Chief Minister, Clare Martin, today welcomed the signing of a Heads of Agreement between Woodside and Alcan to supply gas from the Blacktip field in the Bonaparte Gulf to the proposed Alcan alumina expansion at Gove.

"This is the first significant step in making this project a reality and is great news for the Territory. It sets the path for a new gas development in the Timor Sea, and more jobs for Territorians, both in the pipeline construction and in the $1.5 Billion Alcan alumina refinery expansion," she said.

"Today’s announcement clearly demonstrates that this Government is delivering on its vision for the Territory as an international gas hub."

The 1000km-pipeline project is expected to employ at least 500 workers on building teams, with work to be completed by 2007. The Alcan expansion will employ another 1200 workers during the construction phase.

Ms Martin said the Territory Government was pleased to be working with Woodside to develop Timor Sea gas for major industrial expansion in the Territory.

"With Bayu-Undan about to come online, and Blacktip now closer to development, our vision of the Timor Sea becoming a major new international gas province is fast becoming a reality.

"There are a number of issues to be finalised to make this project a reality - including environmental assessments, and negotiations with traditional owners along the pipeline route - and we have established a dedicated Task Force to work with all stakeholders."

"We will also be working with Alcan and the Northern Land Council to develop opportunities for indigenous employment on the pipeline and associated developments."

These projects add up to $2.5 Billion in capital expenditure in coming years, with approximately $500m to be spent on the Blacktip offshore development, another $500m on the 1000km pipeline from Wadeye to Mataranka and onto Gove, on top of the $1.5 Billion Alcan expansion.

The feasibility study on Alcan’s $1.5 Billion expansion is currently underway and is expected to be finalised mid 2004.

Subject to the finalisation of the feasibility study and environmental approvals, work on the Alcan expansion could commence in 2005, with completion expected in 2007.