

# AustralianZircon

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29 March 2011

The Company Announcements Platform  
ASX Limited

Dear Sir/Madam,

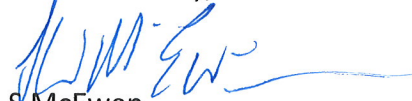
Further to the announcement of 10 November 2010, Australian Zircon NL ("the Company") is informed by the "Purchaser" (as defined in the 10 November 2010 announcement) that it wishes to commence the Joint Venture on the basis of the transfer of all assets of the Company except WIM150 to the Joint Venture.

The Joint Venture Company (as defined in the 10 November 2010 announcement) will be owned 65% by the Purchaser and 35% by the Company.

The Purchaser also has an option to require the transfer of the Company's WIM150 assets to the Joint Venture at a later date subject to the rights of the Company as described in the 10 November 2010 announcement.

Further details of the transactions will be notified as and when appropriate developments arise under the relevant arrangements.

Yours faithfully,



S McEwen

Company Secretary