



KEY IRON ORE OPPORTUNITIES IN SOUTH AUSTRALIA

August 2014

IRON ORE

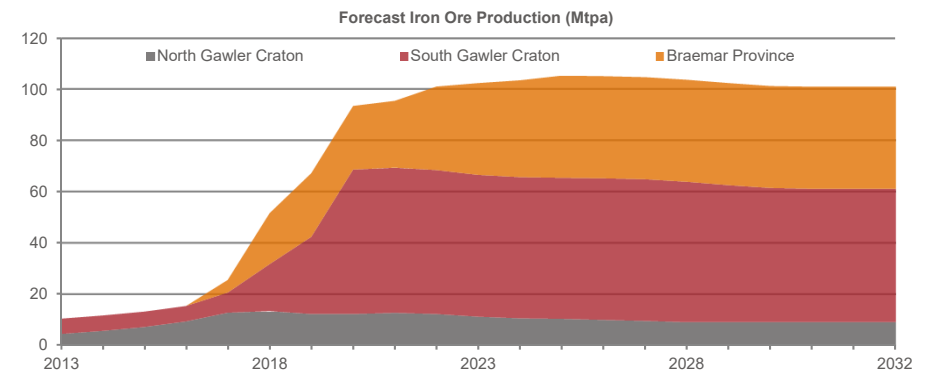


3 operational iron ore projects

20 development projects

14 billion tonnes in identified resources

Forecast production of 105Mtpa by 2025



PROJECT SUMMARY

- North Gawler Craton, South Australia
- Magnetite deposit – JORC resource 72Mt @ 26% Fe
- Exploration target of 300 – 550Mt @ 25-35% Fe
- Scoping study completed; Pre-feasibility stage
- Forecast production 2.5Mtpa concentrate @ 69% Fe; Mine life 17 years; Start date 2017
- Existing rail line from mine to port; Export via existing port at Port Pirie
- Currently owned by Apollo Minerals (ASX listed, market cap AUD\$7 million)
- Opportunity for joint venture partner (with controlling interest) / fund feasibility study / finance mine development.

Current Status

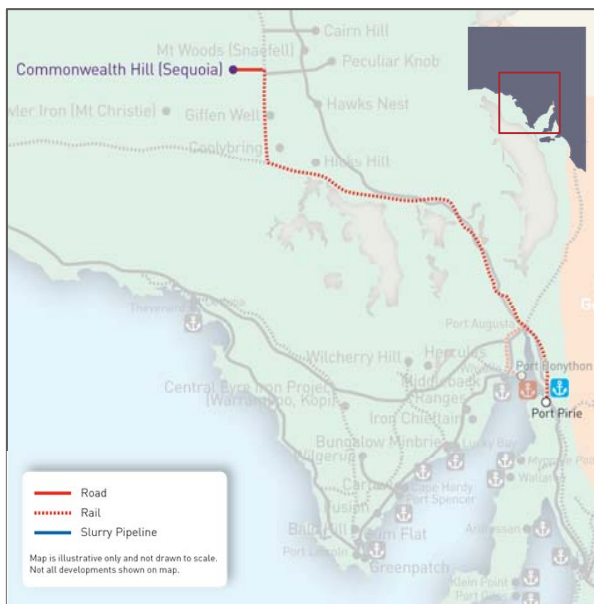
Pre-feasibility

Project Costs

Total project capex USD\$433 million

COMMONWEALTH HILL

Apollo Minerals



The Commonwealth Hill tenements lie within the North Gawler Craton and are centred approximately 90km to the north of Tarcoola. The area is highly prospective for a range of targets including iron ore, copper, gold and uranium. The project is well positioned for access to key transport infrastructure including road, standard gauge rail and power. The proponent proposes to rail concentrate to Port Pirie.

| INFRASTRUCTURE | | ESTIMATE |
|----------------|--|-----------|
| Mining | Conventional open cut mine | - |
| Processing | Single stage crushing , screening with dry magnetic separation and low intensity wet magnetic separation | USD\$182m |
| Water | To be determined | - |
| Power | To be sourced from the national grid via a new 125km 20MVA spur line to Prominent Hill | - |
| Logistics | Via heavy rail (Darwin – Tarcoola line) to port | USD\$44m |
| Port | Transshipment operation at Port Pirie by Flinders Ports | - |

