



PROPOSED KOOKABURRA GULLY GRAPHITE MINE SA's EYRE PENINSULA

*SA Exploration and
Mining Conference*

*Dr A. John Parker
5 DECEMBER 2014*

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.

Previously Published Reports

Information extracted from previously published reports identified in this presentation is available to view on the Company's website www.lincolnminerals.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.



Key Messages:

Major mineral acreage holder

on South Australia's Eyre Peninsula, with resources that include:

world-class flake graphite JORC Mineral Resource

substantial magnetite and hematite resources and further exploration opportunities for copper-lead-zinc, nickel, manganese and other metals

Now shifting focus from exploration to production

Mineral Claims pegged and draft Mining Lease Proposal completed for mining of graphite at Kookaburra Gully 35 km north of Port Lincoln

**Low capital investment and estimated operating costs for the
Kookaburra Gully Graphite Project
provide a strong platform for growth**

**Foundation shareholder
new Qingdao International Graphite Exchange**



Presentation outline

- 1. Company Snapshot and Corporate Overview**
2. Graphite and Lincoln Minerals' Graphite Projects
3. Kookaburra Gully High Grade Flake Graphite Resource
4. Gum Flat Iron Ore Project
5. Other Projects



Company Snapshot



ASX- listed	<ul style="list-style-type: none"> • Ticker code: LML • 268 million shares on issue
Project delivery in minerals rich Eyre Peninsula	<ul style="list-style-type: none"> • 4,063 km² exploration licenses • Proven track record of exploration success • Graphite, iron ore and other minerals including copper, lead, zinc, silver, nickel-cobalt, manganese, uranium
Substantial graphite and iron ore resources	<ul style="list-style-type: none"> • World-class flake graphite JORC Mineral Resource 2.2Mt at 15.1% TGC with significant exploration targets • Iron Ore Mineral Resources total 130 Mt of magnetite and hematite with large exploration targets
Shifting focus to production	<ul style="list-style-type: none"> • Graphite: targeting >25,000 tpa commercial production and sales of high purity (>93% TGC) concentrate from 2015 • Iron ore: targeting >250,000 tpa commercial production and sales of DSO subject to market conditions
Stable share register	<ul style="list-style-type: none"> • Long-term cornerstone shareholders hold >50% issued share capital

Corporate Overview



Strong shareholder support

- Two successful and FULLY UNDERWRITTEN capital raisings during the 2013-14 FY raised around \$4.8 million

Ongoing government support

- Lincoln Minerals welcomes the SA Government's continued support for exploration and development to increase the value of the State's mineral and energy resources production to \$10 billion per annum (by 2017)

Established international credentials

Qingdao International Graphite Exchange

- A very significant market opportunity for Lincoln Minerals
- Foundation shareholder in a graphite and graphene trading platform
- Based in Qingdao, China, one of the world's most active graphite trading ports



Lincoln Minerals' Chairman, Mr Jin Yubo (3rd from right) at signing of the agreement in Ningbo, China

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Graphite Fundamentals

STRONG FOUNDATION FOR THE FUTURE

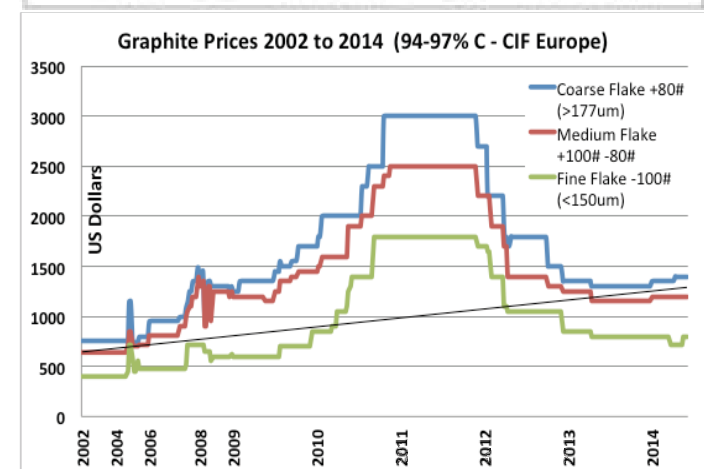
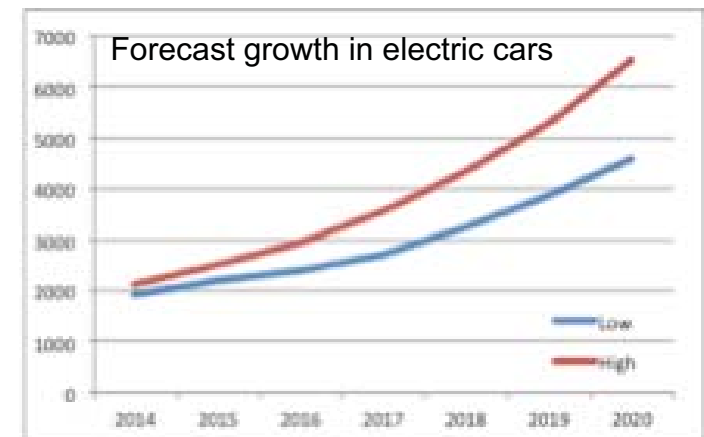
Rising demand drivers

US\$13 billion global market.....and growing



- Widespread uses: pencils, dry lubricants, steelmaking, pebble-bed nuclear reactors and, in particular, as the **anodes in lithium-ion** and other batteries – growing market – mobile phones, computers, electric cars etc
- Demand from batteries and high-tech applications including graphene is projected to more than **double the demand for graphite** from 1.2 million tonnes per annum to about 2.6 million tonnes per annum by 2020
- That demand growth would require several new mines
- **Graphene** – graphene produced from Lincoln's Eyre Peninsula flake graphite

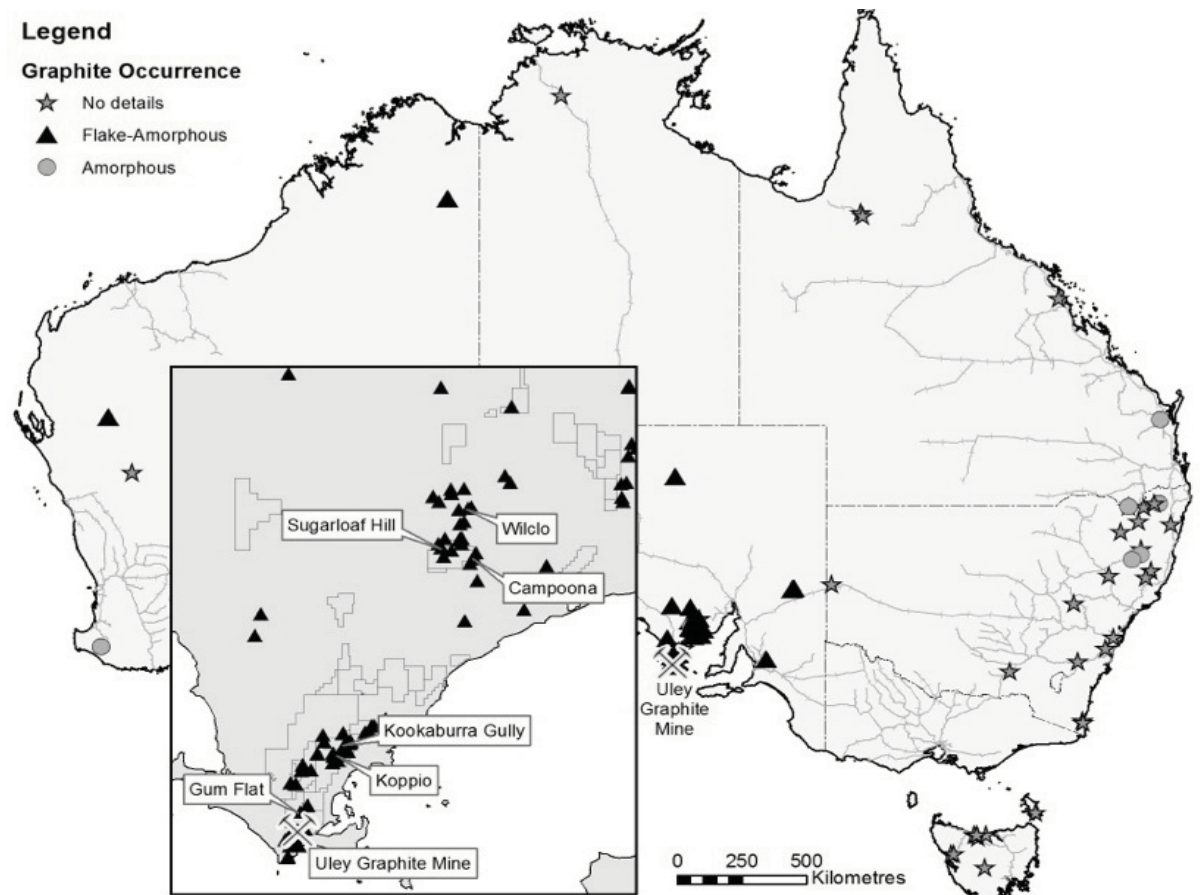
"....flake graphite prices have settled substantially higher than pre-recession levels in 2008-2009...."





