

Aquila eyes Robe rail for project

AAP, The West Australian

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Aquila Resources says the Australian Competition Tribunal's decision to open up Rio Tinto Ltd's Robe railway in Western Australia to other users may benefit the smaller miner's West Pilbara iron ore project.

The Robe rail line runs to Rio Tinto's wholly owned port at Cape Lambert.

Aquila, Fortescue Metals Group and Metallurgical Corporation of China (MCC) have considered constructing their own rail line and a new port at Anketell Point so they don't have to rely on Rio Tinto granting access to its infrastructure.

Aquila needs the infrastructure to transport ore from its West Pilbara project south of Pannawonica to port.

MCC needs it for its Cape Lambert project near Roebourne while Fortescue requires it for its Solomon project east of Wittenoom.

Fortescue recently shelved the Solomon project due to the resources super profits tax and it is not yet known if this project is back on the cards after the Gillard government on Friday announced a watered down version of the tax, re-labelled the mineral resources rent tax.

The tribunal says the Robe line should be opened up to third parties until November 2018, not November 2028 as requested by Fortescue.

"The decision by the tribunal may provide an opportunity for the West Pilbara iron ore project to defer capital expenditure on rail, if ... the terms of an arrangement for access (including as to costs) can be agreed with Rio Tinto," Aquila said in a statement.

"The company notes that the decision of the tribunal may be the subject of an appeal.

"The company will monitor the situation and its implications for the West Pilbara iron ore project and keep the market informed of any developments in this regard."

Shares in Aquila were up four cents at \$7.62 at 9.44am.