



June 18, 2013

## NEWCASTLE IRON RECOVERY PLANT – PROJECT UPDATE

Construction of Austpac's Newcastle Iron Recovery Plant is continuing to progress well. Developments since the last update in April 2013 (as illustrated in the accompanying photographs) include:

- Civil works are now well advanced. The bunkers for bulk mill scale delivery and iron briquette load-out are ready for use. The foundations for the high voltage transformer and the CO<sub>2</sub> stripping and absorption columns, and concreting of the char and iron chip load out area and drainage beneath the product silos have been completed. The banded pickle liquor delivery area and the regenerated acid despatch area adjacent to the tank farm is nearing completion.
- The mezzanine floor in the plant room has been erected, the blowers, compressors, waste heat boiler and hydraulic pumps have been installed and electrical connection is underway, and final cladding of the plant room is progressing.
- The mill scale preparation area and transfer system to the plant is well advanced.
- The CO<sub>2</sub> stripping and absorption columns on the east side of the existing process tower have been installed.
- The laboratory has been completed and installation of the pilot scale test equipment is well advanced.

Commissioning of the Plant will commence during the third quarter and initial production will follow in the fourth quarter of 2013. The Plant will showcase Austpac's unique waste recycling process to the steel industry, and a number of steel mills have already expressed interest in licencing the technology.



**View of the southern end of the Plant, showing the plant room prior to the installation of the roof (lower left), iron and char product silos, workshop and laboratory (middle), mill scale shed (upper right) and bulk nitrogen and oxygen tanks next to the car park.**



The bunker for bulk deliveries installed in the mill scale shed has a capacity of 800 tonnes.



The completed iron briquette load-out bunker is being used to store lock hoppers for the coal delivery system.



Installation of transfer conveyors for the mill scale feed system.



The Olds elevators to transfer mill scale from the pre-treatment area into the Plant are installed.



**Installing the CO<sub>2</sub> stripping and absorption columns.**



**The reinforced concrete driveway for loading trucks with iron chips and char, as well as site drainage, is complete.**



**View of the plant room with mezzanine floor with blowers, compressors, waste heat boiler and hydraulic pumps in place.**



**Electrical connection of the blowers on the lower floor of the plant room is underway.**



**Installation of the sump tank beneath the tanker loading/unloading area is now complete.**



**Erection of the steelwork for the northern extension to the process tower is underway. The EARS acid regeneration and iron reduction equipment will be installed in this section.**



**Construction of the new laboratory is complete and at the lock-up stage.**



**Installation of pilot scale test equipment in the laboratory.**

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

Austpac Resources N.L. [[www.austpacresources.com](http://www.austpacresources.com)] is a minerals technology company focused on the titanium, steel and iron ore industries. It has been listed on the Australian Stock Exchange since 1986. Austpac's key technology transforms ilmenite into high-grade synthetic rutile, a preferred feedstock for titanium metal and titanium dioxide pigment production. The technology is also being used to process waste chloride solutions and iron oxides produced by steelmaking to recover hydrochloric acid and iron metal pellets