

MINCOR

Lyndon Rowe Chairman, Economic Regulation Authority 197 St Georges Terrace Perth WA 6000

Via e-mail watersubmissions@era.wa.gov.au

29 July 2005

Dear Mr Rowe,

Re: Goldfields Water Supply Project Public Submission

Our company, Mincor Resources NL, operates four underground nickel mines in the Widgiemooltha area, with a total workforce of around 240 personnel, and an extensive exploration program. In the past year, we have installed a state-of-the-art Accommodation Village in this area consisting of 210 rooms and associated kitchen/dining/recreational, facilities for our fly-in/fly-out personnel. We regard ourselves as a long-term player in the region.

We wish to comment on the draft report released by the ERA in June regarding the Goldfields Water Supply Project. Mincor has examined the project and believes it would provide an enormous benefit to the mining industry in the Goldfields Region.

Mincor is currently supplied with all of its fresh water requirements from the existing Goldfields Water Scheme pipeline between Widgiemooltha and Norseman, and is aware of the severe limitations on this source.

We believe the lack of fresh water is a serious constraint on the expansion of the mining industry that needs to be addressed in the very near future if the full potential of the Goldfields Region is to be realised.

We strongly support the concept of additional freshwater supplies to the Goldfields of WA.

We urge the ERA to fully consider the economic benefits of the project and the limitations on the expansion of the mining industry that would be imposed by limiting the Goldfields to the existing freshwater supply, or minor modifications to it.

Ref: Mincor Letter to ERA re Goldfieds Water..doc

And then there is also the issue of competition – of either Supplier and/or source. Experience in other areas, and with other utilities has universally demonstrated the considerable benefits to be produced in introducing some competition to the supply of any commodity. There is every reason to believe that an alternative supplier and/or an alternative source of freshwater could bring great benefits to this vexed issue for the Goldfields.

In the context of the wider strategic development of this Region, we believe this matter requires the most careful consideration

Yours sincerely,

Mincor Resources NL

J S Reeve Chief Operating Officer