

ASX Release

---

Compass Resources NL  
ABN 51 010 536 820

Level 5, 384 Eastern Valley Way  
Roseville NSW 2069

Tel: +61 (0)2 9417 3588  
Fax: +61 (0)2 9417 8750

[www.compassnl.com.au](http://www.compassnl.com.au)

Monday 12, May 2008

## PROGRESS REPORTS

### OXIDE AND SULFIDE BASE METALS PROJECTS

Attached are progress reports on both the Oxide and Sulfide Base Metals Projects presented to the Board recently.

It is intended that similar reports will be posted on a monthly basis.

**For further information contact:**

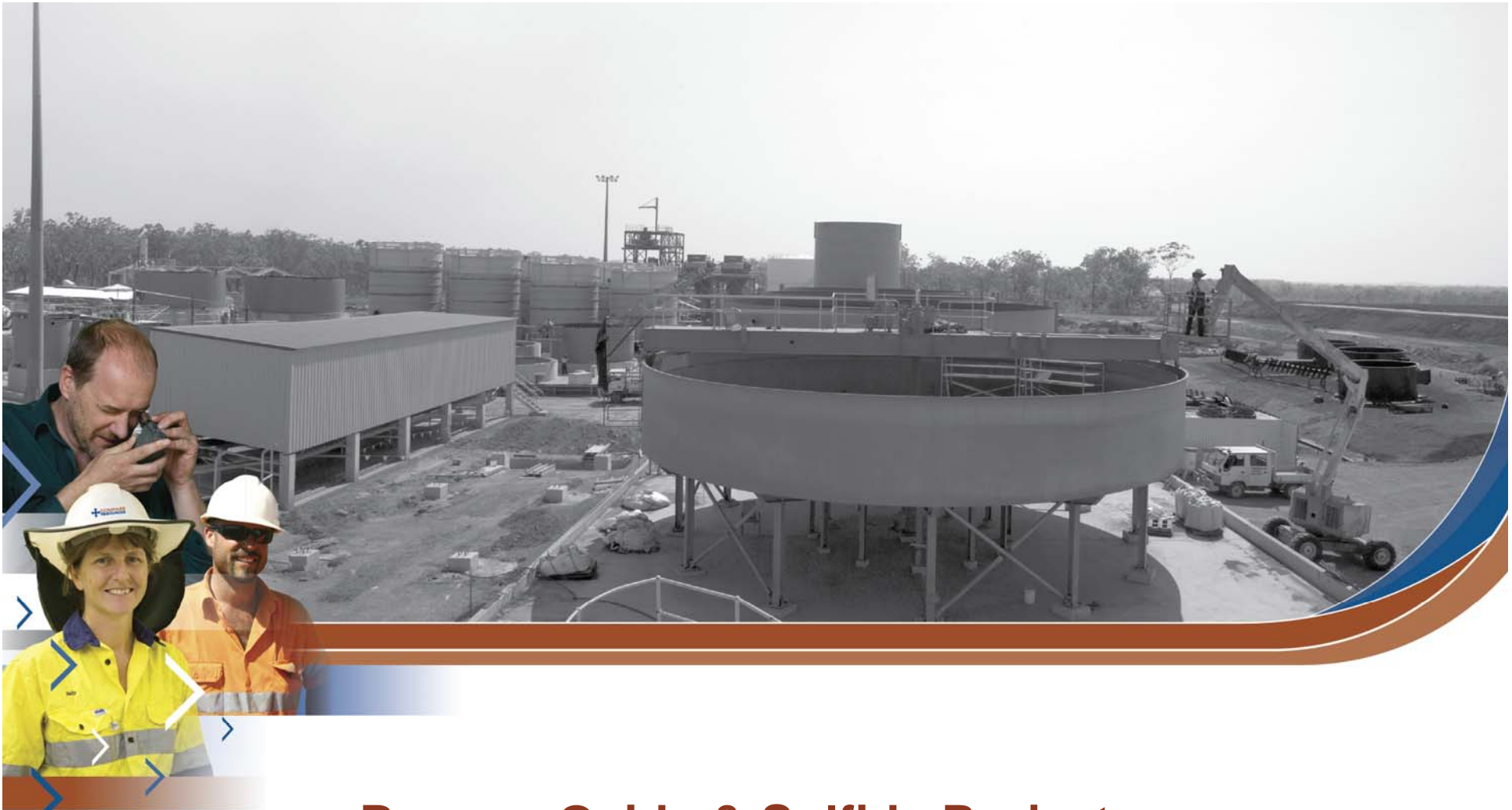
Richard C. Swann (Managing Director)

