



Gingko

IN DEMAND

Headquartered in Brisbane, Bemax Resources Ltd is one of Australia's premier mineral sands companies.

In 2006, the now privately-owned company was the largest producer of leucoxene, the sixth largest producer of rutile and the seventh largest producer of zircon globally.

With a primary focus on strengthening its position as a major titanium feedstock producer and maintaining flexibility in production, Bemax aims to meet changes in the market place while satisfying clients' demands to the best of their ability.

Parallel to the core development program, the company maintains a development program to evaluate value adding opportunities to improve its product line to maximise the dollar value of the feedstock resources.

At present, Bemax is well positioned to take advantage of the high demand for zircon, particularly from China as well as the firm market outlook for Titanium feedstock. The company continues to implement and expand a funded exploration program in an effort to locate and define further titanium and zircon rich deposits. The company will concentrate on the development of synergies that will flow from the existing infrastructure in Western Australia as well as that established in the Murray Basin.

In addition to the Western Australian resources, reserves in the Murray Basin

are capable of sustaining mining for over 60 years. The Ginkgo Mine contains 5.8Mt of heavy mineral, with an excellent suite of products including the currently highly priced and sought after zircon mineral. The Snapper Mine, which will be mined in conjunction with the Ginkgo Mine, is an even richer mine containing an overall higher tonnage and greater percentages of both rutile and zircon.

While mineral sand production in Australia from existing mines is predicted to decline over coming years due to the reduction of viable mining reserves in Western Australia, new mines in the Murray Basin and production facilities are under construction to fill this shortfall in supply will ensure that Australia remains at the forefront of global supplies.

The Murray Basin has a number of advantages over projects awaiting development in both other parts of Australia and in other countries, including low political and sovereign risk, and a sophisticated mining environment with well-developed infrastructure. Regarded by the industry as a world class zircon and titanium mineral sands province, the future of Bemax and the mineral sands industry in Australia, are in the Murray Basin.

"AS WE LISTEN TO OUR SUPPLIERS' SUGGESTIONS AND NEGOTIATE WITH THEM TO ACHIEVE AN ARRANGEMENT THAT IS IN EACH PARTY'S BEST INTEREST."

GAVIN SWART

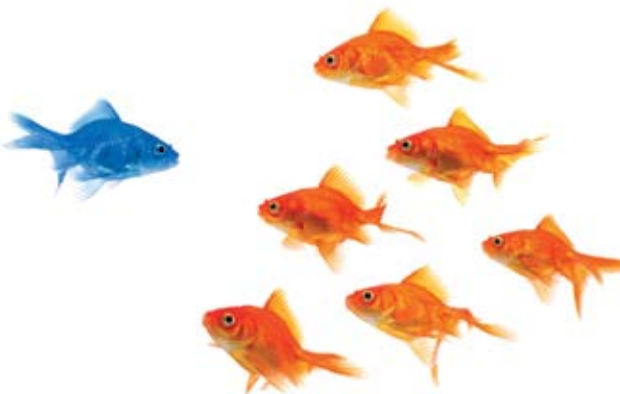


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PROFILE



BEMAX AND SUSTAINABILITY

As an environmentally conscious company, Bemax is committed to the sustainable production of titanium and zircon minerals in a manner that protects the values of the natural and social environments in which it operates. The company functions in compliance with applicable legislation, regulations and codes of practice and maintains a commitment to pollution prevention and waste minimisation. Bemax's Environmental Policy covers all aspects of their operations including exploration, mining, production, transport, shipping and site rehabilitation.

SUPPLY CHAIN FOCUS WITH GAVIN SWART, OPERATIONS MANAGER FOR BEMAX INDUSTRIES LTD

With such a diverse range of operations across Australia, maintaining an open flow of communication with suppliers is essential to upholding an effective supply chain. Gavin Swart believes that to ensure the best deals and optimal efficiency, a two-way street in regards to communications is a must.

"Our relationships with our suppliers is very good as we listen to our suppliers' suggestions and negotiate with them to achieve an arrangement that is in each party's best interest," explains Gavin.

In dealing with many niche suppliers for specific equipment, Gavin maintains that it is integral to have an efficient supply chain management system in

place so that potential risks are mitigated when purchasing a product or service. "Compliance with corporate standard terms and conditions of contract is also essential. Minimisation of inventory is critical to keep dead costs low."

When sourcing suppliers to work with Bemax, reputation and financial stability are two important factors in finding the right supply partner. What the supplier can bring to the table in regards to products and services, as well as how they can benefit Bemax are key considerations.

"It's also important to see if they can deliver the correct quality product or service for the best price and meet our critical time schedules," comments Gavin. "Before service, after service and during service, communication and interaction are also imperative." 🔄