PROPONENT DETAILS

| | | |
|--------------------------|----------------------------|-------|
| Operator | Apollo Minerals Ltd | |
| Headquarters | Sydney, Australia | |
| Website | www.apollo minerals.com.au | |
| Key Executives | Mr Domenic Tisdell, CEO | |
| Contact Details | +61 2 9078 7665 | |
| Listing Details | ASX – AON | |
| Market Cap. | \$6.95m (31/03/2014) | |
| Cash | \$1m (31/03/2014) | |
| Significant Shareholders | High Power Expl. | 10.1% |
| | Jindal Steel & Power | 7.2% |
| | Tiger Resources | 6.2% |
| | China Armco | 6% |

PROJECT SNAPSHOT

| | | | | | | | |
|---------------------|--|--------|----------------------|------------------------------------|-------|-------|---------|
| Status | Scoping study complete | | | | | | |
| Next stage | PFS completion | | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| | PFS | | | | | | |
| Annual Production | 2.5Mtpa | | | | | | |
| Estimated mine life | 17 years | | | | | | |
| Capex estimate | USD\$433m (including EPCM and contingency) | | | | | | |
| Opex estimate | USD\$70/tonne | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 72Mt | 25.9 | 46.6 | 6.1 | 0.06 | 0.10 | 1.3 |
| Concentrate | | 69.4 | 2.3 | 0.36 | 0.01 | 0.01 | |

PROJECT SUMMARY

- South Gawler Craton, South Australia
- Hematite deposit – JORC resource 13Mt @ 57% Fe
- Mining approvals held
- Forecast production 2.5Mtpa DSO; Mine life 5 years
- Export via road trains to a new port at Port Spencer
- Owned by Centrex Metals Ltd (ASX listed, market cap AUD\$37 million)
- Opportunity for joint venture / finance mine development

Current Status

Pre-feasibility

Project Costs

Not disclosed

WILGERUP

Centrex Metals



Centrex Metals have three major iron ore projects on the Eyre Peninsula:

- Wilgerup – hematite (100% Centrex)
- Eyre Iron JV (Fusion, Carrow, Greenpatch) – magnetite (40% Centrex, 60% Wuhan Iron & Steel)
- Bungalow - magnetite (70% Centrex, 30% Baotou Iron & Steel)

The Wilgerup deposit has received all mining approvals and has off take agreements in place. Development of the mining will be in line with the related Port Spencer deep sea port project (50% Centrex Metals, 50% Wuhan Iron & Steel).

| INFRASTRUCTURE | | ESTIMATE |
|----------------|--|----------|
| Mining | Conventional open cut mining | - |
| Processing | Onsite crushing and screening | - |
| Water | - | - |
| Power | Transmission upgrade proposed | - |
| Logistics | Road train to Port Spencer on existing roads | - |
| Port | New transshipment facility at Port Spencer with 20Mtpa+ capacity | \$142m |

PROPONENT DETAILS

| | | |
|--------------------------|--------------------------|-----|
| Operator | Centrex Metals Ltd | |
| Headquarters | Adelaide, Australia | |
| Website | www.centrexmetals.com.au | |
| Key Executives | Mr Ben Hammond, CEO | |
| Contact Details | +61 8 8100 2200 | |
| Listing Details | ASX –CXM | |
| Market Cap. | \$37m (31/03/2014) | |
| Cash | \$34m (31/03/2014) | |
| Significant Shareholders | South Cove Ltd | 25% |
| | WISCO | 12% |
| | Baotou Iron & Steel | 7% |

PROJECT SNAPSHOT

| | | | | | | |
|---------------------|-----------------------|--------|----------------------|------------------------------------|-------|---------|
| Status | Mining approvals held | | | | | |
| Next stage | Development | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | |
| Annual Production | 2.5Mtpa | | | | | |
| Estimated mine life | 5 years | | | | | |
| Capex estimate | To be confirmed | | | | | |
| Opex estimate | To be confirmed | | | | | |
| Resource | Hematite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | LOI (%) |
| Mineral resource | 14.1 Mt | 57.6 | 4.8 | 2.8 | 0.51 | 5.0 |

PROJECT SUMMARY

- South Gawler Craton, South Australia
- Magnetite deposit – JORC resource 894Mt @ 25% Fe
- Pre-feasibility study (PFS) to be reassessed
- Original PFS forecast production of 5-10Mtpa concentrate @ 66% Fe
- Mine life 20 years
- Export via slurry pipelines to a new port at Port Spencer
- Owned by Centrex Metals Ltd (40%, ASX listed, market cap AUD\$37 million) & Wuhan Iron & Steel (60%, China)
- Opportunity for joint venture / finance mine development

Current Status

Pre-feasibility

Project Costs

Under review

EYRE IRON JV

Wuhan Iron & Steel, Centrex Metals



The Eyre Iron project is a joint venture between Centrex Metals (40%) and Wuhan Iron & Steel (60%). The project includes the Fusion group of deposits (Koppio, Brennard, Kapperna and Iron Mount) as well as the Carrow and Greenpatch deposits.

