ANNUAL GENERAL MEETING

26 November 2009

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Agenda

• Chairman’s Introduction	Gerry King
• Financial Highlights	Mark Nielsen
• Donald Update & Plan	Simon Peters
• The Way Forward	Alex Brown
• Questions	

Forward looking statements

This presentation contains forward looking statements and information. These statements are based on our current expectations along with certain assumptions and therefore such statements carry certain risks and uncertainties.

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Chairman’s introduction

Gerry King

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Chairman's introduction

- Infrastructure sold in Imerys in 2008
- 2009 a year for consolidating and redefining our strategic direction
- Improved reporting and governance structures
- Survived GFC with cash intact
- Donald EES approved
- Downstream technologies progressing well

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Chairman's introduction

2009 Delivery vs 2008 benchmarks	
Rebuilt management structure	✓
Rebuilt systems and controls	✓ ERP in planning phase
Product trading and market development	✓
Commercial opportunities been evaluated	✓ On-going
Current assets realised	✓
Transfer of business to Imerys completed	✓

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Chairman's introduction

2009 Delivery	
Treasury function established	✓
Enhanced control and reporting environment	✓
Donald	
Environmental Effects Statement approved	✓
Commenced discussions with Chinese partners to meet funding requirements	✓
Senegal	
Information memorandum completed and discussions with possible purchasers commenced	✓
Technologies	
Agreements, patents in progress and designs commenced for titanium metal manufacture	✓

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Financials

Mark Nielsen

2009 Financials: Balance sheet

As at 30 June	2009 Rm	2008 Rm
PPE including MSP (WIP)	9.0	6.6
Donald and intangibles	20.4	19.9
Land - use rights	10.7	9.0
Current assets (excluding cash)	6.5	11.8
Cash	168.9	185.7
Total Assets	**215.5**	**233.0**
Liabilities	4.3	21.1
Net Assets	**211.2**	**211.9**

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2009 Financials: Commentary

Property, Plant & Equipment

- Construction of MSP
- Foreign currency translation

Intangibles

- Donald – Expenditure capitalised in terms of AASB6

Land Use Rights

- Land in Yingkou - China
- 50 years lease

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2009 Financials: Commentary

CASH

- Cash is retained for investment and project development
- Given recent turbulence invested cash conservatively
  - Mainly with CBA and Bank of China
  - Interest yield 3.5%
- Formalised treasury function to identify better returns at similar risk and manage cash investments more tightly
- Considered number of products, eg bonds and capital guaranteed products. To obtain higher returns need to:
  - Commit funds for usually plus 12 months
  - Take market risk
- Keep with our current strategy
  - Short term investment horizons cash (less than 180 days)
  - Moved cash to higher yielding TDs
  - Average interest rate now around 4.5%
  - Range of 4% to 5.5%

2009 Financials: Commentary

- Cash utilised as follows:

Expenditure	$m
Payments relating to creditors - Imerys	8.3
Cash portion of dividends paid to shareholders	5.7
Listed investments and share buy back	2.4
PPE and WIP	2.0
Development expenditure	1.2
Operating activities	(0.8)
Forex effects	(2.0)
Total cash movement	16.8

- Utilisation of cash going forward and dividend policy
  - Updating our feasibility studies to finalise cash requirements for our projects
  - Strategic equity partners and other funding sources
  - Taxation implications

