.

Imports of mineral fuels, lubricants and related materials fell to \$2.011 billion in January from \$2.694 billion a month earlier, while imports of machinery and transport equipment fell to \$5.792 billion, from \$7.005 billion.

AAP el/lk

NOTE RESULT

SYDNEY, Feb 18 AAP - The Australian Office of Financial Management (AOFM) sold \$900 million in short-dated Treasury notes at tender on Thursday.

The notes were sold in two tranches.

The first tranche of \$600 million in notes, maturing on May 7, 2010, were brought an average weighted issue yield of 3.8399 per cent.

Accepted bids ranged from 3.780 per cent to 3.880 per cent, with 98 per cent of bids at the top of the range allocated.

The coverage ratio - the ratio of bids received to the value of notes offered - was 4.62.

The total value of the bids received was \$2.771 billion.

Of the 25 bids, 12 bids were successful, 11 of them allocated in full.

The second tranche of notes, \$300 million maturing on June 11, 2010, brought an average weighted issue yield of 3.9030 per cent.

Accepted bids ranged from 3.860 per cent to 3.950 per cent, with 50 per cent of bids at the top of the range allocated.

The coverage ratio was 4.80.

The total value of bids received was \$1.440 billion.

Of 15 bids, seven were successful, five of them allocated in full.

The Reserve Bank of Australia took up none of the offers, the AOFM said.

Settlement date is Friday, February 19.

AAP el/jmc

NUPOWER RESOURCES LTD

PERTH, Feb 18 AAP - A large volume of shares in NuPower Resources Ltd changed hands after the junior explorer announced a uranium and gold discovery at its Eva prospect in the Northern Territory.

NuPower shares closed 1.8 cents, or 24.32 per cent, higher at 9.2 cents after 226.5 million shares were traded, making it the second most active stock by volume on Thursday.

New exploration results from the prospect include an intercept grading 13,800 parts per million uranium oxide and 8.53 grams per tonne gold.

AAP rlm/jmc

HERITAGE BUILDING SOCIETY

PERTH, Feb 18 AAP - Heritage Building Society has reported a sharp rise in first half pre-tax profit and says its outlook remains positive.

Australia's largest building society on Thursday reported a pre-tax profit of \$22.89 million for the six months to December 31, up 50.6 per cent on the previous corresponding period.

The Toowoomba, Queensland-based society said it had increased its level of retail funding by \$111.5 million during the first half of 2009/10.

"Heritage ... has worked hard to establish new funding sources to supplement its strong retail funding mix," chairman Brian Carter said in a statement.

Mr Carter said the company continued to look at new opportunities to improve its funding diversity.

Loan arrears greater than 30 days represented only 0.21 per cent of Heritage's total mortgage portfolio as at December 31, chief executive John Minz said.

AAP rlm/jmc

CELL AQUACULTURE LTD

MELBOURNE, Feb 19 AAP - Cell Aquaculture Ltd says Dutch-based private equity fund Linnaeus Capital Partners has invested \$2.4 million in the company, acquiring 25 million shares at 9.6 cents per share.

Cell Aquaculture said the trading range of its shares was about 13 to 14 cents at the time of offer.

Cell Aquaculture said Linnaeus planned to develop a global presence in aquaculture.

"This is the first stage of a planned long-term funding and investment strategy in Cell Aquaculture, with the shares subject to a voluntary 12-month escrow period," Cell Aquaculture said.

Linnaeus will meet with Cell Aquaculture in Malaysia and Australia in coming weeks to review the company's growth plans and develop a further funding and investment strategy.

Talks will also cover European expansion opportunities.

Shares in Cell Aquaculture were steady at 19 cents on Friday.

AAP tsc/klm

BOND RESULT

SYDNEY, Feb 19 AAP - The Australian Office of Financial Management (AOFM) sold \$1.25 billion in Treasury bonds at tender on Friday.

The November 15, 2012, Treasury bonds were priced at a weighted average issue yield of 4.8552 per cent.

The bonds have a coupon of 4.75 per cent.

The Reserve Bank of Australia took \$50 million of the offer, the AOFM said on Friday, with \$1.2 billion offered to the public.

Accepted bids ranged from 4.830 per cent to 4.865 per cent.

