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Dismantling of Hawks Nest Processing Equipment

Plan for Grande Côte Zircon Project, Senegal

As previously announced, as part of the development of the Grande Côte Zircon Project in Senegal, the company intends utilising its laid-up Viney Creek dredges/concentrator having the capacity to treat 15 million tonnes of material per annum. To produce final products for market, MDL will also relocate and use its existing Hawks Nest dry processing plant with an annual nameplate capacity of 80,000 tonnes of zircon/rutile.

Viney Creek Disassembly Complete

The disassembly of the two Viney Creek dredges and concentrator was completed in June 2005. The equipment has now been placed nearby in readiness for reconditioning and forwarding to Senegal. The company anticipates shipping the equipment to Dakar in knocked-down form over the next 12 months.

Hawks Nest Dry Mill Disassembly Commences

Contractors began disassembly of the dry mill on 20 June with completion expected by end September 2005. The electrostatic separators employed in the separation of rutile from zircon will be sent to Roche Mining near Brisbane for upgrading prior to despatch.

The six tonne crane and all workshop tools at the Hawks Nest site were loaded into containers and shipped to Senegal during May.

Final environmental rehabilitation will take place on a programmed basis following removal of all equipment to Senegal.

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