The project will see onsite crushing and processing with concentrate transported via slurry pipeline to the Company proposed deep sea port at Port Spencer (Centrex Metals 50%, Wuhan Iron & Steel 50%). A new desalination plant is proposed at Port Spencer.

A Definitive Feasibility Study was being prepared however the Company announced in September 2013 that the project would be moved back to Pre-feasibility stage to assess an expanded project.

| INFRASTRUCTURE | | ESTIMATE |
|----------------|--|----------|
| Mining | Conventional open cut mining | - |
| Processing | Onsite crushing and processing | - |
| Water | New desalination plant (5-20GL) located at Port Spencer | - |
| Power | Transmission upgrade proposed | - |
| Logistics | New 40km slurry pipeline to Port Spencer | - |
| Port | New transshipment facility at Port Spencer with 20Mtpa+ capacity | \$142m |

PROPONENT DETAILS

| | |
|--------------------------|---|
| Operator | Centrex Metals Ltd |
| Headquarters | Adelaide, Australia |
| Website | www.centrexmetals.com.au |
| Key Executives | Mr Ben Hammond, CEO |
| Contact Details | +61 8 8100 2200 |
| Listing Details | ASX –CXM |
| Market Cap. | \$37m (31/03/2014) |
| Cash | \$34m (31/03/2014) |
| Significant Shareholders | South Cove Ltd 25% WISCO 12% Baotou Iron & Steel 7% |

PROJECT SNAPSHOT

| | | | | | | |
|---------------------|--------------|--------|----------------------|------------------------------------|-------|-------|
| Status | PFS underway | | | | | |
| Next stage | Complete PFS | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | |
| | PFS | PFS | | | | |
| Annual Production | Under review | | | | | |
| Estimated mine life | Under review | | | | | |
| Capex estimate | Under review | | | | | |
| Opex estimate | Under review | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) |
| Mineral resource | 894Mt | 25.4 | 45.6 | | | |
| Concentrate | | 66.9 | 5.0 | | | |

PROJECT SUMMARY

- South Gawler Craton, South Australia
- Magnetite deposit – JORC resource 338Mt @ 29% Fe
- Pre-feasibility study (PFS) stage
- Forecast production 5Mtpa concentrate @ 69% Fe
- Export via slurry pipelines to a new port at Port Spencer
- Owned by Centrex Metals Ltd (70%, ASX listed, market cap AUD\$37 million) & Baotou Iron & Steel (30%, China)
- Opportunity for joint venture / finance mine development

Current Status

Pre-feasibility

Project Costs

Not disclosed

BUNGALOW

Centrex Metals, Baotou Iron & Steel



The Bungalow project is a joint venture between Centrex Metals (70%) and Baotou Iron & Steel (30%). Baotou Iron & Steel can increase its share in the joint venture via contribution to undertake the Definitive Feasibility Study.

The deposits are located 10km from the town of Cowell and 100km north of the proposed deep sea port at Port Spencer (Centrex Metals 50%, Wuhan Iron & Steel 50%).

The Prefeasibility Study is expected to be completed by late 2013.

| INFRASTRUCTURE | | ESTIMATE |
|----------------|--|----------|
| Mining | Conventional open cut mining | - |
| Processing | Onsite crushing and processing at each mine site | - |
| Water | New desalination plant (5-20GL) located at Port Spencer | - |
| Power | Transmission upgrade proposed | - |
| Logistics | New 100km slurry pipeline to Port Spencer | - |
| Port | New transshipment facility at Port Spencer with 20Mtpa+ capacity | \$142m |

PROPONENT DETAILS

| | | |
|--------------------------|--------------------------|-----|
| Operator | Centrex Metals Ltd | |
| Headquarters | Adelaide, Australia | |
| Website | www.centrexmetals.com.au | |
| Key Executives | Mr Ben Hammond, CEO | |
| Contact Details | +61 8 8100 2200 | |
| Listing Details | ASX –CXM | |
| Market Cap. | \$37m (31/03/2014) | |
| Cash | \$34m (31/03/2014) | |
| Significant Shareholders | South Cove Ltd | 25% |
| | WISCO | 12% |
| | Baotou Iron & Steel | 7% |

