

Latin America Project Development and Finance

Sullivan & Cromwell has an unbeatable track record for executing challenging project financings in Latin America regardless of industry or scale. The Firm's long-standing experience is complemented with state-of-art familiarity with the financing markets and includes important experience on joint venture arrangements and foreign investment agreements.

S&C is active in:

- oil and gas (upstream, midstream and downstream),
- mining and metals,
- liquified natural gas (LNG), and
- infrastructure.

The Firm has a long history of groundbreaking transactions in the region. In 1988, it acted for the sponsors on the Escondida copper project in Chile—the precedent for today's limited-recourse financings and the region's first post-1980s debt crisis major mining project financing. Ever since, S&C has represented sponsors or lenders from Latin America, Asia, Europe and North America in many of the region's milestone projects in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru and Venezuela.

Indeed, the Firm has acted as counsel to the sponsors or project in [virtually every major mining project](#) in Latin America. S&C's work includes energy milestones in every major oil-producing country in the region.

As a result, the Firm has remained the leading sponsor/borrower firm for project financings in Latin America for two decades.

SELECTED REPRESENTATIONS

Recent Sullivan & Cromwell project finance experience includes working on projects such as:

- **Quebrada Blanca Phase 2 copper project** (Chile). S&C advised Teck Resources Limited and Compañía Minera Teck Quebrada Blanca in the project financing of the Quebrada Blanca Phase 2 copper project in Chile. The transaction is the largest mining project to sign since 2015 and was recognized as *Project Finance International* 2019 "Americas Mining Deal of the Year."
- **Mina Justa Project** (Peru). S&C advised Marcobre S.A.C. (the Borrower) and the Project on the \$900 million project financing for the development of the \$1.77 billion Mina Justa copper project. The multisource financing is made up of financing from 16 lenders, including commercial banks and the export credit agencies, EDC, EFIC, KEXIM and KfW. The mine is expected to be operational by 2020, with a target

PRACTICES & CAPABILITIES

Latin America

Latin America M&A and Joint Ventures

Latin America Capital Markets and Financing

Latin America Project Development and Finance

Latin America Sovereign Finance

Latin America Financial Services

Latin America Dispute Resolution

Latin America Estates and Personal

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production rate of 100,000 tons of copper. The transaction is the first greenfield mine project financing to sign in Latin America in 2018 and was honored as *Project Finance International* 2018 "Americas Mining Deal of the Year."

Marcobre's owners, the Sponsors of the Project, previously announced the sale of a 40 percent stake in Cumbres Andinas S.A.C., Minsur S.A.'s subsidiary that owns Marcobre and the Mina Justa copper project, to Alxar Internacional SpA, a subsidiary of Empresas Copec S.A., in a transaction valued at \$200 million.

- **Antucoya Project** (Chile). S&C advised the project company, Minera Antucoya, and its owners, Antofagasta and Marubeni, in \$650 million financing documentation for the \$1.9 billion Antucoya copper project in Chile's Antofagasta region.

The project was the largest mining project to close in Latin America in 2013. It was awarded "Latin American Mining & Metals Deal of the Year" by *Project Finance* and "Deal of the Year—Mining" by *Infrastructure Journal*.

- **Sierra Gorda copper, molybdenum and gold project** (Chile, 2012). KGHM International (formerly known as Quadra FNX Mining), Sumitomo Metal Mining and Sumitomo reached financial close for a \$1 billion financing for the Sierra Gorda copper-gold-molybdenum project in Chile's Antofagasta region.

The financing—in which the Japan Bank for International Cooperation participated, along with a group of four Japanese commercial banks—was one of the largest mining projects to close in Latin America in 2012.

- **Boleo Project** (Mexico). S&C advised the lenders on intercreditor issues in connection with Minera y Metalúrgica del Boleo's, a joint venture between Canada's Baja Mining and a Korean consortium comprising Kores, LS-Nikko, \$823 million financing facility for the construction and development of the Boleo mining project located in Baja California Sur, Mexico. The Boleo project has 265 million tonnes of measured and indicated resources of copper, cobalt, zinc and manganese, and a minimum scheduled mine life of 25 years.

