

# 'Pro-mining' image takes a hit

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Premier Mike Rann looks over The Arkaroola Wilderness Sanctuary after he announced it is to be protected from mining forever and will be called The Arkaroola Protection Area .  
Picture: Mark Brake *Source: The Advertiser*

## **THE State Government's claim to be "pro-mining" is on shaky ground following its decision to ban mining in the Arkaroola Wilderness Sanctuary.**

The South Australian Chamber of Mines and Energy said the Government's handling of the matter was "disastrous" and the decision would have investors thinking twice about investing in SA.

SACOME chief executive Jason Kuchel said the Chamber was blindsided by the decision, and even had meetings scheduled with the government in the next fortnight to discuss mining in the sensitive area in the Northern Flinders Ranges.

Peter Williams, the chairman of Marathon Resources which has discovered a 2800-tonne uranium deposit in the region, said he had spoken to Mineral Resources Minister Tom Koutsantonis at a mining conference in Perth on Thursday.

Mr Williams said the Minister gave no indication that the government was about to scupper the company's mining ambitions the very next day. Mr Williams would not speculate on what action the company might take in response to the government ban.

"I called a trading halt this morning... that gives us an opportunity for the board to meet and work all the alternatives out.

"We'll be making a statement as soon as we possibly can with all the advice we can get."

Marathon had its exploration rights in the area suspended in 2008, when it was found to have dumped uranium drilling waste illegally, but resumed in August 2010, when it was granted a one-year exploration licence.

The company's largest shareholders are Irish company Mount Kellett Capital Partners and Chinese company CITIC Australia, which own 18.9 and 17.12 per cent of the company respectively.

Mr Kuchel said the Chamber thought it was proper to protect important environmental areas, but the way the Government had gone about it was deeply disturbing.

"We see the need to protect iconic areas...it's not about whether protecting those things is important, it's the way in which you go about doing that," he said.

"In particular they're saying that they wish to ban mining absolutely for all time.

"It's quite reasonable to expect that even within 10 years' time, if the price of uranium was right, you could put in a decline from outside the area...you wouldn't even scratch the surface of Arkaroola, and yet their intention is that there will be no mining ever, even if it is done in a way which satisfies even the most ardent of environmental supporters."

Mr Kuchel said the views of the mining sector had been "completely ignored".

"Why couldn't they have waited 10 days and given us the courtesy of having some meetings?"

Mr Kuchel said there were many areas, such as the Adelaide Hills, where mining and other land uses would come into contact, and a better process for how to manage the conflicts which might arise was needed.

Marathon shares last traded at 24.5c, valuing the company at \$22.6 million.