



## ASX ANNOUNCEMENT

### YIPA Supply Chain Study

---

The preliminary results of a Yilgarn Iron Producers Association (**YIPA**) supply chain study details an initial modest Esperance Port and rail upgrade is the key to unlocking the potential of the Yilgarn Iron Province.

The details of the study have been shared with Esperance Ports Sea and Land (**EPSL**) and the implications are that a low capital and incremental upgrading of infrastructure can be used to cater for the stage one export of DSO material through Esperance port.

A representative of YIPA commented that: "Learning the lessons of Oakajee, a modestly priced Esperance Port upgrade (stage one) of 10 – 15 million tonnes per annum (**Mtpa**) capacity is the way forward along with incremental rail upgrades.

A stage two upgrade, with the construction of a second berth, could boost the total port potential above 50 Mtpa and this could be reached over time through a number of environmentally sound sequential expansions."

These conclusions were drawn from a supply chain study jointly undertaken by seven Yilgarn iron ore miners and explorers and a reputable engineering firm.

The study is a first in WA to see miners lining up to co-operate closely with each other to facilitate infrastructure upgrades.

YIPA members Golden West Resources Ltd, Radar Iron Ltd, Mindax Ltd, Legacy Iron Ore Ltd, Mineral Resources Ltd, Cazaly Resources Ltd and Cliffs Natural Resources awarded the contract to undertake high level modelling of infrastructure from loading points in the Yilgarn region along rail from Leonora and Koolyanobbing to Esperance and through car dumpers and loaders onto ships at Esperance Port.

Cliffs already exports about 11 Mtpa through Esperance and Mineral Resources are building up to four Mtpa through Kwinana with more proposed for Esperance.

Preliminary results of the study have been shared with EPSL and the implications are that low capital and incremental upgrading of infrastructure can be used to cater for the stage one export of DSO material through Esperance. YIPA members are independently involved in the current market sounding exercise facilitated by EPSL and believe that the study findings will provide valuable contribution to this exercise.

Discussions with infrastructure providers are continuing and further modelling and detailed analysis is expected to be undertaken.

Craig Ferrier  
Executive General Manager  
25 September 2012

- ENDS -

**Please direct enquiries to:**

***Golden West Resources***

Richard Taylor  
Riley Mathewson Public Relations  
Tel: +61 (0)8 9381 2144  
Mob: +61 (0)451 471 006