

# WARATAH'S A GOER

Extract from the Bowen Independent Newspaper—26th May 2010

Mining magnate Clive Palmer's \$7.5 billion Waratah Coal project will go ahead, despite the proposed 40 per cent resources super profits tax, to be introduced from July 2012.

Speaking at a LNP lunch and fundraiser in Bowen last Friday, Mr Palmer told diners "we've just got a loan for \$6.6 billion from China, so that will be going ahead come what may".

"What will not be going ahead are stages two and three, when we double and triple the project," he said.

Answering a question from the floor, Mr Palmer said investors were not nervous despite the proposed tax.

"The cash flow of that project will pay back that debt," he said. "The tax comes in after the debt is paid back, so the banks will be pretty well protected."

Waratah Coal's China First project includes a thermal coal mine in the new Galilee Basin coal region near Alpha, connected to Abbot Point by a 490km standard gauge, heavy haul railway line, to move about 40 million tonnes a year.

Under the plans Bowen can look forward to 1500 jobs during the three-year construction phase. Mr Palmer said the project was moving forward. He said they were working through the Environmental Impact Statement and invited Bowen residents to have their say at a community consultation meeting on June 10. The session will be at the Queens Beach Motor Hotel, from 6.30pm to 8.30pm.

With regard to the port, Mr Palmer said the recent announcement of Hancock Coal and BHP Billiton being given preferred developer status for X80 and X110 was not a setback—with plenty of room for further expansion at Abbot Point.

He said he had no plans to lease the current Abbot Point Coal Terminal from the State Government as part of plans to develop the coal mine.

Mr Palmer flew into town with his wife Anna at about 9.30am in a borrowed Cessna Citation, as his own plane was too big to land at the Bowen airstrip.

It was a busy day that started with media engagements at the local radio station and Front Beach, followed by a meeting with Bowen Collinsville Enterprise before lunch at the NQCYC. Then he was off to Mackay for a \$150-a-head dinner.

He said he had been keen to come to Bowen to support local federal LNP candidate George Christensen and discuss with the locals the proposed super mining tax.

“We’re up here to point out how unjust this new tax of the prime minister and treasurer’s is and how important it is for the region to oppose it,” Mr Palmer said.

“It’s not about extra money for the communities,” he said. “It’s about extra money for Sydney and Melbourne, which the Labor Party control. If you want to stop people from having cigarettes and stop people from drinking, what do you do? You put a tax on it”.