

FACT SHEET



Asia Iron Australia Extension Hill Magnetite Project

- Asia Iron Australia is developing the Extension Hill Magnetite Project in Western Australia's Mid West, about 85km east of Perenjori.
- The first stage of the project is expected to yield 10 million tonnes of high grade magnetite concentrate a year.
- The total development investment for the project is expected to be approximately \$3billion.
- Pre-development work has started at the site, including the construction of an accommodation village for 120 people.
- Asia Iron Australia is currently finalising the Implementation Study for the development. This will support the final investment decision and debt financing.
- Site construction is planned to start in the first quarter of 2012 to coincide with the final investment decision.
- Current environmental approvals for the project cover
 - 1 billion tonne open pit
 - Ore processing plant
 - Site infrastructure and accommodation
 - Powerline
 - Borefield
 - Slurry pipeline transport system
 - Slurry filtration and concentrate storage in Geraldton
 - Export through Geraldton Port
- The current approvals cover a 40-year lifespan at 10 million tonnes a year. It is anticipated the existing mining leases have sufficient ore to sustain the production rate for up to 300 years.
- About 2,000 people will be involved in construction.
- About 500 jobs will be created once the mine becomes operational in 2014.
- The first shipment is expected to China in 2014 through the Port of Geraldton.
- The ore will be transported to Geraldton through a pipeline.

Investment

Chinese joint venture Chongqing Chonggang Minerals Development invested \$280 million last year to acquire a 60 per cent interest in the project.

The balance is owned by Hong Kong based SINOM Investments Ltd.

The Vice-Mayor of Chongqing Municipal People's Government, Mr Ling Yueming, and his delegation are in Western Australia to attend a ground-breaking ceremony at the site.

The Chinese National Development and Reform Committee has authorised project development and policy bank funding.

Chongqing

Chongqing was first settled more than 3,000 years ago at the confluence of the Jialing Yangtze Rivers in south west China.

Nestled amongst green hills on both sides of the rivers, Chongqing today is a modern city with a population of more than 32 million, making it the biggest municipality in China.

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