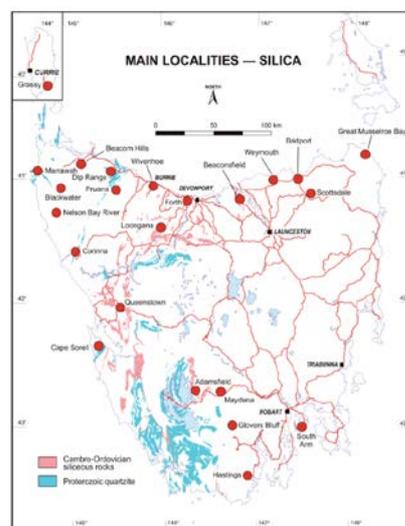


RESOURCES

Project title:	Silica Downstream Processing Opportunities
Location:	Tasmania, Australia
Project proponent:	Tasmanian Government and Mineral Resources Tasmania
Current status:	Investor ready
Operating structure:	Seeking investment
Contact:	Office of the Coordinator-General Director - Investment Peta Sugden Phone: +61 3 6165 5222 Email: Peta.Sugden@cg.tas.gov.au



PROJECT DESCRIPTION

The Tasmanian Government is actively seeking investors to help realise the potential of developing a state-of-the-art silica smelter in Tasmania. In recent years Tasmania has been the focus of international interest regarding the opportunity to establish a silicon metal manufacturing smelter.

Tasmania has the key components required for the establishment of a modern silicon metal manufacturing industry, such as a high-grade industrial silica resource, a clean, renewable energy base, and suitable site locations in close proximity to necessary infrastructure.

In addition, Tasmania has a capable and skilled workforce, competitively priced energy, and a stable and welcoming business environment.

UNIQUE SELLING PROPOSITION

The global demand for industrial silica is forecast to advance 5.5 per cent per year to 291 million metric tons in 2018. According to a recent study from the Freedonia Group, the glass industry, foundry, and building products sectors are expected to drive growth in silica sand production and consumption¹.

Tasmania's deposits of high-grade silica (high purity, low iron) are suitable to produce a variety of high value products, attracting price premiums for a range of niche applications. Currently, in the North West of the state, silica flour has been mined and used for producing high quality lens glass, optical fibre, silicon chips, and lead crystal but, current production is predominantly used for LCD screens.

Bulk silica or rock units with potential for metallurgical grade silica (>85 per cent silica) have also been explored and investigated at a number of locations. Tasmania's silica resource industry includes active and potential exploration projects and production phase projects based on silica deposits in the South, West Coast and the North West Coast of Tasmania. There are currently three key organisations involved. These are:

- Maydena Sands Pty Ltd (Pre-production phase – Maydena – Silica flour and silica sand)
- Mineral Holdings Australia Pty Ltd (Retention licence – Cann Creek – Quartzite and frac sand)
- Tasmanian Advanced Minerals Pty Ltd (Production phase - Corinna, Blackwater and Hawkes Creek – Silica flour and lump silica).

TASMANIAN INVESTMENT OPPORTUNITY



Project Details

Industry Ready Sites

There are a number of areas in Tasmania that are suitable for the development of a silica smelter. The greatest opportunity for heavy industrial activity expansion is Northern Tasmania. This location provides access to existing infrastructure, proximity to transport, proximity to silica resources, deep water ports and skilled labour.

Bell Bay Industrial Precinct is an ideal location with available land for a project of this scope. This heavy-industrial area spanning 25 square kilometres (km²) includes direct access to a deep-water port, excellent rail and road network, reliable supply of water and electricity, natural gas, fibre optic connection and vibrant local residential and business areas.

The Tasmanian Government and Hydro Tasmania are seeking a major industrial client to establish an energy intensive industry, such as a silica smelter. Hydro Tasmania is able to offer investors attractive long-term electricity price certainty.

Tasmania

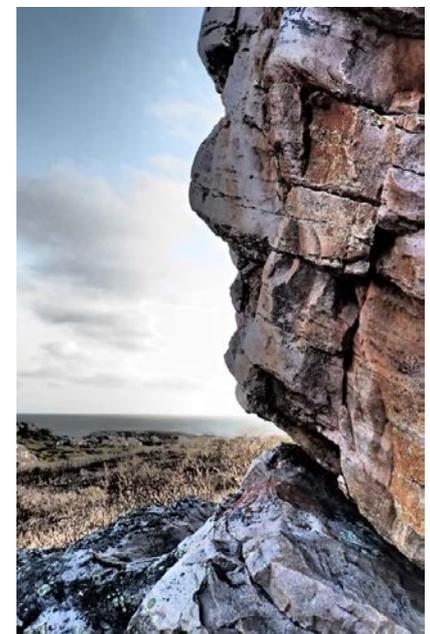
Tasmania has a remarkable geological diversity and abundance of rich and high-grade mineral deposits that are easily accessible and close to transport and infrastructure.

There is already a strong supply of silica flour from the existing operators identified above. Furthermore, with supportive legislation for exploration and development, there remain many untapped opportunities for exploration, extraction and downstream processing of our mineral resources.

Through its mining regulation and exploration division, Mineral Resources Tasmania, the Tasmanian Government is proactively encouraging investment from companies who recognise the importance of sustainable, wealth generating opportunities in mining and mineral processing.



Bell Bay Power Station



For general information on Tasmanian Mining and Mineral Processing Investment, please visit www.cg.tas.gov.au or contact the Office of the Coordinator-General on +613 6777 2786 or email: cg@cg.tas.gov.au

¹ <http://www.cscjournals.org/manuscript/Journals/IJE/volume9/Issue1/IJE-474.pdf>

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