



'Modest' investment key to port expansion



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A new study released by the Yilgarn Iron Producers Association yesterday claims a "modest" investment of less than \$200 million at Esperance Port will deliver significant benefits to the emerging province.

The study suggests a low capital and incremental upgrading of infrastructure can cater for the stage one export of direct shipping ore material through Esperance Port.

"We now have further evidence that a modestly priced Esperance Port upgrade of about 10Mtpa capacity is the way forward," YIPA chairman and Radar Iron managing director Jon Lea said.

"Strong infrastructure provider interest also supports this view." The modest upgrade includes a new 750,000-tonne storage shed, twin car rail dumper, ship loader upgrade and ancillary conveyors and rail with-

in the port.

The financial study was jointly undertaken by seven Yilgarn iron ore miners and explorers and engineering firm Aecom.

The miners include Mindax, which plans to export DSO from its Mt Forrest project, 150km north-west of Menzies, by the end of 2014. "The iron ore price continues to recover and the days of sub \$100/t are well and truly passed," Mindax managing director Stephen Ward said.

"Mindax is very engaged in the multi-user iron ore facility process and it believes the YIPA studies undertaken by Aecom plot a very palatable, commercially acceptable and achievable pathway forward for Mindax to complete its transition into a producer.

"Mindax looks forward to exporting ore utilising the modest 10Mtpa upgrade route."

Cliffs Natural Resources already exports about 11Mtpa through Esperance and Mineral Resources is building up to 4Mtpa through Kwinana, with more proposed for Esperance.

YIPA members are individually involved in the Esperance Port Sea and Land's current market sounding process for a new multi-user iron ore facility. Detailed discussions with infrastructure providers are continuing.

Another study modelling economic benefits to WA from the 10Mtpa upgrade is expected to be completed by Aecom this month. Mr Lea said a stage two upgrade, focused on magnetite, would require the construction of a second berth and could boost the total port potential above 50Mtpa.



New study: Yilgarn Iron Producers Association chairman Jon Lea.