PROJECT SNAPSHOT

| | | | | | | | |
|---------------------|------------------|--------|----------------------|------------------------------------|-------|-------|---------|
| Status | PFS underway | | | | | | |
| Next stage | Complete PFS | | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| | PFS | | | | | | |
| Annual Production | 5Mtpa | | | | | | |
| Estimated mine life | To be determined | | | | | | |
| Capex estimate | To be determined | | | | | | |
| Opex estimate | To be determined | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 338Mt | 29.6 | 50.1 | | | | |
| Concentrate | | 69.7 | 2.7 | | | | |

PROJECT SUMMARY

- North Gawler Craton, South Australia
- Magnetite deposit – JORC resource 569Mt @ 27% Fe
- Exploration target 900 – 1,200Mt @ 20%-30% Fe
- Scoping study completed; Pre-feasibility study stage
- Base case production 2.5Mtpa concentrate @ 68% Fe
- Scoping study reviewed production up to 9.4Mtpa
- Mine life 25 years; Start date 2016
- Export via Port Adelaide using existing rail and infrastructure for Cairn Hill mine
- Owned by IMX Resources Ltd (ASX listed, market cap AUD\$14 million)
- Opportunity for joint venture / equity to fund feasibility studies

Current Status

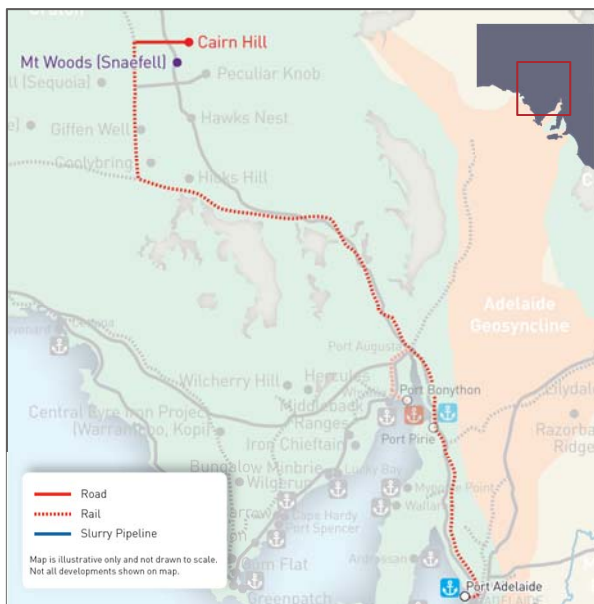
Pre-feasibility

Project Costs

Total project capex AUD\$294 million
(base case)

Mt WOODS

IMX Resources



The Mt Woods Magnetite Project is located 15km south-west of the Company operated Cairn Hill mine and includes the Snaefell and Tomahawk deposits. The Scoping Study outlines that the project could utilise the existing infrastructure from the Cairn Hill mine and follow the same path to market. The study further outlines expansion options would could see the project utilise a redeveloped port at Port Pirie. The project has a global exploration target of 900-1,200Mt @ 20-32% Fe.

| INFRASTRUCTURE | | ESTIMATE ¹ |
|----------------|--|-----------------------|
| Mining | Conventional open cut mining | \$57m |
| Processing | Dry and wet magnetic processing | \$117m |
| Water | Not disclosed | \$7m |
| Power | New transmission line to Prominent Hill | \$38m |
| Logistics | Base case includes a 48km slurry pipeline to the rail siding at Rankin Dam then via rail in containers to Port Adelaide. | \$5m |
| Port | Base case uses a container rotating system via Port Adelaide. Expansion cases use a developed deep sea port at Port Pirie. | - |

PROPONENT DETAILS

| | | |
|--------------------------|-------------------------|------|
| Operator | IMX Resources Ltd | 100% |
| Headquarters | Adelaide, Australia | |
| Website | www.imxresources.com.au | |
| Key Executives | Mr Gary Sutherland, MD | |
| Contact Details | +61 8 8311 1110 | |
| Listing Details | ASX – IXR | |
| Market Cap. | \$13.8m (31/03/2014) | |
| Cash | \$3.3m (31/03/2014) | |
| Significant Shareholders | Sichuan Taifeng Group | 13% |
| | Oz Minerals | 8% |
| | Geologic Resources | 6% |

