

19 September 2019

NAIF approves ground-breaking Indigenous resource project

The Northern Australia Infrastructure Facility (NAIF) has approved a \$12.5m loan to help fund the development of Australia's first substantially Indigenous owned and operated iron ore mine.

Australian Aboriginal Mining Corporation Pty Ltd (AAMC) has plans to develop the First Iron Project, located in the Pilbara, 80km north west of Newman.

AAMC is a substantially Aboriginal owned, operated and managed company, part-owned by 100% Indigenous owned company Carey Group that includes Indigenous contractor Carey Mining.

The deposit will be mined on a contract basis by Carey Mining, with 2 million tonnes of ore per year trucked 190km to Fortescue Metals Group's Cloudbreak mine.

NAIF's Investment Decision will enable the construction of a borefield, crushing plant and site accommodation, and a 55km haul road to connect the Great Northern Highway to the Cloudbreak mine.

Up to 120 jobs are forecast to be created during construction, with a further 120 roles during ongoing operations. Independent analysis has forecast the net public benefit from the project to be \$304m.

The project is important to show support of Aboriginal ownership in an industry where Aboriginal involvement has generally been as employees.

NAIF CEO Laurie Walker said the project could become a milestone for Indigenous participation in the Pilbara.

Ms Walker said: "One of NAIF's mandatory criteria is to approve strategies for strong Indigenous outcomes for all our investments. Support for the development of Australia's first substantially Indigenous owned iron ore mine and the procurement and employment opportunities it presents, delivers on our commitment in this important area."

Established in 2013, AAMC works to identify and promote opportunities for the development of Aboriginal mining capability and capacity in the Pilbara. The Chairman of AAMC is Daniel Tucker, an appointee to the inaugural Prime Minister's Indigenous Advisory Council and a Board member of the Indigenous Land and Sea Corporation.

AAMC has committed to a range of activities under its Indigenous Engagement Strategy including the employment of an Aboriginal Liaison Officer, Aboriginal procurement targets and establishing culturally appropriate Aboriginal employment policies, training and mentoring programmes. The creation of an Australian Aboriginal Mining Academy (AAMA) to provide education opportunities to local Aboriginal people is also being explored.

Financial assistance to the project from NAIF is subject to a number of conditions precedent including the Western Australian Government's consideration and agreement for the approved funds to be advanced.

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Notes to Editors

About Australian Aboriginal Mining Corporation

Established in 2013, Australian Aboriginal Mining Corporation Pty Ltd ("AAMC") is a privately-owned mining company with a strategy to identify and promote opportunities for the development of Aboriginal mining capability and capacity in the Pilbara.

AAMC has a stated intent and commitment to maximise participation of Aboriginal people in every level of operations through employment and procurement.

AAMC Chairman Daniel Tucker is a highly respected and successful Aboriginal leader and businessman. Under Daniel's stewardship AAMC seeks to create opportunities for Australian Aboriginal communities and businesses to become actively involved in mainstream mining businesses and to share in the wealth of the land.

AAMC and Carey will explore the creation of an Australian Aboriginal Mining Academy, focused on education and training of Aboriginal people that will lead to improved employment outcomes in disciplines that support the mining industry.

AAMC Board and Management

Daniel Tucker: Chairman

A Wongatha man, Daniel Tucker is the owner and MD of the Carey Group of Companies ("Carey"). He has held several Board positions in private and ASX listed companies and several Aboriginal community organisations. Daniel was an appointee to the inaugural Prime Ministers Indigenous Advisory Council and is a Board member of the Indigenous Land and Sea Corporation

Fergus Campbell: Executive Director

With experience in mining businesses in Australia and overseas, Fergus understands all phases of mining operations from feasibility study through project development and into operations.

David Paull: Non-Executive Director

David is highly experienced in resource business development and industrial minerals in public and private resource companies.

Phillip Rundell: Company Secretary

An experienced chartered accountant specialising in company secretarial, compliance, accounting and reconstruction services.

About the Northern Australia Infrastructure Facility (NAIF)

The Northern Australia Infrastructure Facility (NAIF) is a Commonwealth Government \$5 billion lending facility to finance projects via the governments of the Northern Territory, Queensland and Western Australia to achieve growth in the economies and populations of northern Australia and encourage and complement private sector investment in northern Australia.

Projects supported by NAIF are diversified across sectors including ports, roads, airports, tourism, education, agriculture, resources and renewable energy.

NAIF has committed to \$1.4 billion in investments across Northern Australia as a whole, supporting projects forecast to create more than 4,000 jobs and \$3 billion in public benefit.

NAIF's investment by jurisdiction:

- \$781m for Queensland
- \$345m for the Northern Territory, and
- \$308m for Western Australia.

NAIF's loan commitments in Western Australia (investment decisions and conditional approvals) are:

NAME	ASSET	LOAN AMOUNT (UP TO)	ECONOMIC IMPACT AND PUBLIC BENEFIT ESTIMATED TO INCLUDE
Australian Aboriginal Mining Corporation	Construction of a borefield, crushing plant and site accommodation, and a 55km haul road to connect the Great Northern Highway to the Cloudbreak mine.	\$12.5m	\$304m net public benefit. Up to 120 jobs are forecast to be created during construction, with a further 120 roles during ongoing operations
Kalium Lakes Limited	Sulphate of potash project and supporting infrastructure: gas pipeline; gas fired power station, communication and transport facilities and accommodation facilities	\$74m	\$169m net public benefit (in present value terms) over the first 30 years of mine life as well as providing the first domestic source of a fertiliser which plays a significant role in improving agricultural yield and productivity. 145 jobs at construction peak and 45 jobs in operations.

Commercial in Confidence		\$90m	
Sheffield Resources Limited	Processing plant, LNG power station, gas storage facilities and ship loading and logistics assets to support the project	\$95m	\$487m over the 42 year mine life, employees will stay in the region rather than fly in fly out, this will support economic activity in Derby and Broome. 400 jobs during construction and 280 jobs during the mine life.
Pilbara Minerals Limited	Upgrade of a public road, south of Port Hedland	\$19.5m	Public road will remain in public hands and available to all road users.
Onslow Marine Support Base (OMSB)	Development of a marine supply facility	\$16.8m	Forecast \$100m benefit over 10-year period for WA. A multi-user facility provides chandlery, heavy lift capabilities, reverse logistics, refuelling, transport, freight and emergency services to support onshore and offshore industries in middle and southern Carnarvon Basin. Estimated 60 construction jobs with 150 operations jobs.

Public Benefit across these projects includes:

- efficiencies for business through closer access to core maintenance and other facilities;
- better access to remote Pilbara locations for families, businesses and Indigenous communities; and
- development of new domestic markets that will lead to improved agricultural yield and productivity

Indigenous Engagement across these projects include:

- OMSB exploring partnership opportunities with local Indigenous businesses;
- Sheffield Resources' commitment to build to 40% Indigenous workforce in the first eight years of operation; and
- Kalium Lakes actively identifying Indigenous businesses and inviting them to supply goods and services.

As at 31 August 2019, 13 WA projects are currently in the due diligence phase of NAIF's assessment. Projects under assessment include Agrimin Limited; Venturex Resources Limited; EcoMag Limited; BCI Minerals Limited and Hastings Technology Metals Limited.

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