



# **NIUMINCO GROUP LIMITED**

**Expanding Gold Producer in Papua New Guinea**



**Investor Presentation | September 2016**

# Important Information

---



This presentation is not a prospectus nor an offer of securities for subscription or sale in any jurisdiction nor a securities recommendation.

The information in this presentation is an overview and does not contain all information necessary for investment decisions. In making investment decisions, investors should rely on their own examination of Niuminco Group Limited and consult with their own legal, tax, business and/or financial advisers in connection with any acquisition of securities.

The information contained in this presentation has been prepared in good faith by Niuminco Group Limited. However, no representation or warranty, express or implied, is made as to the completeness or adequacy of any statements, estimates, opinions or other information contained in this presentation.

To the maximum extent permitted by law, Niuminco Group Limited, its directors, officers, employees and agents disclaim liability for any loss or damage which may be suffered by any person through the use of, or reliance on, anything contained in or omitted from this presentation.

Certain information in this presentation refers to the intentions of Niuminco Group Limited, but these are not intended to be forecasts, forward looking statements, or statements about future matters for the purposes of the Corporations Act (Cth, Australia) or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause Niuminco Group Limited's actual results, performance or achievements to differ from those referred to in this presentation to occur as contemplated.

The presentation contains only a synopsis of more detailed information to be published in relation to the matters described in this document and accordingly no reliance may be placed for any purpose whatsoever on the sufficiency or completeness of such information and to do so could potentially expose you to a significant risk of losing all of the property invested by you or incurring by you of additional liability. Recipients of this presentation should conduct their own investigation, evaluation and analysis of the business, data and property described in this document. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and you should satisfy yourself in relation to such matters.

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 2012 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.

# Corporate Snapshot



## Capital Structure

Ordinary Shares on Issue	1,475,556,749
Options	Nil
Market Capitalisation (@ \$0.008)	\$11.8m
6 Month Liquidity	\$4.2m
Cash (30/6/2016)	\$0.15m
Debt (P&E Finance and Notes)	\$0.7m

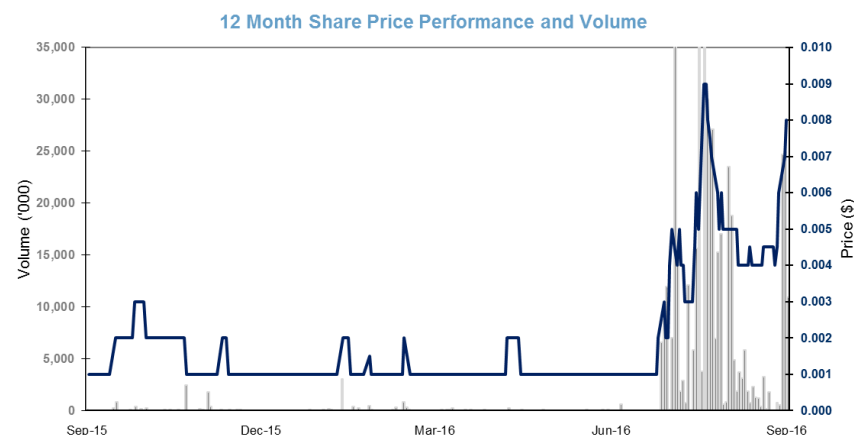
## Major Shareholders

Australian Metals Group	26.7%
Victoria Park Investments/Nepean	13.9%
Directors & Management	15.4%
<b>Top 20</b>	<b>74.6%</b>

## Board and Management

Professor Ian Plimer	Independent Chairman
Tracey Lake	Managing Director
Matthew Roberts	Non-Executive Director
Neill Arthur	Non-Executive Director

## 12 Month Share Price Performance



# Overview of Projects

---



## ▪ **Highly Prospective Projects**

- Niuminco is currently focused on its gold projects including highly prospective properties adjacent or close to existing large mines or deposits, including PanAust's +18Moz AuEq Frieda River deposit and Harmony/ Newcrest's Hidden Valley Mine, which produced ~190Koz of AuEq in 2015.
- Niuminco, through its 72.54% shareholding in TNT Mines Limited, controls and manages a suite of advanced exploration assets highly prospective for tin and tungsten in Tasmania, Australia.

## ▪ **Growing Gold and Silver Production**

- Niuminco owns and operates a gold and silver mine at its Edie Creek project which has significant infrastructure in place.
- Niuminco is positioning itself to increase throughput of ore through its plant by over 600% from 6.0tpd to over 40tpd. With minimal fixed operating overheads, the increase in plant throughput is expected to significantly increase revenues to the Company, with attractive margins.