Some 81 per cent of bids at the top of the range were allocated.

The total value of the 57 bids received was \$4.490 billion. There were 28 successful bids, of which 24 were allocated in full.

The coverage ratio - the ratio of bids received to the value of bonds offered - was 3.74.

The settlement date was Wednesday, February 24.

AAP jtc

AUSTAL LTD

SYDNEY, Feb 19 AAP - Austal Ltd's first half profit declined 8.5 per cent as the ship builder's sales were hit by a decline in orders amid the global financial crisis.

Net profit for the six months to December 31 fell to \$15.50 million, from \$16.94 million in the prior corresponding period, Perth-based Austal said in a statement on Friday.

Revenue fell 25.5 per cent to \$219.2 million.

"Although sales at our Australian operations slowed, we currently have a number of near-term opportunities well suited to our Australian facilities," chief executive Bob Browning said in the statement.

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"Meanwhile, Austal is well positioned to capitalise on major US Defence programs following the completion of Phase One of a new modular manufacturing facility at our US facility."

Austal said work in hand currently stood at \$968.4 million, after the US Department of Defence added two joint high-speed vessels to its order in January.

The company is also the designer and builder within one of two competing consortiums for the US Navy's Littoral Combat Ship program, which is for two vessels with the option to build a further eight.

AAP dlm/pe
LEND LEASE

SYDNEY, Feb 19 AAP - Lend Lease Group says it is in discussions with its credit ratings agencies following recent acquisitions and project wins and exploring options for funding projects.

"We expect the ratings agencies review to be completed in the next month," Lend Lease said in a statement to the stock exchange on Friday.

"There are a number of options available to Lend Lease currently under consideration to fund its pipeline of projects including proceeds from asset sales, third-party capital, debt, cash or new equity."

Lend Lease said it was continuing to explore these options and would keep the market informed of any material developments.

AAP lk
RICHMOND MINING LTD

PERTH, Feb 19 AAP - Mineral exploration minnow Richmond Mining Ltd has entered into an option agreement to buy the Buena Vista magnetite iron ore project in Nevada, United States.

The consideration for full ownership of the project and 80 per cent of the next profits interest (NPI) is \$US6 million (\$A6.74 million), half of which can be satisfied through the issue of Richmond shares.

The remaining NPI can be acquired for \$US2 million (\$A2.25 million) cash or \$US1 million (\$A1.12 million) in cash and a gross revenue royalty of 1.5 per cent.

Shares in Richmond were untraded on Friday, closing at 15.5 cents.
AAP rlm

FORTESCUE DIRECTOR

PERTH, Feb 19 AAP - Iron ore miner Fortescue Metals Group Ltd has appointed Mark Barnaba to its board as a non-executive director.

As executive chairman of Azure Capital, Mr Barnaba provided strategic corporate and financial advice to many of Australia's top companies, Fortescue said in a statement on Friday.

Fortescue chairman Herb Elliott said Mr Barnaba would strongly complement the miner's board.

Mr Barnaba is deputy chairman of West Australian utility Western Power.

AAP rlm//



Galaxy secures Pacific Basin, Esperance deal

Rob McKay

THE PORT of Esperance will see more Pacific Basin bulkers call following the signing of a long-term deal with miner Galaxy.

The five-year, fixed-price deal will see Galaxy's spodumene concentrate shipped from Western Australia to the port of Zhangjiagang in China's Jiangsu Province.

Galaxy Resources managing director Iggy Tan said the contract delivered both cost efficiencies and long-term security for Galaxy customers and shareholders.

"We are very pleased to fix an important variable component of our costs for the next five years," Mr Tan said.

"The ocean freight rates agreed with Pacific Basin are attractive and below our definitive feasibility study expectations."

The rate value was not revealed.

AAP Finance News in Brief, Thursday, February 11

IFSA

SYDNEY, Feb 8 AAP - Investment and Financial Services Association (IFSA) has appointed managing director of Goldman Sachs JBWere Asset Management Ian Ward-Ambler to its board.

Mr Ward-Ambler replaces Anne O'Donnell, former managing Director of Australian Ethical Investment Ltd, who has resigned.

IFSA chief executive John Brogden welcomed Mr Ward-Ambler's appointment and thanked Ms O'Donnell for her service on the board.

