PORT AGREEMENT SEES IRON ORE PROJECT MOVE CLOSER

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Sherwin Iron has reached a key agreement with Darwin Port Corporation to use East Arm Wharf facilities to export iron ore sourced from the resource company’s Roper River mine site, 500km southeast of Darwin.

Transport and Infrastructure Minister Adam Giles said the signing of the heads of agreement on Monday was a major milestone that could see the port facility utilised for up to 20 years.

Sherwin Iron expects about 200 million tonnes of ore will be produced over the mine’s life and will export the material via the Territory’s rail line to the Darwin Port.

The company proposes to initially export 1 million tonnes of bulk ore through East Arm Port, increasing up to 3 million tonnes annually.

“While non-binding, the agreement will progress negotiations between the two parties to develop formal land leases and usage contracts required so work onsite can begin to construct the necessary facilities to allow stockpiling of materials,” Mr Giles said.

Sherwin Iron executive director Rod Illingworth said it is expected that shipments of iron ore from the company’s Roper River mine can commence this year through East Arm Wharf facilities with suitable agreements put into place with Darwin Port Corporation.

Mr Giles said currently about 2 million tonnes of dry bulk minerals from Territory mines are exported through East Arm Port each year for markets in China and the Roper River Iron Ore project has the potential to double these volumes for Darwin Port.

“Darwin Port is strategically positioned to service Northern Australia’s increasing trade needs with South East Asia and this project represents significant increases in tonnages for the port,” Mr Giles said.

The Heads of Agreement will terminate by mutual consent, upon entering into the formal documents or 31 December 2013, whichever is earlier.

Mr Giles said the project will provide a significant economic boost to the Roper region and is expected to create more than 200 jobs during construction, and 400 when fully operational.

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