



MEDIA RELEASE

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BRIC COUNTRIES HAVE HIGH BARRIERS FOR AUSTRALIAN METS EXPORTERS

Austmine, a leading industry association which promotes innovative Australian mining equipment, technology and services (METS) to global markets, found that many companies would like to do business with BRIC markets, but can't because of high barriers.

In a recent Austmine member survey, over 50% of those who participated said high barriers restricted business dealings with Brazil, Russia, India and China. Brazil topped the list with 23% of companies seeing it as the market with most difficulties.

"BRIC countries are very rich in natural resource with new mining projects being developed every day," said Alan Broome, Chairman, Austmine. "Not only are new mines being developed, but many of the largest mining companies are headquartered in BRIC countries. These companies are looking for innovative mining technology, and have the financial means to afford the best equipment, technology and services in the world. That is what our members have to offer."

"We recently took a mission to Russia and found projects in both coal and base metals that would benefit from Australian technologies and services being available at competitive prices to improve productivity, increase safety and gain cost efficiencies. Australian technology has a lot to offer, and those participating on the mission made sales and were very pleased with the level of interest received," Broome said.

"Brazil is the largest iron ore producer in the world, and is increasing its gold and copper production. Our members have found that high tariffs, complicated logistics and bureaucratic red-tape make it very difficult to do business there.

"Despite high barriers, Austmine members are determined to succeed and see the greatest export opportunities in Latin America, and in particular Brazil. Many indicated that they would be expanding into Brazil and China in the next 12-24 months.

"Members also indicated that Free Trade Agreements (FTAs) had a positive impact on their export business. FTAs opened up markets such as Chile, made business dealings more transparent and brought down tariffs, making Australian products more competitive offshore.

"Given the positive impact, we call on the Australian Government to conclude the current FTA negotiations with China, which have now been underway since 2005. We further applaud the Government for commencing FTA negotiations with India, and would like to encourage its speedy negotiation. Lastly, we would like the Government to seriously consider a FTA with Brazil."

Austmine will lead a mission to Brazil in early November to attend Americas Iron Ore.

For information about Austmine visit www.austmine.com.au or contact Kim Robinson on (02) 9357-4660.
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