Graphite

Extensive graphite resources occur on Eyre Peninsula in South Australia
Lincoln Minerals is at the forefront of graphite exploration and development on Eyre Peninsula





Lincoln's wholly-owned subsidiary, Australian Graphite Limited, has five SA graphite projects



Project	Current Status	2014 - 2015
KOOKABURRA GULLY	<ul style="list-style-type: none"> Indicated & Inferred JORC Mineral Resource 2.2 Mt @ 15.1% TGC Scoping studies completed Mineral Claims pegged Mining Lease Proposal prepared 	<ul style="list-style-type: none"> Detailed metallurgical studies Customer and market development Get approval to mine Develop & commission mine & process plant
KOPPIO GRAPHITE MINE (Immediate target)	<ul style="list-style-type: none"> Historic mine EM survey completed High grade mineralization up to 43% TGC over 500m strike length 	<ul style="list-style-type: none"> Drilling completed in 2014 JORC Resource 2015
KOOKABURRA GULLY EXTENDED (Immediate target)	<ul style="list-style-type: none"> EM survey completed 4.5km long EM anomaly Approval to drill received 	<ul style="list-style-type: none"> Drilling & JORC Resource 2015 Large exploration target
GUM FLAT-SLEAFORD (Long-term target)	<ul style="list-style-type: none"> Adjacent Uley Graphite Mine 	<ul style="list-style-type: none"> Exploration targeted 2015-16
CAMPOONA SYNCLINE (Long-term target)	<ul style="list-style-type: none"> EM survey completed Adjacent Archer Exploration's Campoona project 	<ul style="list-style-type: none"> Exploration targeted 2015-16

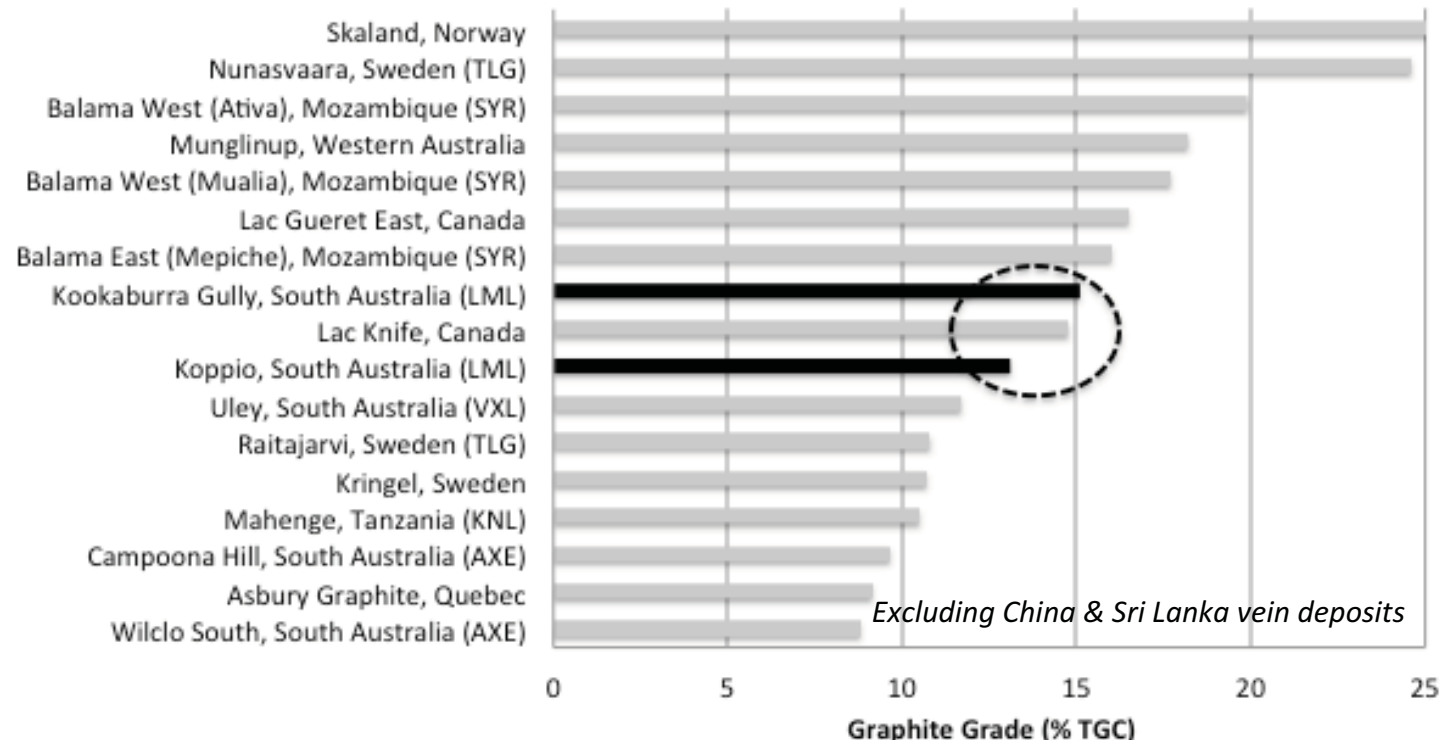


Kookaburra Gully

World-class Flake Graphite Resource

Kookaburra Gully JORC Mineral Resource:

- **2.2 Mt Indicated and Inferred at 15.1% TGC** (5% TGC cutoff)
- or 3.16 Mt Indicated and Inferred at 11.5% TGC (2% TGC cutoff)



“Kookaburra Gully is within the Top 10 global resources based on graphite grade and is capable of delivering near-term production at low cost.”



