



5 August 2011

SHAREHOLDER UPDATE

EL 4521 WIM 150

On 4 August 2011, Justice Corboy of the Supreme Court of Western Australia ruled that the Farm-In Agreement with Australian Zircon N.L. was not assignable, and that therefore the Sale Agreement with Astron Limited was ended.

Austpac Resources NL currently holds 100% of EL4521. Under the Farm-In Agreement Australian Zircon has the right to earn an 80% interest in the WIM 150 project by completing a bankable feasibility study.

NEWCASTLE IRON RECOVERY PLANT

Austpac's prime objective is the completion of construction of the Iron Recovery Plant on Kooragang Island, Newcastle. This project is fully funded and momentum is accelerating with off-site equipment fabrication and delivery and site preparation and construction activities well underway. As scheduled, commissioning will commence in the fourth quarter of 2011 and the Plant will start operations in the first quarter of 2012.

For further information please contact:
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About Austpac Resources N.L. (ASX code: APG)

Austpac Resources N.L. [www.austpacresources.com] is a minerals technology company currently focused on recycling waste chloride solutions and iron oxides produced by steel making to recover hydrochloric acid and iron metal. Austpac's 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.

WINNER: 2008 National Mining Awards APPLIED TECHNOLOGY OF THE YEAR