KOOKABURRA GULLY GRAPHITE
In South Australia’s Eyre Peninsula
a world class high grade flake graphite province

Dr A. John Parker
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LINCOLN MINERALS LIMITED
ASX : LML
www.lincolnminerals.com.au

Kookaburra Gully Trench 4
12m @ 20.5% graphitic carbon
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Information in this presentation that relates to exploration activity, mineral resources and results was compiled by Dr A J Parker who is a Member of the Australasian Institute of Geoscientists. Dr. Parker is Managing Director of and has shares in Lincoln Minerals Limited. He has sufficient experience relevant to the styles of mineralisation and to the activities which are being presented to qualify as a Competent Person as defined by the JORC code, 2012. Dr. Parker consents to the release of the information compiled in this presentation in the form and context in which it appears.

*It is emphasised that Exploration Target tonnage and grade estimates are entirely conceptual in nature and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*
Presentation outline

1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources

2. Lincoln Minerals Graphite projects

3. Kookaburra Gully High Grade Flake Graphite Resource

4. Project timelines

5. References
Global Graphite Resources
(Graphite Resource Grades > 10% TGC)

CHINA: 70% world production
- Heilongjiang Province (NE China) ca. 12-14% TGC
- Shandong Province (near Qingdao) ca. 2-3% TGC

NORWAY-SWEDEN
Skaland, Nunasvaara, Kringel & Raitajarvi

TANZANIA
Mahenge

MOZAMBIQUE
Balama East & West

SRI LANKA
Bogala & Kahategeha

CANADA
Lac Gueret East & Lac Knife

WESTERN AUSTRALIA
Munglinup

SOUTH AUSTRALIA
Kookaburra Gully, Koppio, Campoona Hill

Map Source: Graphite Sector Overview, May 2012, Industrial Alliance Securities Inc
Projects

- Dominant position on Eyre Peninsula
  - tenements totalling 4,364 km²
  - proven world class iron ore & flake graphite province
  - close to infrastructure
- High grade JORC Mineral Resources with significant exploration upside in a region with a long history of iron ore & graphite production
- Lincoln Minerals has 5 graphite projects on Eyre Peninsula
Presentation outline

1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources

2. Lincoln Minerals’ Graphite Projects

3. Kookaburra Gully High Grade Flake Graphite Resource

4. Project Timelines

5. References
## Lincoln has 5 Graphite Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Current Status</th>
<th>2013 - 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOOKABURRA GULLY</td>
<td>• Indicated &amp; Inferred JORC Mineral Resource</td>
<td>• Detailed metallurgical studies</td>
</tr>
<tr>
<td></td>
<td>• 2.25 Mt @ 15.0% TGC</td>
<td>• Customer and market development</td>
</tr>
<tr>
<td></td>
<td>• Scoping studies completed</td>
<td>• Approval to mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Trial mining &amp; pilot plant</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Approval to mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• D &amp; C full process plant</td>
</tr>
<tr>
<td>KOOKABURRA GULLY EXTENDED</td>
<td>• EM Survey completed</td>
<td>• Drilling &amp; JORC Resource 2014</td>
</tr>
<tr>
<td>(Immediate target)</td>
<td>• Approval to drill received</td>
<td>• Exploration Target 7-20Mt @ 10-15% TGC</td>
</tr>
<tr>
<td>KOPPIO GRAPHITE MINE</td>
<td>• EM Survey completed</td>
<td></td>
</tr>
<tr>
<td>(Target)</td>
<td>• Existing Inferred Mineral Resource 57Kt @ 13.1% TGC</td>
<td>• Drilling &amp; JORC Resource 2014</td>
</tr>
<tr>
<td>GUM FLAT (ULEY)</td>
<td>• Adjacent Uley Graphite Mine</td>
<td></td>
</tr>
<tr>
<td>(Long-term target)</td>
<td></td>
<td>• Exploration targeted 2014</td>
</tr>
<tr>
<td>CAMPOONA SYNCLINE</td>
<td>• EM Survey completed</td>
<td></td>
</tr>
<tr>
<td>(Long-term target)</td>
<td>• Adjacent Archer Exploration’s Campoona Hill</td>
<td>• Exploration targeted 2014</td>
</tr>
</tbody>
</table>

