



# Niuminco Group Limited

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## QUARTERLY ACTIVITIES REPORT

### JUNE QUARTER 2013

#### PAPUA NEW GUINEA PROPERTIES

##### EDIE CREEK

The assay results from the final holes of the first stage of our potential three stage drilling program were received. A summary of these results and a recommended Stage 2 Drilling Program from a report prepared by NIU's consultant, John Nethery is as follows:-

##### SUMMARY

- Previous drilling focused on narrow northwest trending high grade low-sulphidation vein systems with potential for underground development.
- The focus now is on potential bulk tonnage lower grade targets located around the intersection between the northwest trending high-grade veins and major north trending faults.
- The largest target is the Karuka - Enterprise Stockwork and includes the Enterprise Diatreme and the narrow high-grade Enterprise and Karuka lodes proximal to the Slate Creek Fault.
- Ease of access prompted the initial hole EDD 014 to be located on the southwestern periphery of the Karuka – Enterprise target. This hole was abandoned prematurely due to difficult ground conditions and EDD 016 was drilled nearby at a slightly different azimuth.
- EDD 014 averaged **1.18g/t gold, and 72g/t silver in the 21m** interval from 63m to 84m.
- EDD 016 averaged **1.40g/t gold, and 17g/t silver in the 20m** interval from 62m to 82m.
- The second target is the Edie Creek Diatreme, which occupies the entire upper Edie Creek valley, and includes the Alpha South and Ingopae lodes, proximal to the Edie Creek Fault.
- EDD 015 at Alpha South intersected the **widest section of massive epithermal vein and stockwork to date: 62m from 199m to 261m at average of 0.28g/t gold, 1.7g/t silver.**

- An Induced Polarisation survey is recommended to cover the entire Edie Creek Diatreme.
- A 10 hole for 2000m program of Reverse Circulation drilling is recommended for the Karuka – Enterprise Stockwork

The Board is currently reviewing these results and the recommended Stage 2 Drilling Program along with all other options for our Edie Creek Mining Leases.

## **BOLOBIP AND MAY RIVER JOINT VENTURES**

Niuminco's Joint Venture partner, Mincor Resources NL,, advises that it has spent \$6,506,303 on these two exploration projects as at 30 June 2013. Summary Information for Shareholders, covering the work completed to June 2013 is attached as an extract from Mincor's June 2013 Quarterly Report

## **PURCHASE 19.99% INTEREST IN TNT MINES LIMITED AND TAKEOVER OFFER**

On 19 June 2013 Niuminco agreed to subscribe for 21,908,250 ordinary shares in the capital of TNT Mines Limited ("TNT") for the consideration of the issue of 21,908,250 ordinary shares in the capital of Niuminco at an effective consideration of 3 cents per share.

On 30 July 2013 Niuminco announced a takeover offer for TNT on the basis of one Niuminco share for each TNT share.

The companies agreed that they will enter into a Management Agreement under which Niuminco will manage the business of TNT for as long as Niuminco shall hold not less than 51% of the issued capital of TNT.

TNT is an unlisted public company which was demerged from ASX-listed Minemakers Limited in 2011. It has significant Tasmanian tin, tungsten, magnetite and fluorspar assets.

TNT has 100% ownership of previous hard rock tin and tungsten mines and exploration areas in northeast Tasmania. This district has been one of Australia's largest producing areas for combined tin and tungsten, with major activities centred on the Aberfoyle, Storey's Creek and Anchor mines.

In the northwest of the State, TNT holds a number of prospective properties. In the Zeehan area, it holds 75% of the historic Oonah Mine, which produced over 2million ounces silver, as well as lead and zinc, and contains a significant tin lode including an early target Anomaly 370, which is a ready to drill shallow geophysical target. Closer to the north coast, TNT holds an option to acquire an initial 80% of the major Moina skarn deposit which is ranked as one of the world's largest undeveloped fluorspar deposits.

Professor Ian Plimer and Tracey Lake are Directors of both Niuminco and TNT.

## **RIGHTS ISSUE**

On 19 June 2013 Niuminco Group Limited announced a non-renounceable pro-rata rights issue at an issue price of \$0.01 for each new ordinary share on the basis of one new share for every four shares held on the record date, to raise up to the sum of \$924,844. The company will issue a maximum number of 92,484,413 shares.

