



# Territory Resources Limited

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24 March 2009

Manager Announcements  
Company Announcements Office  
ASX Limited  
Level 4  
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Dear Sir/Madam

## **Territory Secures Long-Term Sales Commitments for Frances Creek Iron Ore**

Attached is a Media Release in regard to the above.

Yours sincerely,

**Patrick McCole**  
Company Secretary



**An Australian Resources Group**

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Media/ASX Release

24 March 2009

## Territory Secures Long-Term Sales Commitments for Frances Creek Iron Ore

*Covers Next 3 Years of Production, Benchmarked Against Annual Lump & Fines Prices*

Territory Resources Limited (ASX: TTY – “Territory” or “the Company”) is pleased to advise that it has entered into Memorandum of Agreements for long-term sales commitments (“Long Term Sales Commitments”) with three steel producers in China for iron ore production from its 100%-owned Frances Creek operations in the Northern Territory.

The Long Term Sales Commitments have been negotiated to cover 2Mtpa of production of lump and fines ore from Frances Creek for the next three years with **annual pricing to be benchmarked each year against major annual long term contracts for Western Australian iron ore.**

The Long Term Sales Commitments are conditional upon the parties agreeing to the annual prices as determined above, at which time the Company will enter into binding yearly contracts with the steel mills for the sale of its iron ore. The Company will continue to sell at the spot iron ore prices until the final binding contracts are completed.

The completion of the Long Term Sales Commitments marks a very significant milestone for Territory, providing a foundation for the Company to continue to maintain a fully sold position despite the difficult market circumstances facing all iron ore producers.

Territory Chairman, Mr Andrew Simpson said: “With the assistance of the Noble Group, Territory has worked very hard during 2008 to complete the qualification process with a number of key customers in China for both the lump and fines products from Frances Creek. During this time, the Company has earned a reputation as a reliable supplier of premium quality, high-grade lump and fines ore, establishing a very strong foundation on which we have now been able to secure these long-term sales commitments.

Territory remains on track to complete the ramp-up of production at Frances Creek to an annualised rate of 2Mtpa during 2009, with a number of operational enhancements completed at the mine over the past 12 months. The Company has a strong focus on achieving further optimisations during 2009 including a further reduction in operating costs.

- ENDS -

Released by:  
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On behalf of:  
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