
BC Iron update on Nullagine iron ore project

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BC Iron has secured USD 50 million in project financing from a Hong Kong based industrial trading company in its first offtake deal for its joint venture iron ore project with Fortescue Metals Group.

The offtake agreements are for 20 million tonnes of iron ore from the Nullagine project, to be supplied over the next eight and a half years.

Mr Mike Young MD of BC Iron said the deal will enable the project to progress to development without the complexity that comes with conventional project finance agreements.

He said that “We are extremely pleased to have secured not only our first offtake agreements, but also a significant project finance facility on very attractive terms.”

BC Iron in a statement said that the ore price under the offtake agreement will be related to the annual benchmark.

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