

8 May 2018

SHAREHOLDER UPDATE

NZIRP Activities and New Business Developments

- During April 2018, a number of further enhancements were made to the EVAP unit including upgrading the gas supply and installing a new discharge system to remove the iron chloride/iron oxide/zinc oxide pellets from the unit.
- A one-day run was undertaken by Austpac's senior management toward the end of April. The enhancements significantly improved the unit's performance and the quality of the chloride/oxide pellets.
- A further EVAP campaign is planned to produce at least 500 kg of pellets once modifications to the slurry discharge from the ball mill into the bottom-fluidised constant density tank are completed.
- In April 2018, Austpac Director Colin Iles spent two weeks in South Africa and was able to assess the potential for Austpac's ZIRP technology in the local steel industry. He visited one steel mill and engaged with others via his contacts in the market. Key points of note are:
 - There is a strong focus within the South African steel industry on by-product treatment and the recovery of Urban Minerals.
 - Each steel mill is taking an active role in either reusing their steel furnace dusts or are storing the dusts for processing at a later date, as there is strong pressure to recycle.
 - Some immediate opportunities were recognised and Austpac has engaged a South African group closely involved with the steel industry to assist the Company develop these.
- We are now in direct contact with a steel mill in the USA regarding the applications for and the use of the ZIRP technology. Colin Iles will be visiting the mill later in May for further discussions.

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

Austpac Resources N.L. is a mineral technology company currently focused on recycling waste chloride solutions and iron- and zinc oxide dusts produced by steelmaking to recover strong hydrochloric acid, high purity pig iron and zinc oxide. Austpac's adjunct 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.