

# IRON ORE MANUAL 2010 - 1011

## CONTENTS

<b>INTERNATIONAL MARKET (PRICE NEGOTIATIONS) .....</b>	<b>1</b>
Quarterly Pricing From FY2010 .....	3
The first price after adopting the new pricing system doubled from the previous year .....	3
Comments By The Companies (April 29,2010) .....	4
Objection From Steel Industries .....	5
First Price Setters in Japanese and European Markets .....	7
Price Changes of Iron Ore in Japan and Europe .....	8
Particular Notes on Past Iron Ore Price Negotiations .....	9
Price Changes of Iron Ore and Coking Coal .....	15
Exports of Major Iron Ore Exporting Countries by Destination .....	17
Imports of Major Iron Ore Importing Countries by Source .....	28
<b>INTERNATIONAL MARKET (STEELWORKS AND STEEL INDUSTRY) .....</b>	<b>37</b>
Business Integration of Nippon Steel Corporation and Sumitomo Metal Industries, Ltd. ....	39
Upstream Facilities of Five Japanese Integrated Steel Mills .....	41
Production Capacity for Pig Iron and Crude Steel in Japan .....	49
Pretreatment Technologies of Japanese Integrated Steel Mills .....	50
Strategic Alliances in and outside Japan by Japanese Steel Mills .....	55
South Korean Steel Industry .....	60
Taiwanese Steel Industry .....	65
Chinese Steel Industry .....	68
Russian Steel Industry .....	71
Indian Steel Industry .....	74
North American Steel Industry .....	83
Brazilian Steel Industry .....	84
New Steelworks Projects in Vietnam .....	85
ArcelorMittal .....	86
Status of Other European Major Steel Companies .....	89
World Ranking of Crude Steel Production .....	90
<b>INTERNATIONAL MARKET (RESOURCES) .....</b>	<b>91</b>
High Raw Materials Prices Come out Again .....	93
Iron Ore Resources in Africa .....	94
Iron Ore Exploration and Development Projects in Africa .....	102
All Japanese Major Trading Companies Achieved Positive Results .....	104
Ferrous Raw Materials and Metals Related Subsidiaries and Affiliates of Sogoshosha (Net Income) .....	105
World's Four Major Resources Companies/2011 Financial Results .....	106

<b>DRI AND PELLETS .....</b>	<b>107</b>
World Direct Reduced Iron Production in 2010 .....	109
Process-wise DRI Production .....	111
DRI Production by Region and Country .....	112
DRI Operations in Latin America .....	117
DRI Operations in North America .....	123
DRI Operations in East Asia .....	129
DRI Operations in South-East Asia .....	136
DRI Operations in India .....	137
DRI Operations in Africa .....	140
DRI Operations in the Middle-East .....	141
DRI Operations in Russia .....	144
Iron-Making Processes .....	146
Current Status & Outlook of World Pellet Production .....	147
Pellet Plants by Region .....	148
World Pellet Production in 2010 .....	152
<b>STATISTICAL DATA OF JAPAN AND THE WORLD .....</b>	<b>153</b>
Crude Steel Production & Ranking in Japan by Quarter and Year .....	155
Crude Steel Production of Japanese Steel Mills by Financial Year .....	157
Operating Results by Five Japanese Major Steel Mills .....	158
Operational Results .....	160
Imports of Non-Agglomerated Iron Ore into Japan in CY 2011 .....	161
Imports of Agglomerated Iron Ore into Japan in CY 2011 .....	163
World Crude Steel Production in 2007 - 2011 .....	164
Japan's Iron & Steel Production / Steel Exports and Imports .....	165
World Crude Steel Production (Preliminary) 2004 - 2011 .....	166
World Pig Iron Production (Preliminary): 2004 - 2011 .....	169
World DRI Production by Major Countries (Preliminary): 2004 - 2011 .....	170
World Iron Ore Production: 2003 - 2010 .....	171
World Iron Ore Exports: 2003 - 2010 .....	172
World Iron Ore Imports: 2003 - 2010 .....	173
<b>SEABORNE TRANSPORTATION AND PORTS .....</b>	<b>175</b>
Soaring Freight Market Brusquely Turns Into Over-Supply .....	177
Capesize Spot Voyage Charter Rates and Iron Ore Imports to China .....	178
A Year of Heaven and Hell .....	180
Japanese Shipping Companies Aggressively Respond to China's Surging Iron Ore Imports .....	181
COA's Secured by Chinese Steel Mills .....	187
Backlog of VLOC's Exceeds 50 Worldwide .....	190
Mitsui and POSCO Start Bulk Cargo Terminal Operations .....	196
Ports Of Kisarazu, Mizushima And Fukuyama To Upgrade Iron Ore Handling Capacity .....	199

