

# All go at Anketell: Aquila

■ John Phaceas

PLANNING for the Anketell Point iron ore port near Karratha will proceed unchecked despite the uncertainty caused by the government's proposed resource super profits tax and the shelved mine development plans of one of its primary users.

Last month, Fortescue Metals Group said the proposed tax had forced it to mothball plans to spend \$17 billion developing new iron ore mines in the western Pilbara, which were to underpin the 350 million tonnes a year export facility, 30 kilometres east of Karratha.

However, founding port proponent Aquila Resources says neither Fortescue's decision nor the government's tax plans have stalled its work on the project, which will provide an export gateway for its own \$4 billion West Pilbara Iron Ore project near Pannawonica.

Aquila has always considered its project of sufficient scale to be able to underpin a new port and dedicated railway.

Aquila and joint venture partner AMCI Holdings have already spent more than \$145 million on exploration and mine, port and rail studies in a bid to start production at its 30mtpa stage-one project by late 2013. It ultimately hopes to produce up to 70mtpa.

## PORT PLANS

**Aquila still confident in mine and port development plan.**

**Feasibility study due for completion in June.**

**Aquila targeting production in late 2013.**

While it has spearheaded the Anketell Point proposal since its inception, it last year signed a co-operation agreement with Fortescue and Chinese mine developer China Metallurgical (MCC) to work together on the multi-user port.

Fortescue ultimately plans to export up to 250mtpa from the port, while MCC is initially targeting to produce 15mtpa from its nearby Cape Lambert magnetite venture.

Aquila general manager iron ore Russell Tipper said it was business as usual for Aquila at least until there was more certainty around the government's tax plans.

"It has to be, at least until we know specifically what everyone is talking about," he said. "What would be the point of stopping our feasibility study from being delivered in June, or of stopping our pub-

lic environmental review process going through government?"

Mr Tipper said the government's proposed resources tax was definitely a major concern, but Aquila remained confident that its projects were so robust that they would still be attractive to develop.

"It (the RSPT) is a huge issue for marginal projects, because it throws into doubt whether they can go or not, but I don't think any of our projects are that close to the wind," he said.

However, the tax could obviously complicate financing negotiations with the banks or other lenders if there was not a resolution soon, he said.

"We are not at that stage yet," Mr Tipper said. "If you were in the middle of that you would have to say yes, it is very disruptive."

"We're not there today, though we are there in the next year, so I hope we can resolve with some clarity what this thing means soon, so that we are in a position to look the banks in the eye."

"So yes we are concerned, yes we need to understand it, but does it stop what we are doing today? No."

The WA government has already endorsed Anketell as the best site for the Pilbara's next major port, and in March committed \$3.5 million to complete preliminary works to establish an associated 1,400-hectare industrial estate.