

Battle looms for uranium site

Minnow squares off with BHP over Yeelirrie as MPs debate mines in WA

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Mining giant BHP Billiton will go to court to retain ownership of the big Yeelirrie uranium deposit near Sandstone as pressure mounts to allow uranium mining in WA.

In a battle pitting the mining Goliath against an exploration David, Perth junior Mindax Resources has slapped an exploration licence application on WA's biggest known uranium resource, acquired in BHP Billiton's \$9.2 billion takeover of WMC Resources.

Mindax's application, lodged early last month, was immediately met with two formal objections by BHP Billiton subsidiaries Yeelirrie Development Co and WMC Resources.

The combatants will now face off in the Meekatharra Warden's Court next month.

Mindax chief executive Greg Bromley said the company had lodged the application to test the status of the Yeelirrie leases in the wake of a deal between the State Government and WMC last year to scrap a 1978 State Agreement originally implemented to facilitate the site's development.

In March last year, the Government said WMC would agree to the termination of the State Agreement as soon as rehabilitation of the formerly polluted site was complete. WMC intended to retain the tenements.

"Those statements were in the

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Greg Bromley

public domain for a long time . . . so they have to be tested," Mr Bromley said.

Mindax already holds other tenements south of Yeelirrie at Lake Noondie where it has identified a large uranium anomaly.

Though rehabilitation was completed at Yeelirrie last year, and a formal closure plan for a dedicated processing laboratory at Kalgoorlie was submitted to authorities in November, a government spokeswoman confirmed the State Agreement was still in force — 18 months later.

Under WA regulations, the clo-

sure plan must be approved by State Development Minister Alan Carpenter before legislation to scrap the State Agreement can be put before Parliament. The Minister is in Scotland promoting WA's oil and gas industry.

With BHP Billiton preparing to fight to keep control of the tenements amid the hottest uranium market in decades, a company spokeswoman said the mining giant was now "reviewing its options for the Yeelirrie State Agreement".

While Premier Geoff Gallop maintains that no uranium mining will be allowed in WA under his govern-

ment, intense pressure is mounting for a policy reversal to allow the State to cash in on rich reserves of the nuclear fuel which has trebled in price in two years.

The call has been led by miners, the Federal Government and even four State Labor backbenchers, who last month called for a public debate.

State Opposition leader Matt Birney has also been accused of fence-sitting, amid efforts by former State Liberal leader Colin Barnett to table a private member's Bill to allow mining to start.

WA Greens Senator Rachel Siewart yesterday urged Dr Gallop to

act quickly to ensure Yeelirrie could not be developed.

"It is disappointing that the Agreement still hasn't been terminated and we believe that the Government should have acted more quickly to terminate it," she said, adding that the tenements should also be returned to the State.

"We would have thought that Geoff would have been keen to see a timely, tidy and final end to Yeelirrie. It would be seen as a good sign of his commitment to no uranium mining."

Yeelirrie has estimated reserves of 53,000 tonnes.