

## Market Update

The Chairman of Australian iron ore company Australasian Resources Ltd (Australasian or ASX: ARH) Mr Domenic Martino announced today in Brisbane that ARH has finally agreed a structure for its massive iron ore deposit in Western Australia.

We have executed a non binding MOU with Mineralogy Pty Ltd whereby our subsidiary and project company International Minerals Pty Ltd ("IM") will now have access to 2 billion tonnes of iron ore. Final details are being worked out between the companies in order to finalize a binding agreement. I anticipate a further announcement in about a month."The Chairman of Mineralogy Pty Ltd has also received a letter of interest from the Royal Bank of Scotland ("RBS") whereby they have confirmed that they are keen to pursue a satisfactory engagement letter for the issue of USD\$500 million in high yield notes by IM pursuant to 144-A/Regulation S to support the development of the project".

In addition, the other signatories to the MOU today were, MCC HK, a subsidiary company of MCC of China whereby MCC HK has agreed to assist IM to raise 75% of the project costs by way of export credit from Chinese banks.

MCC HK has also agreed to accept the appointment as ECP/EPCM for the project on mutually agreed terms and conditions based on the strong background of MCC HK in this area and also for securing project finance from Chinese Banks.

The agreement shall be on a fixed price lump sum turnkey basis and the design in accordance with the Chinese financial study agreed by both parties.

The MOU is flexible to allow for Chinese and or other offtake partners for product produced from the Project and IM confirms that it is also in discussions with a major trading house to participate in offtake agreements and also for a USD\$600 million investment in the project.

IM is currently updating the financial evaluation of the Project and these updated figures will be released to the market as soon as they are to hand.

**ASX Code: ARH**

### Company overview

Australasian Resources is an iron ore company currently developing the world-class Balmoral South Iron Ore Project in the Pilbara region of Western Australia.

### Fast Facts

ASX Code: ARH  
Shares on Issue: 459M

### Board of Directors

Mr Domenic Martino	Chairman
Mr Vimal Sharma	Director
Mr Paul Piercy	Director

### Company Secretary

Mr Grant Ryan

### Chief Executive Officer

Mr Zhenya (Dio) Wang

### Major Shareholding

Professor Clive Palmer and Associates	67.9%
Timefull Investments (Shougang Concord)	6.10%
Mount Sun Investments Ltd (APAC Resources)	4.67%
Australian Minerals (Hong Kong) Holding Ltd	3.37%

### Balmoral Project Highlights

- Right to mine 1 billion tonnes of magnetite iron ore;
- Feasibility Study Completed;
- Federal Ministerial Approval;
- State Ministerial Approval.

### Media contact

PPR (WA) Mr David Tasker  
Tel: +61 8 9388 0944

Dio Wang, the CEO of Australasian Resources commented further that “This is a major achievement for ARH at the right time, especially considering that the comparable Sino Iron Project next door will begin to export product next year.”



**Domenic Martino**  
Chairman

**BIG**  
PROJECT



**BIG**  
PARTNER



**BIG**  
YEAR

