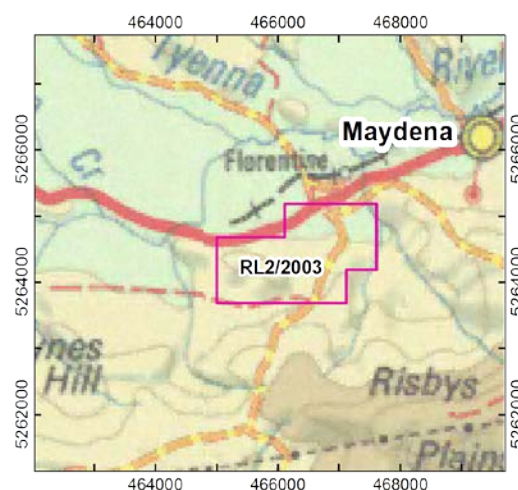


RESOURCES

Project title:	Maydena Sands Project – Eastern Quarry
Location:	Pine Hill, Maydena, Tasmania, Australia
Region:	South Central Tasmania
Tenement ref no:	RL 2/2003
Project proponent:	Maydena Sands Pty. Ltd
Current status:	Pre-development - Start Approvals Stage
Operating structure:	Privately Owned Company
Project size:	Initial capital: \$10-15 Million
Supporting documents:	On request
Website:	www.maydenasands.com.au



PROJECT DESCRIPTION

The Maydena Sands Project is located in within RL 2/2003 of 3 km² in South Central Tasmania near the township of Maydena, about 90km by road west of Hobart, the state capital. Basic infrastructure is excellent, with ready access to water, power, labour, roads and transport.

Based on an unusual deposit of unsorted sand comprising silica flour, silica sand and silica rock, the Company's primary objective is to develop a quarrying and processing operation to supply high purity silica material for export to the global glass industry.

The proposed main end-product, likely to rank among the best in the world, is high purity, low iron silica flour mainly for the production of various glass substrates for the display industry and for other specialist glass products. Recently completed environmental base line studies did not reveal any impediments to development.



Old Sand Quarry

UNIQUE SELLING PROPOSITION

At around 35-40% by weight, the naturally occurring silica flour, identified as the economically most significant component of the deposit's sand mix, can be upgraded to high purity, high value products attracting price premiums for a range of niche applications primarily in the global, high-tech sector of the glass industry. The low iron silica sand by-product could realize additional commercial benefits.



Resource Definition drilling

TASMANIAN INVESTMENT OPPORTUNITY



PROJECT DETAILS

Four million tonnes of the drill indicated total resource of about 6 million tonnes of unsorted sand at surface can be readily extracted, processed and upgraded to high value, high purity, low iron silica flour and silica sand co-products.

Typically, indicative assays for the former premium product are in the order of, in ppm: Fe_2O_3 : 10<30; Al_2O_3 : <100; TiO_2 : <10-20; CaO : 300; MgO : <50; K_2O , Na_2O , P_2O_5 : 10 or less; Cr_2O_3 , Cu , Ni , all<1.

On-going product improvement investigations are aimed at further expanding the size of the current resource. The current resource could support a project life well in excess of 10 years at an annual production rate in the range of 25,000 – 50,000 tonnes of saleable, high purity silica flour for export primarily into the TFT-LCD industry. The production of other display glass substrates, and for a wide range of applications in specialist niches of technical, scientific, optical and other high quality glass. The operation would also generate a co-product of about 10,000 – 20,000 tonnes per annum of low-iron silica sand.



Product-High Purity Silica Flour

TASMANIA PROFILE

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.

With supportive legislation for exploration and development, there remain many untapped opportunities for exploration, extraction and downstream processing of our mineral resources.

Through the Office of the Coordinator-General, and the 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.



For general information on Tasmanian mining and mineral processing investment opportunities 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

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