## ▪ **Near-Term Exploration Upside**

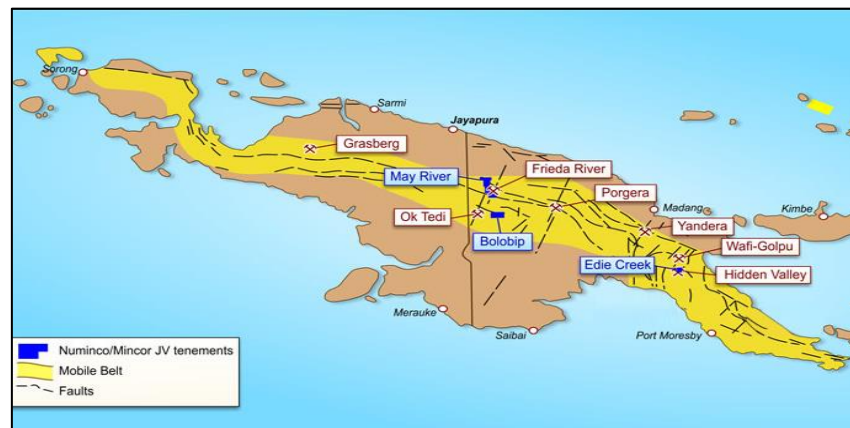
- Niuminco's gold projects remain highly underexplored.
- Niuminco is currently drill testing at its operating mine, Edie Creek, to delineate a maiden JORC Resource and to test for extensions of known vein and lode systems, as well as bulk tonnage targets.
- Niuminco has completed limited exploration on its May River and Bolobip projects since over \$6.7 million was spent on exploration activities during 2011 – 2013. Niuminco is now planning to follow up identified targets through two drilling programmes.

# Operating in World Class Geological Provinces



## Papua New Guinea

- **Edie Creek Mine** - Producing gold and silver mine
- **May River Project** - Major copper-gold porphyry and epithermal anomalies. Adjacent to +18Moz AuEq Frieda River deposit.
- **Bolobip Project** – 60km east of Ok Tedi. Large drill ready, copper-gold porphyry target.



## Tasmania

- **Aberfoyle Project** - Advanced brown-field Tin and tungsten project including Royal George, Storey's Creek, Kookaburra, Lutwyche and satellite Great Pyramid deposits.





