

Aquila chairman hits back at mining giant's 'smokescreen'

AQUILA Resources Ltd has accused Brazilian mining giant Vale of using a legal row as a smokescreen to delay the development of their joint venture Queensland coal project.

Aquila executive chairman Tony Poli said he thought Vale had reasons for seeking to delay the \$1 billion Eagle Downs coking coal project going ahead as planned.

He said Aquila was seeking to have the project utilise the Abbot Point coal port.

However, Mr Poli said Vale wanted to use the Dalrymple Bay coal terminal, which he'd been told would not be built before 2016.

"I think they are trying to squeeze us, by buying the asset off us cheaply, or because Vale is a large company they are trying to project manage all their projects in the world and this one didn't get a guernsey to go yet," Mr Poli said.

A Vale spokesman could not immediately be contacted to respond to the claims.

However, Vale lashed out at Aquila Resources in a statement on Wednesday, warning the Australian company could cause delays and frustration at the Eagle Downs project.

Vale and Aquila have been embroiled in legal stoushes over the project, with the latest disagreement concerning the wording of a condition for a feasibility study.

On Tuesday, Aquila said it wanted to clarify that the feasibility study should take into account port and rail

transport logistics.

However, Vale has questioned the accuracy of Aquila's Tuesday statement.

"It (Aquila) has sought to add words to the budget approval condition, which BCC does not accept are either necessary or accord with the terms of the JVA and which, in BCC's opinion, are not a mere 'clarification'," the Brazilian company said.

BCC last week issued a notice of dispute to Aquila concerning the matter.

— AAP