

## **Aquila: West Pilbara Iron Ore Project Capable Of 30M Tons/Year Output**

SYDNEY (Dow Jones)--Aquila Resources Ltd.'s (AQA.AU) West Pilbara iron ore project should be capable of producing 30 million metric tons of ore per year for top-line profits of A\$1.8 billion annually, the company said.

The company said that a definitive feasibility study of the site, in Western Australia state, indicated production costs of A\$19.48/ton before royalty rates, equivalent to earnings before interest, tax, depreciation and amortisation of A\$1.8 billion a year.

That would require capital spending of A\$5.77 billion, the company said, with construction work expected to begin in the first quarter of 2012 and the first shipments due two years after that.

A final development decision would be made by the end of September, Aquila said, and work would still require funding and statutory approvals.

The West Pilbara project is Aquila's biggest Australian iron ore site. The miner has a 50% stake in tenements containing an estimated 742 million tons of ore.

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