PROJECT SNAPSHOT

| | | | | | | | |
|---------------------|---|--------|----------------------|------------------------------------|--------|--------|------------|
| Status | Scoping study completed | | | | | | |
| Next stage | Strategic review | | | | | | |
| Timeline | 2014 | | 2015 | | 2016 | | 2017 |
| | Strategic review | | | Production | | | Production |
| Annual Production | Scoping study base case of 2.5Mtpa and options of 1.8 Mtpa, 4.7 Mtpa and 9.4 Mtpa | | | | | | |
| Estimated mine life | Base case: 25 years | | | | | | |
| Capex estimate | Base case: \$294m (expansion capex up to \$1.27B) | | | | | | |
| Opex estimate | Base case: \$77.4/tonne (expansion opex down to \$49.66/t) | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 569Mt | 27.1 | 45.7 | 6.8 | 0.133 | 0.03 | n/a |
| Concentrate | | 68.5 | <3.5 | <1 | <0.015 | <0.004 | |

Source: IMX Resources

¹ Base case estimates

PROJECT SUMMARY

- South Gawler Craton, South Australia
- Magnetite deposit – JORC resource 24Mt @ 40% Fe (DSO / DMS)
- Adjacent Hercules deposit, hematite / magnetite – JORC resource 48Mt @ 38%Fe (hematite), 145Mt @ 22%Fe (magnetite)
- Mining approvals held
- Forecast production 2Mtpa (Stage 1); Mine life 5+ years; Start date 2015
- Export via transshipment at Lucky Bay; Road train from mine to port
- Currently owned by IronClad Mining (80%, ASX listed, market cap AUD\$10 million) and Trafford Resources (20%, ASX listed)
- Opportunity for short term funding / offtake agreements / longer term joint venture partner / project financing

Current Status

Approved mine

Project Costs

Total project capex AUD\$21 million

WILCHERRY HILL

IronClad Mining



The Wilcherry Hill Project is located in the South Gawler Craton, 30km north of Kimba and includes the Wilcherry Hill deposit and Hercules deposit. Stage 1 has State Government approval and is expected to see production of 2Mtpa of DSO by year 2 from the Wilcherry Hill deposit with ore delivered via road trains to the Lucky Bay port (156km). Stage 2 will see the development of a gravity separation beneficiation plant to upgrade ore with Stage 3 including the exploration and development of the Hercules deposit. The project will coincide with the development of the Lucky Bay Port.

| INFRASTRUCTURE | | ESTIMATE |
|----------------|--|----------|
| Mining | Stage 1: Selective mining in 3 open cut pits | - |
| Processing | Stage 1a: Single stage crushing Stage 1b: Single stage crushing, screening and dry magnetic separation Stage 2: Gravity circuit, crushing, screening | - |
| Water | 3Ml/day required serviced by a borefield and water storage | - |
| Power | Onsite diesel powered generators (MLP) with consumption of 2.6MW | - |
| Logistics | Double road trains to port (54t payload) | - |
| Port | Transshipment operation at Lucky Bay with capacity up to 3.6Mtpa | - |

PROPONENT DETAILS

| | | |
|--------------------------|---------------------------|-----|
| Operator | IronClad Mining Ltd | 80% |
| | Trafford Resources Ltd | 20% |
| Headquarters | Perth, Australia | |
| Website | www.ironcladmining.com.au | |
| Key Executives | Mr Robert Mencil, CEO | |
| Contact Details | +61 8 9214 9300 | |
| Listing Details | ASX – IFE | |
| Market Cap. | \$9.7m (31/03/2014) | |
| Cash | \$3.8m (31/03/2014) | |
| Significant Shareholders | Trafford Resources | 27% |
| | New Page Investments | 6% |

PROJECT SNAPSHOT

| | | | | | | | |
|---------------------|---|------------|----------------------|------------------------------------|------------|-------|---------|
| Status | Mine Development | | | | | | |
| Next stage | | | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| | Approval Development | Production | Production | Production | Production | | |
| Annual Production | Stage 1: 2Mtpa. Stage 2: 2Mtpa. Stage 3: 4-5 Mtpa | | | | | | |
| Estimated mine life | 5+ years | | | | | | |
| Capex estimate | To be confirmed | | | | | | |
| Opex estimate | To be confirmed | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 24.2 Mt | 40.0 | 18.4 | 5.3 | 0.05 | 0.34 | 6.29 |

PROJECT SUMMARY

- South Gawler Craton, South Australia
- Magnetite deposit – JORC resource 3,691Mt @ 16% Fe
- Definitive feasibility completed February 2014
- Forecast production 21.5Mtpa concentrate @ 67%
- Mine life 25 years
- Export via a new rail line to a newly developed port at Cape Hardy
- Owned by Iron Road Ltd (ASX listed, market cap AUD\$174 million)
- Opportunity for joint venture / project funding / offtake

Current Status

Definitive Feasibility Study
Completed

Project Costs

Total project capex USD\$4.46 billion

CENTRAL EYRE IRON PROJECT

Iron Road



Iron Road's principal project is the Central Eyre Iron Project (CEIP) located in the South Gawler Craton. Based on the current JORC resource, the project is one of the largest magnetite projects in Australia and ranked in the top 20 globally in terms of size.

