

## Transcript

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 Program: **LATE AFTERNOONS** Time: **05:17 PM**  
 Compere: **ANNETTE MARNER** Summary ID: **A00029546058**  
 Item: **ANNETTE MARNER TALKS TO BOB DUFFIN ABOUT A PROPOSED NEW PORT TO BE BUILT AT PORT BONYTHON WHICH WOULD BE USED TO SHIP IRON ORE.**  
**INTERVIEWEES: BOB DUFFIN, EXECUTIVE CHAIRMAN, WESTERN PLAINS RESOURCES LIMITED**

Demographics:	Male 16+	Female 16+	All people	ABs	GBs
	N/A	N/A	N/A	N/A	N/A

**ANNETTE MARNER:** Bob Duffin, thank you for coming onto the program. Welcome to Late Afternoons.

**BOB DUFFIN:** Thanks Annette.

**ANNETTE MARNER:** So what kind of options are you looking at, if Port Bonython isn't available? I mean, how serious is this problem?

**BOB DUFFIN:** Oh, it's a big problem Annette. We have a 26 million tonne iron ore deposit south of Coober Pedy, for which we completed a bankable feasibility study in September of last year, which showed the development of the project was technically feasible and financially viable.

We've got \$115 million funding package in place from our Chinese partners, contingent on only two things. Firstly, the grant of the mining lease, which we're expecting in the next few weeks and secondly,



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on access to a port, and we initially - based on a long period of discussions - thought that Whyalla would be available to us. It's becoming clear, as time goes by, that that option is not as strong now as it was some time ago...

**ANNETTE MARNER:** And Port Pirie?

**BOB DUFFIN:** Port Pirie is difficult. You can't get a big ship into Port Pirie. The railway line to the port goes through the CBD. Access to big blocks of land on which to build a storage shed is difficult. And because you can't get a big ship into Port Pirie, it would require the use of trans-shipment barges and by a quirk of geography, the trans-shipment point, where deep water exists out in The Gulf, is much further offshore Port Pirie, than it is from Whyalla.

So Port Pirie, while it's theoretically possible, has a lot of difficulties.

**ANNETTE MARNER:** And you've obviously spoken to the Council at Port Pirie?

**BOB DUFFIN:** We've spoken to the Council at Port Pirie. They're very supportive. We've spoken to the Council at Whyalla, extremely supportive of us as well. And the Government, we've had extensive discussions with the State Government and I have to say that we are very, very happy with the level of support they're giving us too.



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**ANNETTE MARNER:** Okay. So you're looking to Port Bonython. What can that offer you?

**BOB DUFFIN:** Port Bonython is the port from which LPG and crude oil is currently exported. It has a two kilometre jetty that goes out into deep water, so you can get what they call a cape size vessel into that particular port.

**ANNETTE MARNER:** And how deep, when you say deep water?

**BOB DUFFIN:** It's about 20 metres.

**ANNETTE MARNER:** Okay. Right. Okay, so it has that. What about getting the ore there in the first place?

**BOB DUFFIN:** There is a railway line from close to our ore body, all the way down to Port Augusta, then down through the hinterland and onto Whyalla. It would require the construction of about 20 kilometres of rail, to get into the Port Bonython area.

**ANNETTE MARNER:** I'm just wondering - so, is this going to go ahead? You will use Port Bonython? Or is it still very much up in the air? And if so, what do you need in order to secure it?

**BOB DUFFIN:** Somebody has to develop Port Bonython. We're not port operators, we're miners. What we are trying to do, with SACME, the South Australian Chamber of Mines and Energy, is to coordinate the assembly of an Upper Spencer Gulf Port Users' Association, the



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objective being to demonstrate to government and to private port operators, that between three or four companies initially, and then later on another three or four companies, we have sufficient mass to underpin the development of a dry bulk export port facility, connected to the standard gauge railway network at Pork Bonython.

**ANNETTE MARNER:** Oh, okay. Now are you really - you say in your letter, without Port Bonython going ahead and I quote; new mining projects will be in jeopardy, unquote - you really believe that...

**BOB DUFFIN:** I do.

**ANNETTE MARNER:** ...that you would have to walk away?

**BOB DUFFIN:** I do. Some mining projects like for example a gold project, you're able to put the product in the back of a van, or in a plane and fly it away and that's the problem solved. Other projects like copper concentrates for example that they're producing from Prominent Hill, can be put on a train and the unit value of copper to concentrate is sufficiently high to justify the high rail freights that Oxiana are incurring, sending that product to Darwin and then onto market.

But for iron ore which - notwithstanding the large price increases that we've seen in recent years and for which most analysts are projecting strong price increases over the next couple of years - iron ore is



still like coal, a relatively low unit valued product and the costs...

**ANNETTE MARNER:** Which means you have to carry a lot of it.

**BOB DUFFIN:** You have to carry a lot of it and consequently you have to get it out of the port.

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