



# \$60m Iluka project passes first hurdle

STATE legislation to enable the \$60 million Iluka expansion at Narngulu has passed its first hurdle.

The Bill was passed unanimously in the Upper House, with even the Greens getting behind it, and will now go to the Lower House for debate when Parliament resumes next week.

Political parties agreed the mineral sands industry was well embedded in the Mid West economy and that the Geraldton region had been economically underpinned by Iluka's activities.

National Party MP Wendy Duncan said in 30 years of operations in Geraldton, Iluka had been an exceptional corporate citizen, supporting the community through good times and bad.

Iluka's plans — to import 600,000 tonnes of heavy mineral concentrate from South Australia and

process it at its Narngulu facilities — required a change to the State Agreement Act.

With the production of mineral sands at Narngulu winding down, the company says the expansion will extend the facility's life by 10 years and ensure its current labour force of 240 is retained. Iluka general manager of investor relations Robert Porter said construction contracts for the expansion would create 80-90 jobs, and wherever possible these would be sourced locally.

"It enables the operation of Narngulu to exist for at least 10 years, maintains employment levels and has \$60 million of capital investment associated with this project," he said.

Mr Porter said if all went to plan there would be further opportunities to extend the lifespan of the Narngulu facilities.

"Initially in the first few years the amount we

will produce will mean the facilities will be full," he said.

"Over time we would supplement that feed from other quarters, which could be from the Mid West or other places."

The previous Labor Government gave Iluka an effective level of comfort by stating a decision would be formulated by December 31, a commitment the current Government is holding to.

This will enable Iluka to proceed in early 2009 with the expansion of its Narngulu facilities to cater for the processing of heavy mineral concentrates from SA.

Local MLC Brian Ellis, who voted to progress the Bill, said Iluka was the single largest employer in Geraldton and the expansion would provide certainty and opportunity for many local residents at a time of global crisis.

— Josh Burrows