AAP lxs/klm

WESTERN AREAS NL

MELBOURNE, Feb 8 AAP - Nickel producer Western Areas NL is tipping a turnaround in fortunes in its first half, after making a loss in the corresponding period a year earlier.

The Perth-based company expects a net profit of \$10.7 million in six months to December 31, compared to a loss of \$12.3 million in the same period in 2008.

The before tax profit for the period is likely to be \$16.9 million compared to a loss of \$16.3 million a year earlier.

Production during in the period is expected to be up nearly 38 per cent at 5,874 tonnes of concentrate.

In a statement, Western Areas said its December 2009 interim earnings were up due to increased sales at a better price, and access fees collected.

Gross revenue will likely be \$107.3 million, up from \$44.4 million in the same period of 2008.

Last week the company said its production for calendar 2009 was up on the previous year.

Western Areas said its dividend policy remained as 50 per cent of net profit.

AAP xlc/lk

DORAY MINERALS LTD

PERTH, Feb 8 AAP - Gold explorer Doray Minerals Ltd made a negative debut on the Australian stock exchange, closing down 0.5 cents from its debut price.

Shares in Doray Minerals closed at 19.5 cents, down from its opening price of 20 cents per share after 255,000 shares changed hands.

The company had raised \$4.65 million through its initial public offer of 23.28 million shares at 20 cents each.

Doray said in a statement on Monday it would use the proceeds of the offer for continued exploration of its tenements in Western Australia's Murchison region and Central Gawler area of South Australia.

AAP rlm/klm/jmc

WESTFIELD

SYDNEY, Feb 8 AAP - US Banking giant JP Morgan will take up half of an office tower Westfield Group is building at 85 Castlereagh St in Sydney.

JP Morgan will occupy 16,700 square metres of the 25-storey 32,800 square metre office tower, which is a part of the Westfield Sydney City project, centred around Sydney Tower.

"We're delighted that JP Morgan, one of the world's leading banks, is establishing its Australian headquarters at our Sydney City project," Westfield managing director Steven Lowy said in a statement on Monday.

"Their presence will add significant prestige to what will already be a world-class destination."

JP Morgan's building will be one of three office blocks in the development.

"This is an exciting development in our firm's local history which reflects our aggressive growth strategy for the future, the momentum in the franchise and the strength of our brand and client relationships," JP Morgan chief executive for Australia and New Zealand Rob Priestly said.

The Australian Securities and Investments Commission will anchor one of the other office buildings.

The completed development, which will cost \$1.2 billion, will have 171,000 square metres of lettable area for retail, tourism and commercial use.

AAP dlm/lk

AUROX RESOURCES LTD

PERTH, Feb 8 AAP - China's MCC Overseas Ltd has struck a deal with Aurox Resources Ltd that promises to shave \$233 million from the junior explorer's Balla Balla project development costs.

Aurox has signed a binding agreement with MCC for the provision of engineering, procurement and construction (EPC) services, and financing assistance for the first two phases of the \$2 billion iron ore, vanadium and titanium project in Western Australia.

MCC, China's leading mining engineering services provider, has provided Aurox with a proposal that could have the project developed for \$1.76 billion.

Under the deal, MCC must procure finance to be eligible to provide the EPC services.

Aurox said in a statement on Monday that a Chinese banking institution had provided it with a "formal

indication of interest".

"Aurox has already begun a process to secure equity financing for the development of the Balla Balla project," Aurox said.

MCC has acquired stakes in CITIC Pacific's massive Sino Iron project in WA and most recently Clive Palmer's Resourcehouse, which is developing the multi-billion-dollar China First project in Queensland. Shares in Aurox closed 1.5 cents, or 4.62 per cent, weaker at 31 cents.

AAP rlm/jmc

BORAL LTD

SYDNEY, Feb 8 AAP - Building products maker Boral Ltd has appointed senior Adelaide Brighton Ltd executive Andrew Poulter as chief financial officer.

Mr Poulter will finalise Adelaide Brighton's financial report for the year to December 31 before joining Boral on May 1.

He replaces Ken Barton, who is to become Crown Ltd's chief financial officer in March.

Adelaide Brighton general manager of strategy and business development Michael Kelly will replace Mr Poulter.

