

State backs miners' push for fourth Pilbara port

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WA's Government has thrown its support behind plans for a new multi-user iron ore port in the Pilbara that could export \$35 billion worth of the steel-making commodity a year.

Although the Government has only committed to spend a modest \$3.5 million over three years on an industrial precinct at Anketell Point, about 30km east of Karratha and 10km from Rio Tinto's flagship Cape Lambert port, its support is viewed as crucial to the likelihood of the multi-billion-dollar project going ahead.

Proposed foundation customers **Aquila Resources** and Fortescue Metals Group, both of which have major growth projects in the West Pilbara and are backed by Chinese steel mills, said yesterday they were hopeful the Government might yet contribute to the port's development cost.

However, the lion's share of funding is expected to come from the

private sector, either from the iron ore miners themselves, third-party infrastructure providers or customers such as Chinese mills.

The port, with an ultimate proposed capacity of more than 350 million tonnes a year, is expected to be in operation by 2015 and would become the first new Pilbara port in decades.

Iron ore is worth more than \$US100 (\$111) a tonne.

In addition to providing Aquila, Fortescue and China Metallurgical Corporation of China — which owns the Cape Lambert magnetite project — with a way to take their product to market, a port at Anketell Point would also offer hope to the region's smallest players. Not only will the port be open access but both Aquila and Fortescue are also expected to build railways from their respective mines, opening up the possibility of third-party rail access deals to be done over otherwise-stranded deposits.

The lack of port capacity has been a

long-running gripe for Pilbara's miners, with Port Hedland growing increasingly congested and no certainty that its long-mooted outer harbour expansion will proceed.

Premier Colin Barnett said yesterday the growth plans of existing Pilbara miners were "testing the capacity" of the region's ports, with demand for space forecast to grow from about 325mt in 2008-09 to 530mtpa by 2015 and as much as 750mtpa by 2020.

Aquila chief executive Tony Poli, who has long championed the concept of Anketell Point, welcomed the Government's support as "instrumental" in getting the port built.

Fortescue executive director Russell Scrimshaw suggested the miner would hope to take as much as 240mtpa of the proposed 350mtpa-plus capacity. "This is a long overdue and necessary decision by the WA Government," he said.



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