## **EXPENDITURE**

The Board and Management have implemented a number of initiatives to reduce the cash costs incurred by the Group. These include the laying off and reduction in working hours of our PNG staff, the disposal of surplus plant and equipment, relocation of offices in PNG to reduce rental and associated costs and reduction of cash payments of directors' fees

## **BOARD CHANGES**

On 20 June 2013 the Company announced the resignation of Mr Andrew Davis and Mr David Fuller as Directors of Niuminco Group Limited and its subsidiary companies.

The Directors and Management of the Group take this opportunity to thank Mr Davis and Mr Fuller for their valuable contribution to the Group.

Mark Ohlsson  
Company Secretary

The information in this report that relates to exploration results is based on Information reviewed by Ian Plimer (BSc [Hons], PhD) who is a Fellow of the Australasian Institute of Mining and Metallurgy. Professor Plimer is a director of Niuminco Group Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

**Summary Information for Shareholders, covering the work completed to June 2013 by joint venture partner Mincor Resources NL  
(extract from Mincor's June 2013 Quarterly Report)**

**PAPUA NEW GUINEA**

**Bolobip Copper-Gold Prospect (Mincor earning up to 72%)**

The Bolobip prospect comprises a diorite-monzonite multiphase intrusive complex similar in age and geological setting to the Ok Tedi mine, which is located approximately 60 kilometres to the west.

Attention has focused on the Koum Stock where in the late 1980s CRA Exploration reported encouraging results from bench, ridge and spur, and grid-based soil and rock chip sampling. Mincor's compilation of this data revealed the presence of a roughly one kilometre diameter copper and gold anomaly rimmed with elevated zinc, lead and manganese, a geochemical signature consistent with the presence of a leached cap above a mineralised copper-gold porphyry deposit.

Mincor's field work, carried out between March and June 2013, focused on this area.

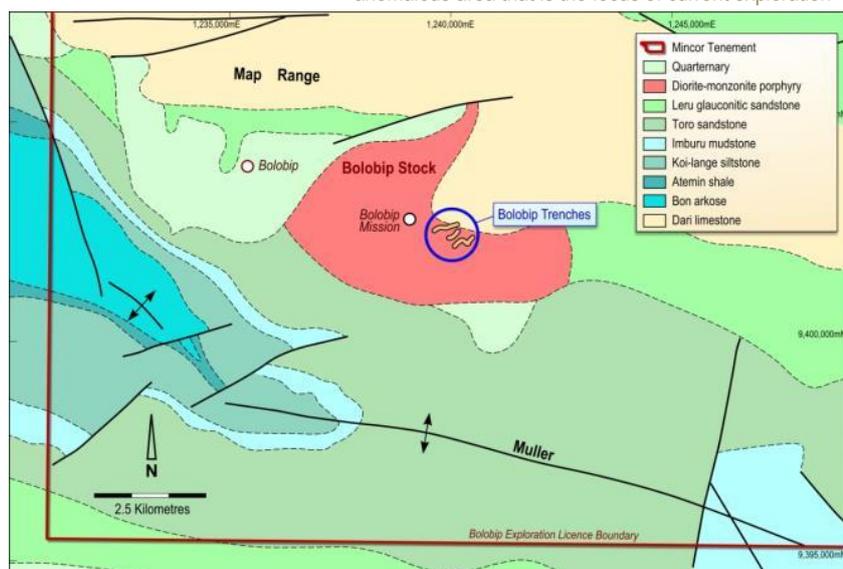
Work included:

1. Prospect-scale geological mapping along ridges, spurs, benches and creeks, including alteration mapping and litho-type sampling (the latter totalling 32 rock-chip samples from outcrop and three rock float samples).
2. Submission of 23 litho-type samples for petrographic study and interpretation – results pending.
3. Excavation of 10 new benches (Bench 4-12) over the Koum Stock totalling 2,010 metres, bench mapping and selective 2-metre channel sampling along Benches 4 and 5, totalling 18 samples over 32.5 metres.
4. Line clearing and pegging out of planned hand-auger ridge/spur soil sampling over Atanabip Stock at 25 metre centres (this sampling has not yet commenced).
5. Completion of a helimagnetic/radiometric survey comprising 441.48 line kilometres (50-metre spacing).

