



Winmar Resources Ltd

Investor Presentation – August 2016

ASX: WFE

Lomero gold-silver-copper-zinc project Iberian Pyrite Belt, Spain



Photo taken in 1998



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Lomero - Investment highlights

- **First-world jurisdiction; infrastructure; pro-mining; pro-investment; incentives**
- **Historic production to 1984: 2.6 million tonnes at 5 g/t gold, 1.2% copper**
- **Highest gold grade of all mineral deposits** within the world-class Iberian Pyrite Belt
- **Recent resource estimates: Refer to WFE ASX announcement 17 August 2016**
- Mineralisation is **open along strike and to depth** and **may be expanded further**
- Metallurgical test-work in 2003 achieved gold recoveries of over 80%
- **Located 8km west of Trafigura's Aguas Teñidas copper mine and treatment plant**
- Located 4.5km west of **rail line** used to deliver concentrates to Atlantic Copper smelter
- Located 2.6km east of **San Telmo copper-zinc mine – a possible dual re-development**
- **Next steps:** Drilling designed to enlarge the resource, metallurgical studies, scoping study

Capital structure

Snapshot at 24 August 2016

Capital structure

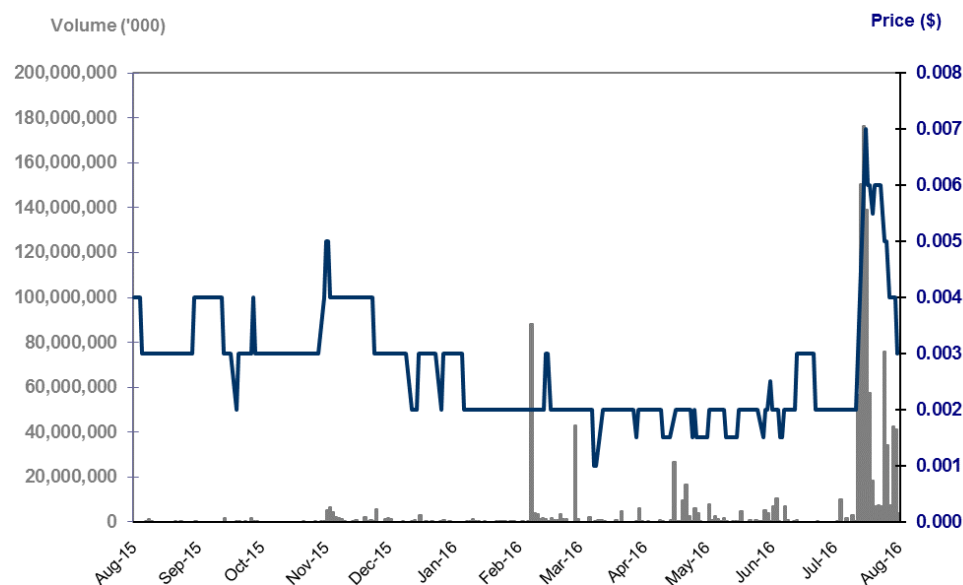
Market cap (at \$0.003)	\$2.47M
Ordinary shares	823.8M
Unlisted options	20.0M
Cash & receivables	\$623K
Enterprise value	\$1.85M

Shareholder breakdown

American Autopowerful Group	5.58%
Barry & Henrietta Jenkins	5.09%
Pethol Pty Ltd	4.25%
COMSEC Nominees	2.71%
Fangda Iron and Steel	2.61%
DJ Carmichael Asset Management	2.57%

Top 20 Shareholders **47.89%**

Price/volume - 52 week





Board and management

Mr Rod Sainty | Managing Director

Rod Sainty brings 30 years of mineral exploration and mine geology experience for gold and base metals (copper, lead and zinc) gained within several of Australia's most productive mineral provinces. For much of his career, he has been based at operating mines in the Northern Territory, Tasmania, Queensland and Western Australia, owned by mid-tier miners Electrolytic Zinc, Pancontinental Mining and Plutonic Resources and the junior miners Australian Development and Jabiru Metals. A major focus of his experience has been drilling near and peripheral to ore deposits, particularly high-grade volcanogenic massive sulphide (VMS) ore deposits.

Rod has played key roles in the discovery of three ore deposits: the Baseline gold deposit near Kalgoorlie, the West 45 copper-zinc VMS deposit near Charters Towers in north Queensland and the Bentley copper-zinc VMS deposit at Teutonic Bore, WA. All three discoveries became profitable mines, and the Bentley copper-zinc deposit is still being enlarged by IGO at this time.

Mr Luke Humphreys | Executive Director

Luke Humphreys has over 15 years' management experience in various industries, including General Manager roles with junior mining explorers such as Goodrich Resources Ltd, Zodiac Resources Pty Ltd and Metal Bank Ltd. He holds a Bachelor Degree in Built Environment and Diplomas in Business Administration and in Project Management.

Mr Alex Alexander | Non-Executive Chairman

Alex Alexander is Founder and Managing Director of Summit Capital Limited, a boutique private equity firm. Prior to Summit, Mr Alexander was a stockbroker with Deutsche Bank Stockbroking and ABN AMRO Bank Stockbroking. Since founding Summit in 2005, Mr Alexander has driven a number of capital raisings and corporate transactions in resources and real estate sectors, as well as built a highly successful business between Australia and China. Mr Alexander is a Executive Chairman of Kimberley Diamonds Limited (ASX:KDL) and Non-Executive Director of Freshtel Holdings Limited (ASX:FRE). Mr Alexander completed a Double Masters Degree in Engineering/Economics and holds a Graduate Diploma in Accounting and a Graduate Diploma in Applied Finance and Investments.

Mr Noel Halgreen | Non-Executive Director

Noel Halgreen is a qualified Mining Engineer with degrees in Engineering and an MBA, and has more than 30 years experience in all facets of mining. He is an immensely qualified and highly experienced professional who has spent most of his career as a senior global operations and corporate development executive with an emphasis on South America, Indonesia and Africa. He has held senior positions with a host of major international mining groups, with a specific focus in the bulk commodity sector. Mr Halgreen is currently Managing Director of Kimberley Diamonds Ltd, a Non-Executive Director of International Coal Limited and was previously Non-Executive Chairman of Bligh Resources Limited.



