



Robin Bromby
04/08/2008

Brief and to the point

DMC Mining (DMM) used its quarterly to take a swipe at all those fashionable iron ore projects in Western Australia. DMC's Mayoko deposit is located in the Republic of Congo (the less chaotic of the Congos, across the great river from the Democratic Republic of same).

Of course, there is sovereign risk in Congo Brazzaville but not all that much, the report says. But all those Midwest players are constrained by the fact that the railways and the new Oakajee port have yet to be started, let alone completed. And the hematite ones back here are small, typically between 5 million and 15 million tonnes (compare Mayoko at 33 million tonnes of hematite with possibly 800 million tonnes of magnetite), low production rates of between 1 million and 2 million tonnes a year (DMC is planning 11 million tonnes a year) and the need for long road haulage even when a railway is built. Here's DMC's trump card in its view: an existing railway goes right by Mayoko to the port of Pointe Noir.