铁货 IRC

IRC Limited 鐵江現貨有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 1029)

IRC: ILMENITE PRODUCTION INCREASE COMPLETED

Tuesday 16 October, 2012. IRC Limited ("IRC" or the "Company", together with its subsidiaries, the "Group") is pleased to announce the completion of a technology upgrade at its Kuranakh operation resulting in a 150% increase in ilmenite capacity and the reaffirmation of the Company's targets for 2012 and beyond.

Key Highlights:

- More than 150% increase in ilmenite production capacity
- Reaffirm 2012 intermediate production target of 125,000 tonnes and 160,000 tonnes for 2013 and beyond
- Upgrade completed at a cost of just under US$3 million, within budget and on time
- Sales volumes at expanded capacity and prices for ilmenite remain strong

Commenting on the production increase, Yuri Makarov, CEO of IRC said: "*The installation of new ilmenite circuit technology at Kuranakh has increased our throughput capacity and improved recoveries. This, in addition to many other enhancements to the production flow sheet, has resulted in a significant increase in our annual ilmenite capacity. This is a key milestone for IRC as we optimise by-product revenue streams at a time of lower iron ore prices. This upgrade is the result of an 18-month research, design and installation program led by the IRC technology team and I would like to thank them for their hard work.*"

Market

The market for ilmenite remains strong. The IRC marketing team reports strong demand from existing and new customers, above what the expanded production can serve. This is in part due to IRC's innovative bagging system which provides the product for sale in bags as small as 1.6 tonnes, the high quality of the product and the logistical competitive advantage of being located close to Russian, Chinese and East-Asian customers. Prices remain robust, with the October FOB Sovetskaya Gavan price reported above US$250 per tonne.

Upgraded Ilmenite Circuits at Kuranakh

Ilmenite Ready for Shipment

By Order of the Board
G. JAY HAMBRO
Executive Chairman

Hong Kong, People's Republic of China

Tuesday 16 October, 2012

As at the date of this announcement, the Executive Directors of the Company are Mr G. Jay Hambro, Mr Yuri Makarov, and Mr Raymond Kar Tung Woo. The Non-Executive Director is Mr Simon Murray, CBE, Chevalier de la Légion d'Honneur. The Independent Non-Executive Directors are Mr Daniel Bradshaw, Mr Jonathan Martin Smith and Mr Chuang-Fei Li.

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