

# ASX Announcement

11 December 2015

## Clarification – Mines & Money London Presentation

On the 2 December 2015, Energia Minerals Limited (**ASX: EMX**) released an announcement titled “Mines & Money London Presentation.” The Australian Securities Exchange (ASX) has requested that slides 2, 12 and 19 be amended to provide clarification in relation to the Exploration Targets.

Attached is an updated Mines & Money London Presentation amended to address the comments received from the ASX.

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**Board of Directors**

Alex Burns  
Executive Chairman  
Kim Robinson  
Managing Director  
Max Cozjin  
Finance Director  
Marcello Cardaci  
Non-executive Director

**Company Secretary**

Jamie Armes

# Developing a high-grade zinc project in Italy

Alexander Burns, Executive Chairman – 2 December 2015



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All currency amounts are in A\$ unless stated otherwise.

Competent Person Statement: The information in this presentation that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Kim Robinson, who is a full time employee of Energia Minerals Limited. Mr Robinson is a Member of the Australian Institute of Geoscientists. Mr Robinson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Robinson consents to the inclusion in this release of the matters based on their information in the form and context as it appears.

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# Company Highlights

- Experienced Board led by Alexander Burns (Sphere Minerals) and Kim Robinson (Kagara/Forrestania Gold)
- 100% ownership of “company-maker” Gorno Zinc Project, northern Italy
- Well-funded exploration program
- Potential rapid payback in a mining-friendly jurisdiction
- Underground resource definition drilling underway at Gorno – initial JORC Resource and Scoping Study due in March Quarter, 2016
- Leveraged to zinc and uranium



# Projects Overview

## ZINC – Italy

- **Gorno (100% owned)**
- Predil (application)
- Salafossa (application)

## BASE METALS (Australia)

- Paterson
- McArthur

## URANIUM (Applications)

- Nyang (Australia)
- Val Vedello (Italy)





# Board & Management Team



## Alexander Burns – Executive Chairman

- Former MD of Sphere Minerals Ltd from 1998-2010 - focused on large scale iron ore projects in Mauritania; acquired by Xstrata PLC in Nov 2010 for \$514M cash
- Former Chairman of Shield Mining Ltd from 2006-2010 - Gold and base metals exploration in Mauritania; acquired by Gryphon Minerals Ltd in 2010 for \$26M scrip



## Kim Robinson – Managing Director

- Past Executive Chairman of Forrestania Gold NL and Kagara Ltd, past Chairman of Carbon Energy and Apex Minerals and past Director of Jubilee Mines
- Part of the team that developed the Bounty and Mt McClure gold mines; Kagara's numerous copper and zinc mines in North Queensland; the Wiluna gold mine; Cosmos and Lounge Lizard nickel mines
- Part of the team that discovered the Bounty gold deposit, Maggie Hays nickel deposit, Emily Ann nickel deposit, Cosmos nickel deposit and the Lounge Lizard nickel deposit



## Max Cozijn - Finance Director

- Over 30 years' experience in the administration of listed mining and industrial companies, as well as various private operating companies
- Current director of Oilex Ltd and Jacka Resources Ltd



## Marcello Cardaci - Non-Executive Director

- Partner of Gilbert & Tobin's Corporate Advisory Group. Advises on a range of corporate and commercial matters including public and private equity fund raisings and public and private mergers, acquisitions and divestment



## Graeme Collins – Director of Operations

- Former Chief Operating Officer of Kagara Ltd from 1999-2010
- Developed Mt Garnet Zinc Project; growth from a junior to a \$1.2 billion multi-mine base metals producer
- Former General Manager of Operations of Wolfram Camp Mining Pty Ltd to 2014 - managed a wolframite mine in Queensland

# Corporate Information

## Capital Structure

Share Price (as at 30 November 2015)	<b>\$0.034</b>
Shares on Issue	<b>609M</b>
Market Capitalisation	<b>\$20.7M</b>
Cash at Hand (as at 30 September 2015)	<b>\$4.3M</b>
Listed Securities at Market Value (as at 30 November 2015)	<b>\$7.7M</b>
Enterprise Value	<b>\$8.7M</b>
Unlisted Options ( \$0.05 - \$0.30 Exercise Price )	<b>40.5M</b>



