

GERALDTON ALLIANCE CONTINUES TO PRESS FOR KEY MID WEST INFRASTRUCTURE NEEDS

The Geraldton Iron Ore Alliance, comprising six iron ore companies in Western Australia's Mid West region, today affirmed its commitment to continue to present a common industry viewpoint for Australia's second fastest growing iron ore province – with an ongoing focus on co-operation with Government and the community to develop a coordinated approach to common-user infrastructure.

The Geraldton Alliance was formed late last year to represent the interests of the Mid West iron ore industry, particularly in the areas of infrastructure and stakeholder relations.

Alliance Chair, Mr Clive Brown, said it was important to emphasise the Alliance would continue to advocate an industry viewpoint and support the projects being developed by each member company.

“As the industry develops, there will be opportunities for two or more of the member companies to work together on projects of mutual interest,” Mr Brown said. “These projects may be carried out under the banner of the Alliance, but will not involve all members simply because they are not relevant to each operation.”

“A good example of this was the announcement earlier this year that three Alliance members, Gindalbie Metals, Midwest Corporation and Mount Gibson Iron Limited, commissioned an independent study into developing a Strategic Transport Plan for the Mid West region's southern corridor to accommodate the rapid growth of the iron ore industry over the next five years,” he added.

In relation to infrastructure development in the Northern Corridor, the Alliance has always supported the proposed development of a new privately-funded port at Oakajee, 25km north of Geraldton, together with development of associated rail and industrial infrastructure.

A number of companies have been working together to undertake a feasibility study on the development of new port and rail infrastructure in the Northern Corridor. Two companies, Murchison Metals and Midwest Corporation, are continuing to focus on this Northern Infrastructure Feasibility Study.

“Both Murchison and Midwest have indicated in separate statements today that the recent formation of a consortium to consider the development of this infrastructure does not change the broader Alliance members view on the development of northern infrastructure, and that both companies will continue to work together and with Government on the engineering and approvals processes for the rail and port developments including the Oakajee Industrial Estate,” Mr Brown said.

“For its part, Gindalbie Metals has indicated in a statement yesterday that it plans to utilise the expanded port facilities at Geraldton to accommodate the base case requirements for both its Stage 1 hematite project and Stage 2 magnetite project joint venture with AnSteel, with the future development of Oakajee representing an option to accommodate a future expansion of the project,” he added.

“None of these individual company positions have impacted on the broader Alliance, which remains firmly intact, nor have they changed the Alliance's view about the pressing need for immediate decisions to be made on the public policy issues related to the northern infrastructure.

“The Alliance welcomed the announcement made by the Government in April 2006, confirming Oakajee as the preferred site for a new deep-water port, including the appointment of a special Ministerial Committee to prepare a report on the design process, timing of construction and operational management of the proposed port at Oakajee,” Mr Brown said.

“The Alliance has not yet met with this Ministerial Committee and we would welcome the opportunity to do so as soon as possible, to enable the orderly and informed development of this essential infrastructure,” he added.

The Geraldton Iron Ore Alliance, which consists of Midwest Corporation Ltd, Murchison Metals Ltd, Gindalbie Metals Limited, Mount Gibson Iron Limited, Golden West Resources Limited and Royal Resources Limited was formed in late 2005 to take a coordinated approach to the common-user infrastructure development and stakeholder relations required to unlock the full potential of Australia's fastest growing new iron ore province.

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