Mining investment in Spain

Spain: A highly internationalised economy

- World's 13th-largest economy; 5th-largest economy in the EU. **GDP of USD1.4 trillion (IMF, 2015)**
- 9th-most open country to Foreign Investment according to OECD's FDI Restrictiveness Index (WTO, 2015)

Member of EU: access to >500 M consumers, single currency, free movement of goods, services, capital

Spain has a favourable fiscal system for foreign investors and R+D activities:

- **The 2nd most favourable fiscal incentives for R&D among OECD countries.**
- **A favourable tax rate on corporate income (28% for tax year 2015, and to 25% in 2016).**

Human Capital:

- **Labour costs in Spain (€20.9/hr) are below the EU-28 average (€24.3/hr) (2013 Eurostat *earn_nt_net*)**
- **Spanish Labour Productivity is better than EU-28 Labour Productivity**

Mining and Mineral processing industry:

- **Contributes 0.8 % of Spain's GDP (2012), employs 35,000 FTEs, and utilises well-developed infrastructure**
- **Accesses the most mineralized zone in the EU including the VMS deposits of the Iberian Pyrite Belt**
- **Benefits from a transparent legislative framework for the extraction of natural resources**



Mining investment in Spain

Mining investment in Spain is focused on Andalucia, in the south :



Barruecopardo

AIM:ORM

GBP £10.4m market cap



Aguas Teñidas

USD \$97.2b group revenue
in 2015



Rio Tinto

AIM: ATYM TSX:AYM

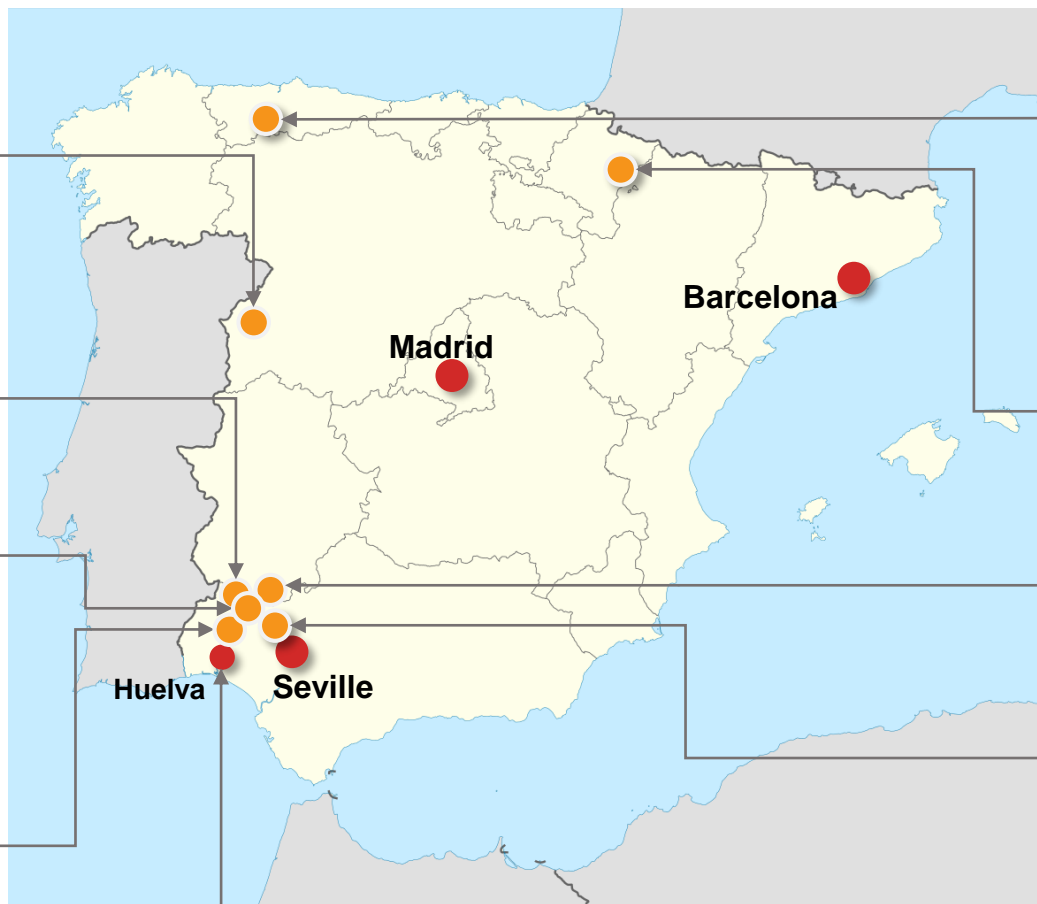
GBP £101m market cap

GLENCORE
INTERNATIONAL plc

Masa Valverde

LSE:GLEN HKE:0805 JSE:GLN

GBP £27.3b market cap



Freeport-McMoRan

NYSE:FCX

USD \$15.9b market cap



El Valle

TSX:ORV

CAD \$47m market cap



ASX:HFR

AUD \$0.5b market cap

lundin mining

Agua Blanca

TSX:LUN

CAD \$3.9b market cap



FIRST QUANTUM
MINERALS LTD.