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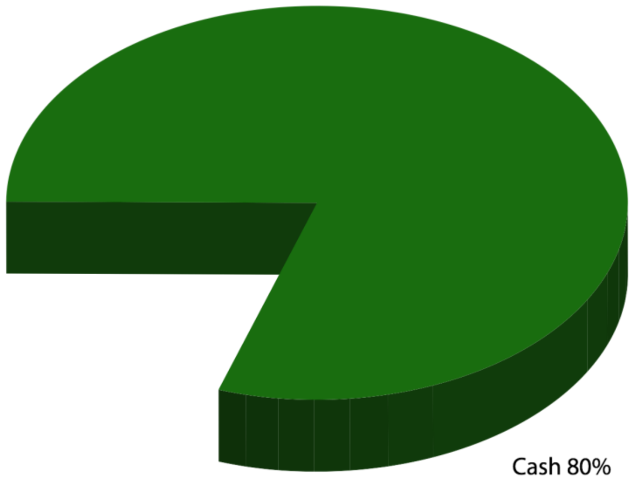
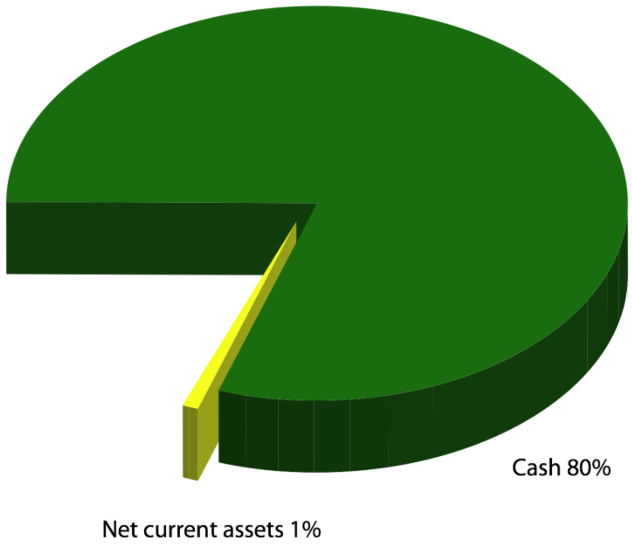
2009 Financials: Net asset value

Year ended 30 June 2009	Cps
Cash	**261**



2009 Financials: Net asset value

Year ended 30 June 2009	Cps
Cash	**261**
Net current assets	**3**



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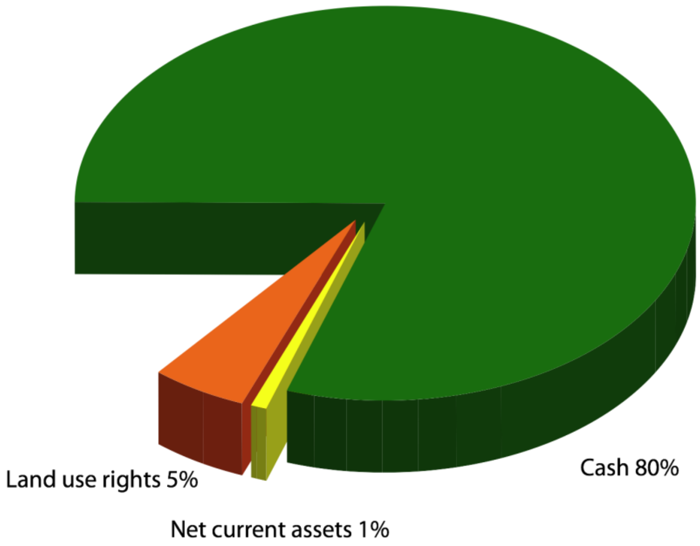
2009 Financials: Net asset value

