

Aquila: dispute with Vale

Tension over the joint project between Aquila Resources and Brazil's mining giant Vale has escalated, said The Age. Aquila sued Vale in March, claiming it had defaulted on infrastructure arrangements for the Eagle Downs project in Queensland's Bowen Basin. But a new dispute was revealed this week over the budget for construction of the project. In particular, Vale disagrees with Aquila over what should be included in a definitive feasibility study on the Eagle Downs project, said Luke Forrester in The Australian Financial Review. Aquila wants more analysis of the infrastructure solutions for taking coal from Eagle Downs to Port, while Vale does not think this is necessary. The companies are also arguing over the Belvedere project near Moura in the Bowen Basin. Vale agreed to buy Aquila's 24.5% stake but the two parties cannot agree on its fair value.