



**24 March 2017**

### **BBIG signs MOU with Balla Balla Project Construction Partner**

#### **HIGHLIGHTS**

- BBI Group Pty Ltd (BBIG) signs a Memorandum of Understanding (MOU) with China State Construction Engineering Corporation Limited for the construction of the Balla Balla Infrastructure project (BBI Project).
- MOU signed in a ceremony attended by Australian Prime Minister Malcolm Turnbull and Chinese Premier Li Keqiang.
- CSCEC is one of the world's largest construction companies and one of the biggest companies in China.
- The cost to build the BBI Project and a foundation customer mine is expected to be approximately A\$6 billion.
- The project and the foundation customer mine are anticipated to require approximately 3,300-strong workforce during construction and will generate 900 permanent jobs once operations commence.
- MOU outlines the use of Pilbara experienced subcontractors for all on the ground delivery.
- The MOU confirms BBIG's commitments to maximising opportunities for local and regional businesses and employees.

BBI Group Pty Ltd (BBIG) is pleased to announce it has signed a Memorandum of Understanding (MOU) to partner with China State Construction Engineering Corporation Limited (CSCEC) for the construction of the BBI Project.

The MOU was signed between BBIG and CSCEC today in a ceremony in Canberra, Australia, attended by the Australian Prime Minister Malcolm Turnbull and the Chinese Premier Li Keqiang.

CSCEC is one of the world's largest construction companies and one of the biggest companies in China. It has world class capabilities in the delivery of large scale projects, including port and rail infrastructure, and operates in 20 countries globally.

A key principle of the MOU is that BBIG and CSCEC will work together to ensure that the delivery of the on the ground project services will be undertaken by suitably qualified, Pilbara experienced contractors in accordance with local industry and other stakeholder participation requirements. The MOU confirms BBIG's commitment to maximising opportunities for local and regional businesses and employees.

The cost to build the BBI Project and a foundation customer mine in the Pilbara region of Western Australia is expected to be approximately A\$6 billion. The Project and the foundation customer mine are anticipated to require a 3,300-strong workforce during construction and will generate 900 permanent jobs once operations commence.



The MOU signing follows the provision of formal support for the project from the Western Australian Government with the signing of a State Agreement for the Project Railway in January 2017.

BBIG has secured iron ore resources in the Central Pilbara region capable of utilising the project infrastructure. BBIG is currently engaged with a number of potential Chinese iron ore offtake customers.

BBIG Chair Jon Young said the partnership between BBIG and CSCEC represents another significant milestone for the BBI Project and a step towards BBIG reaching a final investment decision and a start on construction in 2018:

*“To have signed such an important MOU for our project in the presence of the Australian Prime Minister and the Chinese Premier confirms the strength and international significance of the BBI Project.*

*“We are pleased to have secured the confidence and support of China State Construction Engineering Corporation, an internationally significant construction partner who possesses world class experience in the delivery of large scale infrastructure projects, including port and rail infrastructure. The MOU between BBIG and CSCEC recognises the critical importance of a Pilbara experienced workforce to the successful delivery of the project.*

*“The formalisation of the partnership with China State Construction Engineering Corporation is a very important milestone for BBIG. It advances the project delivery strategy and enables BBIG to mature the project funding.*

*“Partnering with China State Construction Engineering Corporation provides BBIG the opportunity to access CSCEC’s large scale infrastructure delivery capabilities and allows CSCEC the opportunity to showcase these capabilities on a large scale project in Australia.*

*“The MOU notes the potential for Flinders Mines’ Pilbara Iron Ore Project to be a foundation customer mine for the BBI Project.*

*“Projects like this involve bringing together a large number of stakeholders and I would like to thank them for their strong support, in particular the Australian Federal Government, the Western Australian State Government, the Traditional Owners, pastoralists and local Shires.*

*“I would also like to thank Prime Minister Turnbull and Premier Li for their participation in today’s signing ceremony.”*

**-ENDS-**

Images can be downloaded at: <https://goo.gl/photos/2RLUwZ84qdotRtEj7>

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**Background**

BBI Group Pty Ltd is jointly owned by Todd Corporation Ltd and Nyco Pty Ltd.

Todd Corporation is the majority shareholder and is one of New Zealand's largest and most successful companies. Established in 1884, Todd Corporation has interests in oil and gas, electricity generation, energy retailing, property development, minerals, healthcare and technology.

Nyco is an Australian investment company owned by Nicholas Curtis.