

GERALDTON ALLIANCE TO APPEAL AGAINST EPA DECISION ON MT GIBSON MINING LEASE

CONTINUED EXPANSION OF MID WEST IRON ORE INDUSTRY 'SERIOUSLY JEOPARDISED' BY DECISION

The continued development of Geraldton and the improved sustainability of Midwest towns through the expansion of the iron ore industry has been put under a cloud as a result of the Environmental Protection Agency recommending that mining be prohibited in a substantial part of Mount Gibson's granted mining lease, the Chairman of the Geraldton Iron Ore Alliance, Clive Brown, said today.

Earlier today the Alliance announced that it will join with Mt Gibson Iron Limited in appealing a recent environmental ruling which the Alliance warned could seriously jeopardise the future expansion of the Mid West iron ore industry.

The Alliance will lodge an appeal against the recommendations, contained in EPA Bulletin 1242 released earlier this week concerning the Mount Gibson Iron Ore mine and Infrastructure project.

Mr Brown said the decision to appeal was based on the significant broader ramifications of the EPA recommendations, for the Mid West region and development generally in Western Australia. The Alliance was also concerned that the significant environmental off-sets proposed by Mt Gibson had been ignored.

There are also serious concerns about the science applied by the EPA.

"Of primary concern to all Alliance members is the notion that mining should be effectively prohibited in granted mining leases for less than convincing environmental reasons," Mr Brown said.

"It is clear from the EPA bulletin that it wants large areas of the banded iron formations placed in the conservation estate which would effectively prevent the expansion of the iron ore industry in the Mid West."

"In fact, this approach raises the question as to whether the environmental agencies have earmarked, but not disclosed, areas they wish to convert into 'A' Class reserves," he added.

"Mt Gibson Iron offered to provide substantial financial resources to maintain the plant species and combat a range of environmental challenges occurring outside the area proposed for mining. However, these environmental off-sets appear to have been ignored by the environmental agencies concerned."

Mr Brown said the EPA ruling had very serious ramifications for the Mid West region, as a large proportion of the iron ore resources in the region were hosted within banded iron formations.

"All the iron ore companies in consultation with Midwest stakeholders, are investing substantial resources in planning new projects, and it is vital for them to know if any areas within the region have effectively been earmarked for 'A' Class or other conservation reserves," he said.

Mr Brown said the Mid West iron ore companies will continue to work cooperatively with the environmental agencies, the State Government and other stakeholders to manage environmental and other issues in a responsible and balanced manner.

-ENDS -

**On behalf of:
Mr Clive Brown
Chairman**

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