

Latest news

DMS Acquires Strategic Land to Progress Donald Mineral Sands Project

DMS has taken an important step forward in the development of the Donald Mineral Sands Project by purchasing a strategic land parcel in the Cope-Cope region.

The land parcel (approximately 70.6ha) will be the site for a 50ML storage dam which will be used to store saline ground-water, resulting from tests to evaluate the yield and sustainability potential of the nearby Avon Deep Lead saline aquifer. Test are planned for later this year.

The Avon Deep Lead located 30km north east of the Donald Project Area, has been the focus of the company's water exploration activities over the last 18 months. The aquifer is saline, ranging from approximately 10-15,000 EC (approximately double the amount suitable for stock). The company has sunk a production test bore and two observation bores and has been granted a planning permit to construct a temporary pipeline and storage dam and an extraction licence to extract 50ML of saline water for test purposes.

Pangang Group Executives Visit Donald Project Area

On Tuesday, June 5th, DMS played host to a visiting Chinese delegation. Four executives from the Pangang Group, a wholly owned subsidiary of the largest steel manufacturing company in western China, Panzhihua Iron & Steel and two employees from Astron Limited visited the Donald Project Area.

The Pangang Group's business scope encompasses metallurgical raw materials, steel, vanadium and titanium products and has recently made public its plans to further develop its competitive titanium products capability. Astron Limited through its subsidiary Donald Mineral Sands Pty Ltd aim to produce +100,000tonnes per annum of ilmenite and +70,000tonnes per annum of HiTi product. Both these products are used extensively within the titanium industry, so the possibility of forming closer relations with the Pangang Group could be mutually beneficial.

The delegation thoroughly enjoyed the tour of the project area and was suitably impressed with the local Donald Chinese cuisine, with the restaurant owner serving traditional western Chinese food, which included a yellow-belly fish caught fresh from the Wimmera river.

Environment Effect Statement Update

All field works associated with the relevant studies are now complete and specialists are in the process of completing draft reports for presentation to and review by the Technical Reference Group (TRG). Extracts from the reports presented to the TRG will be presented at the next community information evening. Reports presented to date include Fauna and Flora, and Traffic.



Pangang Group delegation discusses water supply with Arno Kruger



Liaoning Provincial Bureau of Environment Protection Visits DMS

DMS recently hosted a visit to Australia by the Deputy Director of the Liaoning Provincial Bureau of Environment Protection, Mr Fan Guohua, the Director of the Yingkou Environment Protection Bureau, Mr Yan Heng Xue and their delegation. During their visit to Australia they met and had discussions with existing West Australian mineral sands producers, attended the annual Australian Journal of Mining's Mineral Sands Conference and had detailed discussions with DMS's environmental consultant Enesar. The visit was organised by Astron Limited on request from the Liaoning Provincial Government, with the aim of assisting the Environment Protection Bureaus of the Liaoning Province and the city of Yingkou to familiarize themselves with current best practice used by existing producers in evaluating and managing environmental impacts associated with mineral sand processing.

DMS is currently evaluating several industrial areas within China for the location of the mineral separation plant. The city of Yingkou is currently considered the most likely area as Astron Limited's chemical facilities are located within Yingkou and the Chinese head office is located 2-hours to the north in the city of Shenyang. Both Shenyang and Yingkou are located within the Liaoning Province.

Astron Reports Steady Profits

In its six monthly review of operations, Astron Limited reported revenues for the July – December 2006 period of \$84.7 million. This was slightly higher than the revenue achieved in the first half of 2006 and an increase of nearly 20% over the July-December period in 2005.

Overall Astron Limited's net profit remained steady at \$7.3 million for the period July-December 2006.

Community Involvement

DMS is planning a fourth information evening in July. The date and time of the evening will be advertised through the local media.

This informal evening will provide the local community the opportunity to discuss the project in more detail with company representatives. The community, through these information evenings, have raised several issues for consideration during the EES. DMS acknowledges these issues and is committed to seriously examine them during the EES.

Supporting Communities

DMS is committed to supporting the local community and welcomes requests for sponsorship. These should be submitted in writing to the DMS Minyip office.

Feedback form

Donald Mineral Sands (DMS) welcomes feedback from the community and invites you to complete this feedback form and post it to PO Box 49 Minyip, 3392 or drop into our Minyip office at 69-71 Main Street.

Where did you obtain a copy of this newsletter?

Did you obtain any new information from this newsletter?.....

What additional information regarding the project do you think should be included in future newsletters?

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