Mr Poulter joined cement and lime supplier Adelaide Brighton in 2003 and prior to that held senior financial roles with other construction companies including Lafarge and Blue Circle Cement in the United Kingdom.

Boral chief executive Mark Selway thanked Mr Barton for his contribution over the past nine years, and welcomed Mr Poulter.

"Andrew is an accomplished CFO with considerable knowledge and experience in the sectors in which Boral operates," Mr Selway said in a statement.

"He is known to the financial market and has an industry skill set to help me develop the future road map for Boral."

AAP dmc/jmc

WESFARMERS LTD

PERTH, Feb 8 AAP - Wesfarmers Ltd has established a management committee to ensure co-ordination between retail divisions Kmart and Target on strategic issues and other matters.

The diversified conglomerate said in a statement on Monday the committee would be chaired by Target managing director Launa Inman and included Kmart managing director Guy Russo and Wesfarmers finance director Terry Bowen.

Wesfarmers also announced the appointment of commercial lawyer Paul Meadows as group general counsel as part of an organisational restructure.

The restructure will have Mr Bowen take responsibility for industrial divisions CSBP, Wesfarmers Energy, and Wesfarmers Industrial and Safety.

Wesfarmers non-executive director Patricia Cross has resigned from the board following the appointment of Mr Meadows, who is her spouse, effective from the end of March.

A replacement for Mrs Cross will be announced soon.

AAP rlm/jmc

CLOUGH LTD

SYDNEY, Feb 9 AAP - Engineering and construction company Clough Ltd has formed a joint venture with subsea intervention and construction contractor Helix Energy Solutions Group.

Clough says its partnership with the Houston-based company will provide a range of subsea services to offshore operators in the Asia Pacific region.

"Services provided by the Clough Helix JV will include subsea well intervention and well abandonment, light construction work, saturation and air diving and subsea inspection, repair and maintenance services," Clough said in a statement to the Australian stock exchange on Tuesday.

No figures were given but Clough said the establishment of the Clough Helix Joint Venture would not have a material impact on earnings for the current financial year.

AAP lk

BECTON PROPERTY GROUP LTD

SYDNEY, Feb 9 AAP - Becton Property Group Ltd expects to report another loss for the first half of its financial year.

Becton on Tuesday predicted a net loss in a range of \$17 million to \$20 million for the half year ended December 31, after writedowns.

While still a loss, it would be an improvement on the \$63.4 million net loss reported in the previous corresponding half year.

Becton also said its 2009/10 net operating profit was likely to be between \$2 million and \$5 million.

Becton will release its first half results on February 26.

AAP

CHALLENGER DIVERSIFIED PROPERTY GROUP

SYDNEY, Feb 9 AAP - Challenger Diversified Property Group has posted a first half net loss of \$13.7

 back

million after property writedowns and revaluations.

But the group, which has interests in office, industrial and retail properties, says it has strengthened its balance sheet and is poised for growth.

Challenger's loss for the six months to December 31 was less than the \$58.58 million loss attributable to members it recorded in the first half of 2008/09.

The group's first half 2009/10 operating profit, which excludes gains or losses on some revaluations, was up 23 per cent, mainly due to lower financing costs.

In a presentation posted with the stock exchange on Tuesday, Challenger said it would explore growth opportunities in acquisitions, in its development pipeline and in recycling to enhance returns from existing portfolio.

The group will continue to focus on property asset management and proactive leasing, it said.

Challenger confirmed a first half distribution of 2.05 cents per unit.

Earnings guidance for the full financial year was reaffirmed at 5.2 cents per unit and 4.2 cents per unit distribution.

AAP lk

GE CAPITAL

MELBOURNE, Feb 9 AAP - GE Capital has appointed Skander Malcolm as chief executive for Australia and New Zealand to replace Steve Sargent who has been promoted to chief of Asia Pacific operations.

Mr Malcolm is GE Australia and New Zealand managing director of retailer solutions in charge of providing finance to retail partners including Harvey Norman, Coles Group and Myer Holdings Ltd.

He has over 18 years of experience in the financial services industry including seven years with GE, the company said in a statement on Tuesday.

Mr Sargent's promotion was announced last November and he will retain his role as head of all of GE operations in Australasia.

Mr Malcolm will report to Mr Sargent.