## Top 10 Shareholders

Shareholder	Million Shares	% of Total
*Alexander Burns (direct and indirect)	139.8	23.0
Zero Nominees Pty Ltd	71.8	11.8
*Marcello Cardaci (indirect)	25.3	4.2
Jetosea Pty Ltd	22.1	3.6
*Kim & Jennifer Robinson (direct and indirect)	20.2	3.3
SHL Pty Ltd	17.0	2.8
J P Morgan Nom Aust Ltd	13.6	2.2
John Barry Roberts	11.7	1.9
Cairnglen Inv Pty Ltd	9.5	1.6
Rentier Inv Pty Ltd	8.0	1.3
<b>Total Top 10 Shareholders</b>	<b>339.0</b>	<b>55.7</b>

\*Total directors and associates holdings – 185.3M shares (30.5%)

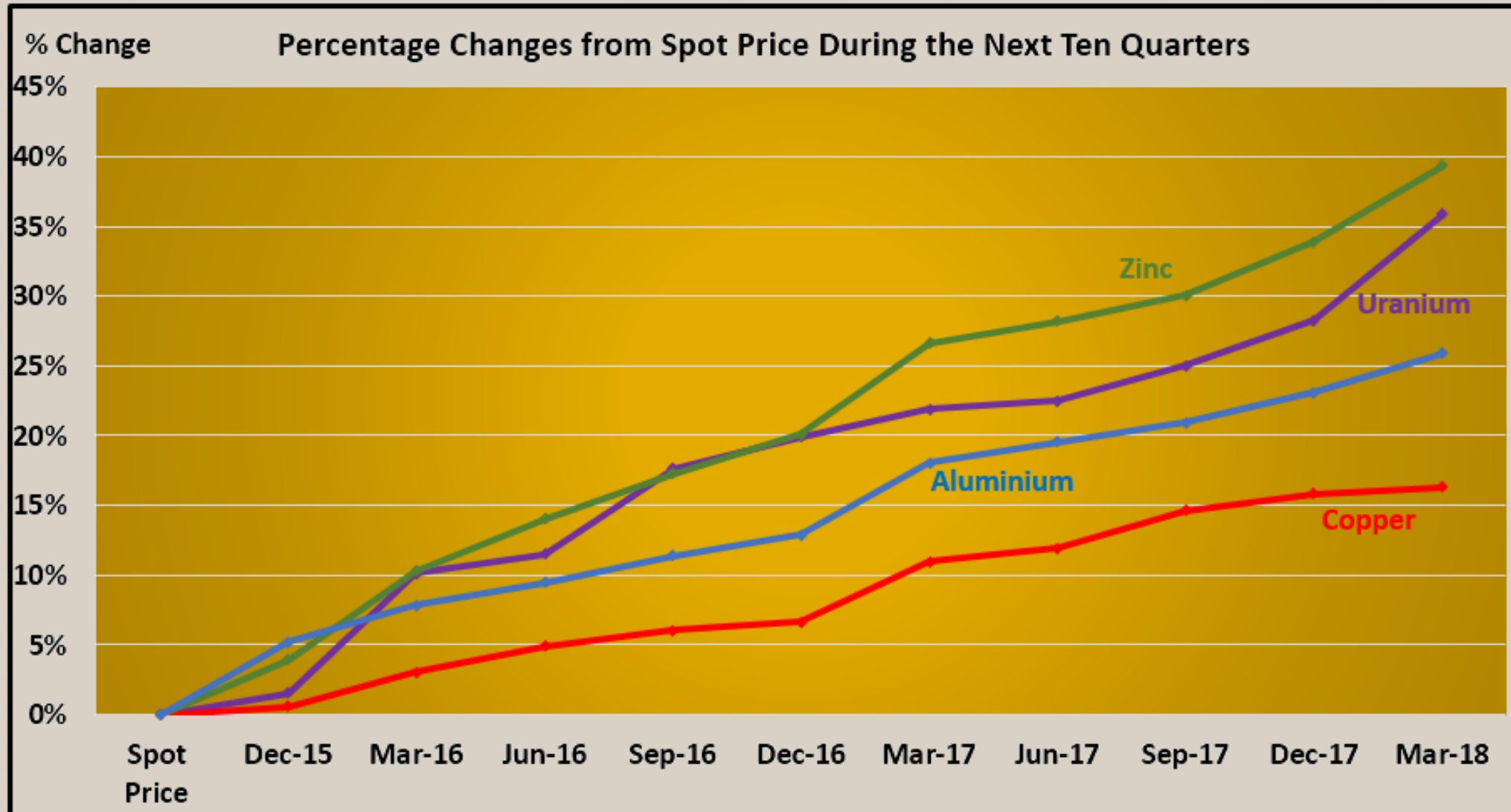
# Strong Zinc Market Fundamentals

- Zinc market in deficit to the tune of 250,000 tonnes in 2014
- Additional 3.0 - 3.5Mt of zinc-in-concentrates needed for the next 5 years to meet forecast demand and balance current deficit
- Century and Lisheen mine closures to remove 600-700kt per year with Skorpion zinc oxide mine (250kt) closure due in 2017
- Current low prices expected to result in more closures or reduced production (e.g. Glencore's recent announcement of a 500kt reduction and other industry commentary)
- Market can only be balanced by higher Chinese mine production (highly unlikely because of more stringent environmental and safety requirements together with increasing costs), further draw-downs from metal stocks and yet-to-be-approved new mining projects
- To meet demand, Chinese mine production would need to increase by 2.0 - 2.5Mt of zinc over next 5 years (450-500kt per year on average)
- Zinc market fundamentals remain strong and continue to improve