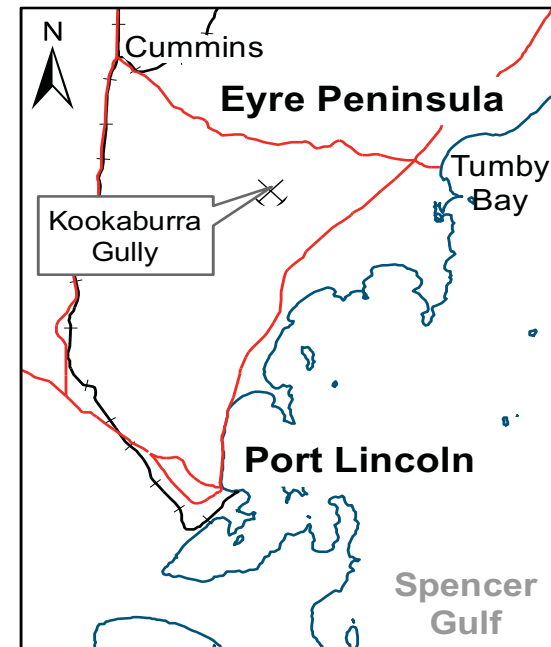
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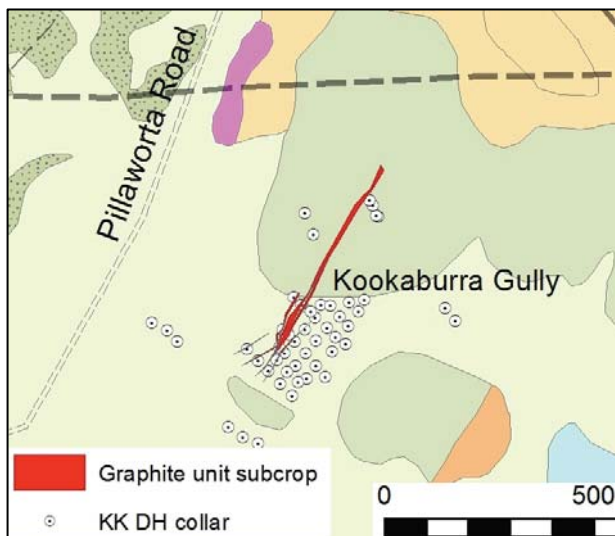




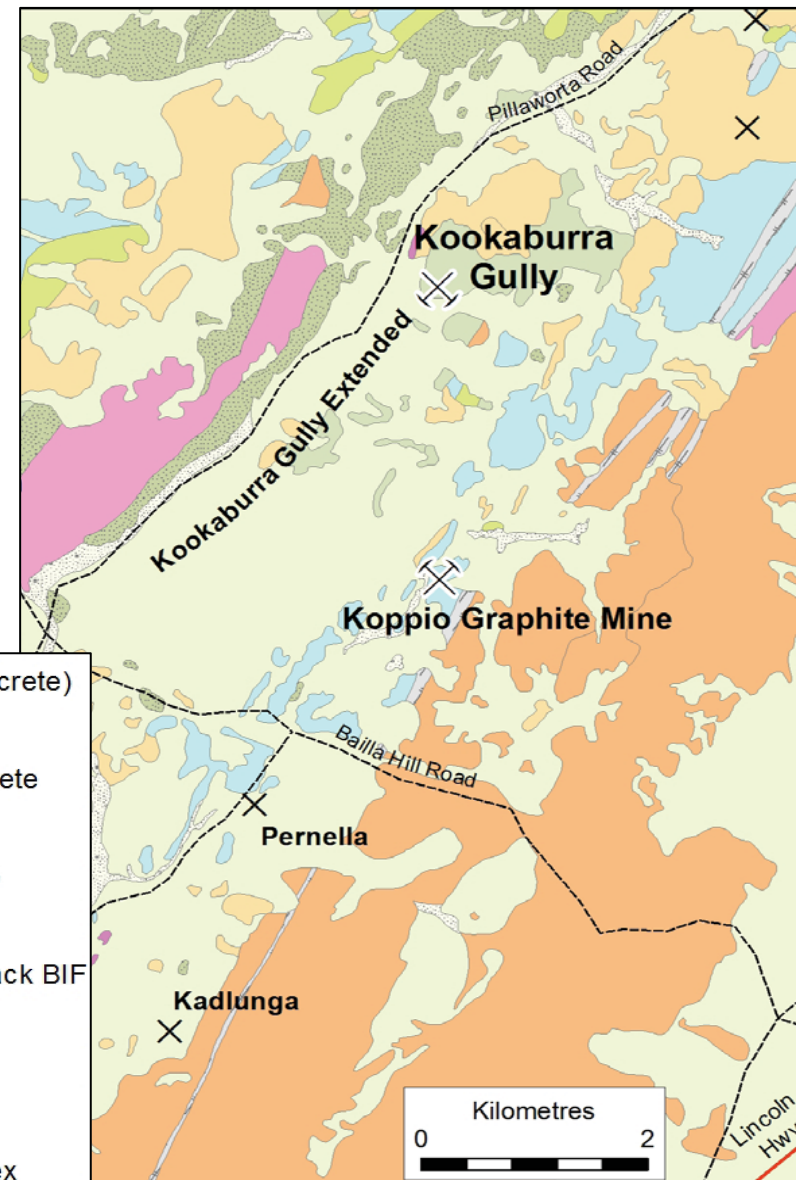
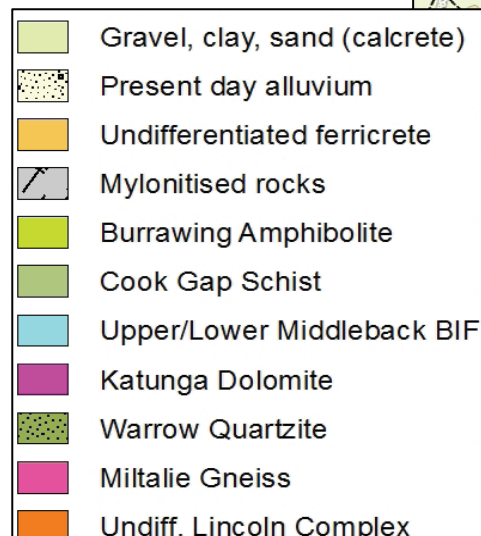
Kookaburra Gully Deposit



- Identified by Pancontinental Mining in 1980s and drilled in Jan. 2013 by LML
- Within high metamorphic grade Hutchison Group Palaeoproterozoic metasediments
- Graphite flake length 50-1500 micron
- Up to 40% total graphitic carbon (TGC)
- Mineralisation extends over a strike length of at least 500m but is at NE end of a 5 km long electromagnetic anomaly



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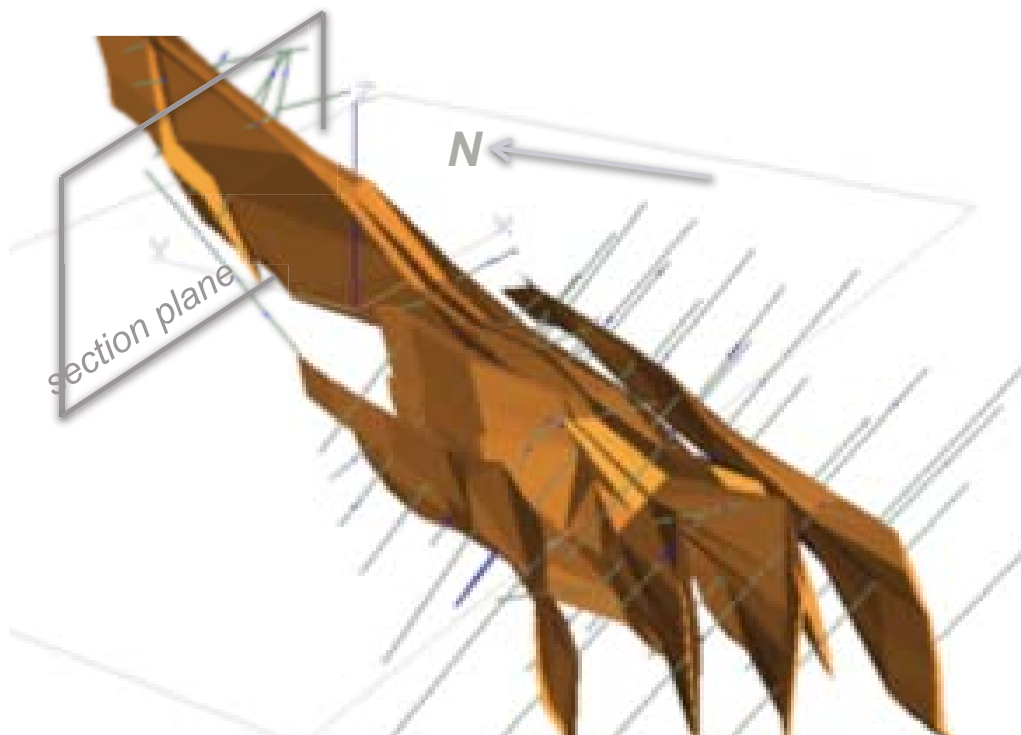
Emerging Graphite Producer



