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Will Hodgman, Premier

Guy Barnett, Minister for Resources

Blasts Sound Liberal Government's Strong Commitment to West Coast Jobs

The first blasting to reopen a tunnel at the Mt Lyell copper mine is a demonstration of the confidence in our critical mining sector and the majority Liberal Government's strong support for it, and for the West Coast.

In April, we announced a \$9.5 million investment with Copper Mines of Tasmania (CMT) to undertake a range of projects needed for the restart of operations at the mine.

Today, the first blasting to create a bypass around a blocked part of the North Lyell Tunnel signalled that this work is now underway.

Reopening the North Lyell Tunnel – a \$1.5 million project – will help CMT to properly manage water flows, which will have operational and environmental benefits.

Our investment in Mt Lyell is creating jobs, with about 50-60 new jobs in construction as a result of the projects we are funding, including up to 12 people working on this tunnel.

Importantly, by completing work that is essential to resuming operations at the mine, we are bringing forward a potential restart by more than six months.

A restart of production at the Mt Lyell mine could create up to 300 direct jobs.

That's why we are committed to working with CMT to do everything we can to facilitate a restart as soon as possible.

We have previously announced a \$25 million assistance package, including payroll tax and royalty relief, and this remains as an incentive for the company, and its owners, to commit to the future of Mt Lyell.

It must be recognised that CMT is also investing heavily in the mine, having spent more than \$100 million keeping it in care and maintenance, and is looking at spending \$80-100 million on future new works to help with a potential restart.

The other projects the Government is funding from our direct investment of \$9.5 million are:

- Decline refurbishment and preparation (tunnel that is used to bring ore to the surface) – \$4.5 million
- West Queen water supply pipeline (replacing a 100-year-old pipeline that supplies water to the site) – \$2 million
- Work related to the upgrading of the crushing mill – \$1.5 million

An operational Mt Lyell mine would be a great outcome for jobs on the West Coast and in this important industry.

It would also be the best outcome for our environment as it will allow legacy environmental issues to be better addressed.