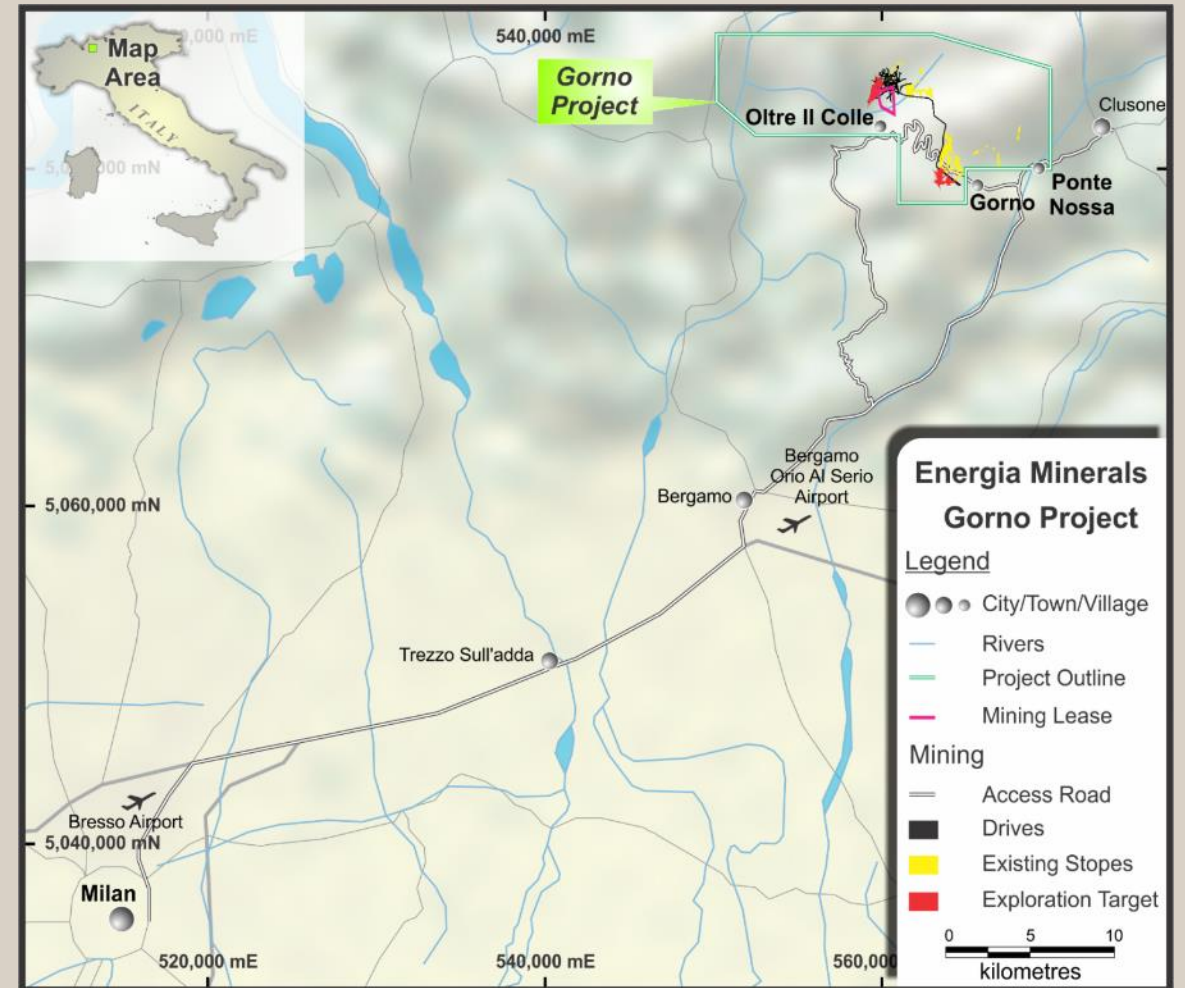
# Consensus Forecasts



Source: Energy & Metals Consensus Forecasts, Survey Date – 19 Oct 2015

# Gorno Zinc Project – Location

- One hour drive from Bergamo and two hours from Milano
- Historical mining region in Northern Italy (+2,000 years)
- Gorno is the “Sister City” of the town of Kalgoorlie





# Gorno Zinc Project – Historical Exploration

- Historical high-grade zinc mine dating back to Celtic days with established access to unmined areas with near-term development potential
- Italian multi-national corporation ENI was preparing to mine the Colonna Zorzone deposit before closing down its worldwide base metal and uranium operations in the early 1980's





# Gorno Zinc Project – Historical Exploration

- Access via 230km of underground development to “walk-up” underground drill targets
- Unmined grade control percussion intersections in area of current drilling including:
  - 11.5m @ 13.0% Zn+Pb; 21m @ 10% Zn+Pb; and 9m @ 11.1% Zn+Pb
- Deepest intersections on Colonna Zorzone at 600 level of:
  - 11m @ 6.6% Zn+Pb; 11m @ 10.5% Zn+Pb; and 9m @ 11.1% Zn+Pb





# Gorno Zinc Project – Pathway to Restart

## Extensive high-grade MVT mineralisation:

- Extensive mineralised system
- 6Mt of ore averaging 14.5% Zn+Pb mined historically since the 1890's compared with global average of 3-4% for MVT deposits currently being mined
- Initial Exploration Target of 3-5Mt at 7-10% Zn+Pb at Zorzone.

This exploration target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if future exploration will result in a Mineral Resource Estimate being defined. The Exploration Target is largely based on 4 historical holes at the 940RL averaging 5.6m @ 8.6% Zn+Pb and 5 drill holes at the 600RL averaging 5.6m @ 10.9% Zn+Pb with no drilling as yet between the two levels. This Exploration Target is currently being tested with a diamond drilling program that is anticipated to be completed by 31 March 2016.

## Accelerated development strategy assisted by

- Granted Mining license
- Strong regional and local support
- Low capital costs given historical operations
- Minimal ground water and no uphill haulage required
- Well-established haulage routes
- Excellent metallurgical characteristics