Cobre las Cruces

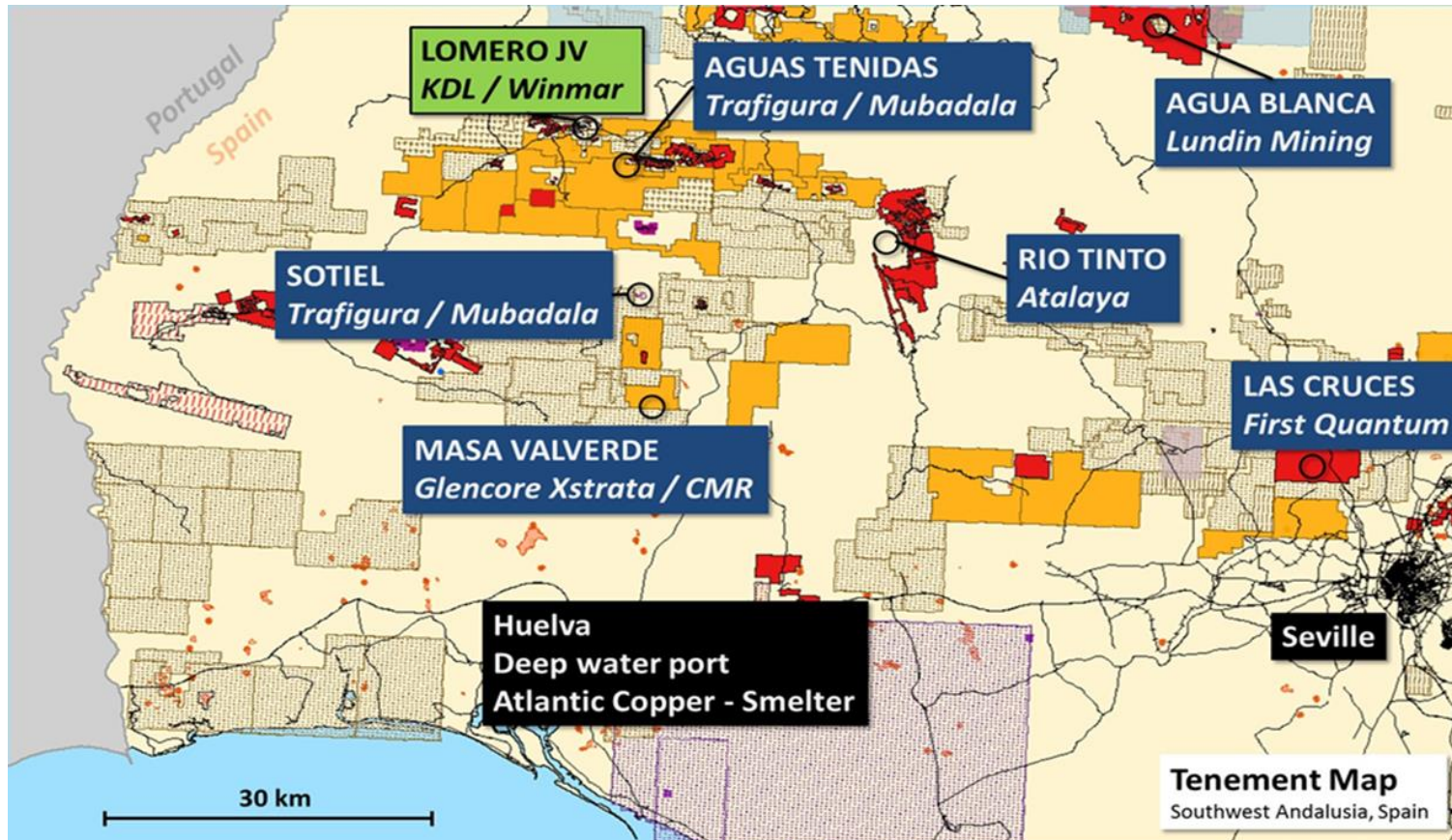
TSX:FM

CAD \$8.2b market cap



Mining investment in the Iberian Pyrite Belt

Lomero is located in the northern part of the IPB, known for higher grades

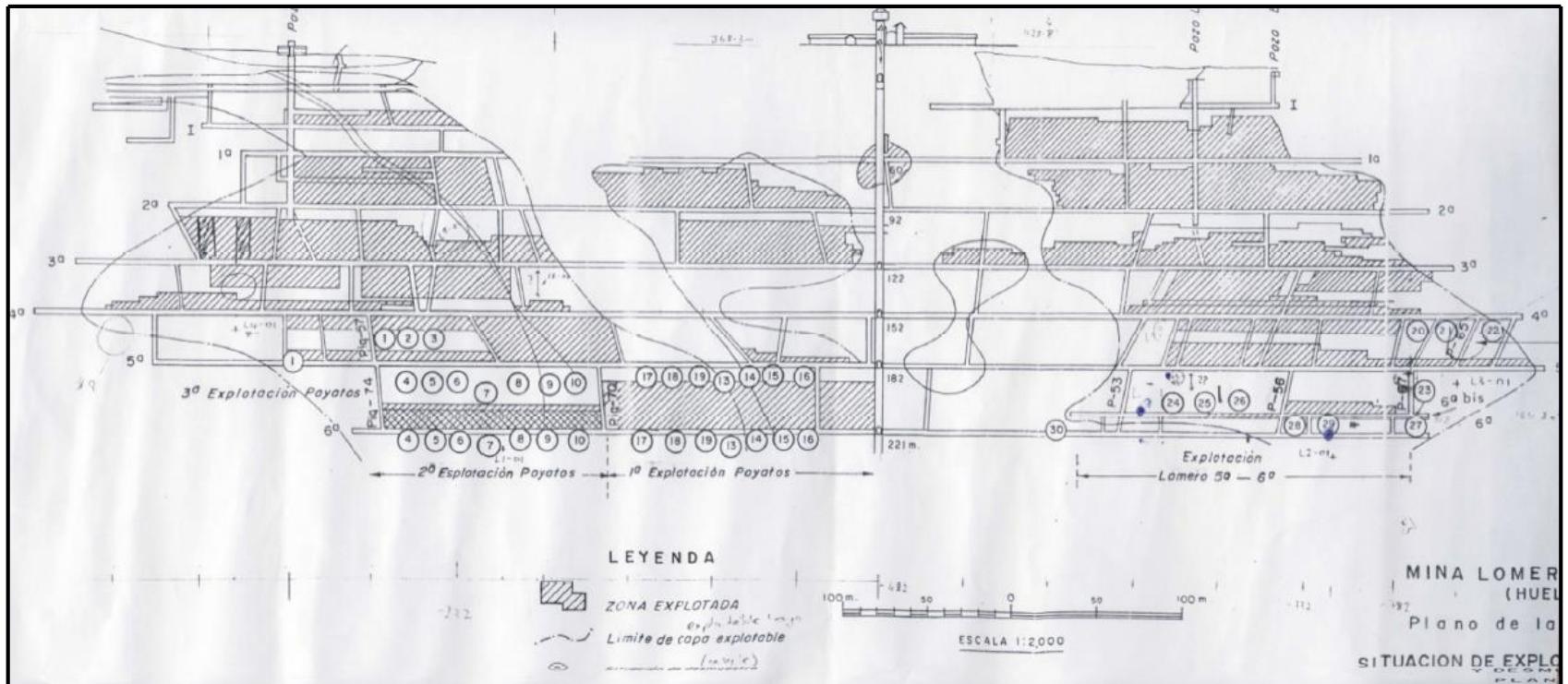




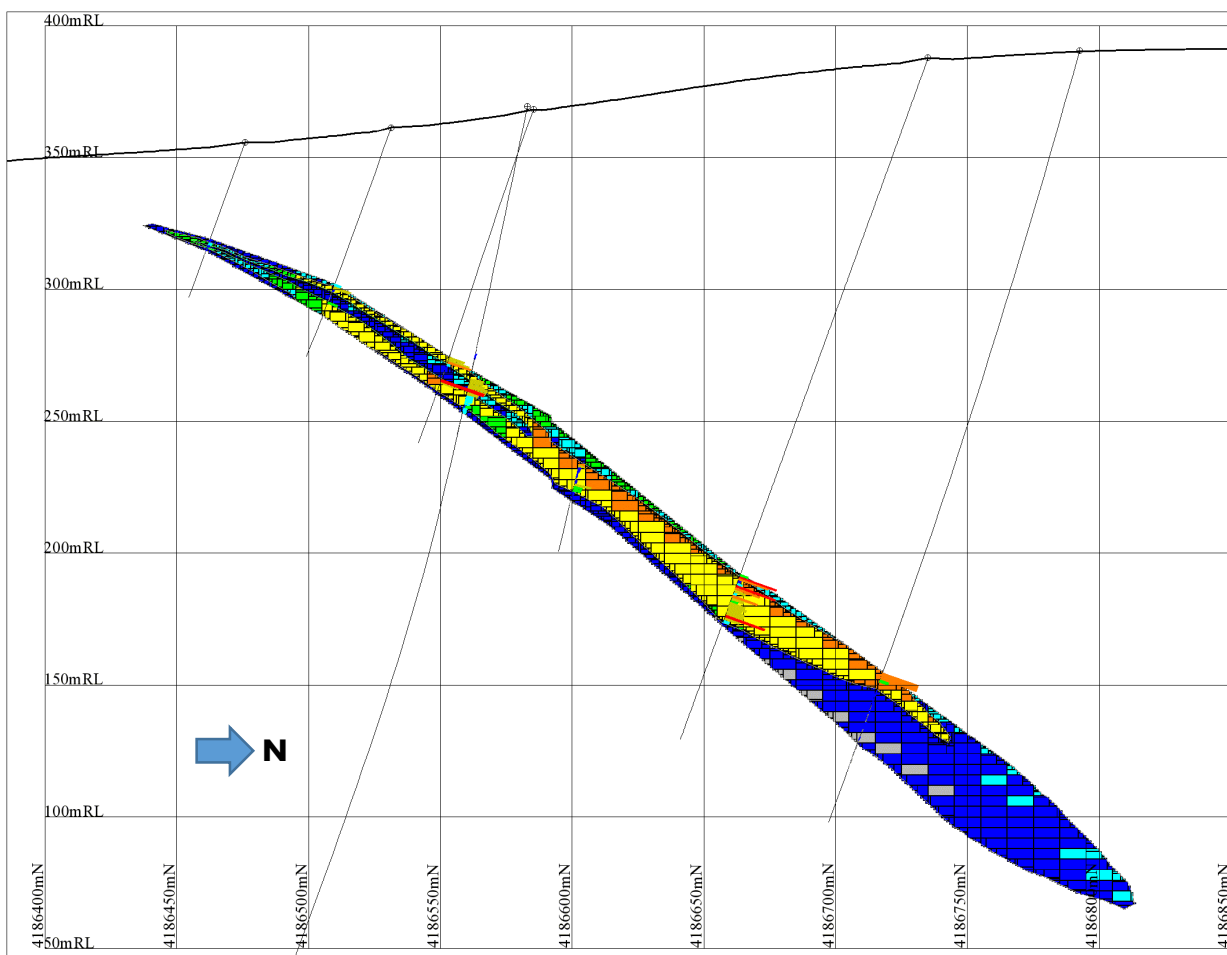
Lomero – Historic production

Lomero production to 1984: 2.6 million tonnes at 5 g/t gold, 1.2% copper

- Pyritas de Huelva extracted massive pyrite DSO for sulphuric acid production
- Indumetal recovered the gold and copper as by-products at its Bilbao refinery



