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# VITAL STEP FOR MINE

## 650 jobs in offing as \$500m Aurukun project strikes deal

A DEAL by two mining giants has brought a \$500m Cape York bauxite project a step closer to reality.

Mitsubishi Development has reached an agreement with Glencore as a joint venture partner in the Aurukun bauxite project, which will provide 650 jobs over construction and production phases.

If approved, the project – 23km northeast of the township of Aurukun – will produce eight million dry tonnes of bauxite over an expected period of more than 20 years. The mining project would require a workforce of up to 250 people over a two-year construction phase and create about 400 jobs when the mine enters production. Mitsubishi will take a 30 per cent stake in the enterprise.

Mitsubishi Development CEO Sadahiko Haneji said the deal with Glencore was significant because if approved it would generate jobs, benefits and supplier revenue for the remote Indigenous community of Aurukun.

“The Aurukun bauxite project delivers on these objectives as we seek to capture growing demand for bauxite – the key ingredient in aluminium – a metal playing an important role in reducing carbon emissions given its lightweight properties making it less fuel intensive when used in transportation, as well as its ability to be endlessly recycled,” he said.

The resource contains approximately 357 million tonnes, with mined tonnes extracted from shallow pits, using a conventional truck and loader operation. Screened and washed product will be hauled by road train to a coastal loading facility to be shipped to overseas customers.

A Glencore spokesman said Wik land owners and the Ngan Aak-Kunch Aboriginal Corporation had been consulted during the development of the project and had listed local employment, business opportunities and access to country as priority outcomes for traditional owners. He said it was too early in the project’s development to put a dollar value on how much would flow into Aurukun during the life of the mine, should it be approved.

In 2014 Glencore was appointed the preferred proponent for the mine site by the state government.

The decision raised the ire of Balkanu Cape York Development Corporation executive director Gerhardt Pearson.

Gerhardt and brother Noel Pearson had backed a plan by Australian Indigenous Resources Pty Ltd, which included 15 per cent equity for the Wik Way people and an Indigenous Land Use Agreement.

In 2016 the Cape York Institute, which was founded by Noel Pearson, released a submission to a Senate Inquiry into Aurukun bauxite.

“In the process of ‘picking its winner’, the Queensland government trampled on the rights of the Wik,” the submission stated.

“The government has used its extraordinary and racially discriminatory executive powers ... to choose and do as they please with Aurukun bauxite.”

A Glencore spokesman said equity was still on the table but was not “a magic bullet”.

In 2017 the company was granted a Mineral Development Licence to enable feasibility studies. The project will progress to an environmental impact statement, which will be available for public consultation mid year.

The final investment decision for the project is expected over the next 12-18 months,

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