Year ended 30 June 2009	Cps
Cash	261
Net current assets	3
Land use rights	17



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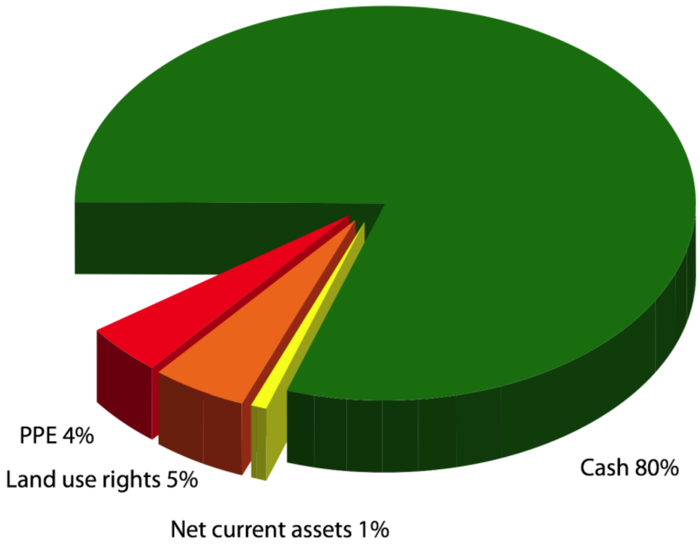
2009 Financials: Net asset value

Year ended 30 June 2009	Cps
Cash	261
Net current assets	3
Land use rights	17
PPE	14

Tangible NAV per share of 295 cps (excluding Donald)



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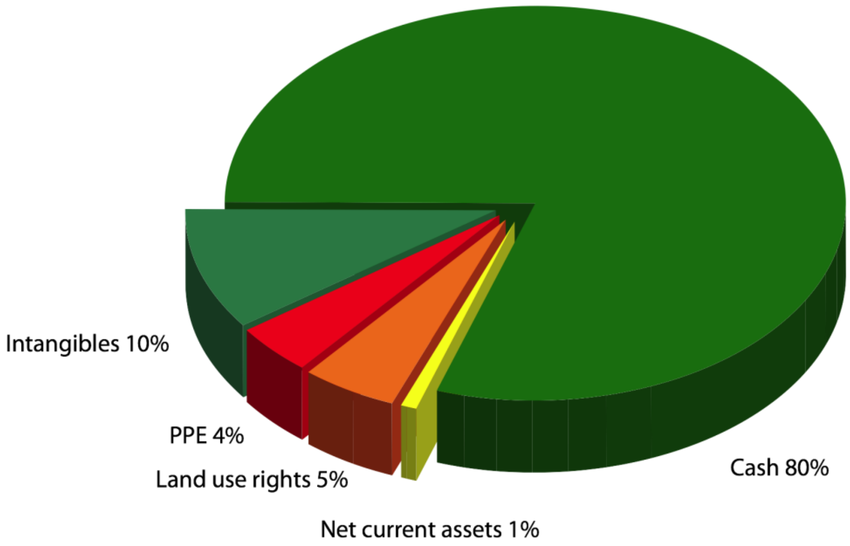
2009 Financials: Net asset value

Year ended 30 June 2009	Cps
Cash	261
Net current assets	3
Land use rights	17
PPE	14
Donald	31

NAV per share of 326 cps



Donald Project

Simon Peters

Donald Project – 2009 Delivery

- Immediate mine start was deferred
- Decision made to build pilot plant for mine and all processes
- Pre-feasibility study updated
- Plan prepared to complete a revised definitive feasibility study
- Approvals on-going
- EES approval obtained
- Detailed mine and plant design on-going
- China processing design and Pilot plants on-going

Donald Project – Mineral Resource

Donald Project Area Mineral Resource

Classification	Tonnes (M)	HM (%)	Slimes (%)	Oversize (%)	Tonnes HM (M)	Tonnes Slimes (M)	Tonnes Oversize (M)
Indicated	531	5.0	14.8	7.4	27	78	40
Inferred	162	5.4	16.8	6.7	8	27	11
Total	693	5.1	15.3	7.3	35	106	50

Classification	Tonnes (M)	Zircon (%)	Ilmenite (%)	Rutile (%)	Leucoxene (%)
Indicated	368	1.1	1.8	0.3	1.2
Inferred	109	1.0	1.7	0.2	0.9
Total	477	1.1	1.8	0.3	1.1