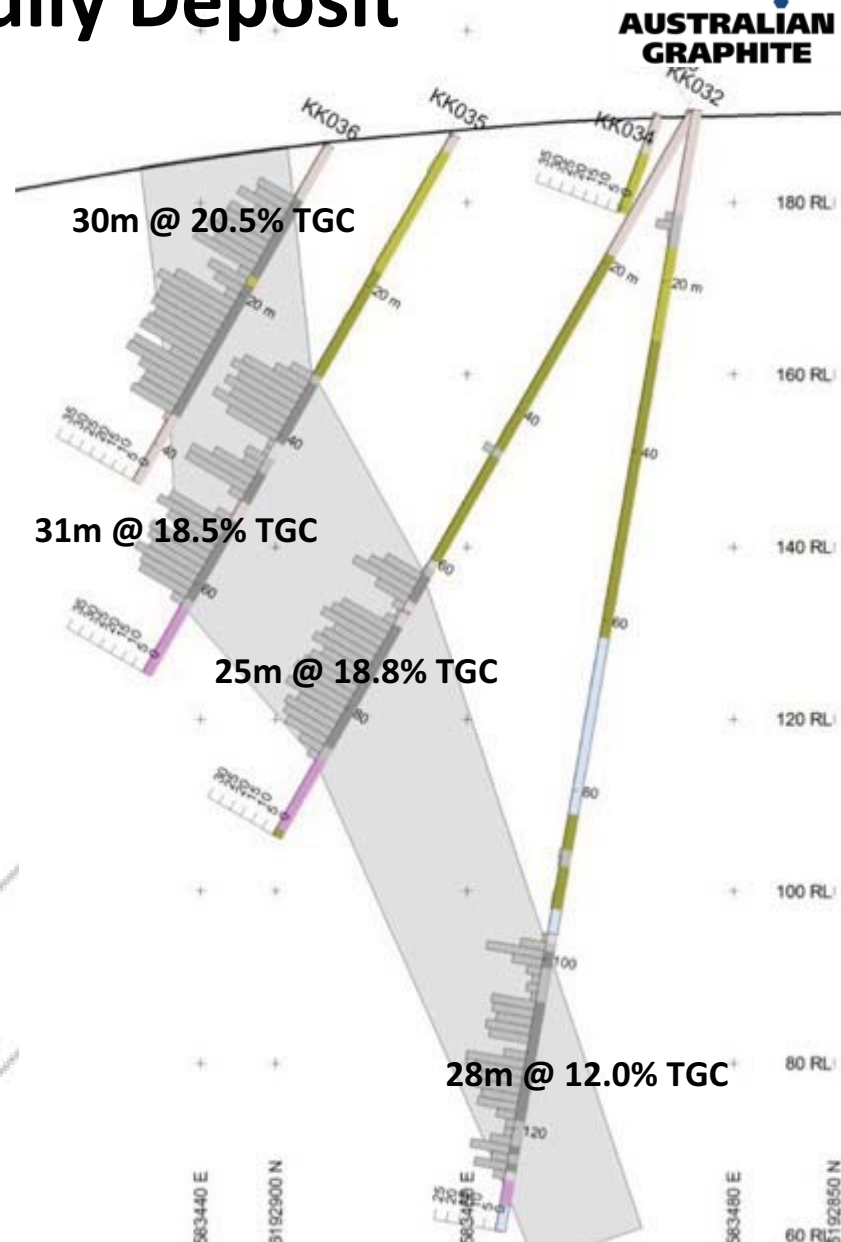
Kookaburra Gully Deposit



- Mineralisation extends from surface to at least 125m below ground level & over a strike length of at least 500m
- It is steeply dipping, about 15-20m thick and has been multiply folded to define a south-plunging antiform



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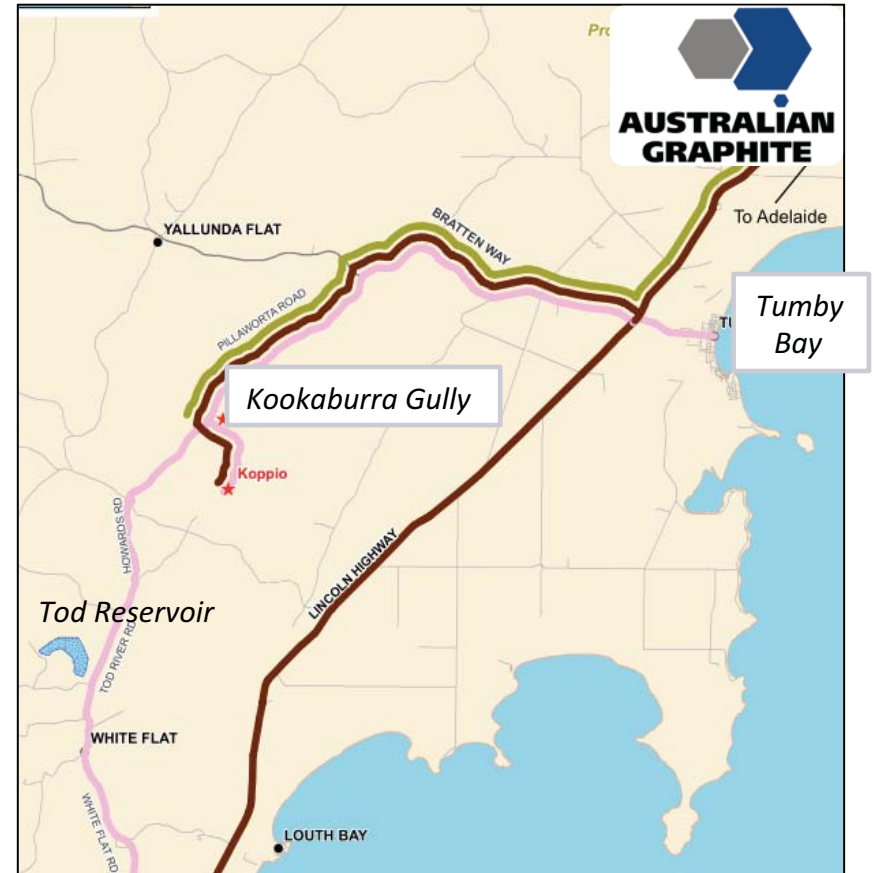


Emerging Graphite Producer



Kookaburra Gully Globally Competitive

- Small open pit & process plant (cf Uley Graphite Mine) = small environ footprint
- Process 250,000 tpa ore
- Produce up to 35,000 tpa of high grade (93-98% TGC) graphite concentrate
- **Realisable infrastructure solutions**
- Water – pipeline from Tod Reservoir (10 km) + mains water for final product cleaning
- Power – onsite generation and grid (2-4 MW)
- Transport to Port Lincoln (bulka bags) or in containers to Port Adelaide for shipping



Low capital investment less than \$50 million and competitive cash operating costs

Scenario	Graphite Price (A\$/t conc)	Life (yrs)	Production				Operating Cost (\$/t conc)
			Plant feed	Feed %TGC	Concentrate	Conc %TGC	
Low revenue	\$1,077	6.2	1.55 Mt	15.7	233 kt	94.0	\$630
High revenue	\$1,382	7.2	1.80 Mt	15.4	256 kt	97.0	\$704

