

18 May 2017

## BBI Group secures Weelumurra iron ore asset

### HIGHLIGHTS

- BBI Group Pty Ltd (BBIG) has entered into an option agreement to acquire the Weelumurra iron ore asset in the Central Pilbara region of Western Australia.
- Weelumurra has the potential to be a foundation iron ore asset for BBIG's Balla Balla Infrastructure Project.

BBIG has signed an agreement with Polaris Metals Pty Ltd, a wholly owned subsidiary of Mineral Resources Limited, which gives BBIG an option to acquire the Weelumurra iron ore asset located in the Central Pilbara region of Western Australia.

The Weelumurra iron ore asset is located approximately 15 kilometres from BBIG's proposed Central Pilbara rail head and stock yards. Based on previous exploration work, BBIG's view is that it has approximately 200 million tonnes of iron mineralisation and further potential exploration upside.





BBIG CEO Nicholas Curtis said:

*“BBIG continues to develop the Balla Balla Infrastructure Project as the next tier-one, low cost, large scale iron ore export infrastructure facility in the Pilbara.”*

*“Securing the Weelumurra iron ore asset is an important step in BBIG’s efforts to progress the project to a final investment decision.”*

*“We look forward to working with Mineral Resources and other Weelumurra stakeholders to continue its development so that we are in a position to bring it into production via the Balla Balla Infrastructure Project.”*

In parallel with securing the Weelumurra iron ore asset, BBIG has recently completed an exploration review of the iron ore potential of the ground covered by its Central Pilbara Hay Stack Flat tenement applications, which are located adjacent to BBIG’s proposed railway line. The review determined its geological characteristics have the potential for iron mineralisation of up to 400 million tonnes and BBIG is now progressing the applications and planning of an exploration campaign.

BBIG has also continued to progress confidential discussions with the owners of other potential customer mines seeking export capacity via the BBI Project Infrastructure.

**-ENDS-**

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**Background**

BBIG Group Pty Ltd is jointly owned by Todd Corporation Ltd and Nyco Pty Ltd.

Todd Corporation is the majority shareholder and is one of New Zealand’s largest and most successful companies. Established in 1884, Todd Corporation has interests in oil and gas, electricity generation, energy retailing, property development, minerals, healthcare and technology.

Nyco is an Australian investment company owned by Nicholas Curtis.



## **Balla Balla Infrastructure (BBI) Project Fact Sheet**

May 2017

### **Highlights**

- A new and independent gateway to the iron ore rich province of the Pilbara in Western Australia
- BBIG estimates approximately \$11 billion in royalties and taxes will be payable to the WA and Federal Governments from customer mines over life of the project
- Full agreement and support from traditional owners who hold Native Title over BBI Project land
- Company estimates development of the complete iron ore project at capacity will create 3,300 construction jobs and 900 production jobs
- Crucial milestone reached in January 2017 for the BBI Project with signing of WA State Rail Agreement

### **Background**

The BBI Project is a multi-billion dollar development linking iron ore deposits in the Central Pilbara region with a new iron ore export facility at the Balla Balla port, via a 162 kilometre purpose built railway. This represents a new life for the historic Balla Balla port which was originally established in 1898.

The BBI Project expects to be a world-class infrastructure development.

When constructed, it will comprise an integrated port and rail infrastructure system that will provide a new and independent gateway to the iron ore rich province of the Central and Western Pilbara region in Western Australia. The development of the BBI Project will allow independent producers of iron ore access to essential infrastructure to enable development of new projects, competing with the existing dominance of the iron ore majors in the region.

### **Customers**

BBIG is currently engaged with a number of potential customers that are interested in the supply of iron ore sourced from the Central Pilbara region and or potential investment into the BBIG Project. In addition, BBIG has secured other iron ore deposits in the Central Pilbara region capable of accessing the infrastructure.

### **Central Pilbara region**

The central Pilbara region occurs within the Proterozoic Hamersley Group (approximately 2.6 billion years old). Iron ore is hosted in the Brockman and Marra Mamba formations. Known economic mineralisation within the province exceeds 12 billion tonnes, with potential product grades of 56-62% Iron.

The central Pilbara region already hosts a number of world class Rio Tinto mines and the Fortescue Metals Group's Solomon Hub system. FMG is currently producing approximately 80 million tonnes per annum of high grade, direct ship iron ore from the Solomon hub, which is located less than 70 kilometres west of BBIG's proposed infrastructure.



The development of the FMG Solomon system was the first significant commercial development of a new Channel Iron Deposit paleo channel in over 40 years. This is a deposit type only found in the central and western Pilbara and the success of the Solomon Hub highlights the enormous potential of the region.

## Fast Facts

### Rail

- 162 km purpose built railway
- Heavy-haul railway with 40 tonne axle load capacity
- Mine to port: 23,100 tonne of iron ore per train and will comprise 170 wagons
- Port to port round trip average of 11 hours

### Port

- Initial shiploader capacity of 50 million tonnes of iron ore per year, using transshipment system
- Unique natural deep water harbour, well protected from open ocean conditions, so requires no dredging
- Iron ore transported to the jetty from port stockyards by 13km of overland conveyor, operating up to 11,500 tonnes per hour
- Potential to expand through installation of additional trans-shipment vessels and shore side loading facilities
- All primary environmental approvals are in place

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