

# The negotiator

Lawyer is proven dealmaker for investors eyeing Australia's vast mineral resources

IN THE BOOMING world of Australia-China trade, Robin Chambers is the ultimate "outside insider".

The Melbourne lawyer is regularly called on by China to help negotiate huge investments in Australia and has helped broker deals worth tens of billions of dollars.

In 2003, he was appointed lead counsel by four of China's leading steel mills in negotiations to secure one of the biggest iron ore contracts in Australian history, valued at over \$8 billion.

The deal has earned Chambers and Company a nomination as finalist in the 2005 Hong Kong ALB Deals of the Year Awards Asia-Pacific SuperDeals.

Chamber's connection with China was cemented in 1984 when he was the first foreign lawyer engaged by China to help structure its first international iron ore joint venture at Mt Channar in Western Australia.

"The Channar joint venture was really the seed of my involvement acting for the Chinese. And it became the model for Chinese investment — certainly in this country. It's been a super successful investment. Today, the Chinese own 40% of a very profitable mine," says Chambers, who still represents the Chinese as a director on the holding companies and on the policy committee of the Channar joint venture.

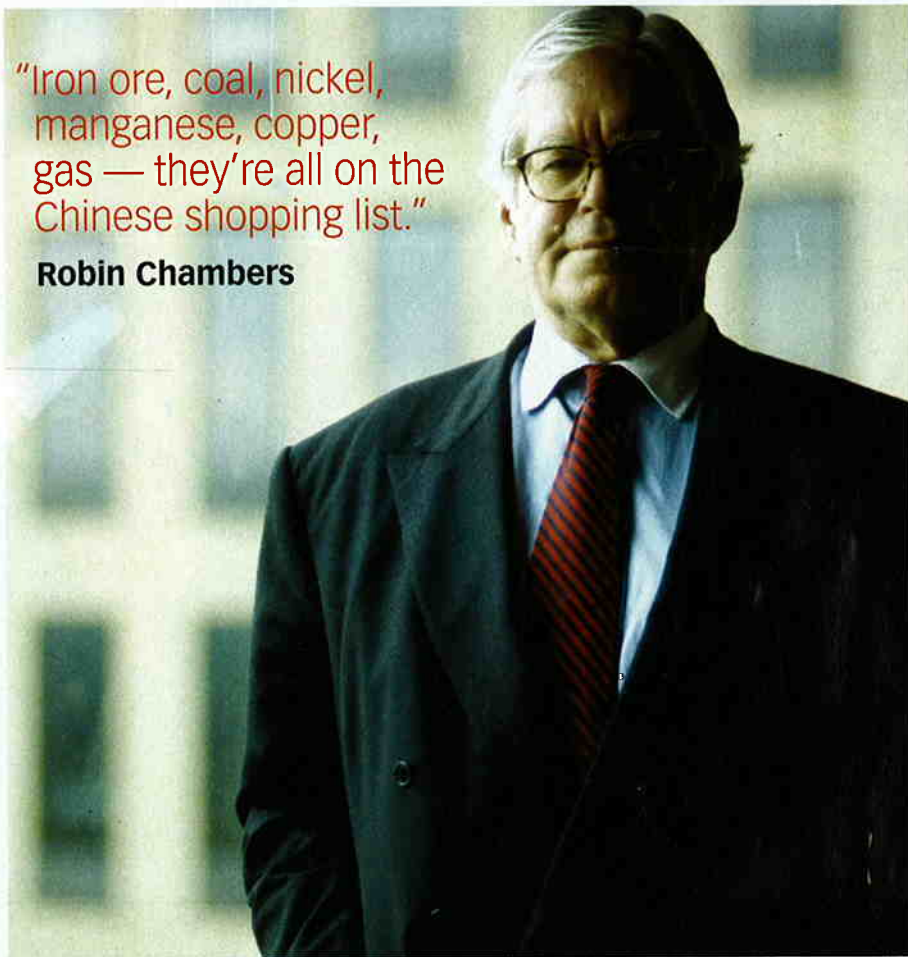
Twenty years later, Chambers is still in the thick of things; "Right now there is a tidal wave of Chinese companies pouring in here looking to lock up supply," says Chambers. He is "overwhelmed" by the extent of Chinese interest. "Iron ore, coal, nickel, manganese, copper, gas — they're all on the Chinese shopping list."

"Currently we have an embarrassment of riches. We are acting on the five major iron ore projects in Australia all at once. (Fortesque Metals, Hope Downs, the Mineralogy project, Midwest and Mount Gibson) That's a pretty heavy diet," says Chambers. Some of his clients in these deals are Chinese investors.

"The Chinese government is focused very heavily on accessing Australian resources to supply Chinese needs for domestic industrial development. It's a key relationship — and we are right in the centre of it. It's quite an amazing time with the number of inquiries

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we are getting," says Chambers.

Given the size of these new investments, Chambers predicts Chinese investors will seek more control: "It's not inconceivable Chinese will go for majority ownership on some of these big projects — because they will be providing the lion's share of the finance in some of them. If it's not majority ownership then it will be close to 49%. They are confident in their ability to manage big projects."

This confidence is part of a major transition witnessed by Chambers since the Channar deal.

"There has been a very major shift in management skills, competence and edu-

cation from the 1980s. The Chinese have become far more sophisticated. When we first started acting for them they were fabulous clients, they were very receptive to advice, but they had very little knowledge of what it was like to do foreign joint ventures," recalls Chambers.

"Now senior people know all about running a big business. One example is the new president of one of our Chinese clients. He's American educated, lived and worked in the States before being appointed as president, speaks perfect English, and is a very sophisticated and skilled businessman. That's the new leadership in China in my experience," he adds. ■ — *Anthony Anderton*