

KARARA PROJECT AWARDS KEY TAILINGS MANAGEMENT CONTRACT TO BIS INDUSTRIES

15-YEAR CONTRACT ENCOMPASSES WORLD-LEADING ENVIRONMENTALLY FRIENDLY TAILINGS MANAGEMENT TECHNOLOGY

Gindalbie Metals Limited (ASX: **GBG** – “Gindalbie”) is pleased to announce a key operational contract for the Karara Iron Ore Project in Western Australia. Karara Mining Limited (KML) has awarded a 15-year contract to leading logistics group Bis Industries to provide a complete tailings management system for the Project utilising world-leading technology.

The Karara Project will use world-leading technology for the management of the dry tailings to be produced at Karara, differentiating the tailings management system from conventional tailings dams or evaporation ponds. The production of dry tailings represents a significant investment in water recycling capacity at Karara, allowing the project to reduce its water consumption by about a one third. This provides very significant environmental benefits in the arid area where the project is situated.

The contract, worth approximately \$23 million a year, will involve the use of a market-leading Mobile Stacking System to be provided by FL Smidth (“FLS”) which is designed to handle up to 18.2Mtpa of tailings, or the equivalent tailings from the production of 10Mtpa of magnetite concentrate.

In the first instance, the system will be operated at 14.6Mtpa (8Mtpa of dry magnetite concentrate production), but can accommodate increased throughput from the plant as part of the planned Stage 2 expansion of the Karara Project.

The system will ultimately stack the tailings material up to 95m high (performed in three lifts) over a 20+ year period

FL Smidth’s Racho Mobile Stacking conveying system is the market leading technology in this field, with more than 25 of these systems implemented throughout the world and operating at more than 12,000tph.

Gindalbie’s Managing Director, Mr Tim Netscher, said KML had incorporated a clarification process into the overall ore beneficiation process which allows the de-watering of tailings to produce tailings which are dry and inert, enabling the application of a state-of-the-art tailings management system.

“The resulting tailings comprise a dry, inert material composed predominantly of silica that will be stockpiled and progressively rehabilitated,” Mr Netscher said.

“This tailings strategy will cement our environmental credentials by simultaneously delivering several significant environmental benefits, including:

- Reduced water requirements
- Improved rehabilitation potential
- Reduced disturbance footprint, and
- Minimise potential for groundwater contamination,” he added.

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Released by :

Nicholas Read
Read Corporate
Telephone: (+61-8) 9388 1474
Mobile: (+61) 419 929 046

On behalf of:

Mr Tim Netscher
Managing Director & CEO

Mr Michael Weir
Investor Relations Manager
Telephone: (+61-8) 9480 8700
www.gindalbie.com.au