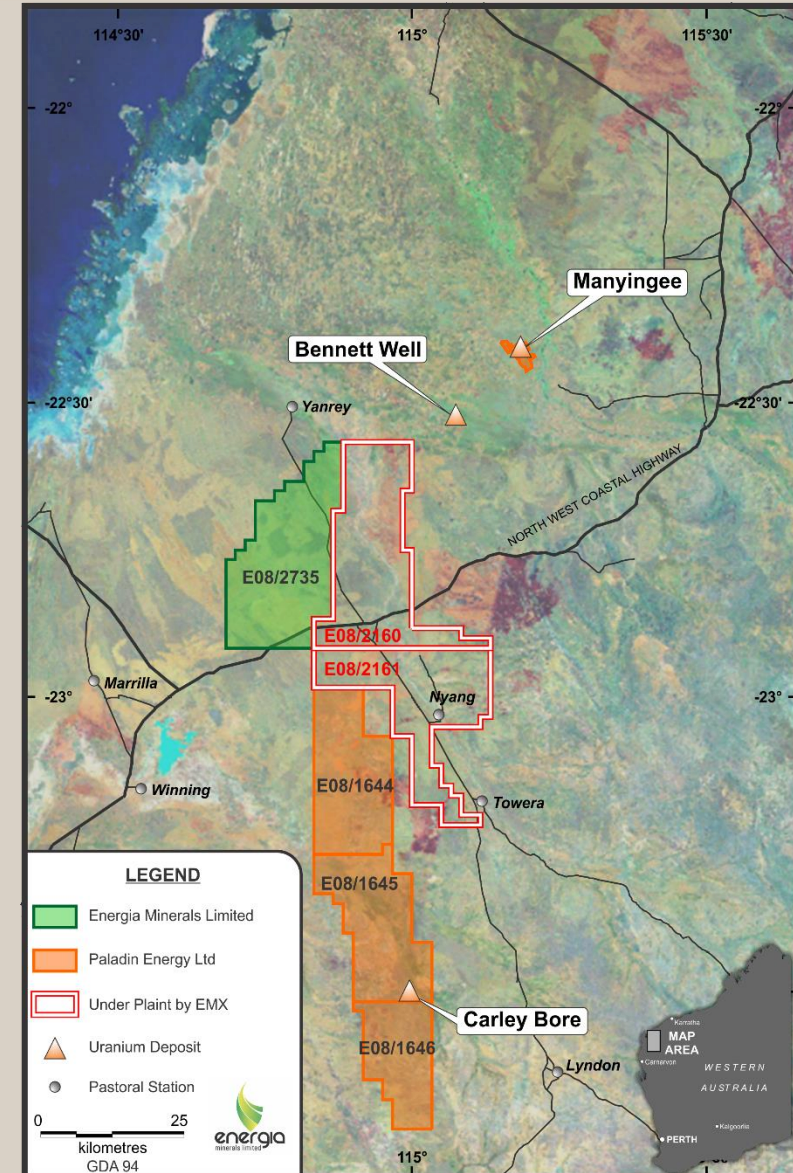
- 🌱 Underground refurbishment well advanced
- 🌱 Exploration and resource diamond drilling underway:
  - 24 diamond drill holes completed in Colonna Zorzone
  - Drilling program expanded to in excess of 10,000m to elevate resource to Indicated status between 900 and 990 levels
  - Potential extensions to Zorzone identified in GDD024 with recent intersection of **21.7m grading 8.13% Zn, 2.2% Pb, 51g/t Ag**
- 🌱 New Exploration Decline to access additional drill-sites commencing shortly
- 🌱 Initial JORC Resource and Scoping Study to be completed in Quarter 1 / 2016





