

Weld Range (Hematite)

The Weld Range project is Midwest's flagship Direct Shipping Ore (DSO) project. It is located 65km southwest of Meekatharra and 50km northwest of Cue in Western Australia. The Weld Range Project is expected to produce 15million tonnes per annum over 15 years and will be a cornerstone project to export out of the proposed Oakajee Port. The project is at a well advanced stage of a Bank Feasibility Study which is due for completion in July 2010 and should be ready for production by 2013.

Weld Range includes a confirmed total of 155.5Mt of hematite Mineral Resources (JORC) at 58.0% Fe at a cut off grade of 50% Fe, with grades as high as 66.9% Fe having been recorded. The areas covered by the Mineral Resource estimate have no noteworthy deleterious contaminant elements and have acceptable strip (waste:ore) ratios.

The Weld Range project has significant potential due to high grade outcrops over a total 16km strike length. The current resource represents only 6km of the strike length.

Sinosteel Midwest has a significant and accelerated drilling program at Weld Range aimed at increasing the JORC Mineral Resource. To date Sinosteel Midwest has only substantially explored three key mineralised



zones in its Weld Range tenements and considers the unexplored areas offer good potential to expand resources.

The Weld Range DSO hematite project has an exploration target resource of 500million tonnes and is expected to operate at 15million tonnes per annum for at least 15 years.

The Weld Range project will help Sinosteel Midwest become a world class exporter of iron ore, by development of the project's hematite resources.

Sinosteel Midwest has also commenced a drilling program at Weld Range aimed at determining a magnetite resource. Initial indications have identified two significant potential magnetite products – one similar to the relatively coarse grind material at Jack Hills and the other similar to the more traditional magnetite product found at Koolanooka.

