
Gindalbie Metals expects project costs to increase further

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After an approvals process it has called long and frustrating, Gindalbie Metals has finally secured WA government environmental clearance for its Karara magnetite iron ore project inland from Geraldton.

This now leaves Mr Peter Garrett Federal environment minister as the final approval hurdle to starting construction at the USD 1.8 billion plus project this year.

By the time the button is pressed on the project, the cost estimate which is getting a little old is expected to climb a bit higher, especially with the massive Gorgon LNG project which should provide a significant boost to inflation expected to get the go ahead in WA soon.

Still in WA, contractor Decmil, the former Paladio, is reaping strong benefits from an April decision to change its name, abandon plans to form a national engineering group and focus on the Gorgon led boom in that state.

Decmil shares have jumped 6 fold to around USD 1.20, helped by new contracts with Gorgon and BHP for non process infrastructure such as accommodation blocks, concrete foundations and workshops.

With a host of iron ore and LNG players talking up expansion and green fields projects investors are betting Decmil can add to its USD 300 million project pipeline.

(Sourced from the Australia)

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