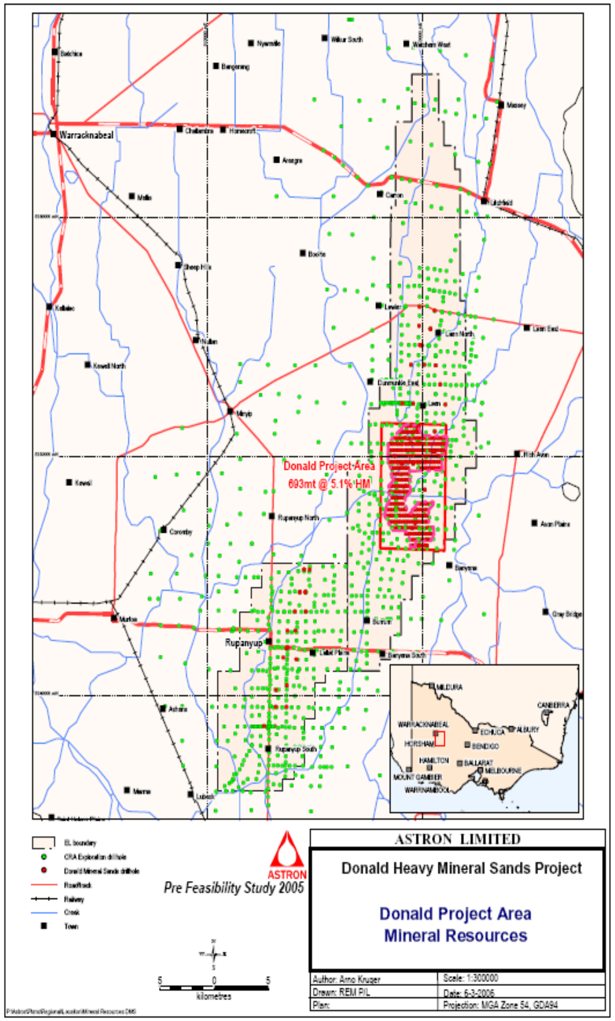
1) All resources have been classified as Indicated under the 2004 JORC code.

2) All resources have been rounded to the nearest 10 million tonnes and one decimal place in grade.

3) Donald resources are reported using a 1% lower cut-off grade

- Donald Project Area contains sufficient resource to sustain a 7.5mtpa operations for 50 years or 2 x 7.5mtpa operations for a minimum of 25 years
- Represents approximately 25% of the exploration area, and is estimated to contain 1,700million* tonne of ore

*Estimated by CRA 1989 JORC



Donald Project - Update

- EES approved by State government November 2008
- Federal government approved the the Environmental Protection and Biodiversity Conservation Act 1999 on 13th March 2009.
- Discussions held with state and federal governments regarding export permits with all indications that permits will be successful
- State and Federal Government Wimmera Mallee water pipeline project nears completion
  - The $688 million project involves building almost 9,000 kilometres of reticulated pipeline to replace 17,800 kilometres of inefficient open channels, saving around 100 billion litres of water a year

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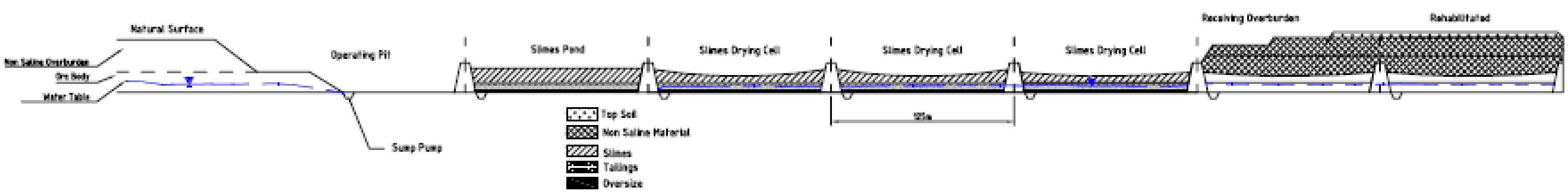
Donald Project - Plan

