

MEDIA RELEASE

Association of Mining & Exploration Companies Inc.

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“AMEC re-launches its anti mining tax media campaign”

“In a gesture of good faith we ceased our media campaign in June against the Government’s proposed new mining tax, however, the time has now come to re-launch our campaign,” said Simon Bennison, AMEC CEO.

“The Prime Minister said that the Government was going to open the doors to the mining industry and asked the industry to do the same.

“However, all that has happened is a secret deal has been done with three multi-national mining companies, to the exclusion of 99% of the industry, with the result that only a two page document has been produced which lists the general principles for a new mining tax.

“If the Prime Minister thinks that the mining tax issue is dead and buried, she is wrong.

“We have unsuccessfully sought to meet with the Prime Minister, Deputy Prime Minister and the Minister for Resources on several occasions over the past few weeks, and finally had a brief meeting with Minister Ferguson today.

“We have attempted to pose a number of questions and concerns raised by our mid cap mining and junior explorer members that need to be addressed by the Government. These concerns need to be answered now, and not put into a Committee process which is expected to go through until December.

In the absence of any detail, we seek to have the proposed mining tax withdrawn until full and transparent industry consultation has occurred.

Mr Bennison said, “Our members are concerned about a number of issues, such as:

- The significant uncertainty and confusion that has been created in investment and capital markets and in the business decision making processes
- The tax is an investment disincentive; will significantly reduce Australia’s prosperity; and affect the economy with the result that jobs will be lost
- Australia’s international credibility and competitiveness has been reduced, and sovereign risk severely affected
- The goal posts will move as a result of the Greens political pressure, and a possible budget shortfall
- The tax is unfair, unjust, poorly designed, complex, inefficient and discriminatory
- The tax does not promote minerals exploration, project development or economic growth

“In the absence of any clear resolution to our members concerns, we have been provided a mandate to re-commence a national multi media advertising campaign.

“As every day passes the level of uncertainty and confusion increases, with the result that Australia’s economy, communities and families will be affected”, said Mr Bennison.

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