Mr Sargent said on Tuesday that Mr Malcolm would lead GE Capital's growth plans to provide formidable competition to local banks.

"In a very challenging 2008 and 2009, he led our retailer solutions team to double-digit growth, despite difficult market conditions," Mr Sargent said.

Mr Malcolm joined GE in 2003 and had been in his current role since 2007.

His previous roles were with Household International in the US and UK, and Westpac Banking Corporation.

AAP ahb/jmc

FPA

MELBOURNE, Feb 10 AAP - Chief executive of the Financial Planning Association of Australia (FPA) Jo-Anne Bloch has resigned.

The financial planning industry's lobby group said Ms Bloch would leave her post at Easter to take up another senior position in the financial services sector.

FPA chair Julie Berry said Ms Bloch had led the organisation through one of its most difficult and significant periods of change that included a transition away from commission-based advice for financial planners.

The FPA board has started to search for Ms Bloch's replacement.

AAP ahb/lk

WOODSIDE PETROLEUM LTD

PERTH, Feb 10 AAP - Woodside Petroleum Ltd has awarded key design contracts for its \$30 billion Browse liquefied natural gas (LNG) project in Western Australia's Kimberley region.

The contracts come a day after the project's joint venture partners BHP Billiton Ltd, BP, Chevron, Shell and Japan Australia LNG agreed upon James Price Point, 60km north of Broome, as the site for an LNG processing hub.

Dual contracts for the basis of design have been awarded to Bechtel Oil, Gas and Chemical Inc, Bechtel Australia Pty Ltd and Kellogg Brown & Root Pty Ltd for the onshore component, Woodside said in a statement.

Contracts for the offshore components have been awarded to a joint venture comprising Queensland-based WorleyParsons Services Pty Ltd and Select Granherne for the facilities scope, and to JP Kenny Pty Ltd for the subsea and pipelines scope.

The basis of design phase will be followed by front end engineering and design in 2011, and a final investment decision in mid-2012.

AAP rlm/klm

BOND RESULT

SYDNEY, Feb 10 AAP - The Australian Office of Financial Management (AOFM) sold \$500 million in Treasury bonds at tender on Wednesday.

The bonds have a coupon rate of 5.75 per cent.



The total of \$500 million in notes maturing on May 15, 2021, went at an average weighted yield of 5.5744 per cent.

Accepted bids ranged from 5.570 per cent to 5.575 per cent, with 88 per cent of bids at the top of the range allocated.

The coverage ratio - the ratio of bids received to the value of notes offered - was 3.79.

The total value of the 46 bids received was \$1.893 billion. Seven bids were successful, two of which were allocated in full.

The Reserve Bank of Australia did not take up any of the offer, the AOFM said.

Settlement date of the bonds is Monday, February 15.

AAP el/pe

TOWER AUSTRALIA GROUP LTD

MELBOURNE, Feb 10 AAP - Tower Australia Group Ltd said it is eyeing merger and acquisition opportunities but will only buy assets at the right price.

Chairman Rob Thomas told shareholders that Tower, Australia's fourth largest life insurer, will "take a careful and close look at all merger and acquisition opportunities" in the sector.

"But we are not prepared to buy assets that do not deliver strategic and valuable returns to shareholders," he said on Wednesday at the company's annual meeting in Sydney.

Mr Thomas said Tower almost stands alone in a market where most of its competitors' life insurance units are treated as secondary businesses to their wealth management operations.

AAP ahb/lk

AXA ACCC

SYDNEY, Feb 10 AAP - The competition watchdog hopes to make decisions next month on two separate takeover offers for AXA Asia Pacific Holdings Ltd but wants more information on competition issues first.

The Australian Competition and Consumer Commission (ACCC) on Wednesday issued a statement of issues on the separate proposals by AMP Ltd and National Australia Bank Ltd for AXA Asia Pacific Holdings.

"The statement of issues seeks further information on certain competition issues identified with respect to each of the proposals which have arisen from the ACCC's market inquiries," the ACCC said in a statement.

Under both AMP and NAB's bids, AXA SA would acquire AXA APH's Asian assets, while the partner in the takeover would take the Australian and New Zealand businesses.

