

MEDIA RELEASE
30 January 2012



Rey Resources faces objections to mining lease in Mining Warden's Court Tuesday 31 January - Investors Warned off Controversial Coal Project

In an unusual move, the Mining Warden's Court has agreed to hear objections to the grant of a mining lease for the controversial Duchess Paradise proposed thermal coal project near Derby. This matter is listed in the Mining Warden's Court in Perth on **Tuesday 31 January**. The Wilderness Society has today issued an alert to investors to notify them of the significant emerging risks to this project operated by Rey Resources Ltd.

Nykina Traditional Owner Dr Poelina says - "It is highly unusual for the WA Mining Warden's Court to hear these kinds of objections. The failure of Rey Resources to readily secure a mining lease is a serious blow to the viability of the project.

"I am objecting to the grant of the mining lease on the basis that there is insufficient information to determine the environmental risks of a thermal coal mine at that site. I am also deeply concerned that the mine will have significant negative effects on the water, environment, people and emerging sustainable industries of the Fitzroy River region."

The Wilderness Society has today alerted investors to the lack of a secure mining lease plus other significant risks that create significant hurdles for the project .

Heidi Nore of the Wilderness Society says "Rey's investors should expect some serious difficulty in succeeding with this project. They have no mining lease in place, they are subject to a lengthy environmental approvals process and they are facing strong community opposition to new coal mines.

"This proposed coal project is in the Fitzroy River catchment area and appears very likely to pollute the groundwater at the nearby National Heritage listed site.

Consequently, the Environmental Protection Authority (EPA) has determined that the proposal must be subjected to a Public Environmental Review, which is one of the lengthiest types of assessment. The Commonwealth Department of Sustainability, Environment, Water and Communities (SEWPaC) has determined that this proposal is a controlled action, meaning that it must also meet federal environment minister approval.

"The EPA made some significant decisions last year rejecting coal proposals at both Eneabba and Margaret River due to the detrimental effect on ground water. We are calling on the EPA to assess this Fitzroy River project with the same rigour."

The matter is listed at the Perth Mining Warden's Court at Central Law courts, 501 Hay Street, Perth as the matter of Blackfin Pty Ltd v Poelina

A copy of the Investor Alert is attached.

For further comment contact

Anne Poelina – Nykina Traditional Owner – 040 89 22 155

Heidi Nore – The Wilderness Society WA – 040 44 78 779

PROTECTING WESTERN AUSTRALIA'S GREAT WILD PLACES

THE WILDERNESS SOCIETY WA INCORPORATED

2 DELHI ST, WEST PERTH, WA, 6005.

P: 08 9420 7255 F: 08 9226 0994 E: wa@wilderness.org.au

WEB: www.wilderness.org.au/wa **ABN:** 84 028 469 650 **MEMBERSHIP ENQUIRIES:** 1800 030 641