<b>REGIONAL PARTICULARS ON CHINA .....</b>	<b>201</b>
Major Initiatives of Chinese Central and/or Regional Governmental Bodies .....	203
Restructuring and Consolidations of Chinese Steel Companies .....	206
Chinese Steel Mills Speed Up Investment in Overseas Iron Ore Mines .....	207
Longterm Iron Ore Offtake Contracts Held by Chinese Steel Mills .....	212
Chinese Steel Companies' Investment Projects in Port and/or Terminal Companies .....	213
China's Crude Steel Capacity and Iron Ore Production .....	214
Iron Ore Imports into China (2007 - 2011) by Source .....	215
Year-to-Year Crude Steel Production in China by Steel Mill .....	216
Development Policy for Chinese Steel Industry (July 20,2005) .....	218
China's Major Economic Indices .....	220
<b>REGIONAL PARTICULARS ON AUSTRALIA AND NEW ZEALAND .....</b>	<b>223</b>
About 62% of Japan's Iron Ore Imports Comes from Australia .....	225
Exports of Australian Iron Ore in Calendar 2011 .....	226
Production and Shipments of Australian Iron Ore by Supplier .....	228
Rio Tinto's Iron Ore Production .....	230
Rio Tinto's Iron Ore Shipments .....	231
Rio Tinto Continues Making Positive Investments .....	232
Hamersley Iron .....	233
Mineral Resources Held by Rio Tinto Group .....	236
Ore Reserves Held by Rio Tinto Group .....	237
Robe River Iron Associates (RRIA) .....	238
Production and Shipments of RRIA Iron Ore .....	240
Beasley River Joint Venture .....	241
BHP Billiton .....	243
BHP Billiton sets second best ever results .....	244
BHP Billiton's Iron Ore Segment Continuously Most Profitable .....	245
BHP Billiton's W. Australian iron ore assets expansion projects .....	246
Total Production and Shipments of BHP Billiton's Western Australian Iron Ore .....	247
Mount Newman Iron Ore .....	249
JFE Steel Agrees To Form New J/V For Western-4 Deposit .....	252
BHP Billiton's Mineral Resources and Ore Reserves as of June 30,2010 .....	253
Mount Gibson Iron .....	254
Cliffs Natural Resources Pty Ltd, Australia - Asia Pacific Iron Ore .....	255
Fortescue Metals Group .....	256
Grange Resources .....	259
Gindalbie Metals .....	259
Atlas Iron .....	260
OneSteel .....	261
Territory Resources .....	262
Taharoa Iron Sand (New Zealand) .....	262
Australian Iron Ore Mining Companies .....	263

<b>REGIONAL PARTICULARS ON SOUTH AMERICA .....</b>	<b>269</b>
Vale - Itabira Iron Ore (Southern System) .....	271
Vale-Owned Pelletizing Plants .....	274
Vale's Long-Term Supply Contracts .....	275
Contract tonnage by region .....	276
Vale's Iron Ore Production and Reserves .....	277
Vale's CAPEX Plan for 2012 .....	279
Nibrasco Pellets .....	280
MBR Iron Ore .....	284
Samarco Iron Ore .....	288
MMX Mineracao e Metalicos S. A. (MMX) .....	289
Anglo American .....	291
Nippon Steel Corporation and Sumitomo Metals Withdraw from NAMISA .....	292
Other Entities Developing Iron Ore in Brazil .....	293
Chilean Iron Ore: Compania Minera del Pacifico S. A. (CMP) .....	295
Peruvian Iron Ore (Shougang Hierro Per/ .....	298
Bolivian Iron Ore (El Mutun Iron Ore Project) .....	298
Venezuelan Iron Ore (C. V. G. Ferrominera Orinoco) .....	299
<b>REGIONAL PARTICULARS ON INDIA .....</b>	<b>301</b>
Iron Ore-Related Organizations in the Indian Government .....	303
Transition of Iron Ore Exports to Japan .....	304
Bailadila Iron Ore .....	305
Three Ore Brands Shipped Ex-Chennai Outer Harbor (COH) .....	306
Survey by Japanese Technical Mission .....	309
JBIC provides 184.9-billion Yen Loan to India in fiscal 2006 .....	309
Particulars of Various Other Iron Ore Brands .....	311
<b>REGIONAL PARTICULARS ON SOUTH AFRICA, NORTH AMERICA AND EUROPE .....</b>	<b>317</b>
Kumba Iron Ore (South Africa) .....	319
Assmang Iron Ore (South Africa) .....	322
Carol Lake Iron Ore (Canada) .....	324
ArcelorMittal Mines Canada : Formerly QCM (Canada) .....	326
Wabush Mines (Canada) .....	326
Cliffs Natural Resources: Formerly Cleveland-Cliffs, Inc. (The U. S. A. ) .....	327
LKAB (Sweden) .....	329
<b>MAJOR EVENTS OVER FERROUS RAW MATERIALS (JANUARY 2010 - DECEMBER 2010) .....</b>	<b>333</b>
<b>APPENDICES</b>	
Appendix 1. Australian JORC Code and Moves to International Common Code .....	381
Appendix 2. Rough Summary of Iron Ore Processing .....	385
Appendix 3. What is Drilling? .....	386
Appendix 4. Generality, Units and Abbreviations .....	388