# Edie Creek Gold and Silver Mine



- An operating gold mine with significant infrastructure in place

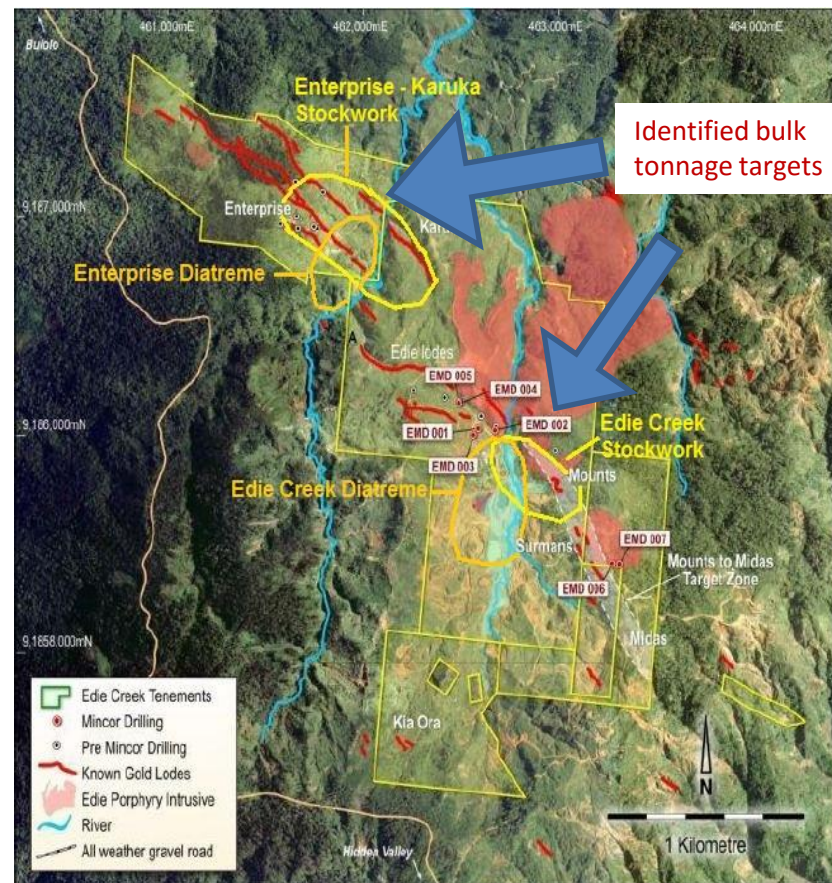


# Edie Creek



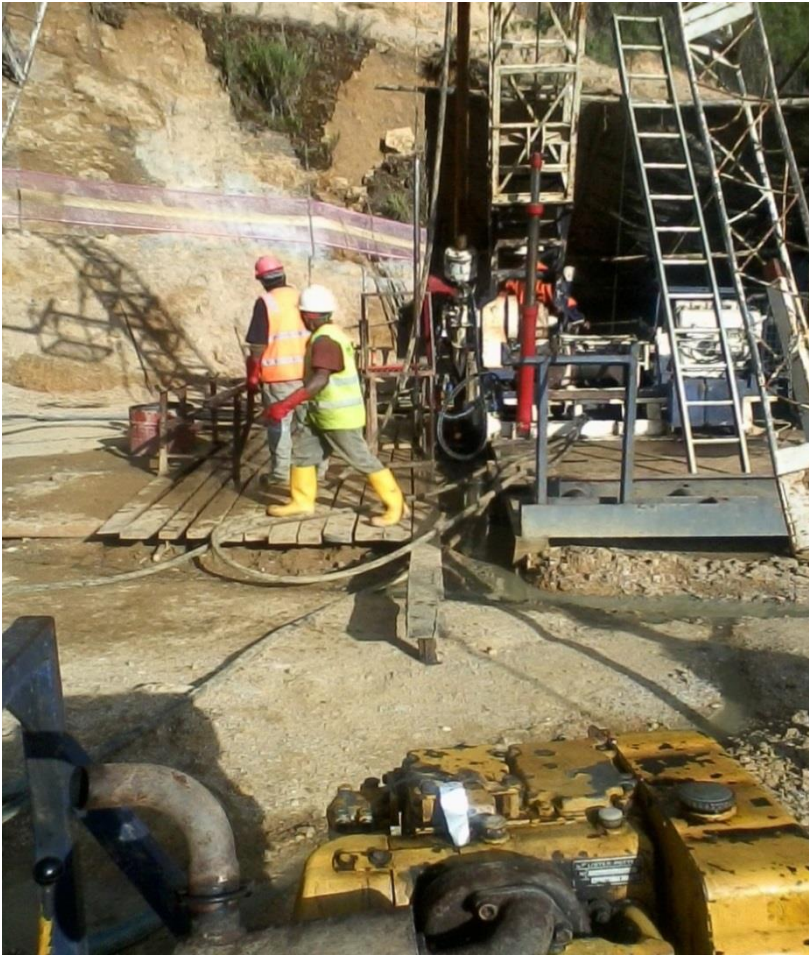
## Epithermal Gold and Silver Deposit

- Edie Creek is located in the Morobe Province, approximately 5km from Harmony/ Newcrest's Hidden Valley Mine, which produced ~190Koz of AuEq in 2015.
- Edie Creek is a granted ML covering 3.92km<sup>2</sup> including high grade Au-Ag veins.
- Within the ML, Niuminco has developed a 200 person camp, mining/processing infrastructure and maintenance / admin facilities.
- Edie Creek provides high-grade vein mineralisation and lower grade bulk tonnage options with substantial economic potential identified.
- Measured scale-up of pilot mining & processing continuing.





# Current Drilling Program



- Niuminco is currently undertaking a shallow (<50m) drilling program (+20 holes) to delineate a **maiden JORC Resource** at the Enterprise and Karuka vein systems.
- Edie Creek is **highly underexplored** – with only 38 drill holes for 6,118m since drilling commenced in 1988.
- Niuminco is testing for extensions of known vein and lode systems and bulk tonnage targets using their **own drill rigs and crew**.
- Despite being in operation since 1930's, Edie Creek has never had a Mineral Resource due to the narrow, high grade veins and minimal drilling.



# FY2016 - Production Review



- Successful scale-up of mining and gold production capacity at Edie Creek
- FY2016 Production: 689oz Au and 602oz Ag
- Procured key infrastructure to increase production rate:
  - Small jaw crusher, and commissioning of 2 t/h ball mill and vibrating screen;
  - Gekko in-line spinner processing concentrator plant;
  - Orders currently being placed for larger 5t/h ball mill, roller crusher, vibrating feeders and conveyer belts to increase mining rates and processing throughput.
- Commenced drilling at Edie Creek with own rigs and crew.



