

CROSSLANDS CHRISTMAS CARGO MAKES A MILLION

Crosslands Resources Limited will celebrate its first million tonne shipping milestone when the "Shenneng 1" is loaded with ore at berth 4 at the Western Australian Port of Geraldton in the lead up to Christmas.

Crosslands, which is jointly owned by Murchison Metals Ltd and Mitsubishi Development Pty Ltd is developing the world class Jack Hills iron ore deposits 380 kilometres north-east of Geraldton.

The ship is scheduled to arrive in port next week and depart with a Christmas cargo of 60 000 tonnes of Crosslands lump ore, bound for Lanshan in China where the Jack Hills ore will be used in one of China's large coastal steel mills.

The results of shipments have confirmed the high grade premium nature of the Jack Hills ore body. The percentage of lump ore to total ore mined from the Stage 1 Jack Hills Iron Ore Project has averaged over 65%. The average grade of lump ore shipments is 64.9% Fe and of fines ore shipments is 62% Fe. The majority of Crosslands ore is currently being shipped to customers in China and Korea.

Crosslands Chief Executive Officer Trevor Matthews said that the one millionth tonne shipment capped off another significant year for the company.

"This has been a breakthrough year for the Jack Hills project, with the commencement of mining and good progress being made toward expansion and increased production," said Mr Matthews.

"The Shenneng 1 shipment marks 1 million tonnes of high grade Crosslands ore exported through the Geraldton port to our global customers.

"With the support and engagement of local communities and authorities, we have achieved a great deal in a short period of time, having taken the greenfields potential at Jack Hills through to a hard rock mining operation which is now exporting iron ore to our global customers.

"The economic and social benefits of the continued development of the iron ore industry in the mid-west region should become more apparent in the near future and Crosslands is pleased to be helping lead that development," said Mr Matthews.

Production from the Jack Hills project began in November 2006, and shipping commenced in February 2007.

Crosslands is employing a two-stage strategy to develop the Jack Hills Project.

Stage 1 involves a five year mine plan using contract mining, crushing and screening. Iron ore is transported to Geraldton by contract road haulage to ore storage and transfer facilities at the Port of Geraldton, ahead of shipment to customers. Crosslands has secured sales contracts for 95% of planned annual Stage 1 production.

Crosslands is on track, currently producing and shipping iron ore at an annualised rate of 1.5 Mtpa.

Stage 2 of the Jack Hills Project is targeting an expansion of annual production capacity to 25 Mtpa, utilizing rail infrastructure to transport ore to a new port to be built at Oakajee. A bankable feasibility study to assess the potential for this expansion is underway.

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For more information

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