



29th July 2008



**Message From
Jim Calder
Director
Calder
Projects Services**

It has been an extremely busy last few months. Major focus has been on the Wetar Demonstration Plant detailed design and the Wetar Feasibility Study. The demo plant design is now completed and construction will continue thru August and September.

New work has come our way by way of a Scoping Study for Ivanhoe mines for their Mt Dore Copper Project and also some Concept Review work for Cape Alumina on bauxite.

You will see from this newsletter that we now have more people to service our clients needs and have improved many of our systems as well.

Whilst the general economy seems to be coming off the boil, work in the mineral processing area seems to keep powering along. How long this will last is subject to debate but we have noticed a lot more interest from recruiters and potential staff members lately. Another factor may be that several of our larger competitors are moving out of the CBD area to city fringe areas such as Southbank, West End and the Valley. Several drafters have commented to us that this increases their daily commute times greatly and are keen to look for alternatives that keep them central in the CBD where public transport options are greater.

We live in rapidly changing times. The federal government's likely carbon trading scheme targeted for 2010 may have a great impact on us all. The Chinese have a saying– May you live in interesting times. I think that the times ahead will be very interesting indeed.

**Level 8 Christie
Corporate
320 Adelaide St, GPO Box 212
Brisbane Q 4001 Australia
T +61 7 3010 9284
F +61 7 3010 9001
jim.calder@calderprojects.com**

Calder on the Rise!!!

Calder Projects Services just keeps on growing! Since the last newsletter, we've increased numbers by several new team members.

The Calder team welcomed Markus Kramer– Electrical Engineer, Natasha Henderson– document Controller and Paul Butler- Process Engineer in recent months!

Natasha Henderson was appointed as Project Coordinator working on both the 5tpd Wetar Copper Demonstration Plant and the 25,000 tpa Wetar Feasibility Study. She will be working closely with Jim Calder and all other project personnel.

Graeme Ramsay joined us from Goldfields in Peru on a short term contract to be our Procurement and Contracts Manager. Graeme has now completed this assignment and is off to Vietnam on the Nui Phau Tungsten Project. Graeme worked mainly on Wetar but also assisted Daniel Maloney on the Qmag Yaamba study with procurement.

Sue Fox has been assisting the drafting team with Process Flow Sheets. Sue mainly worked on the Wetar Feasibility Study and provides flexible additional capacity to assist with urgent drafting needs and overload.

Paul Butler has also been providing a flexible process engineering support role and has been involved with Wetar.

Markus Kramer came on board from GHD's Western Corridor Project. Markus handles all things electrical and has been a wonderful addition to the Calder team.

Once again we'd like to welcome all our new starters!



Current Projects



Cape Alumina - Concept Review Study

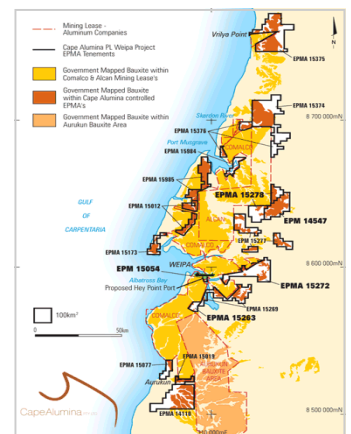
Cape Alumina is a local mining company proceeding with an IPO to raise funding to develop its bauxite deposits on Cape York Peninsula in Far North Queensland, Australia. Two deposits are of interest: 1. The Wenlock Deposit and 2. The Hey Point deposit.

A scoping study of the Wenlock deposit has been undertaken and is due for completion shortly.

Cape Alumina CEO Paul Messenger has appointed Calder to conduct a high level Concept Review Study for the Hey Point deposit prior to the issuing of its IPO. Hey Point (EPM15054) covers approximately 130 Hectares of prospective bauxite immediately adjacent to natural deep water in the Embley River with direct access to the Weipa shipping channel.

A scout hand auger drilling program was recently undertaken to determine the extent and quality of the bauxite mineralisation. Test results indicate that there is a viable resource of 2 to 3 million tones of dry product.

Calder will develop a conceptual Capital and Operational Cost Estimate as part of the Study.



www.capealumina.com.au



PT BTR - Demonstration

Plant & Feasibility Study

Over the past few months work continued on both the Wetar Feasibility Study and Wetar Demonstration plant.

The design of the 5 tonne per day copper heap leach solvent extraction and electrowinning demonstration plant has now been completed, with most of the equipment in freight while the site on Wetar Island is being prepared for its arrival.

Construction of the Demonstration Plant is underway.



Drill rig on site at Wetar Island

Q MAG - Yaamba Pre-feasibility Study

Calder is continuing work on the Pre-Feasibility Study for Queensland Magnesia's Yaamba Project. A unique ore body consisting of satellite deposits, Yaamba has required Calder and QMAG to think outside the box in developing a suitable approach for mine development. After much consultation, a mobile screen plant has been selected as the ideal option. Such an approach will enable the whole plant to move to new deposits as required while minimising product double handling. Screened material will then be transported to QMAG's Parkhurst facility for further processing and conversion into finished magnesium products ready for export. Calder is currently evaluating tender

submissions for the mobile screen plant.

The integrated nature of the plant has required close consultation with potential suppliers to develop a system which most efficiently meets throughput and operational requirements. This process is well underway with Project Manager Daniel Maloney at the helm ably assisted by Paul Butler and by new recruit to Calder, Project Engineer, Tim Adikari. Initial estimates indicate an operating life of 10 years for Yaamba with a nominal throughput of 1,000,000tpa.