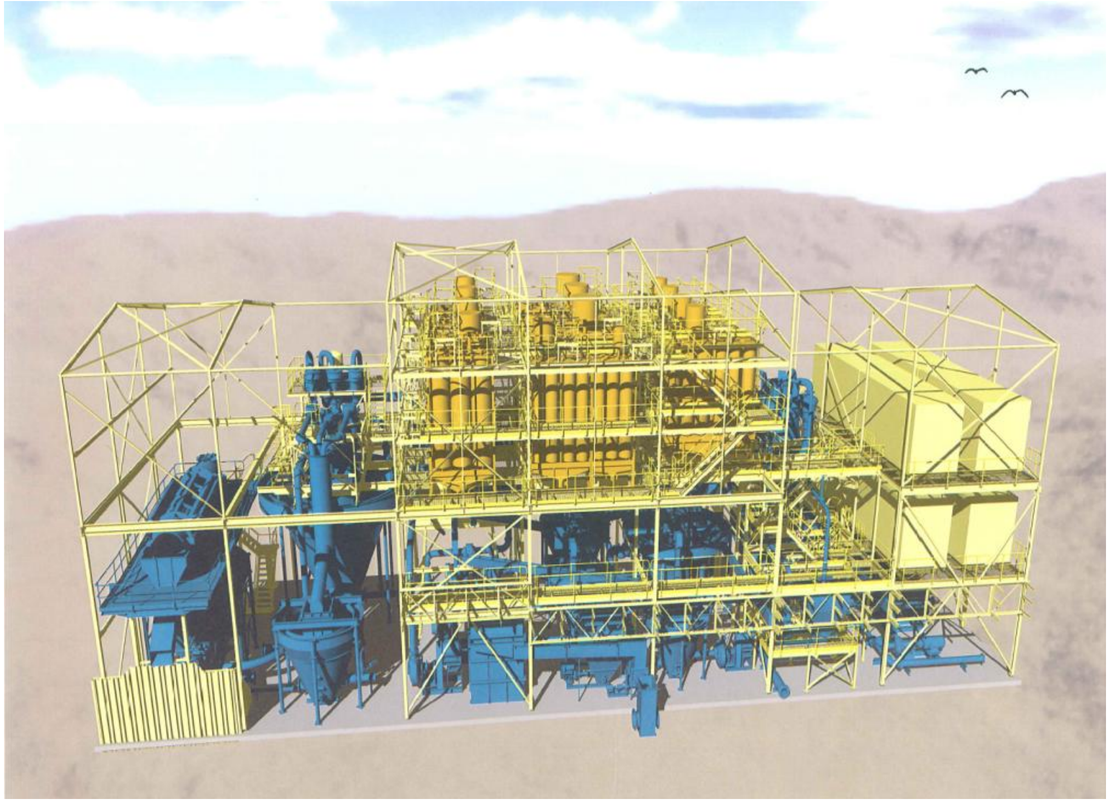
- Review undertaken focusing on the viability of doubling project size to 15 Mt ore mined pa
  - Would allow for reduced operating costs due to economies of scale
  - Gas fired power plant feasible at this tonnage greatly reducing power cost
  - Lower transport costs associated with rail haulage

Typical Section Through Operating Mine



Donald Project

- Engineering studies undertaken on optimal size and configuration of Pilot Plant
- Confirmation of Scope of Definitive Engineering Study



Conceptual Wet Concentrator Layout

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Donald Project - Plan

- Definitive Feasibility Study to be undertaken 2010 including:
  - Mining License
  - Pilot Plant and mine
  - Firm up Water supply
  - Detailed mine and plant design
  - Detailed costing and quotations
  - Land negotiation
- Fully integrate downstream processing including:
  - Zirpaque
    (Ceramic Opacifier)
  - ZOC and related zirconiumchemicals
  - Titanium chemicals and metals

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Pre-feasibility study update – 15mtpa

