



Geraldton Iron Ore alliance welcomes decision

The Geraldton Iron Ore Alliance welcomes the West Australian Government appointing Oakajee Port and Rail as the preferred tenderer to negotiate the construction of the new deepwater Oakajee Port project.

Independent chairman of the alliance, Clive Brown, says the timely development of a port at Oakajee will not only help to cement the successful future of the iron ore industry but also has the capacity to attract other industries to the region.

"The development of key infrastructure in the Mid West, such as Oakajee Port, is critical to the development of the region," Mr Brown says.

"However, the allocation of the right to negotiate a port development agreement with the government is only the first step in a process that involves a lot of work and consultation that needs to be done before construction gets under way.

"Timing is important. Delays in constructing the port could lead to delays in the development of some of the alliance members' projects."

The State Government has indicated that construction of the port could begin by late next year, subject to relevant approvals and environmental processes, and could be operational by 2012.

Work currently being undertaken by alliance members in the northern corridor could result in more than 45 million tonnes of iron ore being exported each year from Oakajee Port alone.

Mr Brown says there are strong economic, social and environmental grounds for the state to support the development of the Mid West region.

A report by Economic Consulting Services last year estimated that the

development of the Mid West iron ore industry alone has the potential to provide more than 1300 jobs during the construction stage and more than 4000 jobs during the suggested operational stage of 25 years.

The report also estimated that construction expenditure of \$5.5 billion would generate a further \$13 billion of expenditure elsewhere in WA.

"The Mid West iron ore industry has the capacity to play a key role in developing regional WA and with appropriate support that objective can be turned into reality within a very short space of time," Mr Brown says.

He also acknowledges the development of the state's regions has been a key public policy goal of successive governments over many years.

"The further development of the Mid West provides a great opportunity for it to be the most significant regional centre in WA," Mr Brown says.

"The city of Geraldton and the Mid West towns are permanent communities with a mixed economic base and sound community infrastructure.

"It's critical that the community and stakeholders also recognise the importance of the other challenges required to develop the iron ore industry including water needs, infrastructure and port commitments."

The alliance has a membership of eight iron ore mining companies:

- Mount Gibson Iron.
- Midwest Corp.
- Crosslands Resources.
- Gindalbie Metals.
- Golden West Resources.
- Royal Resources.
- Asia Iron.
- Atlas Iron. ■