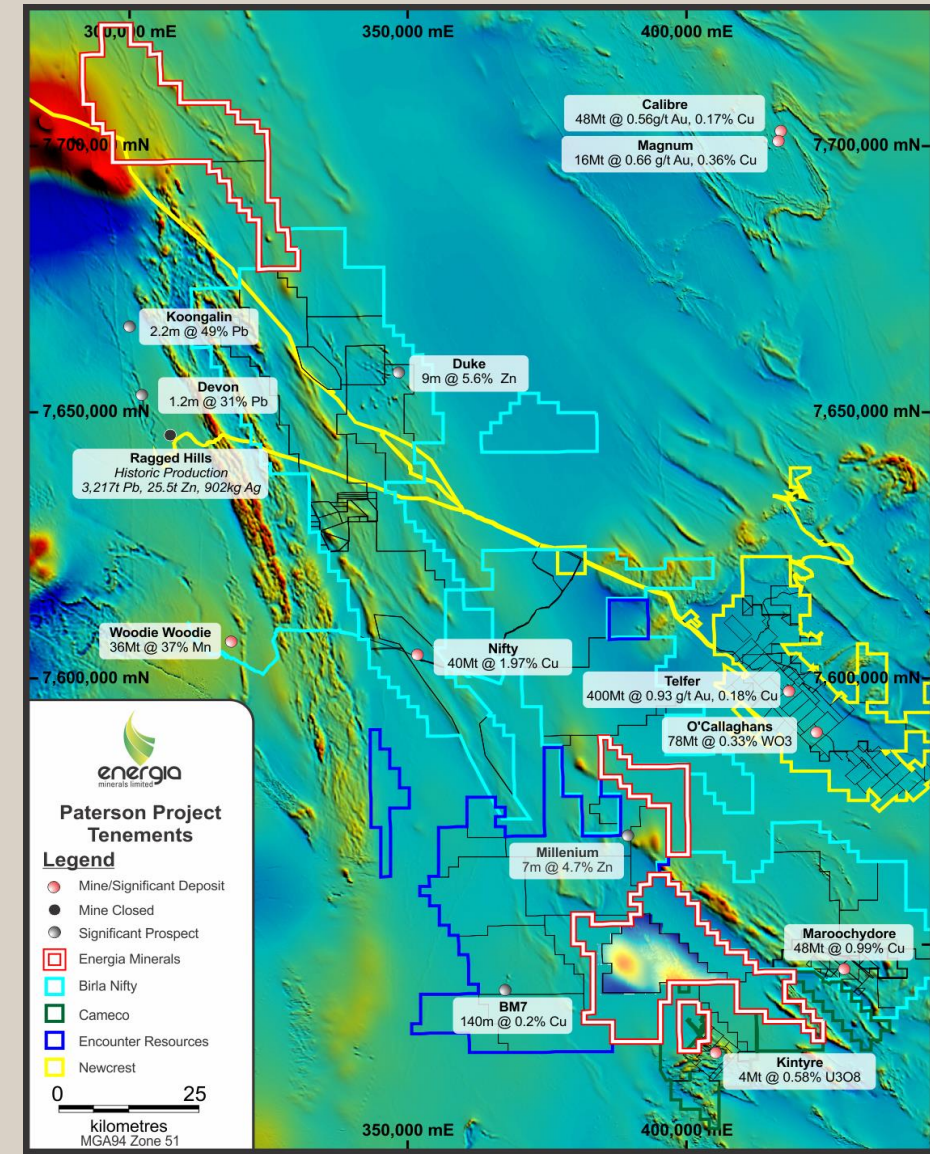
# Nyang Project

- Strategic tenement application E08/2735 located between Paladin Resources' Manyingee and Carley Bore ISR uranium deposits in the Carnarvon Basin uranium province in WA
- As a result of EMX's sale of Carley Bore to Paladin Energy, the economics of a combined Manyingee and Carley Bore project containing 41Mlb  $U_3O_8$  have improved significantly – potentially bringing forward production
- E08/2160 and E08/2161 are currently under plaint by EMX for serious under-expenditure:
  - An Expenditure Exemption applied for by Cauldron Energy has been refused by the Warden's Court
  - Cauldron have appealed the Warden's decision and the appeal is currently being considered by the Minister of Mines and Energy



