Newcastle Demonstration Plant Progress

LE MS SP

November 2005 Update



An Integrated ERMS SR Demonstration Plant

- A large scale test facility is critical to demonstrate our technologies
- The capacity of the plant must be large enough to minimise the scale-up risk for a commercial ERMS SR plant
- The plant will operate for sufficient time to provide engineering design parameters for the feasibility study

Pilot Plant History

In 1997, Austpac moved its equipment from Newcastle University into an existing process tower on Kooragang Island

 The ERMS & LTR roasting, ERMS SR & EARS acid regeneration technologies all evolved here and have been trialled throughout 1998-2004

However, the former pilot plant was not integrated and had limited capacity Old Pilot Plant



The New Demonstration Plant

We are constructing a fully integrated ERMS SR facility to produce high grade SR at a rate of at least 1,500 tpa, including:

- Ilmenite roasters up to 400 kg/h capacity
- Continuous leach vessel up to 400 kg/h feed
- Filter/wash/calcine up to 200 kg/h ERMS SR product
- Acid regeneration 900 L/h 25% HCl and 150 kg/h iron pellets

We are also considering increasing the capacity to 3,000 tpa of SR

Our Objective

- The Demonstration Plant will confirm process parameters for final engineering design
- This is an essential precursor to the detailed feasibility study for a commercial ERMS SR plant
- We aim to have a scale-up factor to a commercial plant of ~20:1, so the technology risk is low



Refurbishment commenced November 2004

Equipment Removal





Process Tower Refurbishment





Pre-heater; installed



Oxidation Roaster; installed

Reduction Roaster; installed





Two-stage Anaerobic Cooler; installed



Construction of Raw Materials Hoist Enclosure

Placement of Raw Materials Feed Bins and Enclosure

Raw Materials Feed Bins



Progress to November

Motor

Control

Centre

Control

Room

Raw Materials Feed Bins and Enclosure

> Roaster Train

Raw Materials Hoist Enclosure

Magnetic Separator Enclosure



View from Western Side of Plant (November 2005)

Upgrade Progress (November 2005)

ITEM	ACTIVITY	COMPLETE
Process Tower	Obsolete equipment removed, painting completed, structural modifications essentially complete	99%
Ilmenite Roasters	Preheater, oxidation & reduction roasters, two- stage anaerobic cooler, afterburner and solids transfer systems installed	100%
Continuous Leach Reactor	Fluid flow modelling complete, design complete, detailed package for tender in preparation	20%
Filter and Calciner	Filter sourced, calciner designed and awaiting quotation	20%
EARS Section	Mass & energy balance complete, roasters designed, gas absorption system ready for fabrication, pump section complete	20%
Ancillary Equipment and Services	Services building & magnetic separation building complete, control rooms installed, electrical design & wiring instrumentation diagrams complete, materials handling system under construction	35%

The Objective: a commercial ERMS SR Plant AND DESCRIPTION OF THE OWNER OWNE

END OF UPDATE