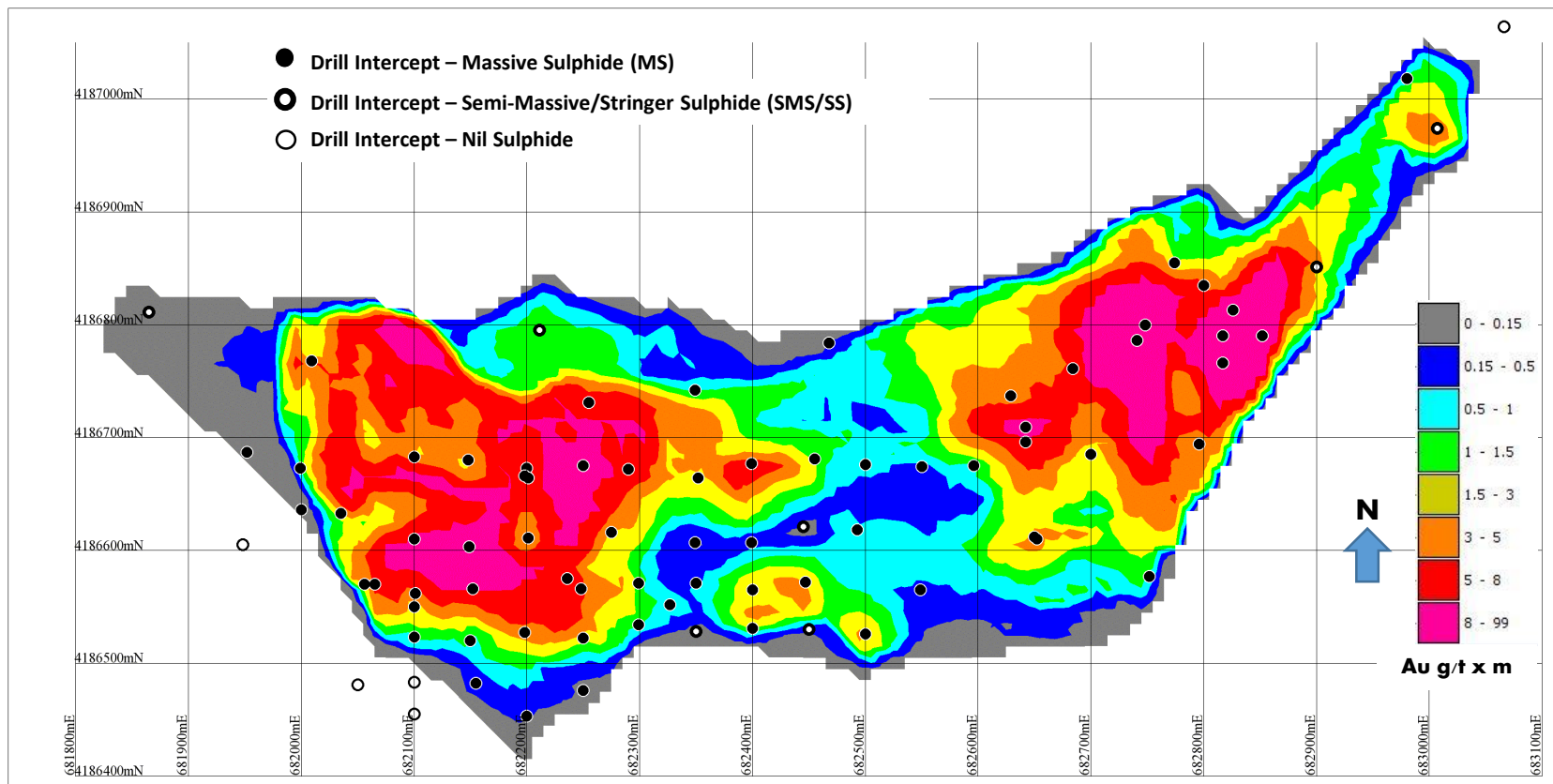
Lomero is a sheet-style VMS (volcanogenic massive sulphide) deposit





Lomero – Geometry

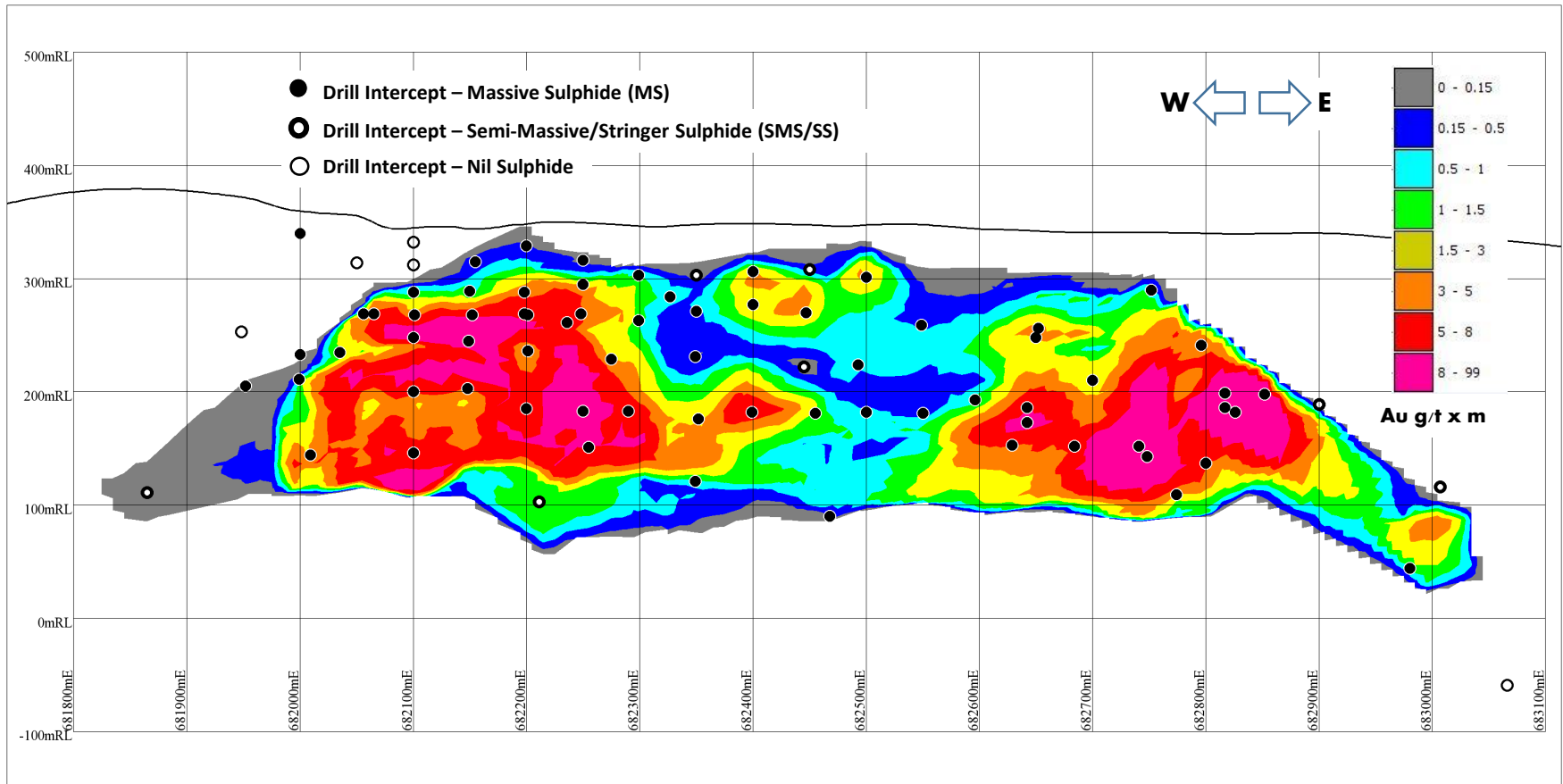
In plan, Lomero is 1,000m long and 300m wide and is open on three sides