The Company recently announced the results from the Definitive Feasibility Study (DFS) which confirms the viability of the project to deliver high-grade and low impurity iron ore concentrate. The concentrate will be marketed as a high quality blending feedstock for sinter plants, which feed the majority of blast furnaces around the world .

| INFRASTRUCTURE | | ESTIMATE |
|----------------|--|-------------|
| Mining | Large scale open cut mining with in pit crushing and conveying | USD\$250m |
| Processing | Conventional crushing, milling and magnetic/gravity separation | USD\$1,070m |
| Water | Studies continuing to verify the availability of local water aquifer | - |
| Power | Transmission upgrade required | - |
| Logistics | New 145km standard gauge rail from mine to port (25t axle load, 6 trains p/day each way) | USD\$790m |
| Port | New port at Cape Hardy with 70Mtpa capacity | USD\$490m |

PROPONENT DETAILS

| | | |
|--------------------------|----------------------------|------|
| Operator | Iron Road Limited | 100% |
| Headquarters | Adelaide, Australia | |
| Website | www.ironroadlimited.com.au | |
| Key Executives | Mr Andrew Stocks, MD | |
| Contact Details | +61 8 8214 4400 | |
| Listing Details | ASX – IRD | |
| Market Cap. | \$174m (31/03/2014) | |
| Cash | \$26m (31/03/2014) | |
| Significant Shareholders | Sentient Group | 73% |

PROJECT SNAPSHOT

| | | | | | | | |
|---------------------|--|--------|----------------------|------------------------------------|-------------|-------|------------|
| Status | Definitive feasibility study completed | | | | | | |
| Next stage | Financing, engineering, approvals | | | | | | |
| Timeline | 2014 - 2015 | | | | 2016 - 2017 | | 2018 |
| | Financing, engineering, approvals | | | | Development | | Production |
| Annual Production | 21.5Mtpa | | | | | | |
| Estimated mine life | 25 years | | | | | | |
| Capex estimate | USD\$3,980 million + US\$480 million pre-operating costs | | | | | | |
| Opex estimate | USD\$44.33 / tonne | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 3,691Mt | 16 | 53 | 13 | 0.08 | 0.055 | 0.8 |
| Concentrate | | 67 | < 4.0 | < 2.0 | 0.005 | 0.007 | -3.12 |

PROJECT SUMMARY

- North Gawler Craton, South Australia
- Pre-feasibility study (PFS) and resource definition previously completed by WPG Resources
- Magnetite deposit – WPG Resources announced a JORC resource of 689Mt @ 31% Fe
- PFS showed the project was viable however WPG Resources did not exercise the option to acquire the project based on total project costs of AUD\$1.7 billion
- PFS included forecast production of 5Mtpa concentrate @ 68% Fe for 30 years
- Owned by Maosen Australia Pty Ltd (private Australian company)
- Opportunity for joint venture / fund feasibility studies

Current Status

Pre-feasibility

Project Costs

Total project capex AUD\$1.7 billion
(WPG Resources PFS)

GIFFEN WELL

Maosen Australia



Giffen Well is located in the North Gawler Craton 120km south of Coober Pedy and 25km east of the Adelaide – Darwin railway line which links port facilities at Port Pirie. WPG Resources recently (7 May 2013) announced that they would not exercise their option to acquire the project from Maosen Australia. This was subsequent to WPG completing their PFS (8 March 2013 – details shown below). The ownership of the tenement remains with Maosen Australia Pty Ltd.

| INFRASTRUCTURE (as outlined by WPG Resources in their PFS) | | ESTIMATE |
|--|---|----------|
| Mining | Conventional open pit mining | \$110m |
| Processing | Two stage crushing, HPGR circuit, ball mill, magnetic separation | \$711m |
| Water | 25ML/day available from dewatering of related coal project | - |
| Power | Development of a 90MW coal power station supplied by company owned black coal deposit 110km away from Giffen Well | \$642m |
| Logistics | 24km spur line connecting to the Adelaide-Darwin rail line. Estimated 9 trains/week to Port Pirie with 11,520t/train. | \$112m |
| Port | Transshipment operation at Port Pirie | - |

