

Dubbo Project (DP) Community Newsletter

ISSUE 19 / FEBRUARY 2017

Development update

Introducing Australian Strategic Materials Ltd

At the end of 2016 the name of Alkane's project holding company Australian Zirconia Limited (AZL) was changed to Australian Strategic Materials Ltd (ASM). This reflects the fact that we'll be producing globally significant quantities of hafnium and rare earth elements in addition to zirconium materials, as well as other minerals (such as niobium and yttrium). The project name has similarly been modified to Dubbo Project (DP).

The Dubbo Project remains ready for construction, with all state and federal approvals in place and a solid business case. The team is now working hard to secure financing for the project.

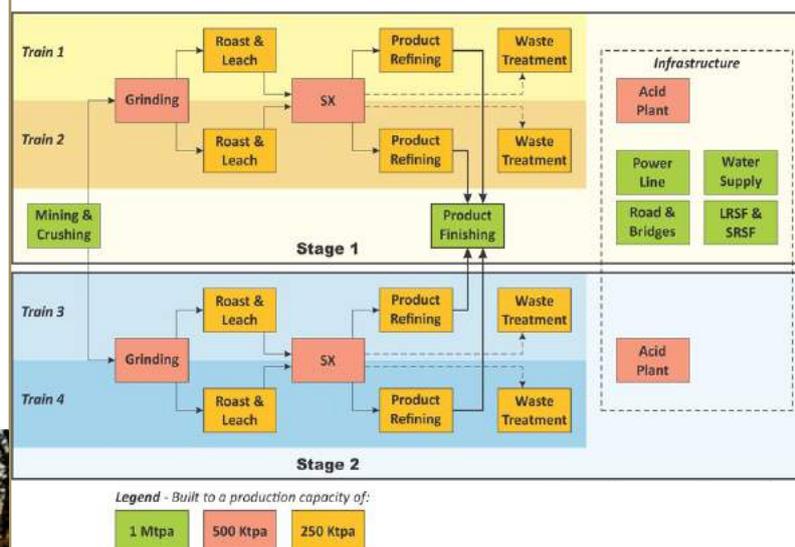
The first phase of construction will involve the development of site infrastructure: a 27km length of Obley Road will be upgraded to B-Double standard (as outlined in the June newsletter #17), and electricity, gas and water pipelines installed. Some earthworks will likely commence onsite in 2017 to prepare for installation of the processing plant.



Modular plant

In late 2016, Alkane announced that the processing plant is likely to be constructed using a modular method, with individual process modules built off-site (in Australia or overseas) and transported to the Dubbo site.

This modular construction method allows for the processing plant to be built in four 250ktpa trains, which together make up the full 1 Mtpa capacity. It has also given rise to the possibility of building the project in two stages, commencing with the first two trains (500ktpa capacity). The second stage would then be built after the first stage is successfully commissioned and customer relationships and revenue streams established.



Modularisation of the processing plant
into four 250ktpa trains

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Toongi Pastoral Company

First batch of lambs

With a focus on sustainable farming and the production of ethical meat, the Toongi Pastoral Company (TPC) has successfully raised and sold its first batch of lambs. Around 1000 spring lambs were purchased last October for trading, and the first 650 head dispatched to a processing facility early this year. In addition, a number of lambs were sent to the Wellington Central Butchery to produce custom half-lamb packs made available to Alkane employees in Dubbo and at the Tomingley Gold Operations.

TPC Farm Manager Fergus Job says there is a cultural move towards food provenance – knowing where food has come from, what livestock has been

eating and how they have been treated. Ethically raised food sources are in demand by consumers and attracting a premium – not only because of the ethical treatment, but also because the meat and produce also has superior eating quality.

The tail end of the first season of lambs are still gaining weight, and will be sold in the coming weeks. Meanwhile, TPC has purchased 1000 pregnant Merino ewes, due to start lambing in March. Once lambing is completed, these ewes will also be traded, but TPC ultimately intends to transition to a sustainable breeding program for the production of ethical meat.



TPC-raised lamb packs were made available to Alkane staff



TPC has raised and sold its first batch of lambs



AUSTRALIAN STRATEGIC
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MULTI-COMMODITY MINER EXPLORER
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Yeoval Central School visit

Students from Yeoval Central School enjoyed an excursion to Dubbo and the DP project site at Toongi under the supervision of Mrs Helen Tremain on 1 February 2017. The excursion provided students with some insights into future job and career opportunities.

Environment Management Plans available on Alkane website

Various Environmental Management Plans, which are required by the NSW Department of Planning and Environment, are being loaded onto the Alkane website as they are accepted by the Secretary. The Biodiversity Management Plan, Pink-tailed Worm-lizard (PTWL) Management Plan, PTWL Biodiversity Offset Management Plan and Heritage Management Plan are now online.



Students from Yeoval Central School visited the Dubbo Project site

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