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Atomaer Technologies



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News Release

Perth, Western Australia

Atomaer Technologies Signs Nickel Agreement with WMC Resources Ltd

Western Australian based Atomaer Technologies Pty Limited (**Atomaer**) has signed an agreement with WMC Resources Ltd (**WMC**) over extensive nickel sulphide tailings arising from WMC's nickel operations at Leinster.

The agreement provides Atomaer with the right to conduct a definitive feasibility study and to build and operate a plant(s) using Atomaer process technology to extract and produce nickel from sulphide tailings.

The agreement arises from the former Tailings Supply Agreement signed by WMC and Atomaer in January 2003 and amended in February 2005.

The Chairman of Atomaer, Mr David Humann, said that the agreement provides a significant platform for the commercial development and application of Atomaer process technology in the recovery and production of nickel and related metals from a very large resource base.

The results of testwork carried out by Atomaer over the last 2 years indicate that nickel can be recovered and produced economically.

"Atomaer will now proceed with resource definition and a programme of testwork using demonstration plant facilities leading to a definitive feasibility study and a development decision within the next 2 years", Mr Humann said.

The first stage of the project will focus on the sulphide nickel tailings at Leinster Nickel Operations.

If the definitive feasibility study satisfies the project criteria defined in the agreement, Atomaer may build, own and operate an Atomaer processing plant to process nickel sulphide tailings at Leinster, and subsequently, if the project delivers the project criteria, proceed with the evaluation and development of the nickel sulphide tailings at Kambalda and Mt Keith on the same terms.

Historical records of plant metal balances indicate that approximately 350,000 tonnes of nickel metal are contained in sulphide tailings with grades of up to 0.5% Ni arising from flotation plants over the last 30 years.

The first stage of the project will be based on an initial production of 10,000 tonnes increasing to 20,000 tonnes of nickel metal in a high quality intermediate product in the form of nickel sulphide to defined specifications produced from a hydrometallurgical process incorporating proprietary Atomaer process technology.

WMC will purchase all nickel sulphide product complying with specifications for refining at its Kwinana Nickel Refinery and any secondary nickel products under sales and marketing arrangements.

WMC has the right to acquire a participating interest of up to 50% in the project under joint venture arrangements either at the development decision stage or within 3 years after the commissioning of the Atomaer nickel plant.

“The agreement provides a unique opportunity to create value for the participants by combining Atomaer process technology with a major nickel resource”, Mr Humann said.

The project will be managed by a team of Atomaer technical personnel from Australia and South Africa.

The project manager will be Mr Andre Lotz, who recently joined Atomaer from Anglo Platinum’s Base Metals Refinery in Rustenburg. Mr Lotz is metallurgist with over 17 years experience in business and project management in nickel, cobalt and copper at Rustenburg Base Metals Refinery.

Mr Lotz will be supported by Mr Len Maritz, the manager of Atomaer Research Centre. Mr Maritz has been responsible for breakthroughs in the development of Atomaer process technology in oxidation and leaching of nickel, cobalt and copper in pilot and commercial plant trials.

The project will also be supported by KC Dodd Engineering, led by Keith Dodd.

Atomaer’s environmental technologies group, specialising in water and effluent treatment for sustainable development, led by Mr Jaco Schoeman, General Manager of Atomaer South Africa and Ms Melisa Bailie, Chief Environmental Manager, will also support the project.

For further information contact:

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A brief background on Atomaer is attached.

For further information on Atomaer: www.atomaer.com.au

Background on Atomaer:

Atomaer is a process technology company established in Western Australia in 1990.

It pioneered the development and application the “Filblast” series of reactors in the oxidation and leaching of gold to enhance mass transfer to increase dissolved oxygen levels, accelerate leach kinetics, increase the rate of dissolution and extraction of gold and reduce reagent consumption in the gold industry.

Through applied research and development over the last 15 years Atomaer has developed and commercialised processes and process units which are the subject of a substantial portfolio of international patents and other intellectual property rights for use in mineral flotation, pre-conditioning of slurries, oxidation and leaching minerals and metals, and in water and effluent treatment.

Atomaer is a private company with operating subsidiaries in Australia, South Africa, Chile and Brazil.

The shareholders of Atomaer are Mr Keith Dodd’s Kefco Nominees Pty Limited (55.56%) and Goldmarca Limited (44.44%).