# Paterson Project

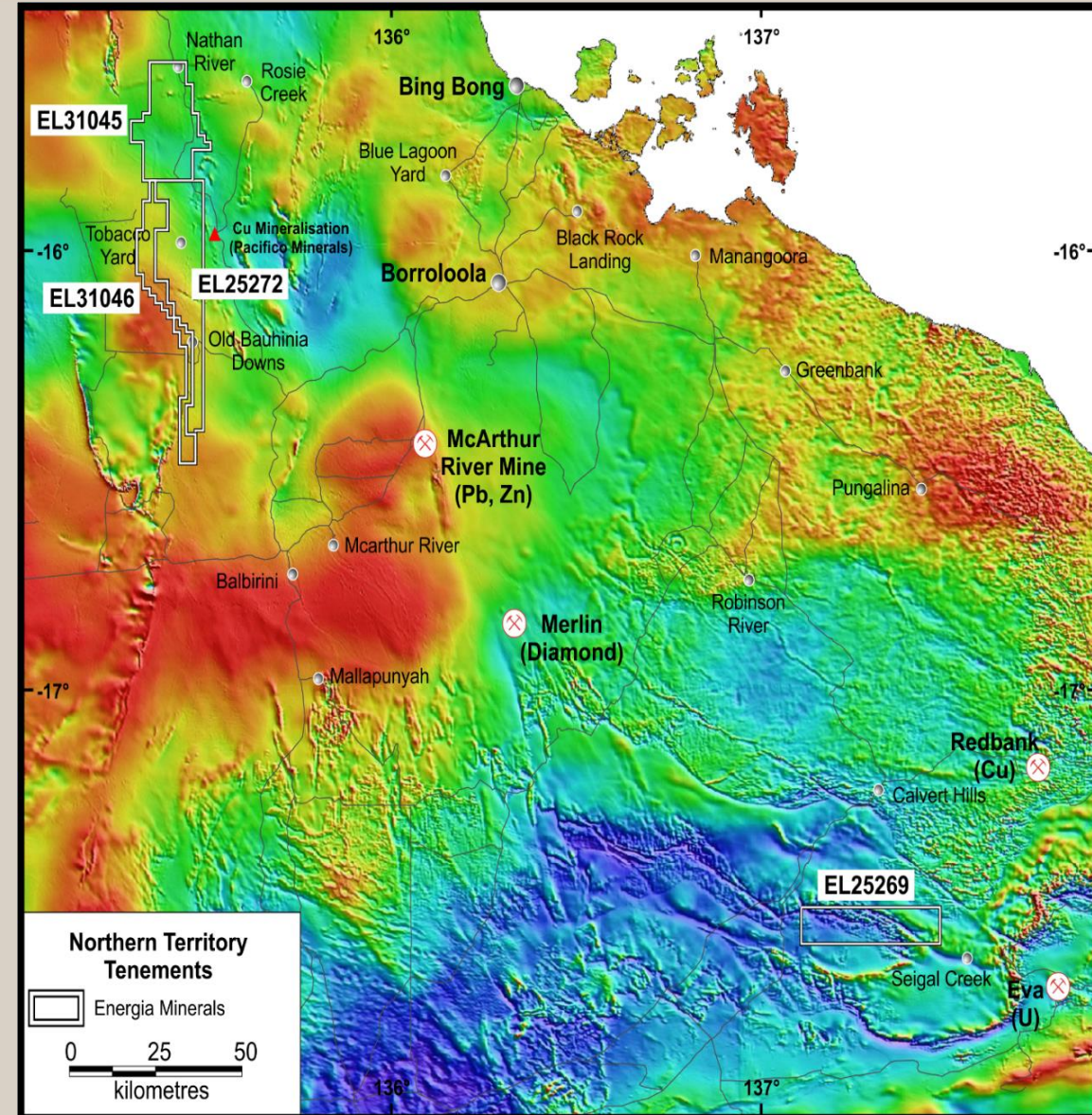
- Strategic initiative in the emerging Paterson Province in the Eastern Pilbara region of Western Australia
- One granted tenement and six applications totalling 1,422km<sup>2</sup> – prospective for base metals and uranium
- Area contains several world-class deposits – Telfer, Nifty and Kintyre
- Recent zinc discovery (70m @ 2.3% zinc) by Encounter Resources at Millennium





# McArthur Project

- Three tenement applications totalling 1,244km<sup>2</sup> covering the western margin of the McArthur Basin in the Northern Territory over a 100km strike length
- The Barney Creek Formation, which hosts Glencore's McArthur River Mine and Teck's Teena zinc deposit, dips to the west at shallow depth beneath EMX's tenements
- Area contains numerous small historical mines with grab samples up to 41% Cu, 668g/t Ag
- Historical intersections of 8.3m @ 2.66% Pb, 18g/t Ag and 6m @ 0.27% Pb from very limited drilling
- Pacifico Minerals' Coppermine Creek copper discovery (4m @ 4% Cu) is located 3km to the east of the tenements



