QUEENSLAND'S new Liberal National Party government vetoed two massive coal projects after Premier Campbell Newman yesterday declared some of the nation's most fertile farmland off-limits to mining.

The decision delighted Glen Beutel, the "last man standing" in the ghost town of Acland, where Mr Newman has vowed to block New Hope Corporation's plan to double coal production to 10 million tonnes.

"I'm just a cork in the ocean," Mr Beutel said yesterday.

"I've been resisting their efforts to purchase me, and have been trying to point out a lot of the aspects of the mine that aren't very good, so it will be a relief to have this over."

The ousted Bligh government had granted "significant project" status to fast-track the stage three expansion of the open-cut mine.

But the new Premier yesterday said it was "inappropriate" to expand the mine in the state's southern food bowl, 150km west of Brisbane. Mr Newman also said he would oppose the creation of Australia's first coal-to-liquids project on fertile farmland at Felton, on the Darling Downs. French company Ambre Energy claims the $3 billion project could supply one-fifth of Queensland's unleaded petrol and LPG needs.

The LNP's insistence on blocking both mines came after Queensland's Land Court ruled on Tuesday in favour of Australia's biggest open-cut coalmine at Wandoan, on fertile cattle and cropping country northeast of Brisbane. But Mr Newman said yesterday he supported Xstrata's mine at Wandoan because "this is not actually on the strategic
cropping land of the Darling Downs).

"Wandoan is a different matter," he told ABC radio.

"This has been approved by the previous government, it's now been upheld by the court generally and frankly the project's going to go ahead."

A spokeswoman for Mr Newman yesterday said the LNP had been clear during the election campaign that it would not support open-cut coalmining in the Felton Valley.

"In fact, the LNP don't support open-cut coalmining on strategic cropping land anywhere in the state," she said.

"The LNP will not support the proposal for Acland stage three (because) it covers some areas of strategic cropping land, and would come too close to local communities."

Mr Newman's objections did not appear to deter the miners.

"This has been the LNP's stated position during the election campaign and we will continue to work with the new LNP government," a New Hope spokesman said.

He would not say whether the company would amend its mining proposal to try to reach a compromise with the government, whose policy addresses surging community concern over mining on farmland.

In homage to its National Party roots, the government will fast-track statutory regional plans to quarantine farmland from mining, especially coal-seam gas extraction, in the Darling Downs and the southern Scenic Rim.

Ambre Energy director Michael van Baarle said yesterday his company would not be dissuaded from pursuing the coal-to-liquid project: "We haven't had an opportunity to speak to the new government or the new bureaucracy. We've always supported protection of cropping land."

Mr Newman has also pulled the plug this week on financial support for the $1.2bn Solar Dawn solar thermal project near Chinchilla, 300km northwest of Brisbane. The showpiece of the Gillard government's $1.5bn Solar Flagships program, Solar Dawn had been promised $75 million in state funding and $464m in federal funding.

Federal Resources Minister Martin Ferguson told The Australian on Tuesday the federal government would need to "consider its own position" if Queensland pulled out.

Mr Newman appeared to back down yesterday, revealing he was awaiting legal advice over the "contractual commitments" with Solar Dawn.

"We're not going to, in some silly way, cancel a contract that ends up costing taxpayers money in some sort of penalty," he said.

"I'm seeking advice on that and I haven't had a formal briefing, but my intent is clear. If we can exit this project and save, I think it is $75m, we will."

He said if the federal government wanted to proceed with Solar Dawn, his government would do everything except provide funding to make it happen.

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