

SE News
HD **IRON** CLAD EXCLUSIVE Major boost for \$4.5b mine poised to generate 2000 new jobs
BY TORY SHEPHERD POLITICAL EDITOR
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THE Federal Government will fast-track a \$4.5 **billion mining** project touted as a saviour for the Eyre Peninsula and a huge boost for the state economy. The Central Eyre Iron Project has been granted major project facilitation status – clearing the way for it to proceed and eventually employ about 2000 people at its peak. It is also expected to generate major economic benefits for Wudinna and the surrounding area and could bring in up to \$3 **billion** a year as it exports **ore** to Asia.

Iron Road managing director Andrew Stocks will follow Prime Minister Tony Abbott to Asia next week to woo investors.

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CONTINUED PAGE 11 **Iron** project a breath of fresh Eyre for SA FROM PAGE 1 Mr Stocks and his colleagues will head to **China** to speak to local investors and others from Korea and Japan with the imprimatur of the PM, who leaves for Asia today.

Iron Road has spent **millions** of dollars over several years to build momentum for what will be the nation's largest magnetite **iron ore** project.

It is hoped the project will fill some of the gap caused by BHP Billiton's shelving of the Olympic Dam expansion and deliver a much-needed boost to the economy by 2017, when Holden stops making cars in South Australia.

Mr Stocks said the **company** had spent \$100 **million** on a two-year feasibility study and now wanted to "move with some haste" through approval processes so it could secure finance. Then it would be able to build a railway line, a deep-water port and upgrade power and water supplies in the region.

"We want to get it happening as fast as we can. Time is of the essence," Mr Stocks said, adding that now the feasibility study was done, it was the approvals process that could hold up the project.

The project already had major project status through the State Government and the addition of major project facilitation status would steer the **company** swiftly through processes at both levels and help it find Asian investors.

"It is very important for government to **lead** business, particularly in Asia," Mr Stocks said. "We work in parallel here, but it doesn't work that way in Asia." SA Liberal frontbencher Christopher Pyne lobbied his colleagues to ensure it became a major project. He said the move would remove hurdles and red tape and that Deputy Prime Minister and Infrastructure Minister Warren Truss would help link the **company** to investors and foreign governments.

"Giving it major project facilitation status means the Federal Government will put its shoulder to the wheel for the **company** and make sure it's not bogged down in red tape," Mr Pyne said.

He said it was hard to raise so much capital without help and the status would remove "potential minor irritants" that could slow down the project.

He also said SA was the only state that was resistant to the idea of “one-stop shops” for environmental approvals to streamline similar projects.

The 6km-long open-pit magnetite **iron ore** mine would be able to produce more than 20 **million** tonnes of **ore** a year. It is expected to operate for at least 25 to 30 years.

Mr Stocks said while most people were on side, he had no doubt people would raise concerns, particularly about environmental impacts.

“People will be watching to make sure we’re guided properly. I have no problem talking to people who are concerned about aspects of the project,” he said.

About 2000 people will be employed at the site during construction, after which a workforce of 600 to 700 people will be needed.

Wudinna mayor Tim Scholz stepped down from his position last year to work with **Iron** Road, saying the **company** could save the Eyre Peninsula community because it would **lead** to new infrastructure and jobs. He said it was important to maximise the benefits for the area and make sure there were jobs for locals.

In 2012, **Iron** Road announced plans for a deep-water port at Cape Hardy, north of Tumby Bay, on the Eyre Peninsula as part of the required infrastructure.

It will also include a 150km infrastructure corridor for a railway line, power and water lines to connect the mine to the port. It is understood some properties may need to be bought to allow the corridor to proceed, but the **company** does not have compulsory **acquisition** rights.

The project will be the only one with federal major project facilitation status in SA. Other projects with status include major **mining** projects, rail routes and natural gas plants.

ROAD TO PROSPERITY What is the project?

The Central Eyre **Iron** Project is an **iron ore mining** proposal which aims to export about 21.5 **million** tonnes of **ore** per year for at least 25 years.

Where is it?

The project would be 28km southeast of Wudinna, and would involve an open cut mine 6.5km long by 500m deep. A 148km rail line to a new port at Cape Hardy on the eastern coast of the Eyre Peninsula, with a capacity of 70 **million** tonnes per year, is also envisaged.

How much is it worth?

The **company** has spent about \$100 **million** getting the project to this stage but would need to spend another \$4.5 **billion** to construct the mine, rail line and port.

How many people will it employ?

About 1000 people would be employed during construction, with a peak of 1950, and 500 ongoing jobs would be created during the mine’s 25-year life.

When will it start?

The **company** is hoping to start building in October this year with the first **ore** to be shipped in 2018.

What are the obstacles?

At the state level the project will need a **mining** lease, an approved Program or Environmental Protection and Rehabilitation and development approvals for all elements such as the rail lines, accommodation village etc. It would also need approval under the federal Environmental Protection and Biodiversity Conservation Act.

The **company** also needs to buy the six farms which the mine would affect.

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