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Emerging Graphite Producer



Kookaburra Gully Conceptual Mine Plan

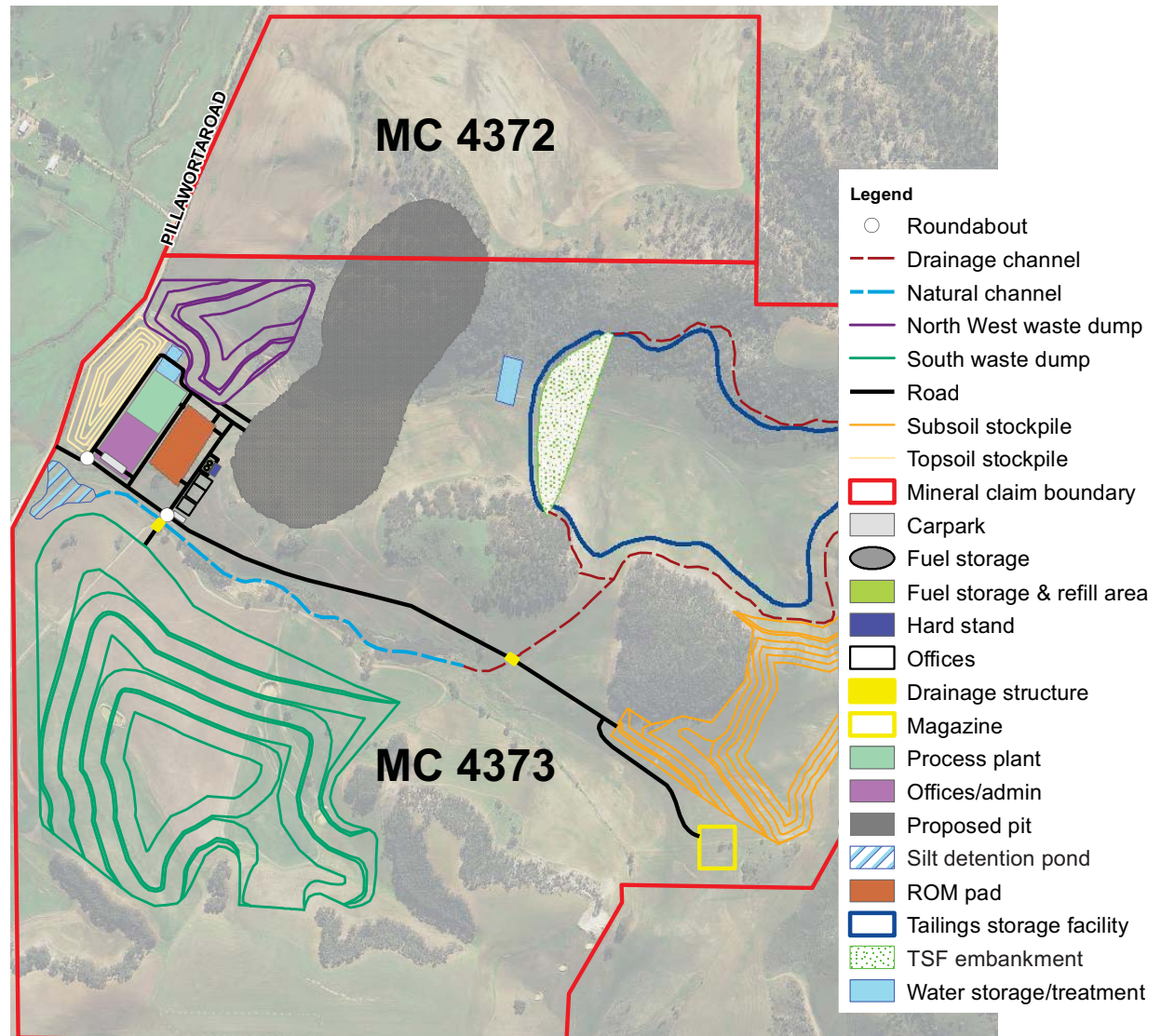


Main components

- Open pit mine
- Enclosed processing and storage sheds
- Pit & all infrastructure total about 110 hectares
- No major groundwater issues
- Mineral Claims pegged and registered
- **Mining Lease Proposal reviewed and now being finalised**



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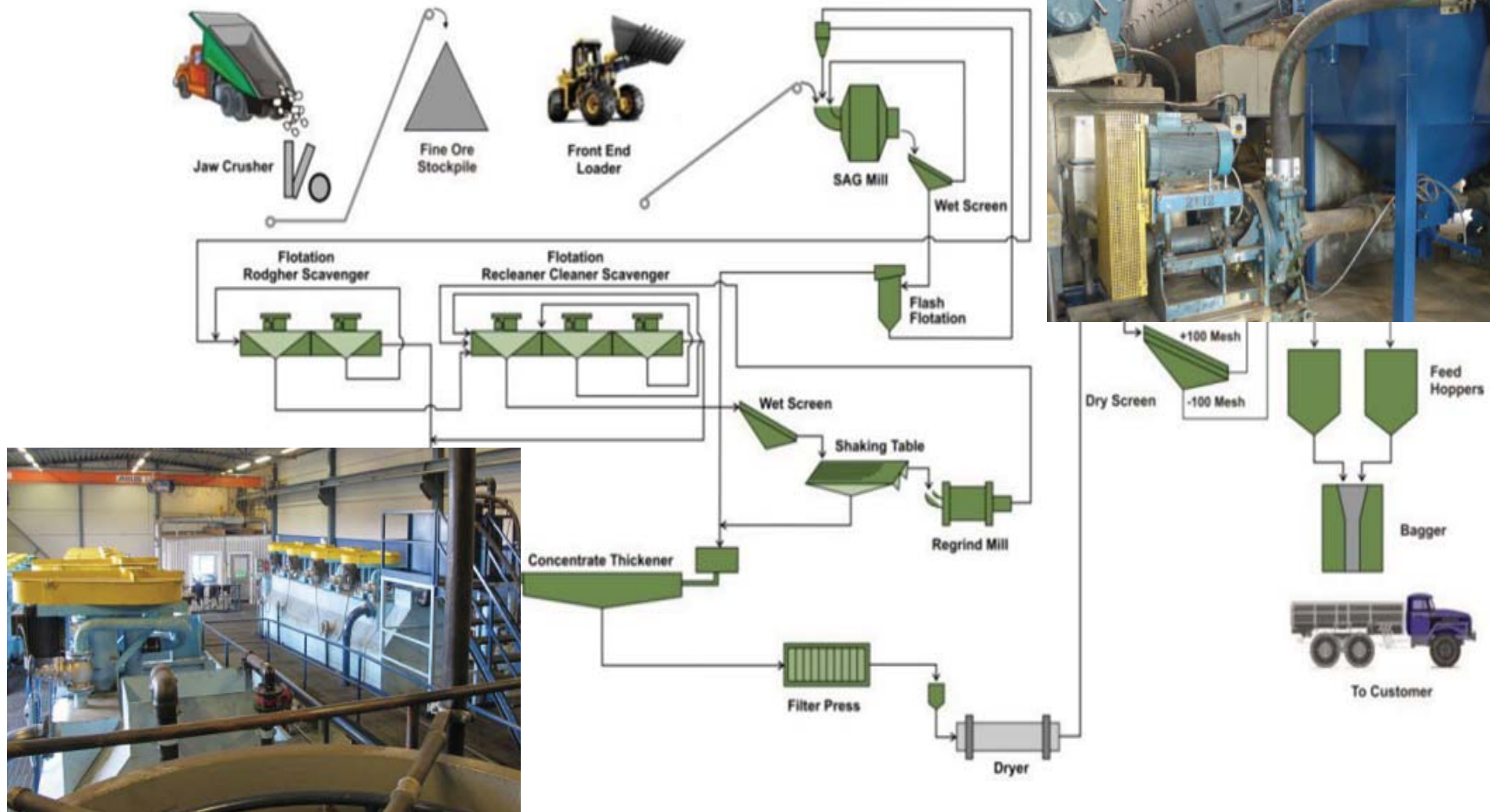