Paul Butler with QMAG Project Team

Ivanhoe AUSTRALIA Ivanhoe Australia- Scoping Study 25,000tpa HL SX/EW Plant

In late April, Ivanhoe Mines Australia invited Calder Projects Services to submit an expression of interest for a scoping study for their Mt Dore copper project near Cloncurry in north west Queensland.

Calder's submission was reviewed by independent Project Managers and was recommended. On May 5th, Mr. Barry Goss, Ivanhoe General Manager for Development, selected Calder Projects Services as the preferred contractor for the process sections of the study.

The project is for a 25,000 tpa copper cathode heap leach SXEW project. Calder's scope is the main Heap Leach SXEW process plant scoping and capital and operating costing.

Other consultants selected by Ivanhoe to participate in the scoping study include AMC of Melbourne for Mining, Qualitative Geoscience for geological modeling, Fraser Osborne of Townsville for water, roads and building infrastructure and Parsons Brinkerhoff of Melbourne for Power.

Graeme Miller has been appointed as metallurgical consultant for the leach test work which is being carried out by HRL in Brisbane. Calder have worked closely with Graeme in the past and look forward to a close association on this project as well.

A site visit to Mt. Dore was completed by Jim Calder in late June to inspect the site of the proposed leach pads. Ivanhoe have a 60 man exploration camp and 7 drill rigs carrying out exploration work on Mt Dore as well as several other prospects in the region.

Ivanhoe are currently raising funds through an IPO of their Australian interests and once this is completed, Calder's work on the study will commence in earnest.

Ivanhoe advised that Calder's track record with Heap Leach SXEW and quality of people proposed gave them the edge in the selection process over several big name multinational engineering companies.

Jim Calder believes that Ivanhoe's confidence is justified and looks forward to a long and fruitful association.



General Manager for Mining Mr. Barry Goss

Events Calendar

Mt Garnett Races—Metallica

Daniel Maloney and partner Kishwar Salam represented Calder at The Annual Mt Garnett Races at the invitation of Metallica Minerals and Phoenix Lime held on Saturday 3rd May, a three hour drive south-west of Cairns in North Queensland. Metallica Minerals sponsored the Gunnawarra Shield Race and provided excellent hospitality under their corporate marquee on a cool afternoon. Daniel and Kishwar were able to catch up with clients Stewart Hagan of Phoenix Lime Pty Ltd as well as Andrew Gillies and John Haley, directors of Metallica. Due to a curious anomaly featuring two Gate 29's at Brisbane Airport, Daniel and Kishwar had the pleasure of John Haley's company for the drive to Mt Garnett.



The Race event is nearby Metallica's Nornico Nickel Project (Gunnawarra) and the Phoenix Lime's Ootann Limeworks Project, both of which Calder has been involved with through the provision of Engineering and Project Management services. The major local event was supported by more than two thousand people, with the Rodeo on the Sunday and more Races on Monday (May long weekend). With limited accommodation in Mt Garnett, many patrons opted to camp at the Racecourse/Showground's for the course of the weekend. Thanks to Metallica and Phoenix Lime for the great outing and hospitality.

www.metallicaminerals.com.au



" I ENJOY WORKING FOR CALDER, AS IT HAS A DOWN TO EARTH WORK ENVIRONMENT, THE PEOPLE ARE EASY TO GET ALONG WITH AND THEY ARE WILLING TO LISTEN TO MY IDEAS".



**Level 8,
320 Adelaide St
GPO Box 212
Brisbane, Qld, 4001**

**Phone: +61 7 3010 9284
Fax: +61 7 3010 9001**

Staff Profile — Nigel Perrett

As an emerging leader in the mineral processing consulting engineering industry, Calder Projects Services has not only experienced rapid corporate growth but has recently recruited a number of new staff members to play an integral role in driving the company forward.

Nigel Perrett has been involved in Engineering for 34 years including 27 as a professional drafter. Nigel commenced his career with a fitter and turner apprenticeship with The Australian Atomic Energy Commission in Sydney. There he gained mechanical skills before being introduced to the drawing office. Nigel left the AAEC and moved to Queensland in 1981.

One of the most interesting projects Nigel has worked on was a prototype gearbox design for regenerative transmissions. It introduced him to parametric modeling and its advantages over conventional drafting.

Nigel joined Calder full time, as a Mechanical Designer / CAD Administrator five

months ago. He's been busily working on the 5 tpd W e t a r C o p p e r Demonstration Plant since that time. Nigel's vast design experience includes process plants for coal, alumina, copper, fertiliser and chemicals. Nigel has undertaken full 3D modeling of entire process plants with a number of large engineering and operating companies in Australia. Nigel also has on-site experience with AAEC, Incitec and Elite Chemicals.

The flexible team at Calder offers Nigel a dynamic working environment which makes for a truly great professional experience.

"I enjoy working for Calder, as it has a down to earth environment. The people are easy to get along with and they are willing to listen to my ideas".

Nigel performs a variety of tasks at Calder including: technical recommendations on CAD system setup, conceptual design of process plant layouts, AutoCAD file structuring and maintenance, detailed 3D modeling of mechanical,

structural and piping, as well as supervision of internal and contract drafters.

When asked what his most important contribution to Calder's would be he said "To ensure Calder's operate 21st century CAD systems and provide a cost effective, value for money service to clients."

Being happily married for 27 years is one of Nigel's biggest personal accomplishments and gives him great satisfaction. As reward for a long and successful career in the engineering industry, Nigel and his wife are planning a well earned European holiday in the future.

Nigel hopes this will be an eye opening experience and add to his numerous travels to date. Nigel emphasizes that maintaining a work/life balance is critical for success in life.

As Calder expands its operations, Nigel looks forward to continuing his work with the company and actively participating in its future growth.