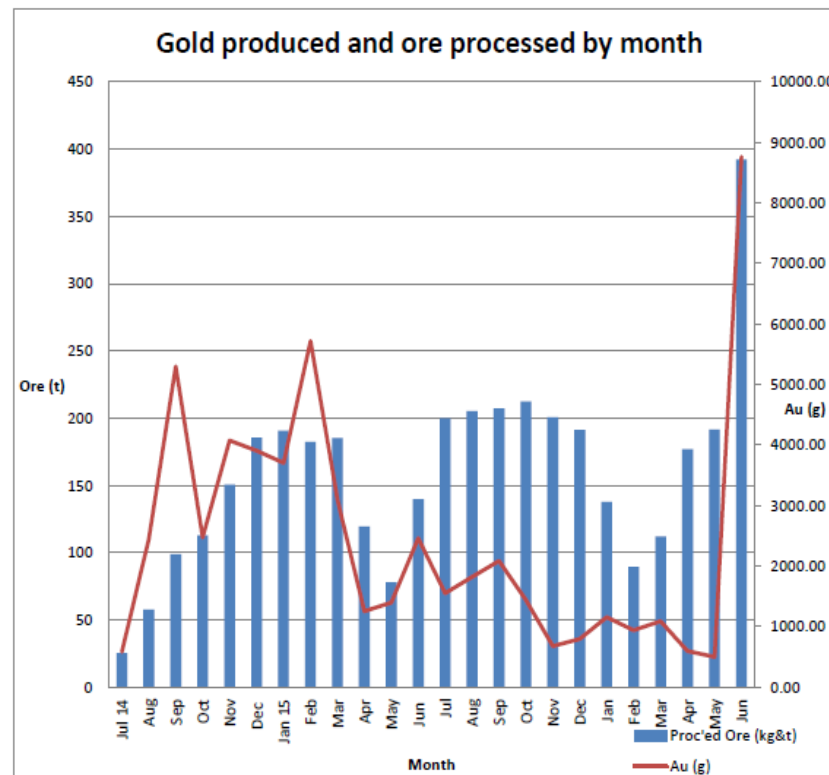
Niuminco is positioning to increase processing throughput from 6.0tpd to +40tpd,

# Edie Creek Production



## Successful Scale Up

- **Niuminco produced 281oz Au in June** (the best months production since recommencing processing in Feb 2014).
- At current gold prices, operating **break-even production at Edie Creek is 76oz per month.**
- With the successful implementation of critical infrastructure to improve throughput and recoveries, Niuminco is well placed to significantly increase production at relatively low cash costs.

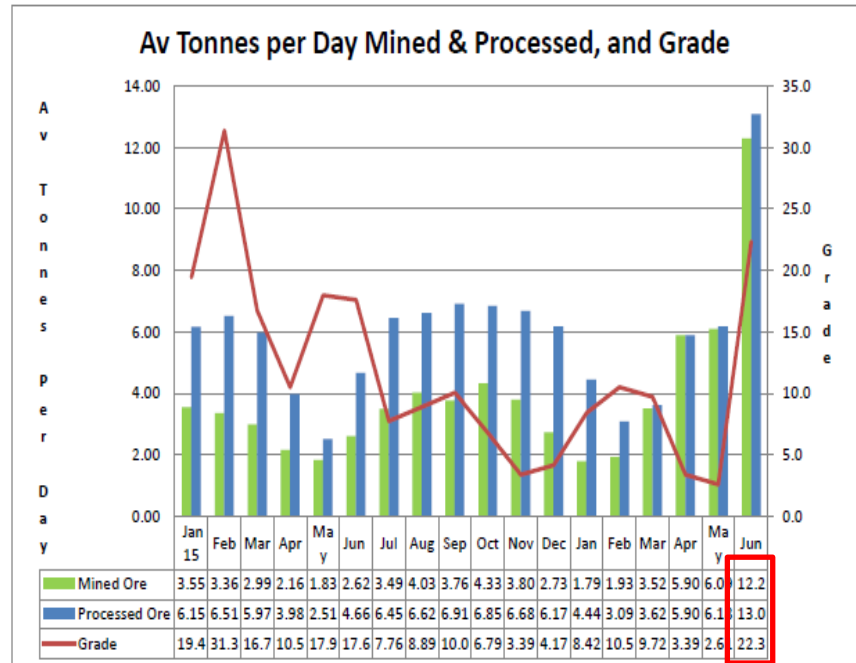


# Edie Creek Production



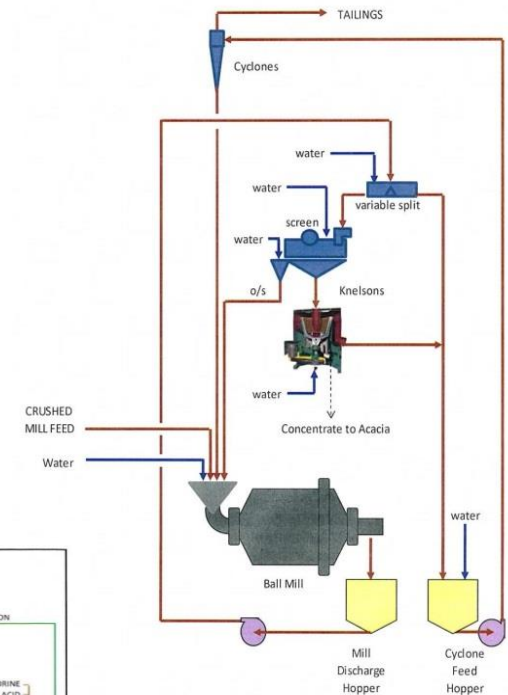
## Significantly Scaling Existing Operations

- Edie Creek was mined at an average rate of 12.2tpd and ore processed at 13.0tpd in June – **a significant increase from the previous monthly averages.**
- With new infrastructure in place, it is anticipated Edie Creek will scale up to run at +40tpd – a **3.0x increase** over June's record production rate.
- Niuminco is well placed to scale existing operations at Edie Creek towards becoming cash flow positive.