The deal was honored with *Mining Journal's* 2010 "Exploration and Development Funding Award" and as *Project Finance's* 2010 "Latin America Mining Deal of the Year."

- **Centinela (fka Esperanza) Project** (Chile). S&C advised the project company and its owners, Antofagasta and Marubeni, in \$1.05 billion financing for the \$2.34 billion copper-gold project in Chile's Antofagasta region. This development and financing of the greenfield copper, gold and silver project in northern Chile was one of the few Latin American financing deals to close during a turbulent economic climate and the largest mining project financing ever to be completed in Chile.

This deal was honored as *Project Finance's* "2009 Latin American Mining & Metals Deal of the Year" and *Project*

Finance International's "2009 Americas Mining Deal of the Year," and it was [profiled](#) by *The Wall Street Journal*.

- **Minas-Rio iron ore and port facility** (Brazil, 2009 and 2008). S&C is participating in this R\$1.321 billion port facility project and R\$2.5 billion iron ore-mining corporate facility. The projects were financed separately but developed on an integrated basis.
- **Sincor/PetroCedeño project financing** (Venezuela, 2008). S&C participated in this landmark \$4.6 billion Sincor extra-heavy oil project, the largest greenfield oil project financing completed to date in Latin America and subsequent debt restructuring in connection with the acquisition by the Venezuelan government of a majority stake.

This deal was *Latin Lawyer's* "Restructuring Deal of the Year 2008."

- **Intersur Concesiones** (Peru, 2007). S&C participated in the \$562 million project financing of Corredor Vial Interoceánica Sur, a toll-road concessionaire. The groundbreaking financing, which hedges construction, currency and operating risk with government-backed obligations, was part of a public-private partnership known as the Initiative for the Integration of Regional Infrastructure in South America and included both a \$321 million and a \$241 million Rule 144A/Reg. S zero-coupon senior secured bond.

Latin Lawyer named this deal the "Project Finance Deal of the Year 2007."

- **Cerro Verde copper project financing** (Peru, 2005). S&C advised on the development and financing of an \$893 million copper sulfide project, the largest project in the region in 2005.

This project introduced to the market an innovative type of completion test. *Latin Lawyer* named it the "Project Finance Deal of the Year 2005" and *Project Finance* named it the "Latin American Mining Deal of the Year 2005."

- **Veladero gold project** (Argentina, 2004). S&C assisted in the development and financing of a \$610 million gold project in Argentina.

This was Ex-Im's first mining deal since 1997 and the largest foreign investment project and first project financing in Argentina since the default. *Project Finance* named this deal the "Latin American Mining Deal of the Year," *Project Finance International* named it the "Americas Mining Deal of the Year" and *Global Trade Report* named it among the "Best Deals of 2004."

- **Camisea gas pipeline project** (Peru, 2004). S&C advised on this \$837 million gas pipeline project.

This deal was one of the most significant capital investment programs in Peru's history and Peru's largest gas project. *Project Finance* awarded it the "Latin American Oil & Gas

Deal of the Year 2004."

- **GasAndes gas pipeline** (Chile/Argentina, 2003). S&C participated in this cross-border \$168 million refinancing of its debt.

Project Finance named it the "Latin American Oil & Gas Deal of the Year 2003."

- **El Tesoro copper mine project** (Chile, 2002). S&C assisted in the refinancing of a \$185 million copper mine project and a \$300 million unsecured senior loan provided by export credit agencies and commercial banks.

Project Finance named this deal the "Latin American Mining Deal of the Year 2002."

- **OCP oil pipeline project** (Ecuador, 2001). S&C participated in the development and financing of a \$1.4 billion heavy crude oil pipeline project.

This deal was the first major infrastructure project financing to be completed in Ecuador and the first externally financed pipeline in Ecuador. *Institutional Investor* named it one of the "Project Finance Deals of the Year", *Latin Finance* named it the "Project Finance Deal of the Year," and *Project Finance International* named it the "Americas Oil & Gas Deal of the Year."

- **International oil companies** (Venezuela, 2008). S&C provided assistance to a number of international oil companies affected by the Venezuelan government's nationalization of previous projects.