

JACINTH-AMBROSIA



June 2009

Organisation:	Iluka Resources Limited
Commencement Date:	Early Works commenced August 2008
Est. Completion Date:	2010
Status:	In progress
Project Cost:	\$420 Million

Project Description:

The Jacinth-Ambrosia project is proceeding ahead of schedule and within budget with production now expected to begin in early 2010 ahead of the expected mid 2010. Jacinth-Ambrosia has an economic life of at least ten years and is located approximately 200km northwest of Ceduna in the Eucla Basin which has been recognised as one of the world's potential major new zircon production provinces.

On 20th May 2009 Iluka announced that they had received the final significant regulatory approval for the project. The signing of the Operation Mining and Rehabilitation Plan (Operation MARP) for the project allows Iluka, subject to further procedural approvals, to commence mining and processing operations.

Hans Umlauff, Iluka's General Manager, South Australian Development, stated, 'The project is well advanced with the major part of the civil infrastructure and processing facilities under construction on the site.' A 32km pipeline from the bore field to the processing plant, airstrip, site offices and permanent accommodation village have been completed. In April Iluka transported its mining concentrator to the site in 47 modules from Whyalla where it had been refurbished after being shipped from the United States. The clearing and upgrading of Ooldea Road, construction of a power station and construction of infrastructure at the Port of Thevenard is currently underway.

In November 2008 Iluka announced the approval of the Construction Mining and Rehabilitation Plan (Construction MARP). The Construction MARP allowed the opening of the mining pit as well as the establishment of necessary infrastructure and processing facilities.

Zircon is the primary mineral sand to be mined at Jacinth-Ambrosia. Zircon is largely used in the ceramics industry giving whiteness and durability to products like tiles and tableware and is also suitable for various industrial applications. Due to the very low toxicity of zircon compounds, it is also increasingly used in the manufacturing of foodstuffs, pharmaceuticals and medicines.

Iluka Resources Limited is a major participant in the global mineral sands sector and has mining and processing operations in Australia and the USA and conducts exploration activities in Australia and internationally. Iluka's total exploration tenement holding in the Eucla Basin is 57,800sq kms.

Benefits:

Jacinth-Ambrosia is currently employing 280 personnel during construction and expects to employ 110 personnel during operation. Opportunities also exist for local businesses directly through tendering for requirements of the mine, both during construction and operation, and indirectly through the flow on effect of increased activity and the economic development of the region.

Further Information:

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