Lomero – Geometry

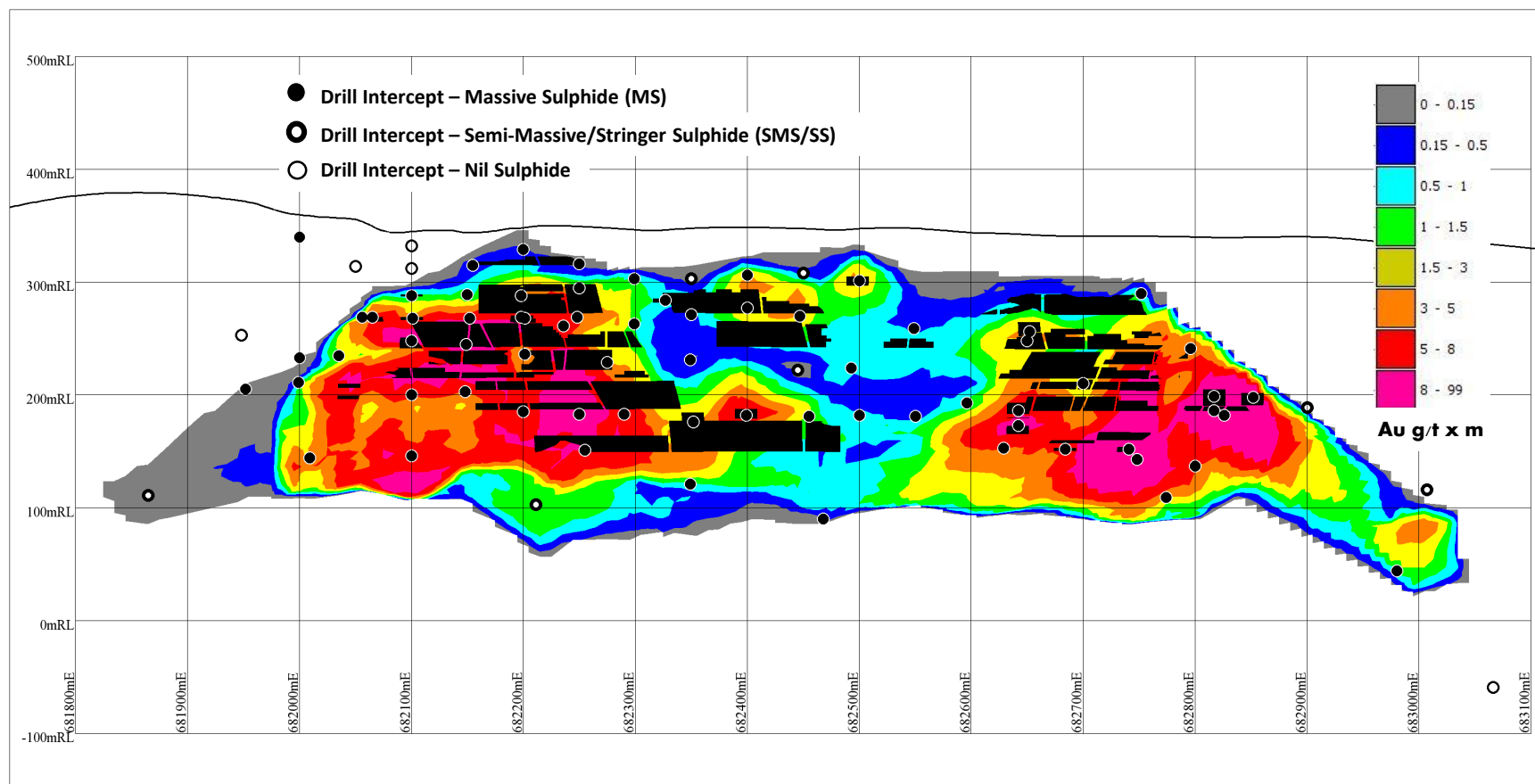
In long projection, Lomero extends to 250m and is open on three sides





Lomero – A partially mined deposit

Despite mining, significant massive sulphide remains inside the deposit





Lomero – Drilling inside the mine 2001-2004

DDH L01-3: Drill intercept with no mining void

DDH L01-3				Values >5 g/t in RED	Values >10% in BLUE
FROM m	TO m	LENGTH m	GEOLOGY	Au g/t	Zn %
173.15	174.15	1.00	MS	6.06	2.11
174.15	175.10	0.95	MS	6.88	0.23
175.10	176.10	1.00	MS	4.06	0.17
176.10	176.90	0.80	MS	4.27	0.22
176.90	177.90	1.00	MS	8.48	4.15
177.90	178.80	0.90	MS	12.12	32.77
178.80	179.80	1.00	MS	11.75	22.54
179.80	180.80	1.00	MS	11.29	15.11
180.80	181.90	1.10	MS	14.11	4.95
181.90	182.80	0.90	MS	13.89	10.95
182.80	183.80	1.00	MS	9.77	15.94
183.80	184.80	1.00	MS	7.49	13.53
184.80	185.80	1.00	MS	6.76	17.72
185.80	187.80	2.00	MS	5.14	13.46
187.80	189.70	1.90	MS	1.58	0.62
173.15	189.7	16.55		7.7	9.9



Lomero – Drilling inside the mine 2001-2004

DDH L03-25: Drill intercept with internal mining void

DDH L03-25				>5g/t in RED	>10% in BLUE					
FROM m	TO m	LENGTH m	GEOLOGY	Au g/t	Zn %					
154.90	155.75	0.85	MS	4.30	11.52					
155.75	156.65	0.90	MS	4.42	11.59					
156.65	157.45	0.80	MS	9.32	0.12					
157.45	158.35	0.90	MS	5.28	0.47					
158.35	159.25	0.90	MS	5.28	0.24	FROM m	TO m	LENGTH m	Au g/t	Zn %
159.25	160.15	0.90	MS	10.16	0.34					
160.15	161.15	1.00	MS	9.56	0.42	154.90	161.15	6.25	6.93	3.47
161.15	172.30	11.15	VOID							
172.30	172.95	0.65	MS	4.78	10.61					
172.95	174.00	1.05	MS	7.44	12.03					
174.00	175.30	1.30	MS	6.84	7.34	172.3	175.3	3.00	6.60	9.69
				Pre-mining estimate		154.9	175.3	20.4	6.8 ?	5.5 ?