Emerging Graphite Producer



Kookaburra Gully

Simple 4-stage on-site processing plant



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Emerging Graphite Producer



Conceptual Mine Plan

Small Environmental Footprint



Product storage shed

Grinding, flotation & packing sheds

*Photos: Woxna
Graphite Mine
Sweden
Flinders Resources
Limited*

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Emerging Graphite Producer



Kookaburra Gully

Pilot processing plant options



Detailed metallurgical tests have shown that a high-grade coarse flake concentrate can be produced from the Kookaburra Gully deposit with:

- **Concentrate grades up to 98% TGC**
- **Up to 24% coarse flake** (larger than 150 micron)
- Acid leach tests have shown that these concentrates **can be easily upgraded to 99.9% C** if required

Pilot Processing Plant

- Would allow Australian Graphite to process run-of-mine material to test and optimise final process flow sheet
- Would produce bulk concentrates for global market and customer consideration

Options

- Laboratory scale – 3 tonne to 200 tonne sample
- Build & commission on-site pilot plant (ca. \$4 million)
- Third-party toll processing locally or overseas



Significant Upside – Growth Options

Southern Eyre Peninsula targets

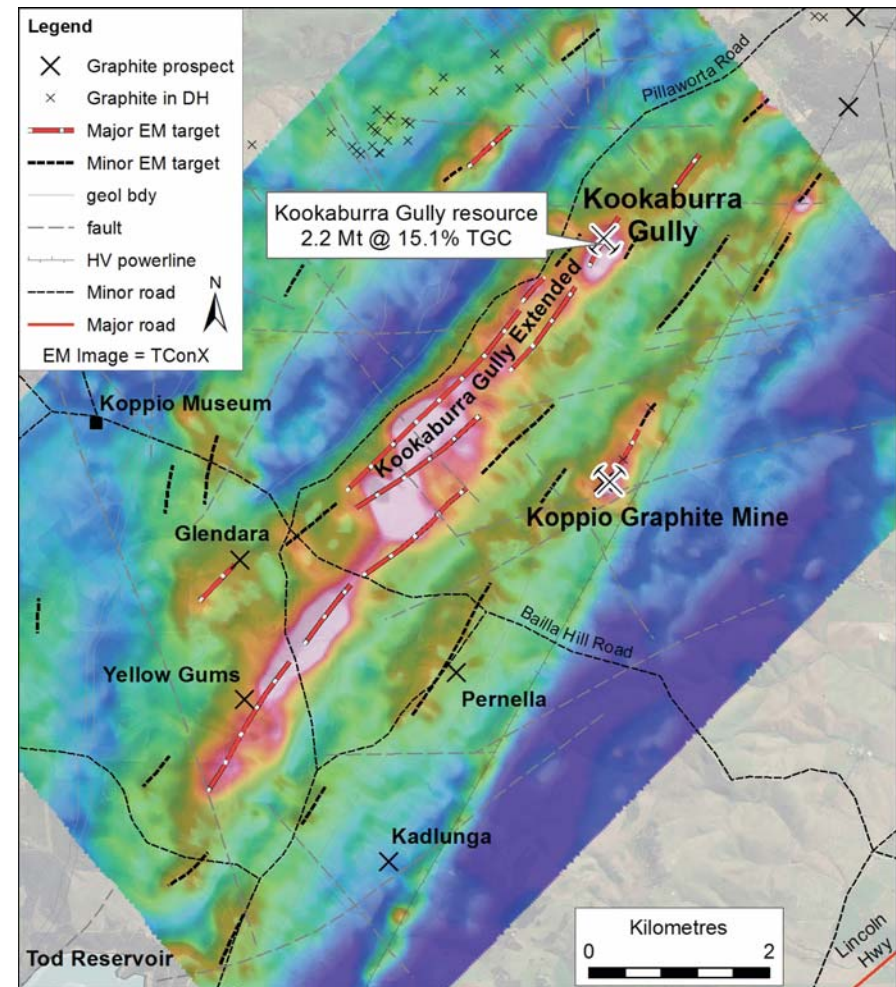
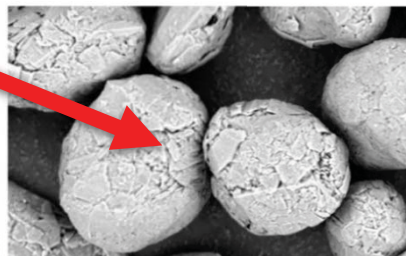
- **Koppio** – high grade deposit identified by drilling 2014
- **Kookaburra Gully Extended** – 4.5 kilometre long anomaly yet to be drilled
- **Gum Flat – Sleaford Mere** – adjacent to Uley Graphite Mine

Additional Potential

- **Process high grade flake graphite to produce high-value end products** – spherical graphite, expanded graphite and graphene



Bulk graphite concentrates



Spherical graphite

- high purity >99.95% C
- <20 microns



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Gum Flat Iron Ore Barns Deposit Groundwater License Granted

Mining Lease

- Groundwater license granted September 2014 (more than 3 years after initial license application)
- Mining Lease Proposal prepared but not yet lodged
- **2015** – revise & lodge Mining Lease Application

Location

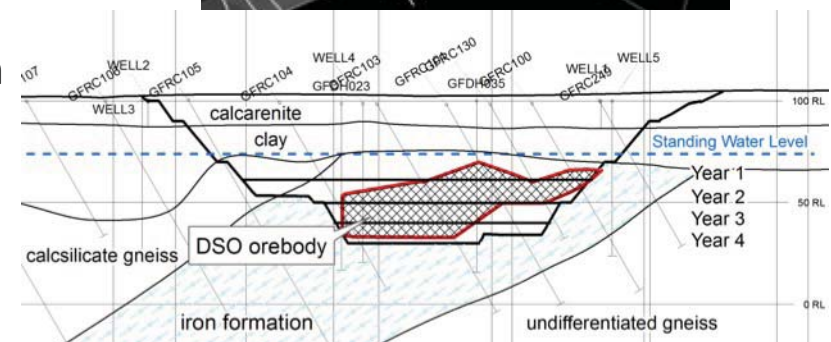
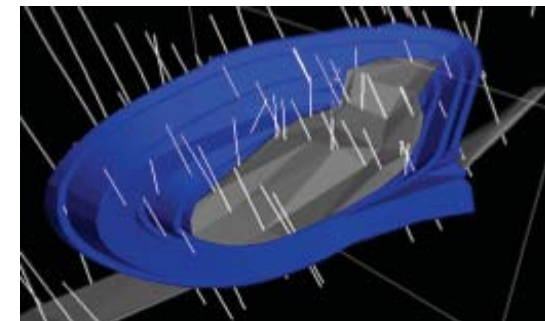
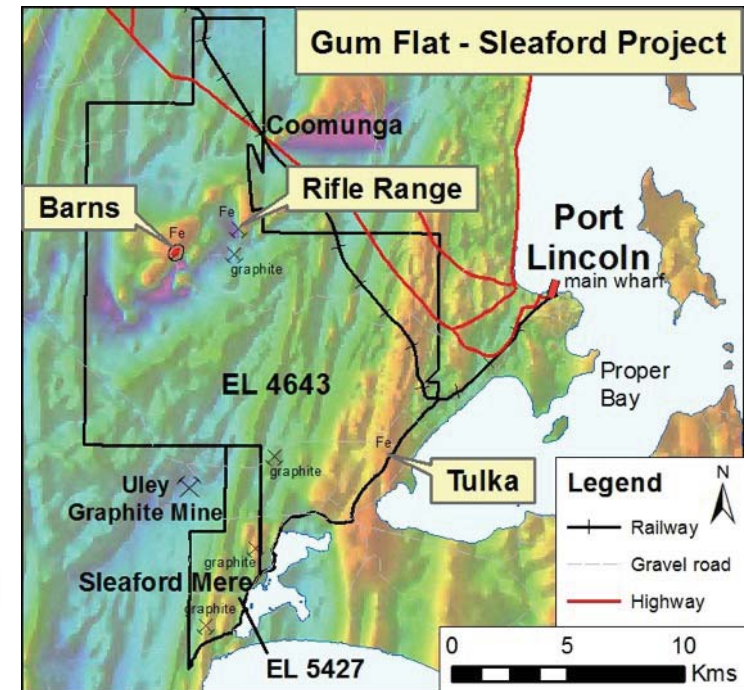
- 20km from Port Lincoln

