



# Blending iron ore an option at new port

## Infrastructure

IRON ore miners in Western Australia's Mid West could pool their product to create a new blend to help both optimise and market varying qualities of ore from different mines, an infrastructure provider says.

This would be much like Rio Tinto's Pilbara Blend, which melds two different styles of iron ore and was exported from mid last year.

"One of the mines has raised with me the possibility of developing a blending stockpile at the port," said Christopher Eves, chief executive of Oakajee Port & Rail (OPR), a Murchison Metals-Mitsubishi joint venture company.

"At the port, we can deliver mine product from all of the mines in the region and as a result, produce a co-operative . . . to the benefit of all the mines," Mr Eves told a media teleconference yesterday.

OPR was selected by the West Australian Government on Tuesday to develop a

\$3.5 billion deepwater port at Oakajee in the state's Mid West plus associated rail infrastructure.

Mr Eves said Oakajee Blend was one of several possible export strategies OPR could offer Mid West iron ore miners.

"If a junior miner wants us to pick it up at the mine gate and arrange shipping, that's something we can look at doing," Mr Eves said.

"We're going to be flexible. How we can help is a matter of negotiation.

"We'll be providing not only transportation services, but we would also like the opportunity to sit down with our customers and really get an understanding about what sort of role they would like us to perform."

Some new Mid West iron ore mines could be ready to export by 2010 — three years before the new port is expected to be complete.

Mr Eves said the nearby Geraldton port was expanding and could handle extra ore from the Mid West during this period.

Companies lining up to use the new port include Gindalbie Metals and Golden West Resources. "The overarching imperative . . . is to get this ore to market as soon as possible, given the present state of the iron ore market," Mr Eves said.

"The port of Geraldton is already handling about 4 million tonnes of iron ore and they have plans to increase that in the intervening period while Oakajee is coming on line.

"We welcome that.

"We don't see that as competitive because the port of Geraldton is designed for a different class of vessel.

"We're targeting deeper draft capesized vessels.

"The port of Geraldton is confined to Panamax-sized vessels."

Mr Eves said the port, which would be designed for a rated capacity of 35 million tonnes a year, could be expanded to 70 million tonnes a year.

AAP