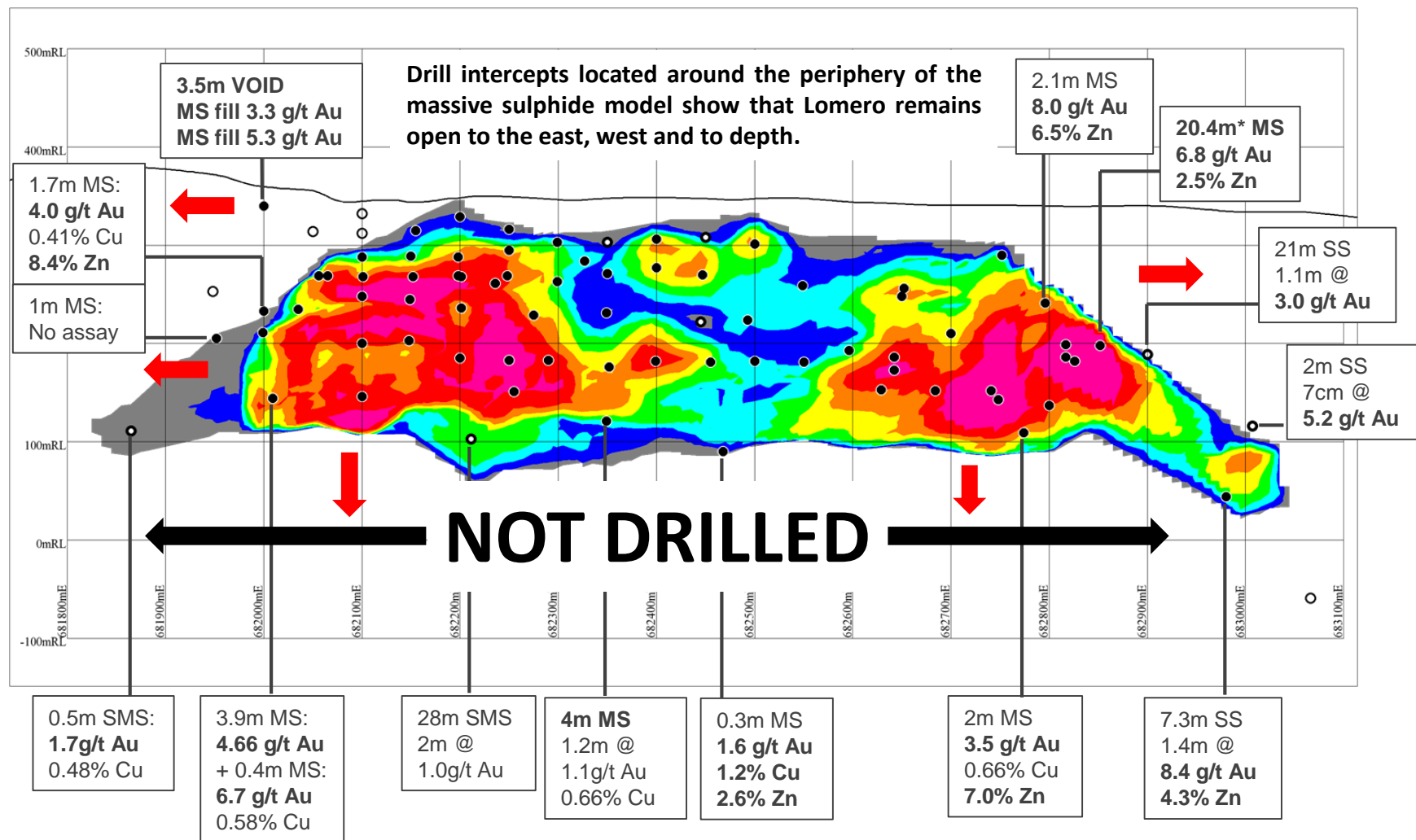
Lomero – Drilling inside the mine 2001-2004

DDH L01-2: Drill intercept with mining void on upper contact

DDH L01-2				>5g/t in RED	>3% in BLUE					
FROM m	TO m	LENGTH m	GEOLOGY	Au g/t	Cu %					
218.00	219.35	1.35	SMS	3.61	0.20					
219.35	222.10	2.75	VOID							
222.10	224.16	2.06	MS	9.78	3.53					
224.16	226.16	2.00	MS	6.27	1.80					
226.16	228.16	2.00	MS	7.02	2.22					
228.16	230.15	1.99	MS	6.05	2.13					
230.15	232.15	2.00	MS	5.27	3.44					
232.15	234.15	2.00	MS	5.83	3.42	FROM m	TO m	LENGTH m	Au g/t	Cu %
234.15	236.15	2.00	MS	4.15	1.88					
236.15	238.60	2.45	MS	3.06	1.31	222.1	238.6	16.5	5.86	2.44
				Pre-mining estimate		219.35 ?	238.6	19.25 ?	5.9 ?	2.4 ?



