

Updated
1 February 2005

Newcastle Pilot Plant Upgrade

AUSTPAC
RESOURCES N.L.



Pilot Plant History

- In 1997, Austpac moved its equipment from Newcastle University into an existing process tower on Kooragang Island
- **ERMS** & **LTR** roasting, **ERMS SR** & **EARS** acid regeneration technologies have all evolved and been trialled here
- Most equipment needed repair, or was superfluous to our future requirements
- The former facility was not integrated, and required an expansion in capacity to reduce the technology scale-up risk for a commercial ERMS SR plant

THE PLAN

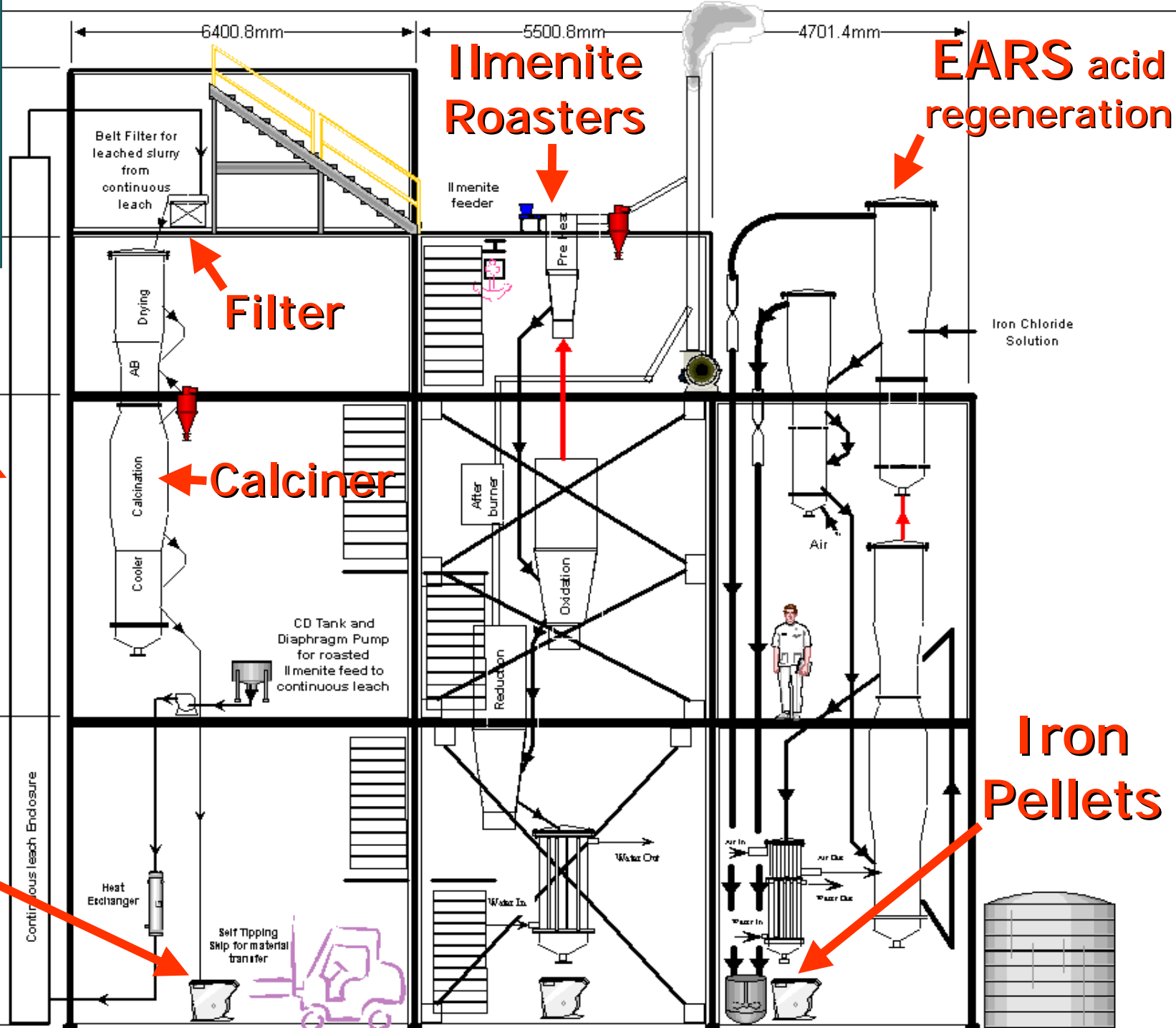
We are establishing a fully integrated ERMS SR facility capable of producing 1,500 tpa of high grade synthetic rutile, including:

- 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 final product
- Acid regeneration – 900 L/h 25% HCl & 150 kg/h iron pellets
- Once commissioned, the plant will confirm essential process parameters for a commercial ERMS SR plant
- This is an essential precursor to the detailed feasibility study
- The scale-up factor to the commercial plant is only ~20:1, so the technology risk will be minimal

Proposed 1,500 tpa Pilot Plant

Continuous Leach

ERMS SR



IImenite Roasters

EARS acid regeneration

Filter

Calciner

Iron Pellets

Continuous leach Enclosure

3000.0mm

6200.0mm

5913.6mm

6400.8mm

5500.8mm

4701.4mm

Belt Filter for leached slurry from continuous leach

Drying
AB

Calcination
Cooler

CD Tank and Diaphragm Pump for roasted IImenite feed to continuous leach

Heat Exchanger

Self Tipping Smp for material transfer

IImenite feeder

Pre heat

After burner

Oxidation

Reduction

Water In

Water Out

Air In

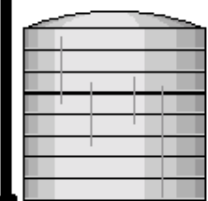
Air Out

Water In

Water Out

Iron Chloride Solution

Air



Equipment Removal



November/December 2004

December 2004



Process Tower Refurbishment

Completed Oxidation Roaster

January 2005



November 2004



**Completed
Reduction
Roaster**

Installation of Roaster



January 2005

Installation

Oxidation
Roaster



January 2005

Pre-heater



A photograph of a building under construction. The structure features a complex network of red-painted steel beams forming the roof and walls. In the foreground, there are three rectangular units with white, vertically-ribbed metal siding. The central unit has a dark door. The ground is a mix of gravel and concrete. In the background, a person can be seen working on a higher level of the steel frame. A yellow bucket is visible on the left side of the frame.

November 2004

**Services
Building**

January 2005



Construction of Magnetic Separation Enclosure

Upgrade Progress (1 Feb 2005)

ITEM	ACTIVITY	COMPLETE
Process Tower	Obsolete equipment removed, painting completed, structural modifications well advanced	95%
Ilmenite Roasters	Oxidation/Reduction roaster & Preheater complete, fabrication of Cooler & Afterburner underway, roaster installation commenced	55%
Continuous Leach Reactor	Fluid flow modelling complete, design complete, detailed package for tender in preparation	15%
Filter/Calciner	Filter sourced, calciner designed and awaiting quotation	20%
EARS Section	Mass & energy balance complete, roasters designed, gas absorption system awaiting quotation, storage tank farm designed	10%
Ancillary/Services	Services building complete, magnetic separation enclosure under construction, control room designed	20%

Austpac's Objective:



Commercial ERMS
SR Plant