



13 September 2010

AGREEMENT SIGNED FOR THE SUPPLY OF RAW MATERIALS AND MARKETING OF PRODUCTS FROM THE NEWCASTLE IRON RECOVERY PLANT

Austpac is pleased to announce that the Company has signed an agreement with CMC Cometals Australia ("CMCCA") for the supply of raw materials and for the marketing of Austpac Iron products, in the form of chips or briquettes and char, two valuable commodities that will be produced at Austpac's Newcastle Iron Recovery Plant.

CMCCA is a division of CMC (Australia) Pty Ltd, which is owned by Commercial Metals Company ("CMC") of the USA. CMC and its subsidiaries manufacture, recycle and market steel and metal products, related materials and services through a network including steel mini-mills, steel fabrication and processing plants, construction-related product warehouses, a copper tube mill, metal recycling facilities and marketing and distribution office in the United States and in strategic international markets.

The mutually renewable agreement will have an initial term of two years from the commencement of production and covers Plant commissioning and initial operations and contemplates Plant expansion.

Austpac's EARS recycling process will be widely applicable throughout the steel industry, and CMCCA will give Austpac a significant advantage as the Company moves to commercialise its technologies around the world..

For further information please contact:

Mike Turbott

Managing Director - Tel (+61-2) 9252-2599

About Austpac Resources N.L. (ASX code: APG)

Austpac Resources N.L. [www.austpacresources.com] is a minerals technology company currently focused on recycling waste chloride solutions and iron oxides produced by steel making to recover hydrochloric acid and iron metal. Austpac's technologies also transform ilmenite into high-grade synthetic rutile, a preferred feedstock for titanium metal and titanium dioxide pigment production. The Company has been listed on the Australian Stock Exchange since 1986.

WINNER: 2008 National Mining Awards APPLIED TECHNOLOGY OF THE YEAR