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BROCKMAN IN ADVANCED NEGOTIATIONS WITH FMG FOR RAIL AND PORT ACCESS

BROCKMAN ON TRACK TO BECOME THE PILBARA'S NEXT SIGNIFICANT IRON ORE PRODUCER

Brockman Resources Limited (**ASX Code: BRM – “Brockman” or “the Company”**) is pleased to advise that it is in advanced negotiations with Fortescue Metals Group Ltd (ASX: **FMG – “FMG”**) regarding an agreement for an end-to-end rail haulage, port access and marketing service for its 100%-owned **Marillana Iron Ore Project** in Western Australia.

A Term Sheet reflecting the key principles for a binding Heads of Agreement is currently being negotiated with FMG. There can be no guarantee that the current negotiations will result in a binding agreement, and any agreement is likely to be subject to the satisfaction of a number of conditions. However, Brockman's Board is highly encouraged with the progress of negotiations.

If the negotiations with FMG ultimately result in a binding agreement with FMG, the agreement will mark a critical step towards the development of the Marillana Project, providing Brockman with key rail haulage, port handling and ship-loading facilities at commercial rates and enabling it to achieve its objective of completing a Bankable Feasibility Study on the Marillana Project in Q2 of calendar year 2011 and a Final Investment Decision in Q3 of that year.

Brockman intends to progress negotiations with FMG as rapidly as possible, in order to structure and finalise a binding agreement that will underpin its Bankable Feasibility Study.

Brockman's Managing Director, Mr Wayne Richards, said that while there were specific arrangements to be finalised within the proposed agreement, finalising and successfully implementing a binding agreement with FMG would provide a comprehensive infrastructure solution for Brockman and the Marillana Project, ensuring the development of one of the Pilbara's largest emerging iron ore projects, in accordance with Brockman's development schedule.

“I would like to take this opportunity to thank all the associated staff of Brockman and FMG, for their constructive and positive approach to the negotiations to date,” Mr Richards said. “We are looking forward to working with the FMG team to finalise and implement an agreement and realise the synergies associated with such an agreement. We are excited about realising the full potential of this multi-billion dollar project, and creating benefits for the communities within which we will operate.”

Brockman will keep the market informed of material developments regarding its discussions with FMG.

—ENDS—

Released by:

Nicholas Read / Paul Armstrong
Read Corporate
Phone: +61 8 9388 1474

On behalf of:

Wayne Richards
Managing Director
Brockman Resources
Phone: +61 8 9389 3000

Level 1, 117 Stirling Highway Nedlands WA 6009
PO Box 141 Nedlands WA 6909

Address

+61 8 9389 3000 +61 8 9389 3033

Phone

Fax

brockman@brockman.com.au

E-mail

www.brockman.com.au

Web

73 009 372 150

ABN

ABOUT BROCKMAN RESOURCES

Brockman is an ASX300 listed Company with its principal project, the Marillana Iron Ore Project, located 100km north-west of Newman in the Pilbara region of Western Australia and lying close to existing rail, road and port infrastructure. The Marillana Project will be one of the most significant hematite projects to be developed within Australia over the forthcoming years.

The Marillana Project is targeting commencement of commissioning at the mine in late 2013 at an average life-of-mine rate of 17 million dry tonnes per annum. First ore on ship is targeted for early 2014.

Brockman has built a portfolio of additional iron ore tenements throughout the Pilbara (predominantly the West Pilbara) to develop a pipeline of future projects and expansions, thereby creating future value enhancement to the Company's shareholders.