

Woodside shrugs off EPA's Pluto rejection



TRACEY COOK
MARKETS

Woodside Petroleum shares managed to firm yesterday despite its \$10 billion Pluto gas project failing the Environmental Protection Authority's report card.

The EPA report predicted dredging for a pipeline to service the liquefied natural gas plant on the Burrup Peninsula would cause coral loss and would have an impact on the adjoining proposed marine park.

However, the EPA said the project could go ahead if Woodside agreed to a more substantial offset package and a range of other conditions.

A Woodside spokesman said the project remained on schedule to deliver first gas to Japanese customers by the end of 2010, with no significant effect on the final capital cost expected, helping its shares add 14¢ to \$47.14.

Higher oil prices on Friday bolstered domestic producers with London Brent crude charging above \$US76 a barrel after Nigerian disruptions and OPEC output triggered further supply concerns. **Caltex Australia**

lia advanced 26¢ to \$24.91, **Oil Search** rose 7¢ to \$4.20 and **Santos** racked up 37¢ to \$14.08.

Enthusiasm for resource stocks and the finance sector pushed the Australian market to a 34th record close for the year. At the close the benchmark S&P-ASX 200 was up 49.5 points to 6400.6 and the all-ordinaries index rose 46.5 points to 6429.5. The S&P-ASX 200 is now just a whisker away from breaking its lifetime high of 6409.2 set on June 4.

Bullish forecasts for commodity prices supported miners, with **BHP Billiton** jumping \$1.29 to \$38.83 and **Rio Tinto** gaining \$1.35 to \$103.40.

Ongoing speculation about a potential merger between Oxiana and Zinifex continued to inflate the share prices of both miners. **Zinifex** soared \$1.10 to \$21.32 and **Oxiana** rose 11¢ to \$3.85, in part buoyed by an upgrade from Credit Suisse.

Takeover target **Auspine** jumped 29¢ to \$6.60 after the forestry group said it had agreed to open its books to two unnamed potential bidders.

In other takeover talk, Perth-based scooter manufacturer Vmoto went into a trading halt yesterday amid whispers it might be in the crosshairs of fellow WA company Automotive Holdings Group. Neither company would comment but *WestBusiness* un-

derstands Vmoto directors went to a South-West location to discuss the matter behind the trading halt.

Automotive Holdings Group surged 20¢ to \$4.40.

Capral Aluminium disappointed investors when it revealed it was likely to post a net loss of about \$19 million in the half to June 2007 because of weaker than expected manufacturing volume. Its shares slipped nearly 20 per cent to a record low of 53¢ before closing 10¢ lower at 56¢.

Spot gold in Sydney ended up \$US6.55/oz on Friday's close. **Newcrest Mining** firmed 5¢ to \$23.14, **Newmont Mining** gained 15¢ to \$4.92 and **Lihir** lifted 4¢ to \$3.09.

Among WA companies, **Wesfarmers** gained 30¢ to \$41.35, **Alinta** held steady at \$15.33, **Kagara Zinc** dropped 16¢ to \$6.24, **Avoca Resources** slipped 0.5¢ to \$1.40 and **WA Newspapers** slumped 52¢ to \$14.27.

• The **Australian** dollar reached its highest level against the Japanese yen in nearly 16 years yesterday.

The unit was battered early after a credit ratings agency expressed worries about New Zealand's housing market. But Japanese investors stepped in after the Australian dollar fell in line with the NZ unit. At the Perth close the dollar was at **US85.97¢** from US85.64¢ and at 106.21 yen.