

MEDIA RELEASE

Association of Mining & Exploration Companies Inc.

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“Senate Select Committee vindicates AMEC opposition to the extra tax on mining”

“The Senate Select Committee on Fuel and Energy report released today clearly confirms that AMEC’s long standing opposition to the proposed new mining tax is well justified,” said Simon Bennison, AMEC CEO.

“The membership of the Senate Select Committee shows that Senators from the ALP, Nationals, Liberals and an Independent were directly involved in the numerous hearings and drafting of the final report. The recommendations should therefore be viewed as being in the best interest of the Australian community.

“In that regard, the report contains several recommendations, including scrapping of the proposed new extra tax on mining.

“There are many observations and concerns contained in the report that re-inforce the statements that AMEC and its members have been saying since 2 May; that the *“tax will have significant implications for the economy, jobs and investment.”*

The report also highlights the inadequate consultation process that has occurred to the exclusion of 99% of the mining industry.

“In the absence of any details of the calculations and assumptions made, the Senate Select Committee has also raised serious concerns about the credibility or otherwise of the government’s revenue estimates.

“All in all, the report vindicates AMEC’s serious concerns about the effects of the proposed new extra tax on the mining industry, and demonstrates why the majority of the mining and minerals exploration industry is clouded in uncertainty and confusion.

“The Prime Minister should take notice of this Senate Select Committee report and immediately announce that the new mining tax will be withdrawn, so that open and transparent discussions can commence in developing a longer term genuine tax reform program that benefits the Australian economy, jobs, families and communities,” said Mr Bennison.

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The link to the Report is as follows:

http://www.aph.gov.au/Senate/committee/fuelenergy_ctte/second_interim/index.htm