Targeting resource expansion & early production across all 5 graphite projects
Kookaburra Gully is a Top 10 Global Graphite Resource

“Kookaburra Gully is a world class deposit capable of delivering near term production at low cost; and there is significant potential as we explore major consistent EM anomalies immediately to the south of this resource.”
Eyre Peninsula Geology

- Graphite occurs within Early Proterozoic metamorphic sequence of quartzite, banded iron formation, marble, schist & gneiss
- Upper amphibolite (to granulite) facies
- Multiply deformed folded schist sequence
Presentation outline

1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources

2. Lincoln Minerals Graphite projects

3. **Kookaburra Gully High Grade Flake Graphite Resource**

4. Project timelines

5. References
Kookaburra Gully

Trench 4 (looking west)
20m @ 16.3% C
including
12m @ 20.5% C

Identified by Pancontinental Mining in early-mid 1980’s
Several trenches excavated north and south of outcropping graphite unit
Kookaburra Gully Project Summary

- **World class metamorphic flake graphite resource**
- Drilling undertaken by Lincoln Minerals in January 2013
- JORC Mineral Resource:
  - 2.25 Mt Indicated and Inferred at 15% TGC (5% TGC cutoff)
  - or 3.16 Mt Indicated and Inferred at 11.5% TGC (2% TGC cutoff)
- Highly sought after **premium flake graphite product** produced at grades >93% TGC without chemical leaching
- Petrology - average size graphite flakes 350-500 micron
- Metallurgy – up to 98% TGC after **4 stage flotation** with 75-98% recovery
- Competitive on quality, grade, cost and economics
- **Proximity to infrastructure** and competitive transport options
- **Concept mine plan and Mining Lease Application** in preparation (AMC Consultants and Parsons Brinckerhoff)

*JORC = JORC Code, 2004  Mt = million tonnes  TGC = Total Graphitic Carbon*
Kookaburra Gully Geology

- Graphite flakes disseminated in quartzo-feldspathic mica + sillimanite + garnet + carbonate schist with clay near surface replacing muscovite mica
- Graphite flake length range 50-1500μm (average 350-500μm)
Kookaburra Gully Deposit

- Up to 40% total graphitic carbon (TGC)
- Mineralisation extends from surface to at least 125m below ground level & strike length of at least 500m
- Simple open-cut mining operation
- Easy to mine

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Emerging Australian Graphite Producer
Metallurgical Studies in Progress

ALS-Metallurgy – July-Nov 2013 (ongoing – in progress)

- Rougher flotation plus regrind and 4 stages of cleaning to optimise flowsheet
- Aircore drill samples produced 93-96% C concentrates with 91-98% recovery but only 10% flake at +106 micron due to samples being ground down during drilling
- Surface clay-rich trench samples => 10-25% flake and 98% C at +150 micron but only 75% recovery
Kookaburra Gully

Conceptual Mining Operation

- Small open pit & process plant (cf Uley Graphite Mine) = small environ footprint
- Process 200,000-400,000 tpa ore
- Produce 24,000-55,000 tpa of high grade (93-98% TGC) graphite concentrate
- No major groundwater issues
- Water – pipeline from Tod Reservoir (10 km) with small desalination plant for final product cleaning
- Adjacent to main powerline but no substation so will initially generate power onsite (2-4 MW)
- Transport in containers to Port Adelaide for shipping (ca. $100 per tonne)
- Mining Lease Application in prep by Parsons Brinckerhoff

Internationally cost competitive

Capex & Opex (excluding mining & transport)

<table>
<thead>
<tr>
<th></th>
<th>200,000 tonnes ore per annum</th>
<th>400,000 tonnes ore per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capex</strong></td>
<td>$37.9m</td>
<td>$48.5m</td>
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<tr>
<td><strong>Recovery</strong></td>
<td></td>
<td></td>
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<tr>
<td>80%</td>
<td>$378</td>
<td>$307</td>
</tr>
<tr>
<td>90%</td>
<td>$338</td>
<td>$276</td>
</tr>
</tbody>
</table>
Simple Low Cost Processing