Neil Guest (Company Secretary)

Telephone: + 61 2 9417 3588

Facsimilie: + 61 2 9417 8750





## Browns Oxide & Sulfide Projects

April 2008





# Browns Oxide Project

## Progress

| Overall Completion          |            |
|-----------------------------|------------|
| <b>Civil</b>                | <b>99%</b> |
| <b>Structural/platework</b> | <b>97%</b> |
| <b>Mechanical</b>           | <b>65%</b> |
| <b>Electrical</b>           | <b>65%</b> |
| <b>Piping</b>               | <b>70%</b> |
| <b>Commissioning</b>        | <b>7%</b>  |



# Browns Oxide Project

- **Pre-commissioning activities continued**
- **First feed to plant remains scheduled for late May**
- **Feed to subsequent sections of the plant will occur progressively during June as they become available.**
- **Estimated 70,000 man hours to completion**
  - **46,000 Man hours earned during April**
- **Resources have peaked in critical trades**
- **Staged Commissioning planned commencing with Ore Handling and Grinding.**



# Resources

| Current Numbers              |           |
|------------------------------|-----------|
| <b>Civil</b>                 | <b>8</b>  |
| <b>Structural/Mechanical</b> | <b>30</b> |
| <b>Electrical</b>            | <b>80</b> |
| <b>Piping</b>                | <b>35</b> |
| <b>EPCM</b>                  | <b>18</b> |



# Browns Oxide Project

## Key Issues

- **Safety awareness and procedures associated with Commissioning**
- **Complete electrical and piping installation**
- **Connection of HV power- connection date in May 08 agreed with PAWC**
- **Reassessment of project final cost**
- **Commissioning of critical plant.**



# Browns Sulfide Project Update



# Summary

- **Bench test work continuing.**
  - **Good recoveries from POx**
  - **Process options reducing as test work results are evaluated**
- **Layout/design of plant front end commenced.**
- **Conceptual mine plan in progress**
- **Baseline environmental monitoring (wet season) continuing**
- **First JV Technical Committee meeting held on 29 April**
- **Options studies for power supply, water supply and tailings disposal to be undertaken.**



# Process options

- **Bulk concentrate production complete and concentrate samples sent to test facilities.**
- **Bulk ore sample (1 tonne) air freighted to HNC for differential flotation test-work.**
- **Early test results suggest some options will soon be eliminated**
- **Good results seen from early POx trials.**



# Mine plan and schedule

- **Preliminary mine planning completed. Further work to be held pending updated resource model.**
- **Project footprint and conceptual layouts prepared and reviewed internally.**
- **Baseline project schedule developed and under internal review.**



# Bulk sample program

- **Bulk sample deferred to later in 2008**
  - **Sufficient material from 1999 program and subsequent metallurgical drilling programs is available for all immediate test work requirements**
- **Ammtec order for concentrate production extended to include POx bench testing**



# Browns Sulfide Project

## Key issues

- **Evaluation of bench test results and elimination of unattractive process options.**
- **Land tenure – awaiting site layouts and preliminary mine plan**
- **Environmental approvals – meeting with statutory authorities proposed in May and June**
- **Updated resource model expected in June.**



# Area 55 and Mt Fitch Copper



# Area 55 and Mt Fitch Copper

- A project manager has been appointed to manage the development of these projects.
- Environmental baseline monitoring is being undertaken concurrently with the Sulfide project
- A conceptual mine plan has been prepared for Area 55
- An ore transport study for Area 55 has been completed and haul road alignment options are being investigated.