Development Plan

- Mine and export up to 250,000 tonnes per annum hematite-goethite DSO & upgraded fines
- 4-5 year mine life
- Staged groundwater extraction consistent with Southern Basins' Water Allocation Plan
- *Potential to extend mine life subject to iron ore prices & feasibility study*

DSO = Direct Shipping Ore

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Emerging Graphite Producer

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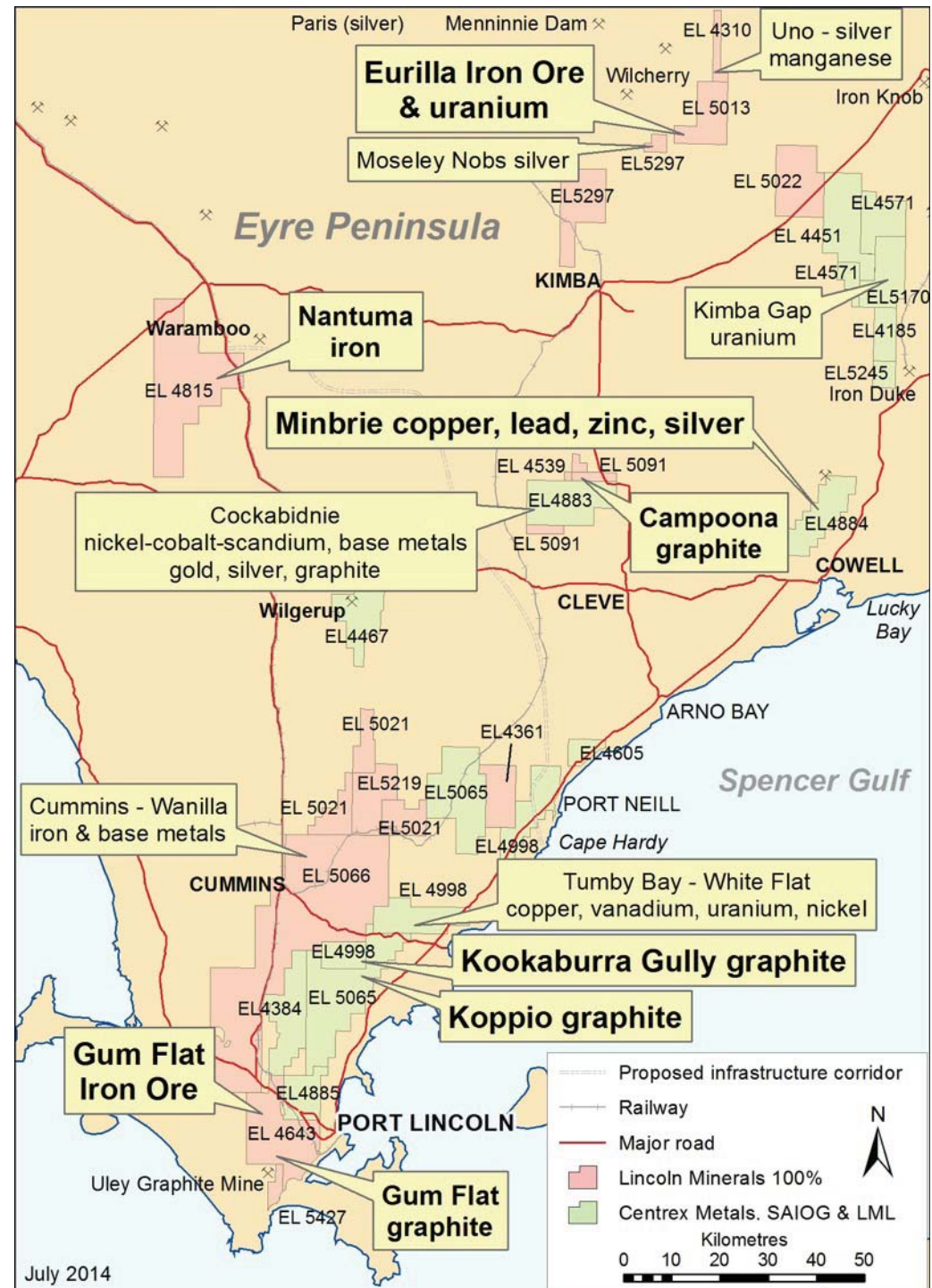


Other Projects

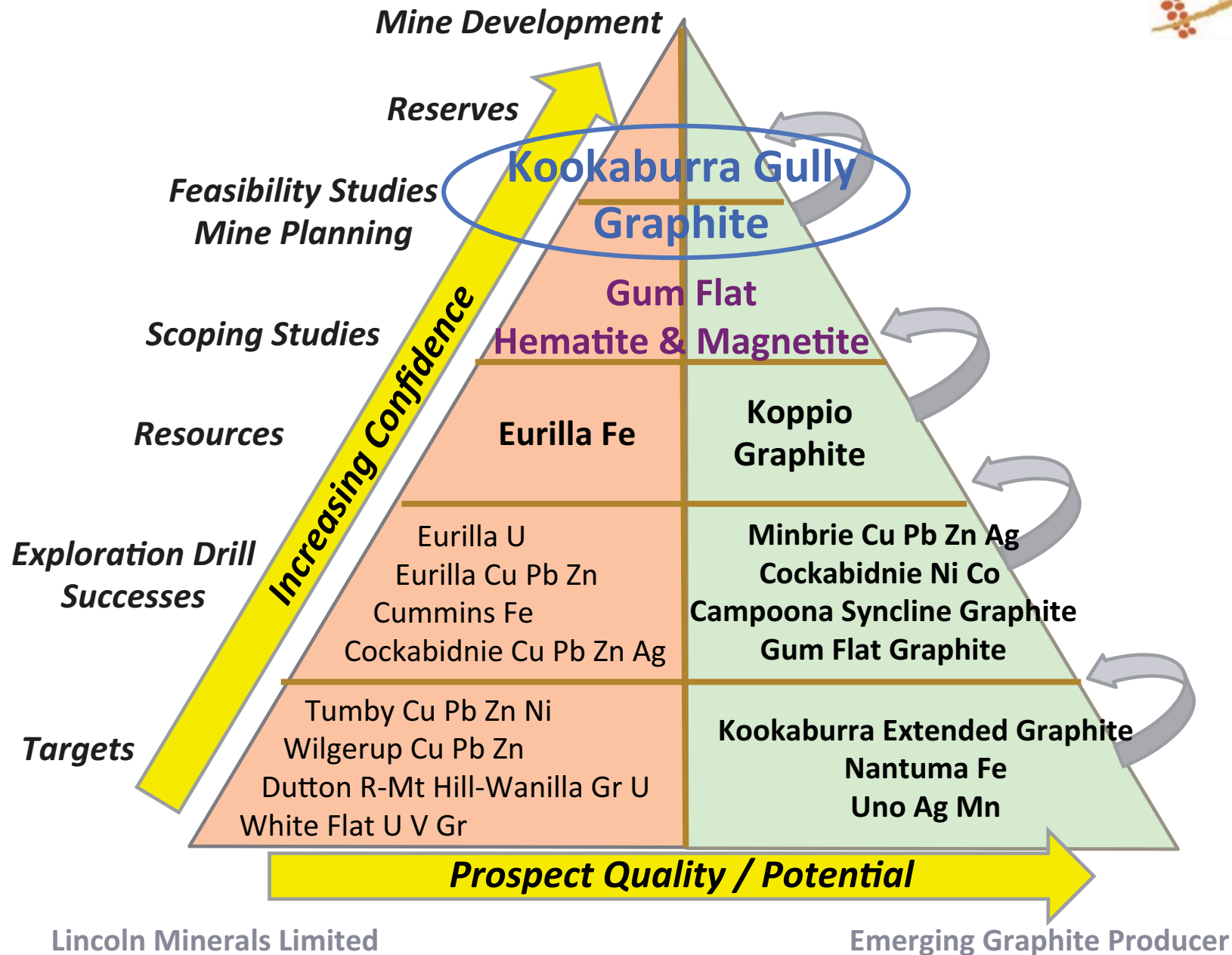
- Dominant position on Eyre Peninsula
 - tenements total 4,063 km²
 - proven world class iron ore & flake graphite province
 - Proven copper-lead-zinc, uranium, nickel-cobalt, manganese and silver potential
 - close to infrastructure
- Eyre Peninsula has a long history of iron ore and graphite production
- Proposed infrastructure corridor to Cape Hardy opens up central Eyre Peninsula for Lincoln Minerals, particularly Nantuma