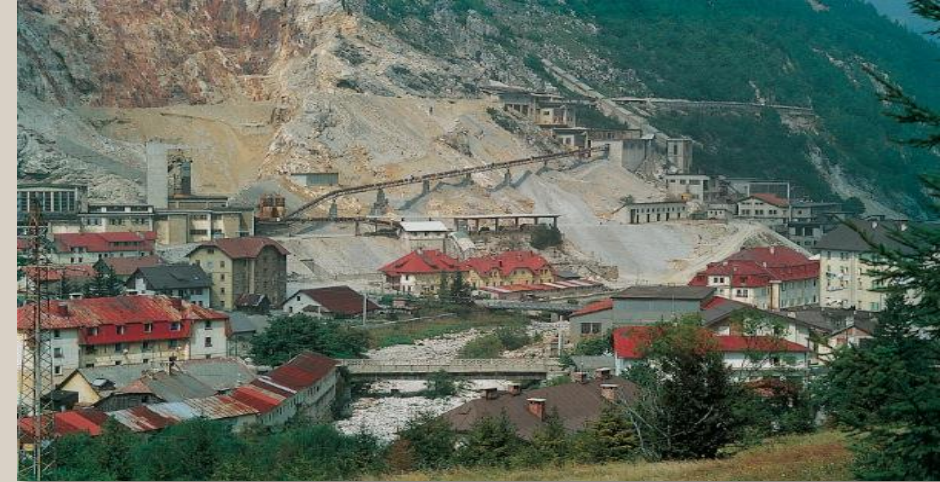


# Other Italian Projects



# Salafossa & Predil Zinc Deposits

- Applications over two historical zinc-lead mines in the far north-east of Italy, ~400km by road from Gorno Zinc Project
- Predil (see top photo) is estimated to have produced 30Mt of ore grading 5.0% zinc and 1.2% lead (1.9Mt of contained Zn+Pb) and was producing approximately 50,000tpa of zinc and lead concentrates at the time of its closure:
  - Concentrates were transported to Gorno and treated through the Ponte Nossia Refinery which still operates today
  - Deposit remains open at depth
- Salafossa (see bottom photo) is located north of the town of San Pietro di Cadore and within 7km of the Austrian border and produced 10.95Mt of sulphide ore grading 5.0% zinc and 1.0% lead at an average production rate of approximately 500,000tpa over 22 years:
  - Production was from a single flat-lying deposit with dimensions of 750m by 200m and up to 30m wide which facilitated mining by low cost, large scale open stoping





# Val Vedello Uranium Deposit

- Largest uranium deposit in Italy – under application
- Developed but not mined on four levels by ENI subsidiary AGIP Nucleare between 1970 and 1983
- 11,000m of underground development and 60,000m of underground diamond drilling completed
- Exploration Target of 15-30Mlb  $U_3O_8$  grading between 1,000 and 2,000ppm  $U_3O_8$

This Exploration Target is conceptual in nature. and yet to be fully drill tested. There has been insufficient exploration to define a mineral resource estimate which could be reported in accordance with JORC 2012 code and it is uncertain if future exploration will result in the determination of a mineral resource within the project. The Exploration Target is based on historical drilling intercepts, unverified old resource estimates and recent underground investigations. Historical AGIP records quote grades of between 949 and 1,496ppm  $U_3O_8$  from 4 levels of underground development over a vertical extent of 190m and 60,000m of underground diamond drilling. This Exploration Licence is in the application stage and as such cannot be physically tested until granted, the timeframe for grant is not certain. Energia plans to continue to interpret and compile historical data.





# Summary and Investment Highlights

## Experienced management team:

- Alexander Burns – led Sphere from A\$1M junior to \$514M takeover by Xstrata in 2010
- Kim Robinson – 45 years mining and exploration experience, developed many mines
- Graeme Collins – extensive experience in mine development and operations

## Low-risk mining locations:

- Italy – supportive local and federal government, historical mining site in an industrialised area, well-understood mining policies

## Zinc and uranium pricing upside:

- Zinc – supply crunch looming with several large mines reaching exhaustion

## Well-funded 2016 work program:

- A\$4.3M in cash at 30 September 2015 and A\$7.7M in listed securities
- Significant news flow from ongoing exploration and resource drilling at Gorno
- Initial JORC Resource and Scoping Study due March 2016





# Appendix - Community Support for Gorno Project





# Developing a high-grade zinc project in Italy

Alexander Burns, Executive Chairman – 2 December 2015

