

Aquila takes Vale to Supreme Court

4-March-10 by Rebecca Lawson

Como-based Aquila Resources has launched Supreme Court action against Brazilian mining company Vale, days after it issued a default notice over infrastructure agreements in Queensland.

In a statement today, Aquila said that wholly owned subsidiary Aquila Coal will seek damages from Vale subsidiary Bowen Central Coal in the Supreme Court of Queensland.

Both subsidiaries were joint venture partners over the Eagle Downs hard coking coal project in Queensland.

The legal action stems from a default notice issued to Bowen early this week after the Vale subsidiary had last month indicated it did not support entering into infrastructure agreements.

The agreements centred on the proposed expanded capacity of the Abbot Point Coal Terminal and for capacity on the Goonyella Abbot Point Expansion rail project, which are both central to the Eagle Downs project.

Aquila has previously said that to commit to the infrastructure arrangement, the JV needed to execute certain agreements before February 26, or it would not be allocated port and rail space for the coal project.

Aquila said today that Bowen did not agree that it was in default.

Shares in Aquila shed 10 cents to \$10.24 at 13:58 AEDT.

