



AUSTPAC RESOURCES N.L.
ACN 002 264 057

Level 12, Currency House
23 Hunter Street
SYDNEY NSW 2000
GPO Box 5297
SYDNEY NSW 2001
Telephone: (+61 2) 9221 3211
Facsimile: (+61 2) 9223 1975
Email: apqtio2@ozemail.com.au
www.austpacresources.com

24 October 2003

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

ILMENITE SUPPLY ARRANGEMENT WITH CRL FOR ERMS SR PLANT

Austpac Resources N.L. (Austpac; ASX: APG) is pleased to announce that it has entered into an agreement with Consolidated Rutile Limited (CRL) for the supply of CRL ilmenite to a proposed 30,000 tonnes per annum ERMS SR plant located on the eastern seaboard of Australia (“**Agreement**”). CRL’s obligation to supply ilmenite under the Agreement is conditional upon completion of a successful independent bankable feasibility study, Austpac obtaining finance and resolution of ilmenite pricing in accordance with the terms of the Agreement.

The Agreement provides the framework for a long-term contract for the supply of 70,000 tonnes per annum (tpa) of a raw, high-chrome ilmenite concentrate produced by CRL’s mineral sand mining operations on North Stradbroke Island.

Previous work at the Company’s Newcastle pilot plant has demonstrated that a very high grade synthetic rutile containing more than 97% TiO₂ can be produced from CRL’s ilmenite, and Austpac has for some time been seeking a source of ilmenite to feed the first ERMS SR plant. The Agreement ensures the proposed ERMS SR plant has a long term feedstock supply, which is essential for project viability and funding.

Austpac will now undertake a bankable feasibility study on this project, which will take approximately six months to complete. A successful outcome for the study will be followed by the financing, detailed design, construction and commissioning phases, with the aim of commencing production in 2005.

Austpac also announced today that it had entered into an arrangement with Iluka Resources Limited for sale of the entire ERMS SR output of the plant. Austpac is entering an exciting new phase of its development as the Company moves toward synthetic rutile production. Planning for confirmatory pilot plant trials on a bulk sample of CRL’s ilmenite and selection of potential plant sites is now underway.

For further information please contact:

M.J. Turbott
Managing Director
Austpac Resources N.L.
Tel: (61-2) 9221-3211

Or visit the website: www.austpacresources.com

Austpac Resources N.L. is an Australian listed minerals technology company and emerging synthetic rutile producer. Austpac’s processes include technology to transform ilmenite into high grade synthetic rutile, a preferred feedstock for titanium dioxide pigment production. They can also be used to beneficiate a range of heavy minerals, as well as process waste chloride streams from a number of industrial operations.