**With minimal fixed operating overheads, the increase in plant throughput is expected to significantly increase revenues to the Company, with attractive margins.**

- ## Near Term



**CONSEP**  
INNOVATION IN PROCESS TECHNOLOGY

**Niumco**  
**EDIE CREEK PROJECT**  
**PROCESS FLOWSHEET**

CRUSHING AND SCRUBBING BY OTHERS

ROM ORE STOCKPILE

PHASE 1 —  
PHASE 2 - - - - -

JAW CRUSHER

VIA BELT CONVEYORS

6mm product

CLOSED CIRCUIT IMPACT AND/OR CONE CRUSHER

CRUSHED ORE STOCKPILE

VIA LOADER

FEED BIN C/W APRON FEEDER

VIA BELT CONVEYORS

SCRUBBER C/W 6MM TROMMEL SCREEN

-6mm Pulp

+6mm Oversize

VIA BELT CONVEYORS

6 PACK CYCLONES

TAILINGS HOPPER

Milling Unit Sampler

Pressure Pipe Sampler

MILL BY OTHERS

GRAVITY FEED SCREEN

Water addition

KNELSON

Fluidizing water

Water Addition

mag flow meter

TAILINGS STORAGE FACILITY

concentrate

Water addition

LEACH/LD CYANIDE CAUSTIC

HYDROCHLORIC ACID CAUSTIC

RECYCLE

PREG

BARREN

EW Cell

ACAGIA

Dissolution

COATED CATHODES

Cathode Wearing Module

PRECIOUS METAL

Smelting Furnace

Barren Recycle

Byproduct Treatment

waste water and residue



# May River Project



- Niuminco's May River Project is a large tenement package adjacent to the Frieda River deposit, and is highly prospective for both Porphyry deposits and smaller, high-grade epithermal deposits.
- The Company has an established base camp area that acts as a regional exploration base at Hotmin –An ideal locality in centre of May River Exploration Licence.
- Existing airstrip, and major supplies brought in by low-cost river transport.
- **Over \$3.6 million spent by Mincor/Niuminco in 2011-2013.**
- Major airborne geophysical survey completed.
- Airborne VTEM and ZTEM, covering North & South May River completed in 2012/2013.

