



# CASHMERE IRON

## **MEDIA RELEASE**

23 July 2010

### **Cashmere appoints Morgan Stanley to coordinate funding for WA iron ore project - DSO production expected in 2012**

#### **Key points**

- **Cashmere Iron has appointed Morgan Stanley as exclusive financial advisor to the Company.**
- **Cashmere's 100% owned Cashmere Downs Project has the potential to be one of the largest iron ore projects in the Mid West region of Western Australia.**
- **The Company is reviewing options to commence exporting Hematite from mid-2012 and Magnetite concentrate by 2015.**

Cashmere Iron Ltd ("**Cashmere**" or "**the Company**"), an unlisted public company based in Western Australia, has appointed Morgan Stanley Australia Limited ("**Morgan Stanley**") as its exclusive financial advisor. Morgan Stanley will facilitate project financing for the initial Hematite mining operations and the development of supporting road, rail and port infrastructure, which is expected to commence in 2012. Work will also begin on the funding and development of the second phase of the project, with the commercialisation of its magnetite resource.

The Chairman of Cashmere Iron, Mr David Hendrie, said the Company was delighted with its rapid progress after announcing a maiden 1Bt JORC compliant resource in March 2010. "The appointment of Morgan Stanley is a key milestone for our company. For Cashmere to reach its potential as a world-class producer, a unique combination of expertise and resources was needed. Morgan Stanley, as a leading international investment bank, meets all of these requirements. Their global experience and strong presence in the Asia Pacific markets will be a major catalyst to assist Cashmere's Board in driving the company forward."

**Ends**



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### **About Cashmere Iron Limited**

Cashmere's 100% owned Cashmere Downs Project has the potential to be one of the largest single iron deposits in the Mid West region of Western Australia, with class leading weight recoveries. It has a JORC Code compliant iron resource of over 1 billion tonnes (92% in the Measured/Indicated category) over 7.5kms of a total of 52kms of banded iron ridges within Cashmere Downs. This JORC resource assessment represents less than 15% of the banded iron formations within the Cashmere's tenement area.

The Project is located 480km east and 585km northeast of the ports of Geraldton and Esperance respectively.