Mine, crush screen & mill

4 stage flotation
incl. flash flotation, regrind as needed then rougher, scavenger & cleaner flotation cells

Thicken, press dry, bag & export

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Emerging Australian Graphite Producer
Significant Exploration Upside

- >4.5km EM anomaly extending SW from Kookaburra Gully
- Exploration Target** of 7 – 20 Mt at Kookaburra Gully Extended
- Other significant EM anomalies:
  - Koppio Mine, Glendara & Pernella
  - Drilling program approved

2012 Airborne Tempest EM Survey
1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources

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4. Project timelines

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## Summary Timeline – *Mine within 2 Years* *

<table>
<thead>
<tr>
<th>2013 H2</th>
<th>2014 H1</th>
<th>2014 H2</th>
<th>2015 H1</th>
<th>2015 H2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kookaburra Gully Graphite</strong></td>
<td>Metallurgy &amp; Marketing</td>
<td>(Kookaburra Extended Drilling)</td>
<td>Secure Sales Contracts</td>
<td>Mine &amp; Export Graphite</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trial Mining Pilot Plant</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Mining Lease Application &amp; PEPR</td>
<td>Build Full Scale Process Plant</td>
</tr>
</tbody>
</table>

Aim is to take the Kookaburra Gully graphite project to critical development and commercialisation milestones over next 9-15 months:

- Metallurgy and marketing for commitment from end-user customers
- Undertake drilling at Kookaburra Gully Extended
- Obtain Mining Lease and other Government/Community approvals 2014
- Build a Pilot Processing Plant (ca. $1.97m) and undertake trial mining late 2014
- **Full scale plant targeted for 2015**

*Subject to Government approvals, finance and economic market conditions*

**PEPR** = Program for Environmental Protection & Rehabilitation
THANKYOU
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This presentation has been prepared by Lincoln Minerals Limited ("LML") as an aid to a spoken explanation. The information contained in this presentation is based on a number of public statements, Quarterly Reports and ASX releases made by LML:

References


# Kookaburra Gully Resources

## Kookaburra Gully Mineral Resource at 5% TGC lower cut-off grade

<table>
<thead>
<tr>
<th>Mineral Resource Classification</th>
<th>Tonnage (Mt)</th>
<th>Average Grade (% TGC)</th>
<th>Contained Graphite (tonnes)</th>
<th>Density (g/cc)</th>
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</thead>
<tbody>
<tr>
<td>Indicated</td>
<td>1.56</td>
<td>14.3</td>
<td>223,000</td>
<td>2.56</td>
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<tr>
<td>Inferred</td>
<td>0.70</td>
<td>16.5</td>
<td>115,000</td>
<td>2.48</td>
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<tr>
<td>TOTAL (&gt;5% TGC)</td>
<td>2.25</td>
<td>15.0</td>
<td>338,000</td>
<td>2.53</td>
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</table>

## Kookaburra Gully Mineral Resource at 2% TGC lower cut-off grade

<table>
<thead>
<tr>
<th>JORC Resource Category</th>
<th>Resource Tonnes</th>
<th>Average Grade (% TGC)</th>
<th>Contained Graphite (tonnes)</th>
<th>Density (g/cc)</th>
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</thead>
<tbody>
<tr>
<td>Indicated</td>
<td>2,180,154</td>
<td>11.04</td>
<td>240,741</td>
<td>2.56</td>
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<td>Inferred</td>
<td>976,264</td>
<td>12.49</td>
<td>121,897</td>
<td>2.55</td>
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<tr>
<td>TOTAL (&gt;2% TGC)</td>
<td>3,156,418</td>
<td>11.49</td>
<td>362,638</td>
<td>2.56</td>
</tr>
</tbody>
</table>

*Mt = million tonnes  TGC = Total Graphitic Carbon  
NB tonnages may not add up exactly as shown due to rounding of significant figures*