PROPONENT DETAILS

| | |
|--------------------------|--------------------------|
| Operator | Maosen Australia Pty Ltd |
| Headquarters | Brisbane, Australia |
| Website | - |
| Key Executives | Mr Max Wu, Director |
| Contact Details | +61 7 3123 2819 |
| Listing Details | Private company |
| Market Cap. | - |
| Cash | - |
| Significant Shareholders | |

PROJECT SNAPSHOT (as outlined by WPG Resources in their PFS)

Status Project cancelled 7 May 2013

Next stage

| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | | |
|---------------------|----------------|--------|----------------------|------------------------------------|-------|-------|---------|
| Annual Production | 5Mtpa | | | | | | |
| Estimated mine life | 30 years | | | | | | |
| Capex estimate | \$1.72 million | | | | | | |
| Opex estimate | \$71.48/tonne | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 689Mt | 31.4 | 38.7 | 1.9 | 0.07 | 0.52 | |
| Concentrate | | 68 | 4.5 | 0.16 | 0.007 | 0.02 | -2.8 |

PROJECT SUMMARY

- Braemar Province, South Australia
- Magnetite deposit – JORC resource 1,500Mt @ 18% Fe
- Scoping study completed; Strategic review – trade sale or JV for funding
- Forecast production 10Mtpa concentrate @ 69% Fe
- Mine life 25 years
- Export via rail to a new port at Myponie Point
- Owned by Minotaur Exploration (40%, ASX listed, market cap AUD\$18 million) & Sumitomo (60%, Japanese trading company)
- Opportunity for trade sale / joint venture / equity to fund feasibility studies

Current Status

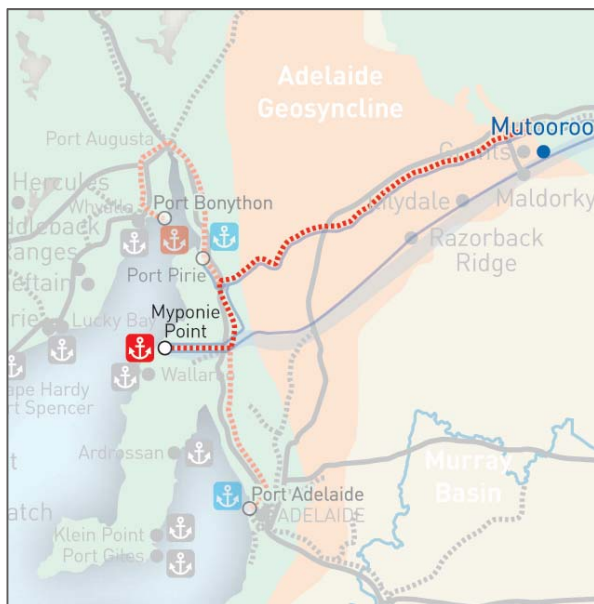
Strategic review

Project Costs

Total project capex AUD\$4.2 billion

MUTOOROO

Minotaur Exploration



The Mutooroo Magnetite Project is located 74km south west of Broken Hill in the Braemar Province. Nine significant magnetic anomalies have been modeled, Muster Dam, Muster Catch, Muster South, Duffields, Surrender Dam, Peaked Hill, Peaked Hill West, Pegline Dam and Red Dam. For the first five of these an exploration target of 2.2 to 4.2 billion tonnes within a strike extent up to 20km has been identified. An inferred resource of 1,500Mt at a head grade of 18.2% Fe and 15.2% DTR (10% DTR cut-off) has been estimated for Muster Dam.

| INFRASTRUCTURE | | ESTIMATE |
|----------------|---|----------|
| Mining | Open pit utilising conventional drill and blast, shovel and truck extraction to in-pit crushing & conveying of both ore & waste rock | - |
| Processing | Primary ore stockpile; secondary crushing; high pressure grinding rolls; dry & wet magnetic separation; ball & tower milling; concentrate filtering & washing; separate hematite wet circuit. | - |
| Water | To be determined | - |
| Power | To be determined | - |
| Logistics | Rail transport via Broken Hill - Adelaide line then new spur line to Myponie Point | - |
| Port | New Capesize port at Myponie Point | - |

PROPOSANT DETAILS

| | | |
|--------------------------|----------------------------|-------|
| Owner | Sumitomo Metal Mining | 59.1% |
| Operator | Minotaur Exploration | 40.9% |
| Headquarters | Adelaide, Australia | |
| Website | minotaurexploration.com.au | |
| Key Executives | Mr Andrew Woskett, MD | |
| Contact Details | +61 8 8336 6000 | |
| Listing Details | ASX – MEP | |
| Market Cap. | \$18m (31/03/2014) | |
| Cash | \$5.8m (31/03/2014) | |
| Significant Shareholders | Oz Minerals | 7% |

