
Deadline for Balmoral South iron ore project postponed

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It is reported that the finance offer deadline for Australasian Resources Limited's Balmoral South iron ore project has been pushed back by 6 months following recent merger developments with billionaire Mr Clive Palmer.

Australasian Resources and its project partner Shougang have agreed to re set the deadline to March 31st 2009. Previously the deadline was set at September 20th 2008. Under the funding deal, Shougang has exclusive rights to provide a finance offer to Australasian.

Australasian said that the delay is attributable to a merger proposal received from Mr Palmer's Resource Development International Limited and also to allow completion of some key project components including the location of a processing plant and the construction of the Cape Preston port.

Mr Andrew Caruso MD of Australasian said that "In light of recent developments, which materially affect the findings of the recently completed bankable feasibility study, it was important for the project partners to work in a collaborative fashion to look at the implications of these events and ensure we move the project forward in the most strategic manner."

He added that "While this has led to a slight delay in terms of the receipt of the Finance Offer for the project it will have no material affect on the proposed development timeframe for the world-class Balmoral South Iron Ore Project, with production from the project still anticipated to commence in late 2011."

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