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3 April 2002

## AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

### FIRST COMMERCIALISATION OF AUSTPAC'S ILMENITE ROASTING TECHNOLOGY IN THE MURRAY BASIN

Austpac Resources N.L. (ASX:APG) and BeMaX Resources N.L. (ASX:BMX) (as operator of the BIP Joint Venture) have reached agreement on the commercial terms for the use of Austpac's ilmenite roasting technology to produce a high TiO<sub>2</sub>, low chrome ilmenite from BeMaX's planned mineral sand project in the Pooncarie area of the Murray Basin.

Under the agreement, BeMaX plans to use roasting techniques developed by Austpac at its Kooragang Island pilot plant in Newcastle. Mr Mike Turbott, Managing Director of Austpac, said, "while the terms of this arrangement are confidential, the agreement is a win-win situation for both companies."

The agreement follows extensive test work on ilmenite samples from BeMaX's Ginkgo deposit, which was undertaken last year at the Kooragang Island plant. Further test work is planned in the near future to optimise final plant design.

The agreement also covers the construction and commissioning of the ilmenite roasting and separation plant. Austpac will participate in a consortium led by Ausenco Limited, which will provide the detailed engineering design, commissioning support and performance guarantees for the roasting and magnetic separation plant planned by BeMaX.

Mr Turbott noted "this is the first agreement reached by Austpac for the use of its technologies in the Murray Basin. Austpac has also successfully undertaken test work to upgrade ilmenites from other deposits in the Basin on behalf of several other groups, which may lead to further technology licences."

Austpac has developed two patented technologies for the upgrading of any ilmenite, the primary ore of titanium, to yield high grade synthetic rutile at low cost. The technologies, ERMS (Enhanced Roasting and Magnetic Separation) and EARS (Enhanced Acid Regeneration System), which can be used together or separately, have been fully developed at pilot plant level and are ready for commercialisation.

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APG-BMX Agreement APG Technology