

Aquila considers Robe for West Pilbara

Friday, 2 July 2010

AQUILA Resources said the Australian Competition Tribunal's Pilbara railways decision may provide an opportunity for it to defer rail capital expenditure on the West Pilbara iron ore project until 2018.

Executive chairman Tony Poli said Aquila was reviewing the ACT's decision regarding the Robe River rail infrastructure, published Wednesday.

That decision granted Fortescue Metals Group access to two of the four lines it sought third-party access to – one of these being Robe.

But the third-largest iron producer in the country lost its main case, with the ACT ruling that the two major lines – BHP's Newman line and Rio Tinto's Hamersley line – would remain exclusively in the hands of the big two.



Today, Poli noted the determination declared the Robe railway and associated infrastructure subject to the *Trade Practices Act 1974* for the ten-year period ended November 19, 2018.

"This decision by the tribunal may provide an opportunity for the West Pilbara iron ore project to defer capital expenditure on rail," Poli said this morning.

However, he clarified it would only present an opportunity if the Robe rail infrastructure facilities were available until that date and agreement could be reached with the owner, Rio Tinto.

A summary of the ACT's decision, [In the matter of Fortescue Metals Group Limited \[2010\] ACompT 2](#), is now linked to from its website.

Aquila was 15c up to \$7.73 by mid-morning while Rio gained 78c to \$65.88.

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