



Mindax's Mt Forrest magnetite project in the Yilgarn iron province has a mine life in excess of 30 years, accessible infrastructure, high grades, potential buyers and an experienced team to run it. The company is setting the bar for its competitors, mining reporter FRANCES PRATT explains.

Sleeping giant leads the way

A SLEEPING giant in the Yilgarn iron province is quietly ticking all the boxes on its way to production.

Mindax's 1.48 billion tonne Mt Forrest magnetite project is the biggest JORC compliant iron resource in the region.

Lying 160km north-west of the rail head at Menzies, the project connects with the Esperance Port.

Although still in the exploration stage, a pre-feasibility study is due to begin soon and Mindax managing director Greg Bromley says he is already negotiating with rail, port and other infrastructure providers.

"The main thing that's attractive about the Yilgarn is it's close to existing infrastructure," he said.

"As far as infrastructure is concerned – rail and gas particularly – the area is pretty well serviced.

"That differentiates us from the Midwest, where they don't have a port or a railway yet."

Mr Bromley said there was a tight cluster of projects in the Yilgarn which could work together and share infrastructure.

"It's a concentration of potential iron producers that's always really been there, its just not been on the radar," he said

"But the region has produced iron for a very long time. It's always been sitting there, it's just a part of WA that nobody really thinks about – the Pilbara and the glamour of the Midwest have provided a fair degree of political attraction."

As for staffing the operation, Mindax is keen on using local skills.

"There is a labour force (in the Goldfields) that has a core culture of mining – it is an obvious place to look to for employment," Mr Bromley said.

He also believes rather than using fly-in, fly-out workers, there is scope for building or re-establishing a town.

"I think the world in many cases is a bit tired of FIFO," Mr Bromley said.

Mindax is already in discussions with potential buyers – mainly in China – for its magnetite and haematite products.

The company has a projected 30-plus year mine life, but there is room to increase production and extend the mine.

Mr Bromley said Mindax would take a significant portion of magnetite through to a pellet product.

"It attracts a premium price-wise and has advantages when it comes to handling and environmental issues, and creates a lot more employment," he said.

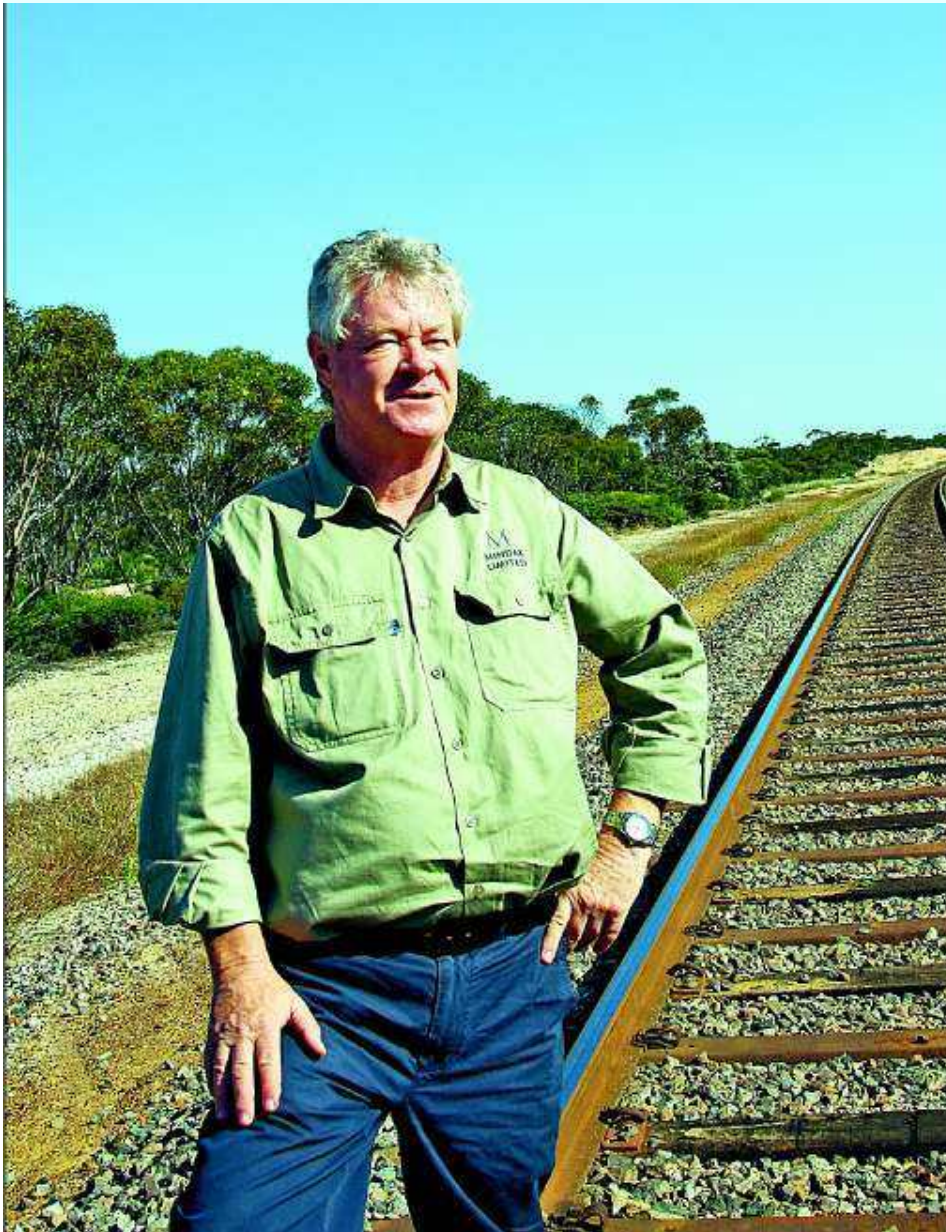
Mindax has a current JORC indicated and inferred magnetite resource of 1.48b tonnes at 31.5 per cent Fe.

It also has a DSO hematite resource of 4.5 million tonnes at 54.3 per cent Fe, which includes 2.66Mt at 54.2 per cent Fe (indicated), and 1.91Mt at 54.3 per cent Fe (inferred).

And with a yet to be chosen joint venture/ cornerstone partner, Mindax aims to transition from explorer to exporter as early as 2014.



Big future: Mindax has the largest magnetite JORC resource in the Yilgarn iron province.



Making tracks: Mindax managing director Greg Bromley has a vision to bring a railway to Mt Forrest.



End product: Mindax will produce pellets from its magnetite operation in the Yilgarn.



Rich pickings: The lay of the land in the Yilgarn iron province.



Bagging up: The Mt Forrest project is a non-stop hive of activity.



Proving up: Mindax's drill program is aimed at creating a quality resource.



Metal mania: China's appetite for raw materials, especially iron ore, has seen it take stakes in WA magnetite projects.



Directors: Gilbert George, Greg Bromley, Benjamin Chow, Andrew Tsang and Angelo Francesca.



Interesting geology: Mt Forrest has a banded iron formation but also an interesting anomaly which was also seen at BHP's Bullabulling operation.