

SE News Stories; Other News
HD **Nullagine JV exports record 3.1 million mt in Jul-Dec**

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BC **Iron** and Fortescue Metals Group over July-December exported a record 3.14 **million** mt of **iron ore** from their Nullagine joint venture in the Pilbara region of Western Australia, a 38% on year jump from 2.28 **million** mt, the **company** said Wednesday.

BC **Iron**'s share of those exports rose to 2.46 **million** mt in July-December, from 1.14 **million** mt in the six-month period a earlier, the miner said in its half-year report for fiscal 2013-2014. Australia's BC **Iron** holds a 75% **stake** in the JV and Fortescue 25%.

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The average realized CFR price BC **Iron** received for its **iron ore** over this period was \$119/mt, higher than the \$100/mt in the year-ago period. BC **Iron** said Wednesday demand for its Bonnie fines product from customers in **China** remains very strong with numerous inquiries received each month. "The **company** considers that the outlook in relation to **Chinese** demand for **iron ore** remains robust," it added.

Cash costs for BC **Iron** in the six months ending December were A\$37/mt (\$33/mt), significantly down from A\$52/mt for the six months ended December 2012. The **company** has forecast costs for producing **iron ore** in fiscal 2013-2014 to be A\$40-44/mt.

The Nullagine JV expects to achieve sales of 5.8 **million**-6.2 **million** mt during the fiscal year, notwithstanding heavy rains in January and early February. BC **Iron**'s share of this is expected to be 4.4 **million**-4.6 **million** mt.

BC **Iron** reported a spike in net profit for the six months ending December 2013 to A\$70.3 **million**, compared with A\$7.7 **million** for the corresponding period of 2012. This was due largely to higher sales volumes resulting from BC **Iron**'s increase in ownership in the JV from 50% to 75% in December 2012. Increased production capacity at the JV mine from 5 **million** mt/year to 6 **million** mt/year also contributed, the **company** said.

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CO ambol : Fortescue Metals Group Ltd

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