



ASX and Media Release

Port Pirie iron ore storage facility recommended for approval

The South Australian Development Assessment Commission (DAC) has recommended the approval of the Company's development application (DA) for the iron ore receipt, storage and outloading facility at Port Pirie. This facility will be used for export of iron ore from WPG's Peculiar Knob mine south of Coober Pedy.

The DAC's recommendation will now be considered by the Minister for Urban Planning, Development and the City of Adelaide.

The DA was originally lodged on 5 November 2010 and has been amended to satisfy concerns raised by key stakeholders during the assessment process. As part of this process, WPG has agreed to fund the construction of a rail overpass that will ensure 24/7 access to Nyrstar's Port Pirie lead smelter. This and other changes agreed to including further soundproofing of the storage shed and site remediation work will increase the overall capital expenditure budget by \$7m or 5% which can be funded from existing cash reserves and the Deutsche Bank facility.

Providing the Minister approves the DAC's recommendations as expected, the only remaining regulatory approvals still to be obtained before project construction can commence are the Commonwealth's approval of the mine pursuant to the *Environmental Protection and Biodiversity Conservation Act* and the South Australian government's approval of the Mining and Rehabilitation Plan that was lodged on 16 November 2010. WPG anticipates these approvals will become available within the next 2 months.

Separately, WPG has recently awarded contracts for the road haulage of ore from the mine site to the Wirrida siding and the catering management contract for the village, and has entered into a leasing agreement for the rail wagons. The only material contract yet to be awarded is for site civil works including the construction of the haul road.

Further Information

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