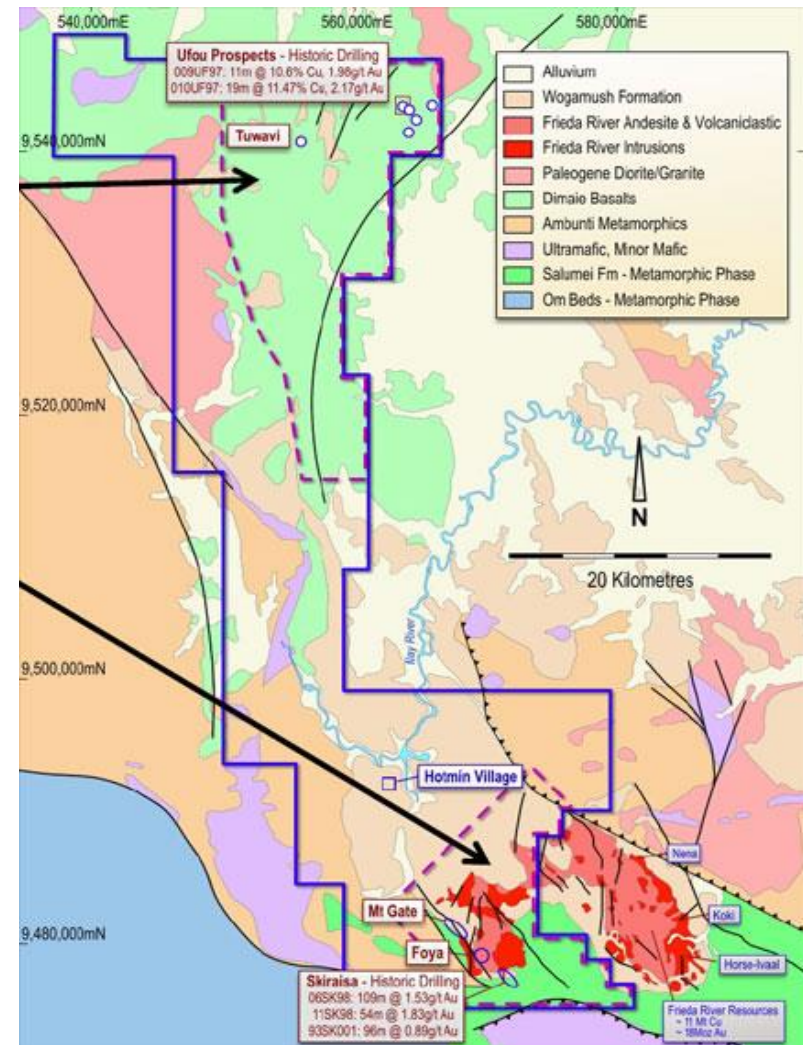


# Copper / Gold Porphyry and Epithermal

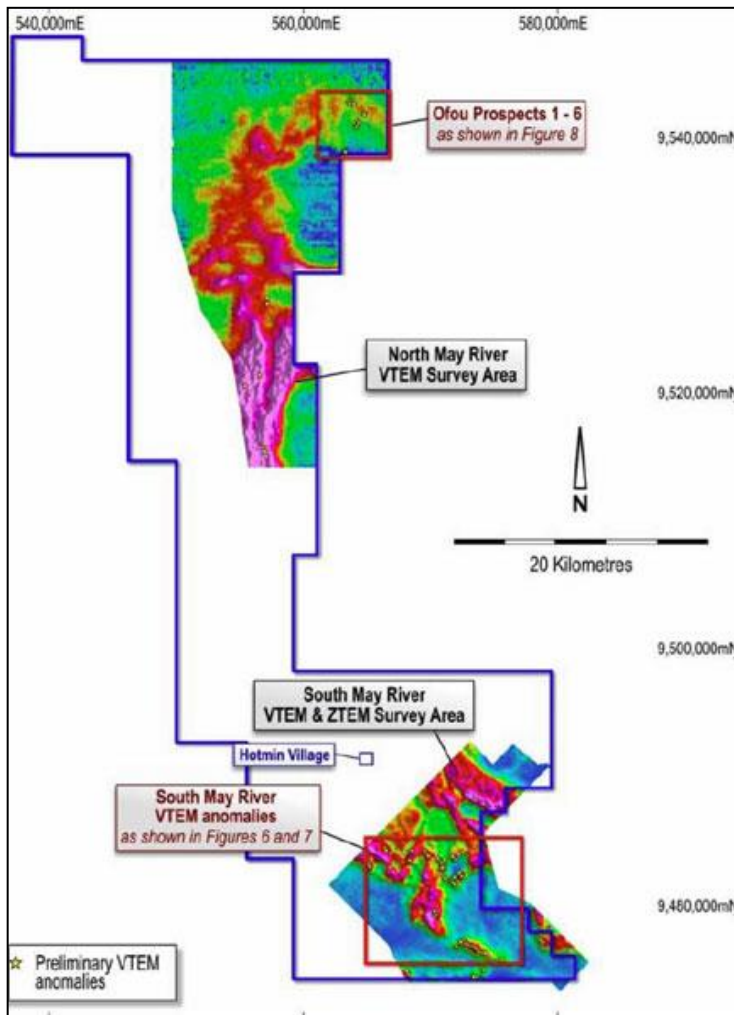


## Adjacent to World-Class Frieda River

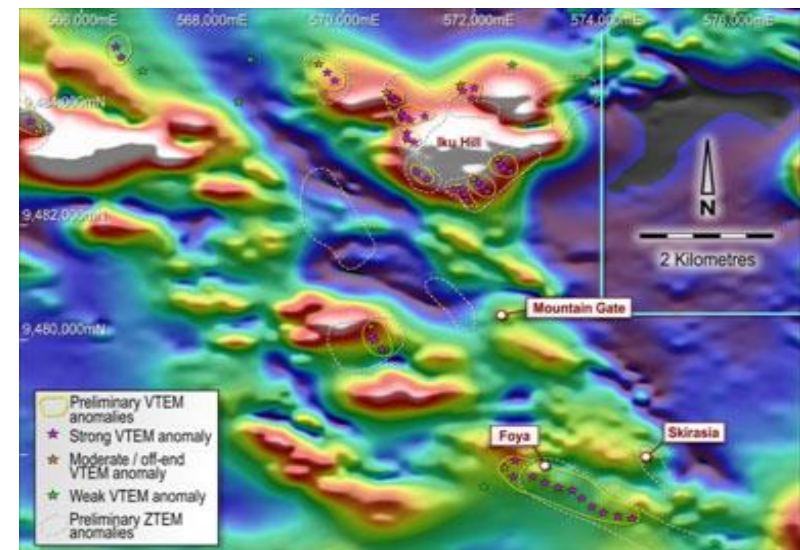
- Niuminco's May River Project adjoins the Frieda River porphyry deposit, owned by PanAust and Highlands Pacific Limited (ASX:HIG), which has delineated **+18Moz AuEq.**
- Niuminco has completed significant geophysical exploration programs which has identified walk-up drill targets at South May River.
- May River has historical drilling, with historical highlights of:
  - 06SK98: **109m @ 1.53g/t Au**
  - 11SK98: **54m @ 1.83g/t Au**
  - 93SK001: **96m @ 0.89g/t Au**



# May River Work Program



- Niuminco plan on drilling 3 drill holes at South May River – immediately adjacent to the Frieda River deposit, in 2H2016, following up the promising geophysics data and historical drilling results.
- Niuminco's consulting geologist has formed the view that May River shares the same geological structures as Frieda River.