Project Life	33yrs
Project Payback Period	<3yrs
Internal Rate of Return	31%
Steady state EBITDA (per annum)	$130m
Net Present Value – 8% (Base Case)	$646m
Capital Cost	$282m

Note : The project area contains approximately 18% of the total resource

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The way forward

Alex Brown

China - Industrial output to grow 10.5% for 2009

- China's industrial economy recovered in March this year
- In October, China's industrial output rose 16% y-o-y the fastest pace since March 2008 and the sixth consecutive month with an acceleration of y-o-y growth
- China's industrial output is expected to grow by about 16 % this month and in December and the full year industrial output growth could reach around 10.5 %
- The industrial output growth would guarantee the manufacturing-based Chinese economy should achieve its full-year growth target of 8 %
- Other figures, such as rising company profit, surging power consumption, and increasing export orders, also pointed to the notable recovery of China's industrial production

(Source: Minister of Industry and Information Technology Li Yizhong - Nov 2009)

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Astron - The way forward

Grow the value to stakeholders of Astron by adding value to titanium and zirconium mineral sands assets through developing an integrated supply chain from source to end user, including:

- Creating value by moving Donald up the value curve to production
- Acquiring and developing new technologies which deliver cost effective specialty metals and chemicals
- Manufacturing advanced metals and chemicals cost more competitively
- Understanding and entering markets through joint ventures and acquisitions
- Utilising funding from partners

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The way forward: integrated supply chain Titanium and Zirconium materials

Mining and processing	Downstream technologies	Manufacturing and processing	Marketing and selling
Donald Acquisitions	Improved and new technologies: Titanium, ZOC, Zirpaque and others	Manufacturing: Astron Industrial Park & Australia Acquisitions	Outlook Current network Joint ventures Acquisitions

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Mineral Sands – China processing

- Astron has at Yingkou, China, 132 hectares of industrial land for its manufacturing plant
- Currently, this land is fully serviced and ready for construction
- Two factories will be completed in March 2010 for use as chemical and metal processing trial facilities (approximately 20,000 m2 in total)
- Equipment for the mineral separation plant has been purchased
- Preliminary designs have been prepared for an integrated manufacturing base including chemicals and metals production from Donald