This work shows that the host rock over the main prospect area is dominated by dacite (felspar porphyry) with roof pendants of siltstone, mudstone, and minor shale. These units have been intruded by intermediate acid intrusives of monzonite composition. At least two phases of intermediate acid intrusion are recognised:

- Intrusion and related hydrothermal alteration associated with the mineralised, but mostly buried, Koum Stock.
- Strongly magnetic stocks at Atanabip and Fabriak. These intrusions are post-mineral stocks of monzonite composition that are distinguishable from the Koum Stock by their strongly magnetic character and apparent lack of hydrothermal alteration (see Figures 8 and 9).

FIGURE 6: The Bolobip Stock as shown on the published 1:250,000 Blucher Range sheet, BMR 1972. The blue circle and original CRA trench locations show the geochemically anomalous area that is the focus of current exploration

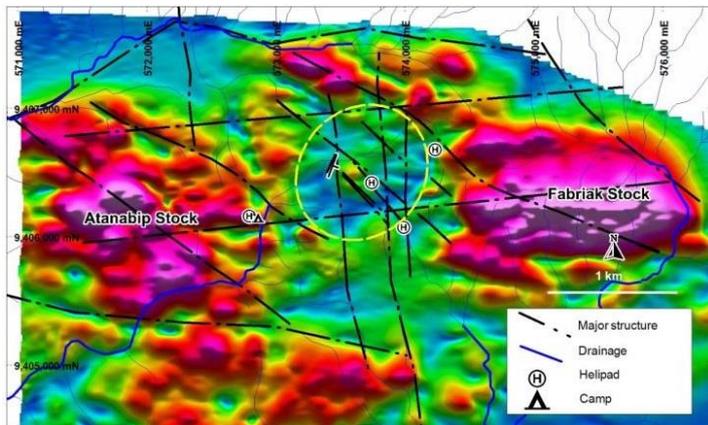


The helimagnetic/radiometric survey was successfully completed and is the first geophysical survey ever carried out in the area. Initial imaging highlights a weakly magnetic core and demagnetised annulus to the Koum Stock with a coincident potassium high. This anomalous potassium response could be related to potassic alteration.

The Atanabip and Fabriak monzonite intrusions form distinct magnetic highs flanking the Koum system. Processed magnetic data highlights near-surface hematite-magnetite alteration in the carapace of the Koum Stock. Images of the magnetic and radiometric data are shown in Figures 8 and 9.

Overall, the survey indicates clear magnetic disturbance within the Koum area together with an anomalous potassium radiometric response, both of which, together with anomalous gold and copper geochemistry, are consistent with but not conclusive of the presence of a mineralised porphyry system at depth.

FIGURE 8: Image of processed aeromagnetic data showing subtle detail within the magnetic low that defines the Koum area (circled) and adjacent magnetic highs



### May River Copper-Gold Prospect (Mincor earning up to 72%)

No work other than ongoing community affairs was carried out at May River during the Quarter.

FIGURE 7: First pass assessment of alteration in and around the Koum Stock, extrapolated from field observations only, petrographic descriptions awaited

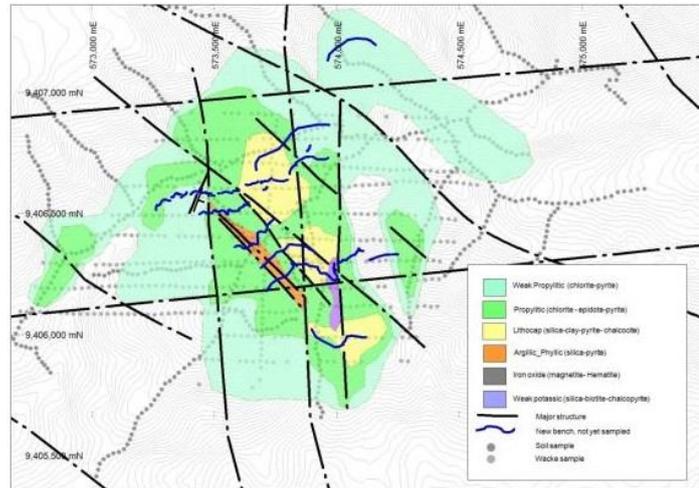


FIGURE 9: Image of potassium radiometric data showing a distinct high in and around the Koum area