VTEM anomalies over magnetics – South May River



# Bolobip Project



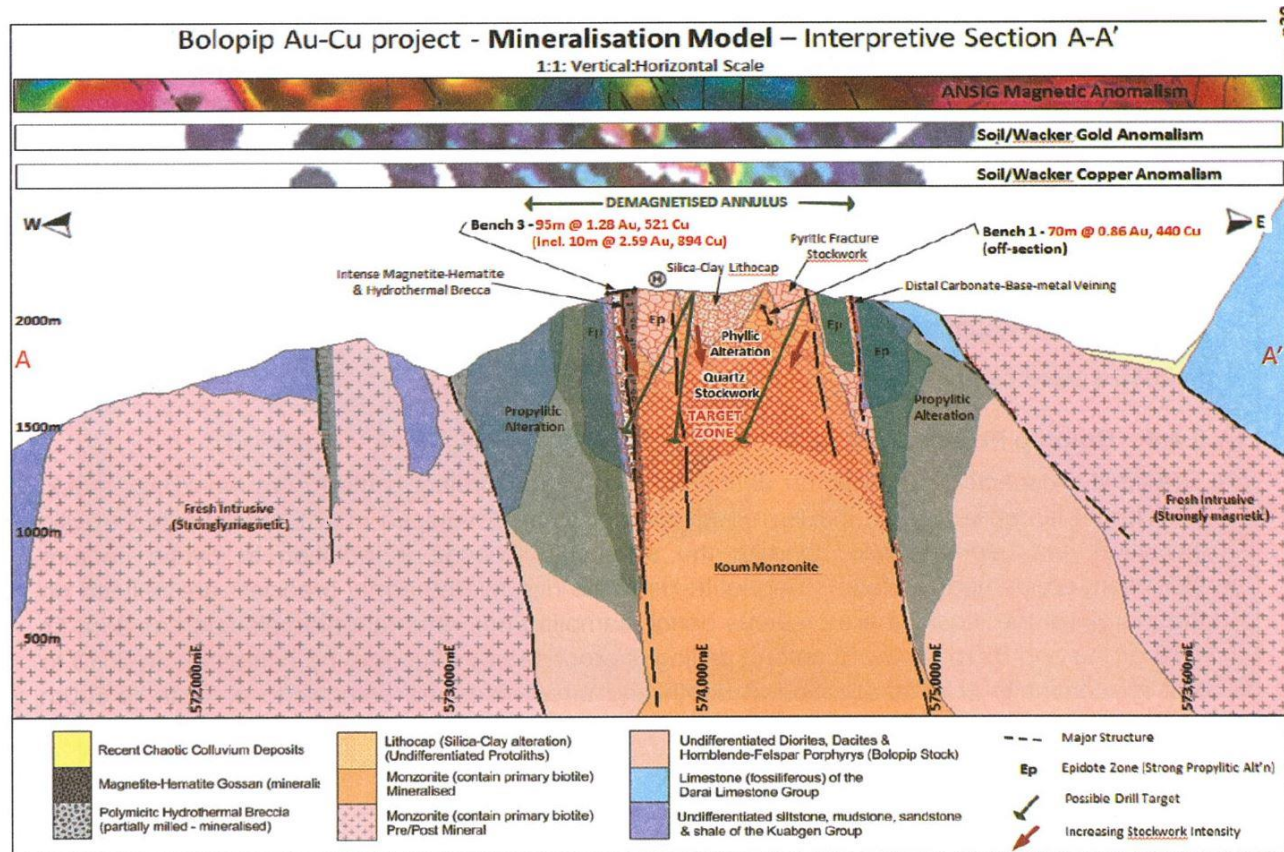
- In 2012/13, JV partners Mincor and Niuminco spent over \$3.1 million on exploration of the 320km<sup>2</sup> tenement.
- The JV exploration program centred around the Koum Stock and focused on detailed mapping of geology, alteration and structure along with execution of a heli-magnetic and radiometric program.
- Potential for discovery of economic gold/copper mineralisation is considered significant and an initial 3 hole, 900m diamond drill program is planned.



**A Major Copper Gold Porphyry Target 60km East of Ok Tedi Mine**



# Bolobip – Drill Targets



- A multi-phase intrusive complex. 3 drill targets ready to drill.
- Latest data shows coherent 1km diameter copper and gold anomaly.
- Classic geochemical signature of a leached cap above a mineralised copper-gold porphyry system. Extensive surface gold mineralisation in trench channel samples (CRA exploration, 1990s).

