

Arafura “talked up” itself: Koutsantonis

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ARAFURA Resources was responsible for “talking up” its proposed rare earths processing plant, state mining minister Tom Koutsantonis said this morning.

Koutsantonis is the first State Government minister to make a public statement on the state’s resources prospects since Premier Jay Weatherill said last week the government had been guilty of “over-spruiking” the industry.

Weatherill’s comments were sparked by Arafura’s decision not to go ahead with a rare earths processing plant planned for Whyalla, which the government had said could create up to 1000 jobs for the community.

Today, Koutsantonis was happy to pour cold water on the project’s importance.

“Can you name one investor that lost money?” he challenged reporters outside a mining forum where he was a key speaker.

“The government relied on the information made publicly available. Arafura Resources –they talked it up.

“They changed their minds.”

Koutsantonis repeatedly said he supported what Weatherill had said about the project last week. He said only one person had lost their job in Whyalla due to the project’s cancellation.

In his speech to the Paydirt 2013 uranium conference this morning, Koutsantonis said South Australia remained the world’s dominant frontier for uranium mining.

Uranium, however, may not be the main game, he said.

“Gas is our largest resource and I’m very positive about that,” he said.

An advocate for uranium enrichment when he spoke at the Paydirt forum previously, Koutsantonis said he had a less enthusiastic view in 2013.

“I don’t see a case for it in the future. There isn’t a commercial case for it.”

In his presentation to the forum at the Intercontinental Hotel, the minister said that while demand for uranium was high and India was now in the market, it was South Australia’s responsibility to be careful.

China has 28 nuclear reactors under construction with plans for another eight.

“I have seen first hand that China is still a country on the move,” he said.

“But China will also expanding its renewable energy sources.”

He said India’s energy needs should not be overlooked.

“This has the potential to dramatically change the future for our industry.

“There are significant hurdles, however, and further engagement is needed with those opposed to the sale of uranium to India.”