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AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

CONSTRUCTION OF LTR TECHNOLOGY TEST PLANT PROGRESSING WELL

Further to Austpac Resources N.L. (Austpac; ASX; APG) announcement on 31 July 2003, we are pleased to advise construction of the 2.5 tonnes per hour (tph) test facility is nearing completion. The plant will test the suitability of Austpac's Low Temperature Roasting (LTR) technology for the treatment of mine tailings from New Zealand Steel's Waikato North Head mine.

Austpac's LTR technology involves low temperature fluid bed roasting to selectively enhance the magnetic and other properties of specific minerals. LTR testwork for NZ Steel at Austpac's pilot plant in Newcastle earlier this year showed that some of the iron minerals now being rejected can be recovered and conditioned for use in the steel making process. NZ Steel has not made any commitments beyond the licence for the test plant.

The 2.5 tph LTR test plant, which comprises a series of fluid bed roasters and magnetic separators, is well advanced with all major equipment items procured and construction scheduled for completion in December 2003. Austpac has been providing ongoing engineering design services and will be involved in the commissioning and initial operations of the facility.

For further information please contact:

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Austpac Resources N.L. is an Australian listed minerals technology company. 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.