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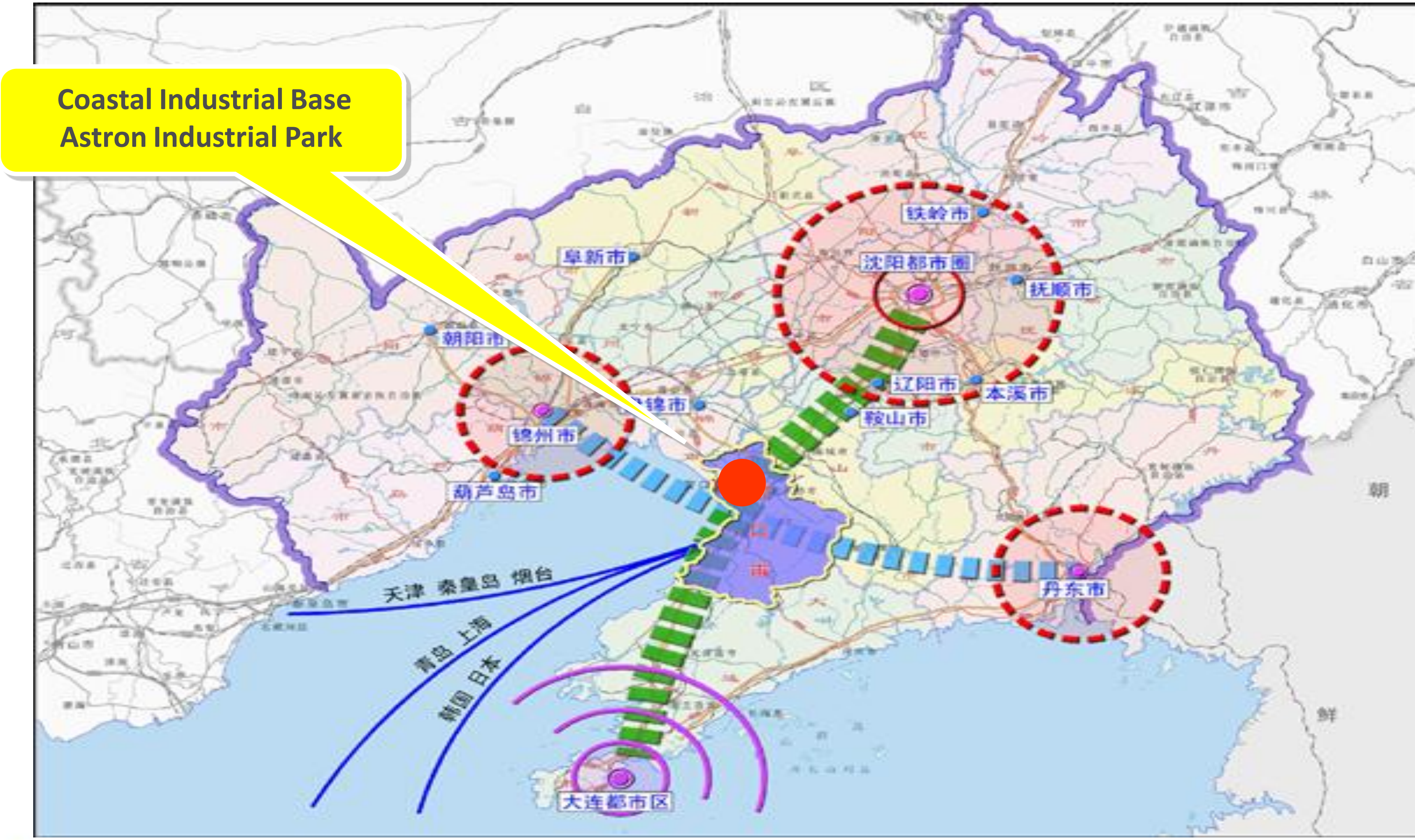
Location of Astron Park - Yingkou

- Yingkou is based in Liaoning province
- It is a port city of the Bohai Sea. The Liao river goes to the sea at Yingkou
- The city has a total area of 5,402 square kilometers, and a population of 2.2 million
- Yingkou City is one of the rapidest economic growth areas in northeast China
- From its current urban area of 54 square kilometers, Phase One is under way and is adding a further 44 square kilometers of industrial and urban areas to Yingkou. Phase Two (planned to start in 2010) will add a further massive 157 square kilometers

