

# London Mining forms JV for Wadi Sawawin Iron ore project in Saudi

London Mining Plc announced that it is forming a new joint venture company Saudi London Iron Ltd with Saudi based National Mining Company owned 50% each to develop the Wadi Sawawin iron ore project near the west coast of Saudi Arabia.

Saudi London Iron Ltd is being formed as a joint venture company with each party holding 50% ownership and is the next stage in London Mining's strategy to build a world class portfolio of mines to cater for long term world steel demand. Incorporated in the UK, London Mining has mining, exploration and development projects located in Brazil, Sierra Leone, Greenland and Mexico. Saudi London Iron plans to utilize Licences held by National Mining, which are to be transferred to Saudi London Iron Ltd, to create a 3 million tonne per annum iron ore mining and palletizing operation to produce high grade pellets.

National Mining holds rights to prospective iron ore producing properties in Saudi Arabia, collectively referred to as the 'Wadi Sawawin Licences as follows



**1. Exploration licence #65/K dated July 11th 2007**

**2. Exploration licence #64/K dated July 11th 2007**

**3. Exploration licence #66/K dated July 11th 2007**

**4. Exploitation licence Royal Decree 31/M dated June 2nd 2003**

These licences are located in the Northern Hijaz region of the Kingdom of Saudi Arabia, 900 kilometer north of Jeddah and 60 kilometers from the Red Sea coast.

London Mining will undertake and fund a Scoping Study on the 3 million tonnes per annum operation. This will be a detailed scoping study with capital and operating cost estimates, and is expected to cost about USD 1.2 million and be complete by the third quarter of 2008. It will look at the following

1. Re estimating the mineral resources, mine plan and capital and operating costs  
3. Further pilot plant test work in Brazil on a 30 tonnes sample from the initially proposed mining area

4. Markets overseas and within the Kingdom of Saudi Arabia

5. Logistics and infrastructure Based on a positive Scoping Study, London Mining will fund a Bankable Feasibility Study which will be carried out by internationally recognized independent consultancy.

Mr Christopher Brown MD of London Mining said "We are very pleased to be taking part with National Mining Company of Saudi Arabia in the Wadi Sawawin project. This provides London Mining with another significant iron ore asset that is less than 60 kilometer from a major port and in a region with cheap

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power. The port of Duba and a new port planned are within six days' shipping time of Sabc Hadeed's steel plants in Jubail and other major steel plants in the Middle East. There is relatively cheap natural gas for a palletizing plant at Yanbu or Duba and relatively cheap oil for electricity at the mine site. There is already a 1.5 million gallon per day desalination plant at Duba which the Saudi government will add to as industrial demand grows in the region. There has been extensive metallurgical and geological testing including 31 volumes of technical reports, 36,000 tonnes of bulk samples and a major pilot plant built on the coast."

Source : *metalsplace*