



Annual General Meeting
18 November 2010

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**ERMS SR
DEMONSTRATION
PLANT**

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AUSTPAC
RESOURCES N.L.

Steel Waste Recovery

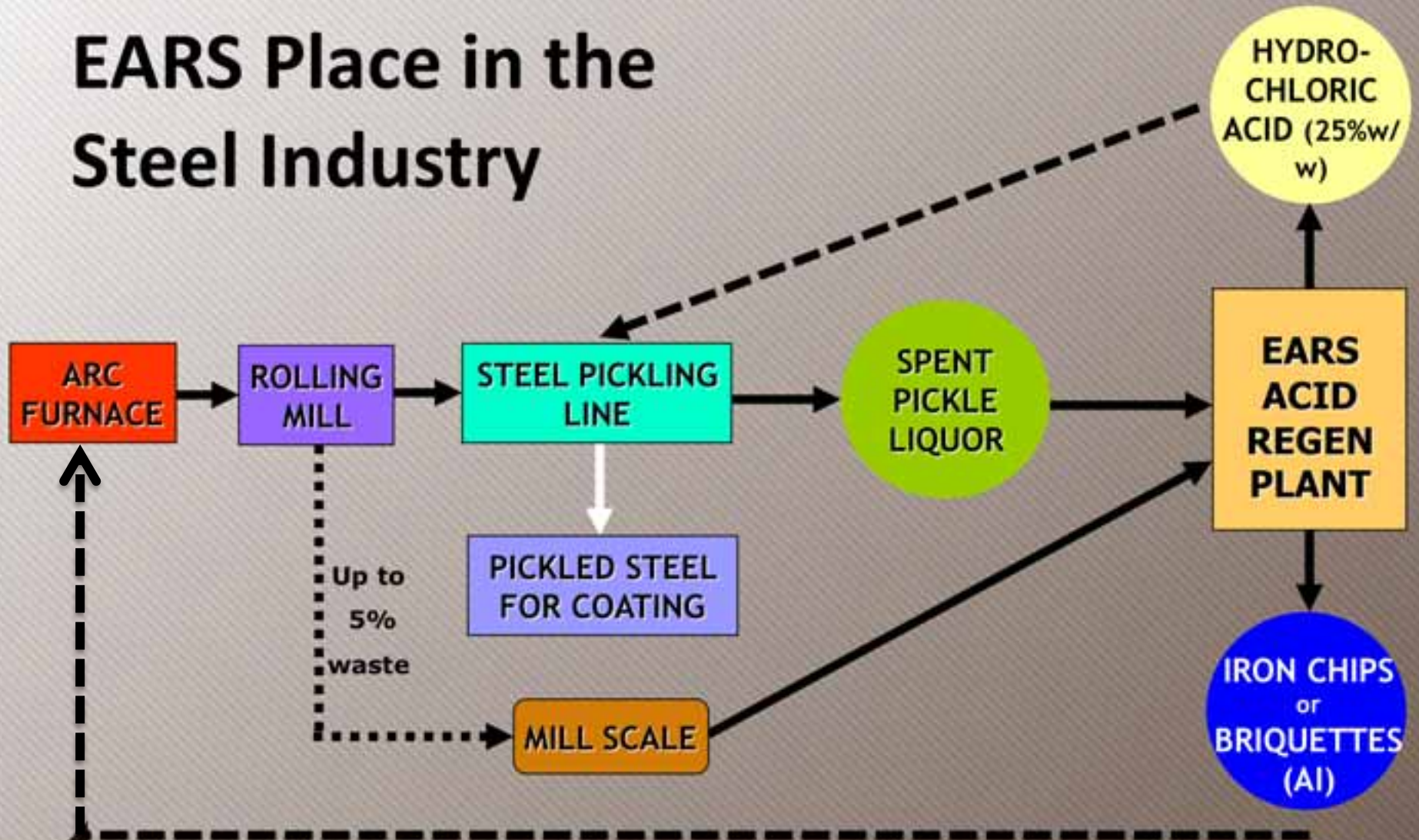
**EARS Section of ERMS SR
Demonstration Plant:
November 2008**



Newcastle Iron Recovery Plant

- Use EARS section of the Demonstration Plant to recycle mill waste from the steel industry
- Convert mill scale (iron oxide) into high grade iron (“Austpac Iron”)
- Convert spent pickle liquor into hydrochloric acid

EARS Place in the Steel Industry



Newcastle Iron Recovery Plant

- **Plant capacity:**
 - Spent Pickle Liquor – 13,000 tpa = 7,200 tpa HCl
 - Mill Scale – 25,000 tpa = 18,700 tpa Austpac Iron
- **Pickle Liquor and Mill Scale available from steel mills**
- **Upgrade required for long-term commercial operation**

Newcastle Iron Recovery Plant

- **Funding for the Plant?**
- **Sale of EL 4521 (WIM150) to Astron – March 2010**
- **Australian Zircon seeks to prevent the sale**
- **Matter listed in WA Supreme Court in mid December**

Newcastle Iron Recovery Plant

- **Supply and Sales Agreements**
 - **CMC Cometals – supply of mill scale and coal, and purchase of Austpac Iron and char (carbon)**
 - **Orica Australia – supply of pickle liquor and purchase of regenerated hydrochloric acid**
- **Development consent – Newcastle City Council**
- **New EPA Licence - DECCW**
- **Plant planning and construction**

Newcastle Iron Recovery Plant



**Installation of
the Koeppern
Roll Briquetting
Press**

Newcastle Iron Recovery Plant



**Austpac Iron
Briquettes**

Kronos Worldwide Inc.



- Producing TiO_2 pigments since 1916
- Originally used Sulfate process; 4 plants, <30%
- Late 1970's - Chloride process; 4 plants, >70%
- Operations in USA, Canada, Germany, Belgium and Norway
- Produces >500,000 tpa pigment, ~10% of world's titanium dioxide pigments

Kronos Worldwide Inc.



Association with Austpac will:

- Continue evaluating EARS technology for processing chloride waste from pigment plants (already demonstrated at pilot scale)
- Facilitate the development of the Newcastle Iron Recovery Plant
- Enable Austpac to operate the Plant to recycle steel mill waste

Future Direction and Timelines

- **H1 2011 – construct Iron Recovery Plant**
- **H2 2011 – commission and commence operations using steel mill waste**
- **Early 2012 – test bulk samples for Kronos (short programs integrated with ongoing operations)**
- **2012 - follow up interest shown by Titanium metal producers in an ERMS SR plant in Australia**



Production Commences 2011