

Aboriginal mine gets FMG port, rail deal

■ Nick Evans

Australia's first Aboriginal-owned iron ore mine is a step closer after Fortescue Metals Group signed an infrastructure deal with Australian Aboriginal Mining Corporation yesterday.

The deal gives a path to market for AAMC to move up to 2 million tonnes a year of ore through Fortescue's Port Hedland port from its Extension and Break-away iron ore projects, with the privately owned company also winning the right to access Fortescue's rail system if and when room becomes available.

AAMC chairman Daniel Tucker said the deal was the first time in Australian history an Aboriginal company had negotiated the capacity to start up its own mine.

Mr Tucker said AAMC was not yet in a position to pull the trigger on development of the mine and a final investment decision would depend on the iron ore market.

AAMC executive director Fergus Campbell said the company could make a "small margin" under current market conditions but the company was looking for market conditions to "stay and improve" before a opening a mine.

He said AAMC had engaged indigenous mining contractor to run mining and haulage operations, extending the mine's benefits to indigenous workers.

Mr Power said Fortescue did not currently have spare capacity on its rail network for AAMC tonnes but was looking for efficiency improvements that would create additional space on its ore trains.