Subject to Government approvals, finance and economic market conditions

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Other Projects

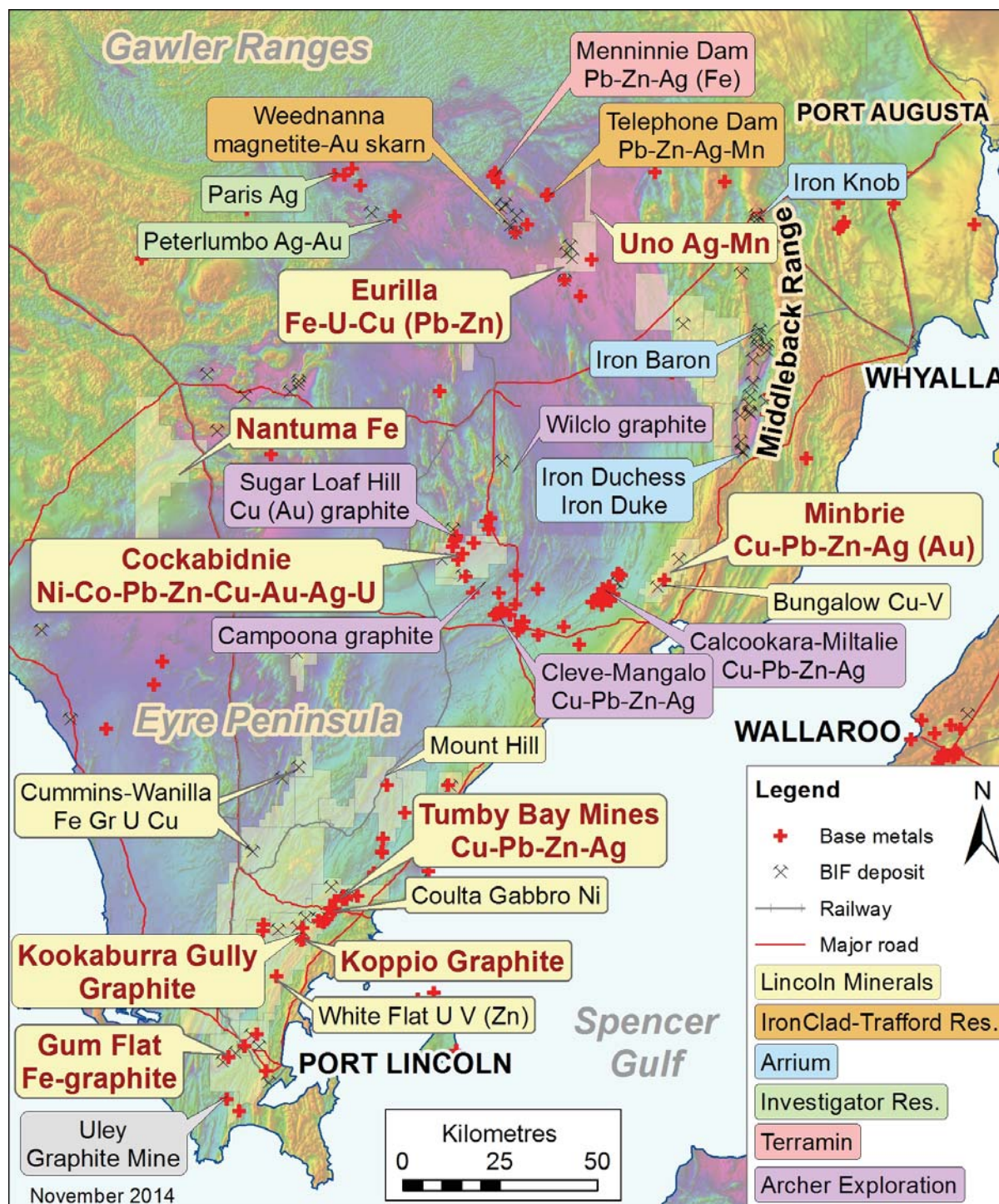


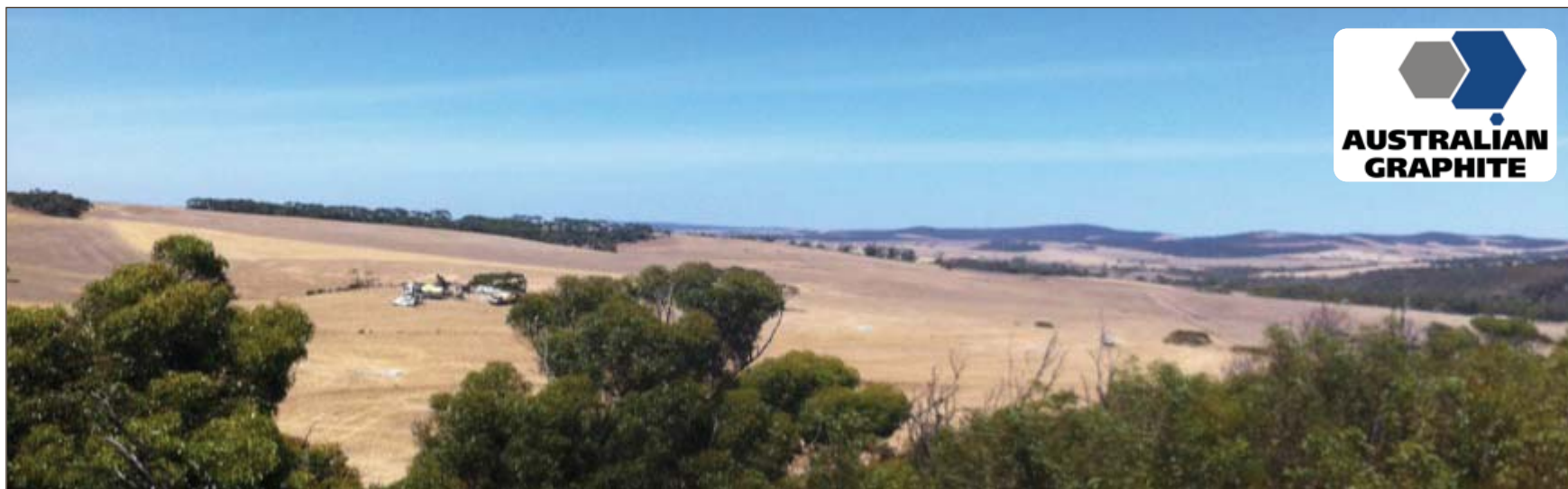


Base metal potential on Eyre Peninsula

- Historical mining on Eyre Peninsula for copper, lead and silver goes back to the mid-late 1800s
 - Tumby Bay region
 - Minbrie-Cleve-Cockabidnie region
- Significant new discoveries include Menninnie Dam (lead-zinc), Paris (silver) and Minbrie (copper-lead-zinc)
- Proven copper-lead-zinc, uranium, nickel-cobalt, vanadium, manganese and silver potential

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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

Lincoln Minerals, 2012. New Gum Flat Iron Ore Resource. *Lincoln Minerals Limited, ASX Announcement* 7 June 2012.

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