

Gupta splashes another \$100M

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BUSINESS EDITOR**

SANJEEV Gupta's GFG Alliance will invest up to \$100 million in Adelaide's Havilah Resources, in a "transformational" deal for the smaller company.

The owner of the Whyalla steelworks has committed \$50 million already, and could invest a further \$50 million subject to conditions.

The money will be used to develop Havilah's South Australian iron ore and copper projects in the east of the state.

The entire value of Havilah yesterday before the deal was announced was just \$33.8 million. The shares jumped 45 per cent on the news to close up 7c at 22.5c.

Besides the Whyalla steelworks and iron ore mines, this is the second major investment in an SA company by Mr Gupta, with GFG taking a majority stake in Zen Energy, now SIMEC Energy, in 2017.

At Whyalla, Mr Gupta said late last year in his "Big Reveal" that, on top of a current \$600 million upgrade of the existing steelworks, he was doing a 12 month study into a "next-gen, mega-steel plant" which would be among the largest in the world.

His companies are also planning to install 780,000 solar panels at Cultana, just outside Whyalla, as part of a one gigawatt renewable energy plan. Havilah yesterday said the deal gives it "access to an end user steelworks and ex-



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Sanjeev Gupta yesterday.**

port facility at Whyalla, facilitating potential development of iron ore projects".

"Funds will be applied via agreed work programs to advance the projects to completed definitive feasibility studies over an anticipated and relatively short three-year period, as well as potentially providing funding for exploration, corporate and administration costs," Havilah said.

Once GFG invests the first \$50 million it will hold a controlling 51 per cent stake in Havilah. The deal will need to be approved by shareholders. Mr Gupta said his company had been running the ruler over Havilah's assets for some time. "We have been extremely impressed with Havilah since we began working with them last year, and this is a great opportunity for us to build upon that partnership to help realise our vision for our Next-Gen steel plant, for our ambitious Whyalla Transformation project and for realising South Australia's tremendous copper potential," he said.

**PAGES 10-11: GUPTA MEETS
SHORTEN**