Yingkou – Location of Astron Park

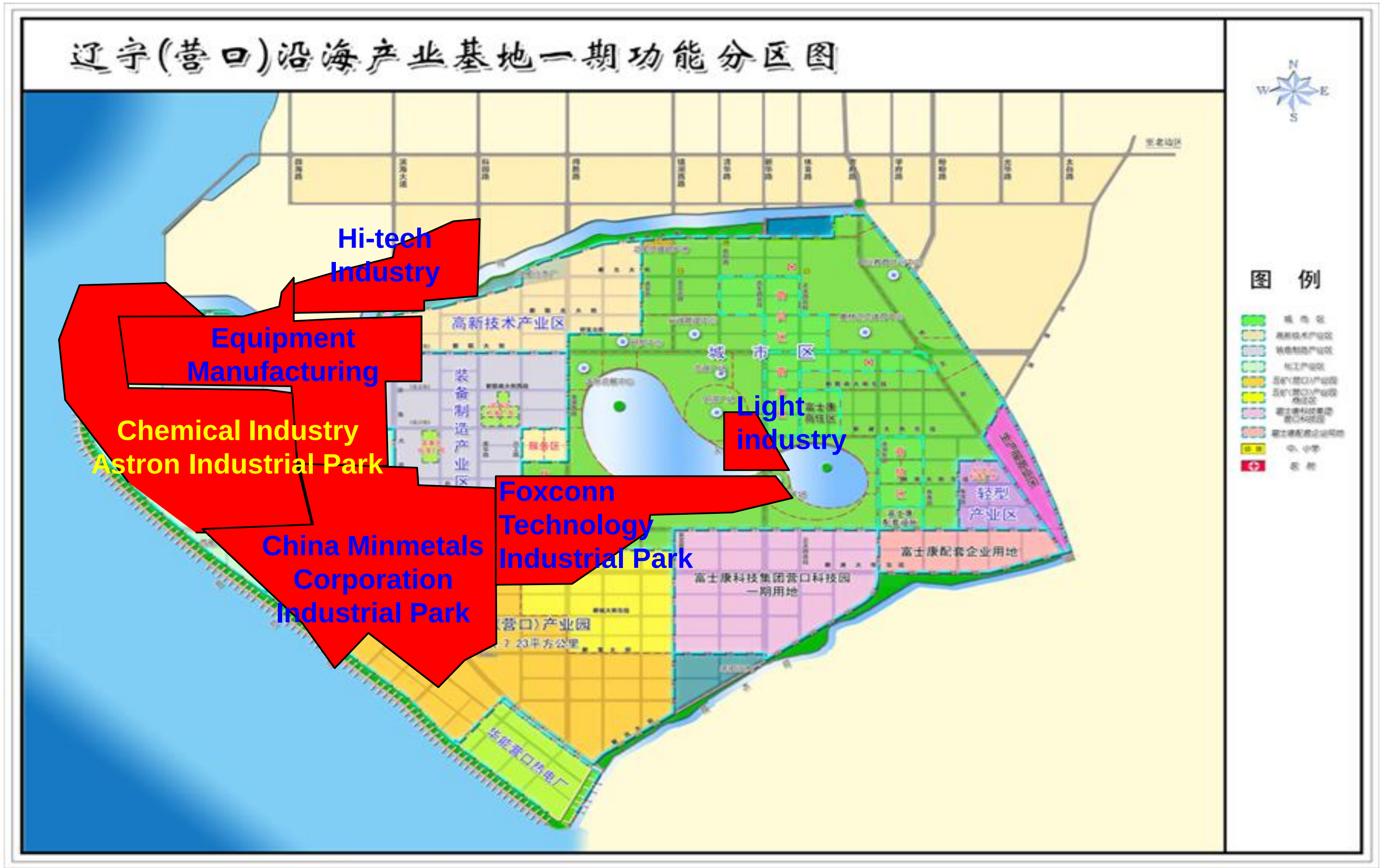
Yingkou Industrial Base in the NE of Liaodong Bay

Yingkou – Location of Astron Park



About 160 km away from Shenyang and Dalian

Yingkou – Layout of Industrial Park



New downstream technologies

Continue developing downstream applications

Titanium and Zirconium Metal

- Identified new furnace based process to possibly produce titanium metal more cost effectively
- Test lab set up in China to test small trial furnace
- Patents in process
- Furnace designs for larger scale furnace in progress
- Identifying manufacturing partners for prototypes

Zirconium Chemicals - ZOC and Zirpaque

- Design is on-going
- Updating as part of Donald feasibility study

Titanium Chemicals - TiO2 and TiCl4

- On hold – JV investor

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Action plan 2010

Mineral Sands

- Complete bankable feasibility study
  - Integrate with technologies
  - Upgrading to proven reserves
  - Complete Demonstration Pilot plants
- Titanium and Zirconium Metals
  - Patents
  - R&D and Pilot plants for new processes
- Titanium and Zirconium chemicals
  - R&D and Pilot plants
- Possible acquisitions and joint ventures
- New investor partners

Other possible investment opportunities

Investor relations and PR to build the Astron brand

Questions