

MEDIA RELEASE

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Iron Ore Miners Will Secure Oakajee Port

Geraldton Iron Ore Alliance (GIOA) CEO Rob Jefferies recently addressed the Committee for Economic Development of Australia (CEDA) Breakfast Seminar, offering his perspective on *Delivering Oakajee to the World*.

The two hour seminar at the Perth Convention Exhibition Centre detailed infrastructure proponent Oakajee Port and Rail's (OPR) plan to take the project through to bankable feasibility in 2010 and on to completion.

Mr. Jefferies emphasised that, in order to achieve a successful and viable port, the overarching strategy and focus must be upon the development of a viable and sustainable iron ore industry, of which the Oakajee port is a critical enabling element.

"The Mid West iron ore industry is unique in that it consists of a number of geographically spread projects of small to medium scale, working in cooperation with each other," he said.

"The key issue for Oakajee's development is that no one mine alone can sustain the investment in this infrastructure, and probably no two projects can do so either.

"The financial feasibility is likely to require at least three significant iron ore mines and long term success will depend on achieving ongoing throughput from planned mines over the next few decades.

"This means that our iron ore miners, infrastructure providers and Government must have a clear agenda to develop a long term, viable and sustainable iron ore industry.

Mr. Jefferies said it was a necessity to appreciate that all decisions relating to the progress of the region's iron ore mines, and infrastructure facilitating those mines, are connected.

"We must have strong coordination across all projects, with common and integrated timelines and high levels of communication between all parties.

"Members of the Alliance, which represents the major potential iron ore users of Oakajee, are ready to enthusiastically and cooperatively play their part, because while the challenges to this industry are enormous, so are the benefits and positive outcomes of its development."

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About the Alliance:

The Geraldton Iron Ore Alliance (Alliance) has a membership of seven iron ore mining companies which are at various stages of exploration and development of mines in the Mid West. These companies are:

- Midwest Corporation Limited
- Crosslands Resources Ltd
- Gindalbie Metals Ltd
- Golden West Resources Limited
- Asia Iron Holdings Limited

The member companies that make up the Alliance are committed to developing and operating in a sustainable manner in their endeavour to establish a world class iron ore industry in the Mid West/Murchison Region of Western Australia.

Further details of the companies and their projects is available on the Alliance's website at www.gioa.com.au.

An independent Study by Economic Consulting Services (2007) estimated potential benefits the Mid West iron ore industry will bring to the State include:

- 1,360 jobs a year during construction;
- 4,254 direct jobs a year (for at least 25 years);
- >12,000 direct and indirect jobs a year in WA;
- \$1.5 billion a year to Gross State Product and
- estimated \$7 billion in taxes and duties to the Federal Government
- estimated \$3.5 billion in royalties and other payments to the State Government