The ACCC invites further submissions to the Statement of Issues by 26 February and hopes to make final decisions on both proposed acquisitions by 17 March.

The ACCC said a final decision on NAB's proposed acquisition of AXA may take longer than its decision on AMP's proposed acquisition of AXA because it was made later.

AAP lk

EASTERN CORPORATION LTD

PERTH, Feb 10 AAP - Eastern Corporation Ltd has moved to mop up the shares in Galilee Energy Ltd that it does not already own to bring the companies' Queensland coal seam gas assets under one management team.

Galilee is unlisted and is 68 per cent owned by Eastern.

Eastern has offered one of its shares for every nine Galilee shares held, which values Galilee at 3.1 cents per share based on Eastern's closing share price of 27.5 cents on Tuesday.

Shares in Eastern closed 1.5 cents, or 5.45 per cent, higher at 29 cents on Wednesday.

"The offer to acquire the remaining shares of Galilee is in line with Eastern's desire to simplify the ownership structure of its coal seam gas assets in Australia," Eastern said in a statement on Wednesday.

"It will effectively merge Eastern and Galilee and result in a single board and management team."

Galilee's assets include an equal joint venture with AGL Energy Ltd near Longreach in Central Queensland.

AAP rlm/jmc

BUNNINGS WAREHOUSE PROPERTY TRUST

SYDNEY, Feb 10 AAP - Bunnings Warehouse Property Trust (BWP) has reported an 11 per cent increase in first half income to \$39 million and says it has the debt capacity to fund growth.

The trust, which focuses on bulky goods retailing properties, in particular Bunnings Warehouses, said on Wednesday the increase for the six months to December 31 was due mainly to rent reviews and growth of the property portfolio during the period compared with the first half of 2008.

Distributable profit of \$25.3 million for the six months was up 23.4 per cent on the previous corresponding period.

However, the distribution of 6.1 cents per ordinary unit was down nine per cent on the previous corresponding period due to the increase in the number of issued units.

AAP jmc



Foster's Group Ltd
MELBOURNE, Feb 11 AAP - Global beverages firm Foster's Group Ltd and Grupo Modelo, brewer of Mexico's export beer Corona Extra, have extended an exclusive licence for Foster's to sell and market Corona Extra in Australia.
Foster's said Corona Extra was Australia's number one premium imported beer and the seventh largest beer brand by value in the Australian market.

AAP tsc/lk
NOTE RESULT

SYDNEY, Feb 11 AAP - The Australian Office of Financial Management (AOFM) sold \$900 million in short-dated Treasury notes at tender on Thursday.

The notes were sold in two tranches.

The first tranche of \$600 million in notes, maturing on May 7, 2010, brought an average weighted issue yield of 3.7949 per cent.

Accepted bids ranged from 3.750 per cent to 3.860 per cent, with 17 per cent of bids at the top of the range allocated.

The coverage ratio - the ratio of bids received to the value of notes offered - was 4.81.

The total value of the 19 bids received was \$2.888 billion.

Of 19 bids received, eight bids were successful, seven of them allocated in full.

The second tranche of notes, \$300 million maturing on June 11, 2010, brought an average weighted issue yield of 3.8197 per cent.

Accepted bids ranged from 3.790 per cent to 3.900 per cent, with 40 per cent of bids at the top of the range allocated.

The coverage ratio was 5.80.

The total value of bids received was \$1.740 billion.

Of 19 bids, six were successful, five of them allocated in full.

The Reserve Bank of Australia took up none of the offers, the AOFM said.

Settlement date is Friday, February 12.

AAP el/pe

STUART PETROLEUM LTD

SYDNEY, Feb 11 AAP - The Australian government has approved the sale by Stuart Petroleum Ltd of its 50 per cent interest in a Timor Sea exploration permit to PTTEP Australasia.

The sale, which will deliver \$10 million in net proceeds, was approved by the Foreign Investment Review Board, Stuart Petroleum said in a statement on Thursday.

The company will have about \$3 million cash in the bank after the sale is settled.

PTTEP Australasia is part of the Thailand-based oil firm PTT.

AAP

DECMIL GROUP LTD

PERTH, Feb 11 AAP - Design, civil engineering and construction firm Decmil Group Ltd has reported half year net profit of \$9 million, up from \$540,000 in the previous corresponding period.

