

Gindalbie Metals Limited

ASX Small to Mid Caps

Stock Exchange Listing

ASX: GBG

Company profile

Gindalbie's Karara Iron Ore Project is the most advanced project development in the Mid West region of Western Australia, with production scheduled to start next year. Karara is being developed in partnership with Anshan Iron and Steel Group (Ansteel), China's second-biggest steel maker. Karara has all the key ingredients in place for a world-class project – a quality long life resource, a life of mine offtake arrangement, project funding solutions, short and long term infrastructure solutions and substantial growth opportunities. Karara hosts a multi-billion tonne iron ore resource with the potential to produce +30Mtpa for more than 30 years.

[Click here to access the company's 2009 Annual Report](#)

Recent Developments

On site construction development started at Karara in November 2009 following final Government approval. Site clearing has been completed and preliminary earthworks are underway. The on site workforce is expected to build to over 1,000 by mid-2010. Progress on all previously-ordered long lead items, including the primary crusher, secondary crushers, high pressure grinding rolls, ball mills, fine grinding rolls and power transformers, remain on schedule. Delivery of these items has already commenced and will continue until project commissioning. Approximately \$200million has already been spent on contracts and long lead items, with a further \$400 million expected to be committed in the next six months.

Future Outlook

2010 will be a year of rapid development with construction of the Karara processing plant and supporting project infrastructure in preparation for first iron ore production in 2011.

Resources / Reserves Estimates

Karara hosts a magnetite resource of 2.4 billion tonnes grading 36% Fe, capable of producing approximately 1 billion tonnes of premium quality concentrate (+68% Fe, low impurities).

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