

Manager
Company Announcement Office
Australian Stock Exchange
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Sydney NSW 2000

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STOCK EXCHANGE ANNOUNCEMENT
Commencement of Kaochem Production
and
Bauxite Development Proceeding

Kaochem

Production of Kaochem™ (low carbon kaolin base cementitious products), has commenced. Initial batches will be used for customer bulk trials at various plants in Europe and the USA, and for new customer approvals in Asia, the Middle East and the domestic market. The end applications are varied covering mortar, render, grout, and flooring compounds, which all have a carbon footprint of at least 80% below that of Ordinary Portland Cement based products. Earlier this year, ACC ECOMINERALS LIMITED, (a 94% owned subsidiary of Minerals Corporation), has been arranging the sourcing of better priced, good quality additives for blending into the product mix. Agreements have now been made overseas for secure and reliable supply of the expected large future tonnages.

Bauxite

This project is being operated by Gulf Alumina Pty Limited, "GAL", with certain income streams due to Minerals Corporation in the event of commercial production. Following drilling last year which identified bauxite resources on the Skardon River leases, GAL is proceeding with a Bankable Feasibility Study with various geological, engineering and environmental consultancies for a 1.5 to 2 million tpa bauxite operation. Preliminary costing indications and laboratory testing of the bauxite support that a commercial outcome is to be anticipated.



C V Alexander
Managing Director

About MSC:

MSC has commissioned a world class china clay (kaolin) project at Skardon River, in northern Queensland which is currently in the marketing roll out stage. Additional premium quality kaolin projects are being developed in China and Western Australia which will transform MSC into a leading regional based supplier with a full range of exceptionally high grade kaolin products for the paper, paint, concrete, polymer, cosmetic, pharmaceutical and ceramic industries focused on S. E. Asia and selected world markets.

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