Revenues for the six months to December 31 rose by 20 per cent to \$149.2 million, largely on the back of contract wins and extensions.

"The company continued to experience strong levels of business activity in its core areas of business - accommodation villages, civil works and non-process infrastructure - and this is expected to continue," Decmil said.

It expects second-half revenues and earnings will be similar to those of the first half.

AAP rlm/jmc

FORTESCUE METALS GROUP LTD

PERTH, Feb 11 AAP - One of Fortescue Metals Group Ltd's founding directors and key spokesmen, Graeme Rowley, has stepped down from the iron ore miner's management team.

Mr Rowley will retire as an executive director from March 2 but will continue as a non-executive director.

"Mr Rowley, who along with Mr Andrew Forrest is Fortescue's longest-serving executive, has been instrumental in guiding the creation of the company from an idea in 2003 to what is now an entity capitalised at over \$14 billion," the company said in a statement on Thursday.

AAP rlm/jmc

PLATINUM CAPITAL LTD

SYDNEY, Feb 25 AAP - Platinum Capital Ltd, the equity fund managed by Platinum Asset Management Ltd, has more than doubled first half profit as global equities recovered during 2009.

Net profit rose to \$16.09 million for the six months to December 31, up 116 per cent from \$7.84 million in the prior corresponding period, Sydney-based Platinum said in a statement after the share market closed on Thursday.

Investment income rose 48 per cent to \$24.63 million.

Platinum said a more appropriate measure of its results was the change in net asset value.

The fund said in a statement on February 5 that its net asset value after tax was \$1.365 per share, equivalent to a 13.8 per cent appreciation over the preceding 12 months. That compared to the 0.76 per cent appreciation in the Morgan Stanley Capital International index over the same period.

Platinum Capital declared a first half dividend of five cents a share, the same as a year earlier.

Shares in Platinum Capital slipped one cent to close at \$1.555 on Thursday.

AAP dlm/jmc

GALAXY RESOURCES LTD

PERTH, Feb 11 AAP - Shares in lithium miner Galaxy Resources Ltd rose after it achieved final key milestones for the development of its lithium carbonate plant in China's Jiangsu Province.

Galaxy shares were up 11 cents, or 9.73 per cent, at \$1.24 at 1324 AEDT.

The Perth-based company said in a statement on Thursday the plant had been given the green light by the Jiangsu Province Administration Bureau for Industry and Commerce.

Galaxy managing director Iggy Tan said the plant would be commissioned during the fourth quarter of 2010.

Construction will begin in April, he said.

Galaxy officially opened its Mt Cattlin mine near Ravensthorpe in Western Australia's south in November last year.

AAP rlm/klm

SUNLAND GROUP LTD

PERTH, Feb 11 AAP - Property developer Sunland Group Ltd has rejected a media report that it misled the Australian Securities Exchange (ASX) on three separate occasions.

A Fairfax report on Wednesday claimed Sunland had misled the ASX three times by stating that it and its senior executive had never been investigated in connection with the fraud prosecution of two Australians in Dubai.

"At no stage have the accused, Mr Matt Joyce or Marcus Lee, been employed by Sunland, either in Australia or overseas," Sunland said in a statement on Thursday.

Sunland has vowed to take legal action against the media group "to defend its position and protect its reputation".

"Sunland also confirms that it has commenced legal proceedings in Australia against Mr Joyce, Mr Angus Reed, Prudentia, Hanley Investment for (amongst other things) misleading and deceptive conduct," it said.

AAP rlm/jmc/de

MOUNT GIBSON IRON LTD

PERTH, Feb 11 AAP - Mount Gibson Iron Ltd shares rose after the miner revealed a sharp jump in first half net profit due to the recovery of the Chinese iron ore market.

Shares in Mount Gibson closed 13 cents, or 9.29 per cent, higher at \$1.53.

Net profit for the six months to December was \$39.4 million, up from \$13.3 million for the same period in 2008.

"The corresponding period last (financial) year was one of the most difficult for Mount Gibson with the company impacted by a number of factors beyond our control," managing director Luke Tonkin said.

"This included the failure of some customers to honour their long-term iron ore agreements, the severe downturn in commodity demand and the resulting financial crisis."

AAP rlm/jmc