PROJECT SNAPSHOT

| | | | | | | | |
|---------------------|--|--------|----------------------|------------------------------------|-------|-------|---------|
| Status | Scoping study complete | | | | | | |
| Next stage | Strategic review - consider trade sale or JV for funding | | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| Annual Production | 10Mtpa magnetite, 2.5Mtpa hematite | | | | | | |
| Estimated mine life | 25 years | | | | | | |
| Capex estimate | \$4.2 billion (\$3.45 billion to mine gate, \$750 million for rail and port) | | | | | | |
| Opex estimate | \$75/tonne | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 1,500Mt | 18.2 | 49.7 | 8.9 | 0.2 | 0.03 | 2.8 |
| Concentrate | | 69.8 | 2.8 | 0.4 | 0.002 | 0.002 | -3.3 |

PROJECT SUMMARY

- Braemar Province, South Australia
- Magnetite deposit – JORC resource 3,912Mt @ 19% Fe
- Pre-feasibility study completed; Seeking funding for definitive feasibility study
- Forecast production 9.3Mtpa concentrate @ 67% Fe
- Mine life 65 years; Start date 2016
- Export via a new slurry pipeline to a floating port at Myponie
- Owned by Royal Resources Ltd (ASX listed, market cap AUD\$14 million)
- Opportunity for joint venture / equity to fund feasibility studies / project finance

Current status

Definitive Feasibility Study

Project Costs

Total project capex AUD\$1.2 billion

RED DRAGON (RAZORBACK PREMIUM IRON PROJECT & IRONBACK HILL)

Royal Resources



The Red Dragon Venture includes the Razorback Premium Iron and Ironback Hill projects which are located in the Braemar Province 160km east of Port Pirie. Royal Resources has signed an MoU with Braemar Infrastructure Pty Ltd to use a new multi-purpose infrastructure corridor to transport concentrate via a new slurry pipeline to a deep water location at Myponie Point. The concentrate will be pumped by a sub-sea pipeline to a permanently moored dewatering transshipment vessel (floating port) for later transfer to a Capesize vessel. The infrastructure corridor will also include electricity transmission, fibre optic communication and water to support the mining and beneficiation operations.

| INFRASTRUCTURE | | ESTIMATE |
|----------------|---|-----------------|
| Mining | Large scale convention open cut mining | Contract Mining |
| Processing | Single stage gyratory crusher, SAG mill, ball mills, low intensity mag separators. | \$490m |
| Water | A new desalination plant on-board the floating port is proposed with water returned to the mine site via a return water pipeline. | Third party |
| Power | 158MW required at mine site and 44MW at the coastal site. | Third party |
| Logistics | A new slurry pipeline from mine site to the Myponie Point region | Third party |
| Port | Slurry pipeline direct to a floating port and transfer to a Capesize vessel. | Third party |

Proponent Details

| | | |
|--------------------------|---|------|
| Operator | Royal Resources Ltd | 100% |
| Headquarters | Perth, Australia | |
| Website | www.royalresources.com.au | |
| Key Executives | Mr Marcus Flis, CEO Mr Andrew Mounas, Project Director | |
| Contact Details | +61 8 9322 8542 | |
| Listing Details | ASX – ROY | |
| Market Cap. | \$13.9m (31/03/2014) | |
| Cash | \$3m (31/03/2014) | |
| Significant Shareholders | Lodestone Equities | 22% |
| | HSBC Custody Nom | 10% |
| | Ragged Range Mining | 7% |

Project Snapshot

| | | | | | | | |
|---------------------|---|--------|----------------------|------------------------------------|------------|-------|---------|
| Status | PFS complete – base case (conventional facility) | | | | | | |
| Next stage | PFS optimisation, DFS funding being sought | | | | | | |
| Timeline | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| | DFS | DFS | Development | Production | Production | | |
| Annual Production | 9.3Mtpa | | | | | | |
| Estimated mine life | 65 years | | | | | | |
| Capex estimate | \$1.2 billion (includes plant infrastructure, indirect costs & contingencies) | | | | | | |
| Opex estimate | \$69/tonne (including Government royalties) | | | | | | |
| Resource | Magnetite | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| Mineral resource | 3,912Mt | 19.7 | 46.8 | 7.7 | 0.18 | n/d | n/d |
| Concentrate | | 67.4 | 4.74 | 0.54 | 0.016 | 0.003 | |

CONTACT DETAILS

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South Australia

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