# Tasmanian Projects



Focus to remain on the advanced exploration assets that represent potential near-term development projects:

## The Aberfoyle Tin & Tungsten Project

- Comprising the Aberfoyle/Lutwyche/Kookaburra/Storey's Creek/Royal George and Great Pyramid tin and tungsten deposits.
  - **Current JORC 2012 Inferred Mineral Resources for the Royal George and Great Pyramid deposits.**
  - Drill targets ready to drill at Aberfoyle/Lutwyche deposits with aim of achieving a JORC Inferred Mineral Resource.

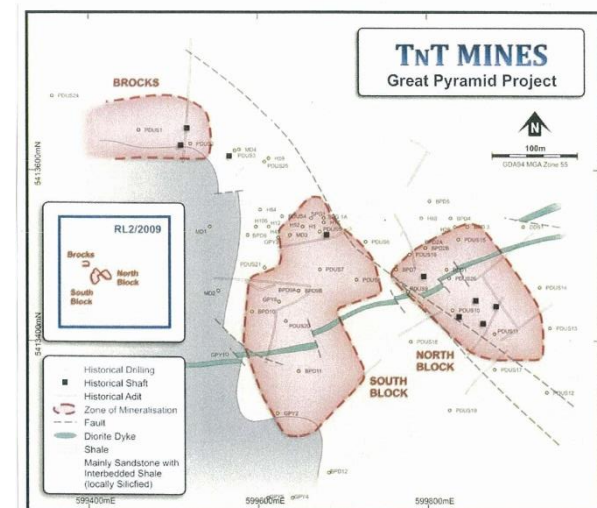
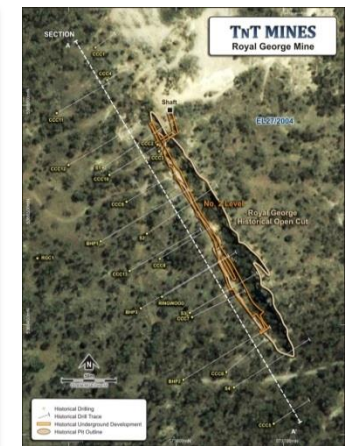
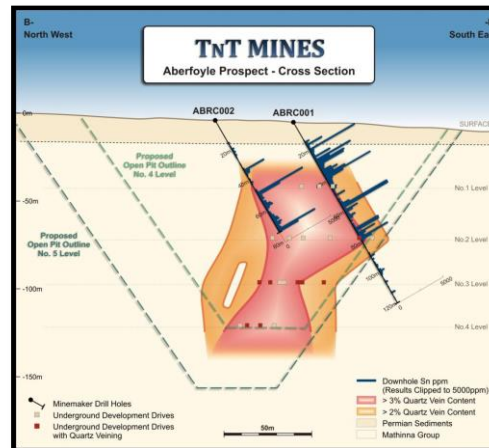
**Niuminco's Tasmanian assets provide exposure to the tin price – which is up 35% CY2016.**



# Aberfoyle and Great Pyramid



- **Aberfoyle Tin & Tungsten Project** represents a near term development opportunity.
- Potential for combined open-cut and underground mine feeding low CAPEX gravity separation plant.
- **Royal George JORC 2012 Inferred Mineral Resource of 800,000 tonnes at 0.33% tin for 2,640 tonnes of contained tin.**
- Royal George Mine represents a planned development satellite mine to supplement the Aberfoyle deposit.
- **Great Pyramid Tin Project** has a **JORC 2012 inferred Mineral Resource of 5.2m tonnes @ 0.2% Sn for 10,400 tonnes contained tin.**
- Shallow, near surface deposit with low stripping ratio.
- Excellent infrastructure and access to site.
- Low CAPEX potential as planned operation can be utilised as a satellite mine to Aberfoyle.



# Near-Term Strategy

---



- Continued scale-up of mining & production at **EDIE CREEK** to achieve a consistent daily processing rate of +40tpd (targeting >200oz per month Au)
- Consistent production at Edie Creek will provide sufficient positive cash flow to allow Niuminco to:
  - Continue low cost exploration and extension drilling at Edie Creek using own rigs and crew.
  - Complete low cost drilling of 3 targets at BOLOBIP using own rig and crew.
  - Confirm drill targets and commence exploration drilling at SOUTH MAY RIVER.



# Contact Us

---



## **Registered Office**

Niuminco Group Limited  
Suite 50  
14 Narabang Way  
Belrose NSW 2085  
Australia

**Tel:** +61 2 9450 0828

**Fax:** + 61 2 9450 0877

**Email:** [info@niuminco.com.au](mailto:info@niuminco.com.au)

**Web:** [www.niuminco.com.au](http://www.niuminco.com.au)

