

## The West Pilbara Iron Ore Project will study the Joint Development of Anketell Point with Fortescue Metals Group Ltd following the signing of a Cooperation Agreement

### Highlights

- Cooperation Agreement signed with Fortescue Metals Group Ltd (“Fortescue”);
- Potential for sharing of capital expenditure;
- Potential for reduced operating costs through efficiency and utilisation of facilities;
- Facilitation of Government approvals; and
- Opportunities for third party access to port facilities.

Aquila Resources Limited (ASX:AQA “Aquila” or “the Company”) is pleased to announce that API Management Pty Ltd (“API”) which is the manager of Aquila’s 50% owned West Pilbara Iron Ore Project, has signed a Cooperation Agreement with Fortescue to investigate the potential for shared development of port facilities at Anketell Point.

The parties to the Cooperation Agreement will exchange information to enable each party to assess the potential benefits of reduced capital and operating costs from the cooperative development of port facilities that can be used not only by API and Fortescue, but other developers of iron ore resources in the West and Central Pilbara, currently unable to develop their projects due to a lack of suitable port infrastructure.

There will also be consideration of the benefits of sharing environmental study efforts to facilitate government approvals through the presentation of more unified, collaborative and coherent plans for port development and the provision of access by third parties.

A working group will be formed to consider these issues, further develop concept arrangements and establish a framework for suitable development scenarios.

Anketell Point is the designated port site within the Definitive Feasibility Study (“DFS”) being undertaken for the West Pilbara Iron Ore Project to develop an export iron ore operation based on a current resource base of 650 million tonnes (as released to the ASX on 24 April 2009), with the potential for significant growth in that base (see the current conceptual port layout for the DFS below). The initial planned production capacity is to be 30 million tonnes per annum of Channel Iron ore, with the opportunity to grow this rate through the addition of Bedded Iron products.

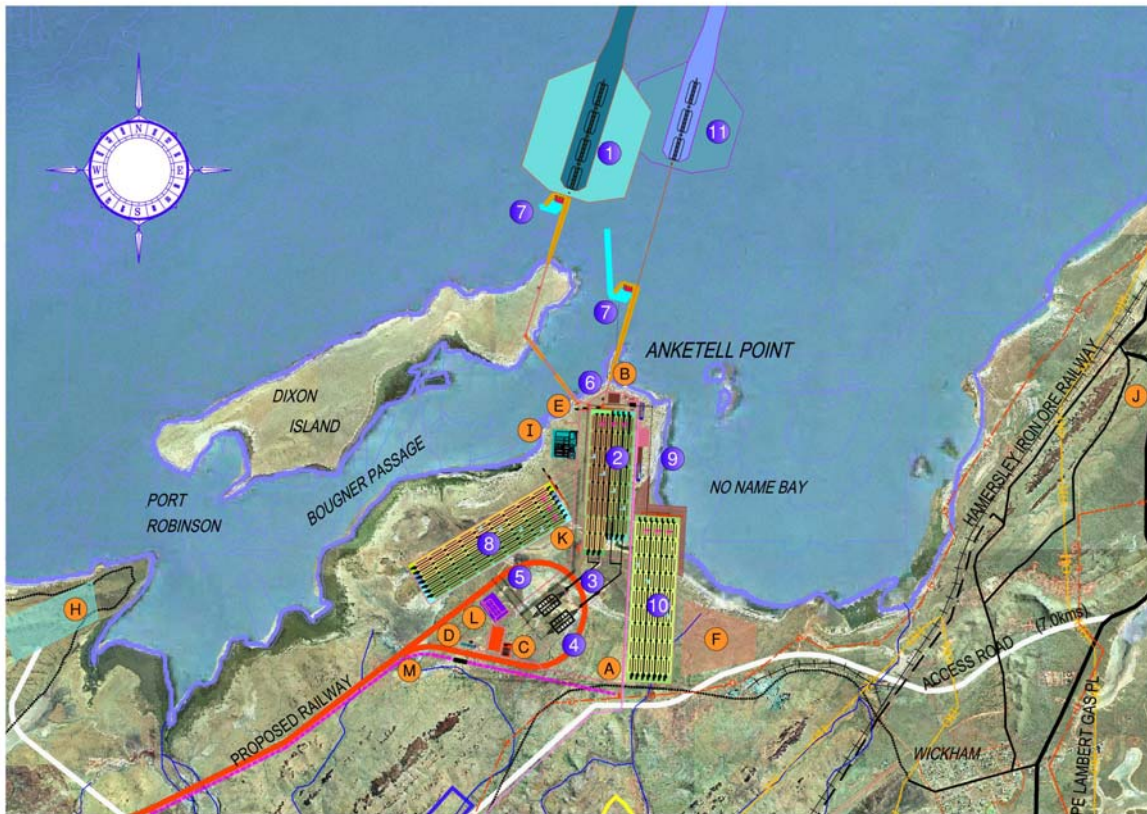
The opportunity remains for other developers in the region to participate in the consideration of the joint development of the Anketell Point port facilities. This port site has the potential for a staged development to accommodate the export of up to 350 million tonnes per annum of iron ore from the Pilbara region.

The Co-operation Agreement discussions with Fortescue are separate and distinct to the West Pilbara Iron Ore Project’s DFS process. Fortescue’s interest in exploring the Anketell port site is to provide it with options for the potential development of its Western Pilbara tenements collectively referred to as the Solomon Group.

Should the Co-operation Agreement discussions prove successful, further agreements may be required to enable joint development of any port infrastructure. The State Government is extremely supportive of such coordinated action between potential developers.

Competent Person Statement

The information in this announcement that relates to the Trinity Bore, Kumina Creek and Robe Exit Mineral Resources is based on information compiled by Mr Stuart H Tuckey. The information in this announcement that relates to the Catho Well, Catho Well North, Cardo Bore East, Cardo Bore North, Cochrane, Jewel, Kens Bore, Upper Cane and Hardey Mineral Resources is based on information compiled by Mr Stuart H Tuckey, Dr Sia Khosrowshahi and Mr Jani Kalla who are members of the Australian Institute of Mining and Metallurgy. Mr Tuckey is full-time employee of the API Management Pty Ltd. Dr Khosrowshahi and Mr Kalla are employees of Golder Associates Pty Ltd. Messers Tuckey, Khosrowshahi and Kalla have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tuckey, Dr Khosrowshahi and Mr Kalla consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



**Current DFS Conceptual Layout**

**Tony Poli  
Executive Chairman**

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