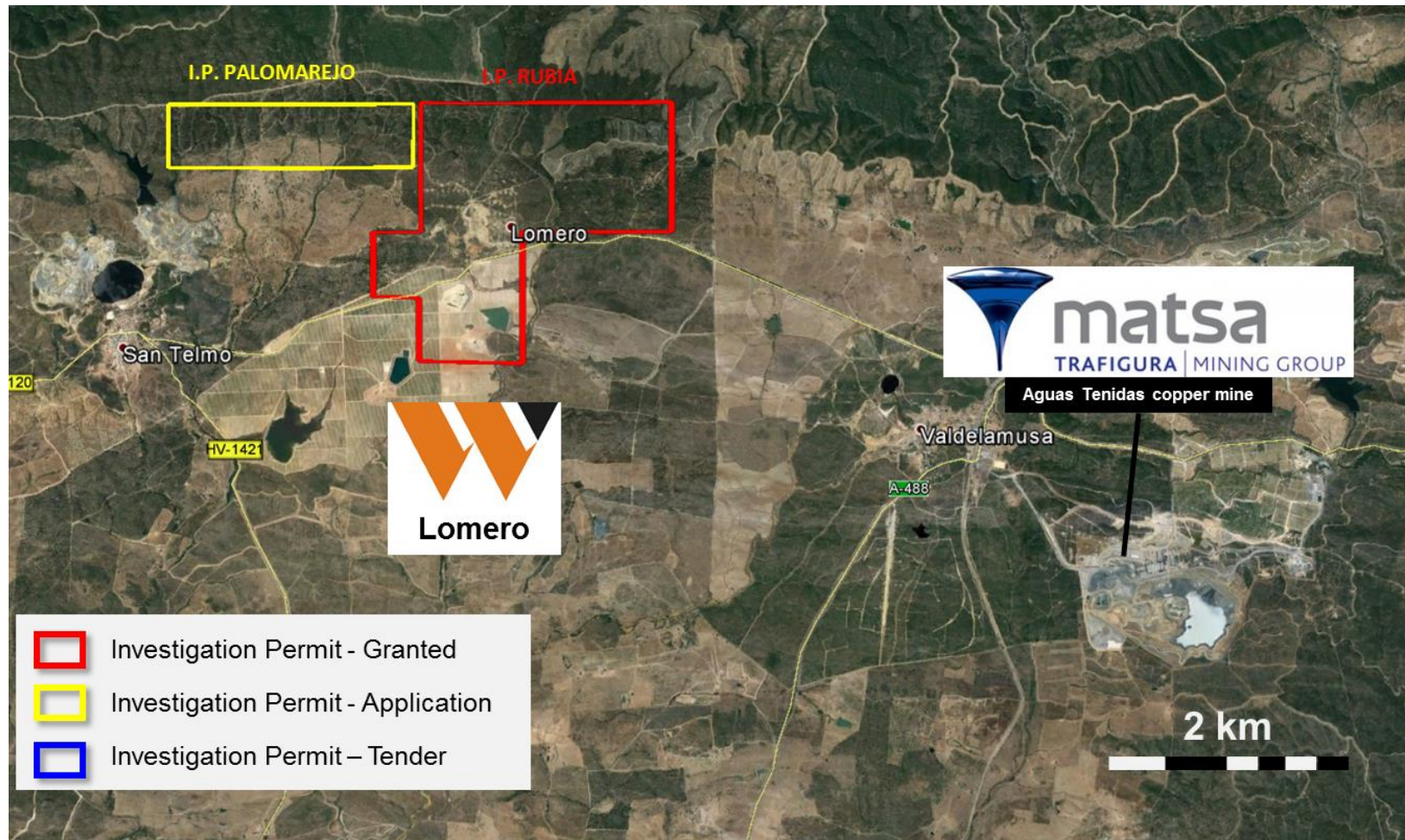
Lomero – Drilling peripheral to the mine





Lomero – Location & Infrastructure

Lomero is 8km west of Trafigura's MATSA copper mine & treatment plant:





Lomero – Location & Infrastructure

What is Trafigura?



- **World's second largest oil and non-ferrous metals trader**
- Founded in 1993, Group revenue in 2015 was **USD 97.2 billion**
- Flagship mine & treatment plant, **Minas Aguas Teñidas (MATSA)**, acquired in 2006



- **New treatment plant completed 2016 (left) doubled annual capacity to 4.4 Mt per year**
- **MATSA is aggressively seeking additional sources of sulphide ore**
- Re-developed **Sotiel mine** and discovered & developed the new **Magdalena** orebody
- June 2015: Formed **50/50 JV Co** with **Mubadala Development Co** (Abu Dhabi) for further expansion and investments in base metal mining assets around the world

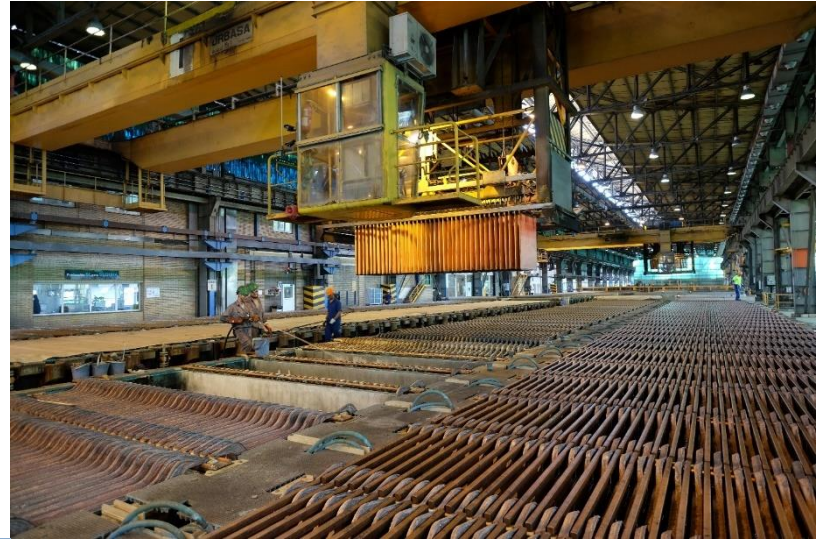




Lomero – Location & Infrastructure

Lomero is 60km by rail north of Huelva deep water port & smelter

Atlantic Copper (Freeport-McMoRan):
world-leading copper smelter & refinery



Lomero is 4.5km west of the rail line used to deliver mineral concentrates to Huelva



Lomero – Location & Infrastructure

Possible dual re-development with San Telmo copper-zinc mine:

- Located 2.6km west of Lomero. Former mine offered under new tender.
- Historic production: 10 million tonnes at 2.3% Cu, 2.8% Zn, 0.6g/t Au.





Lomero – How big could it become?

Total gold content pre-mining:

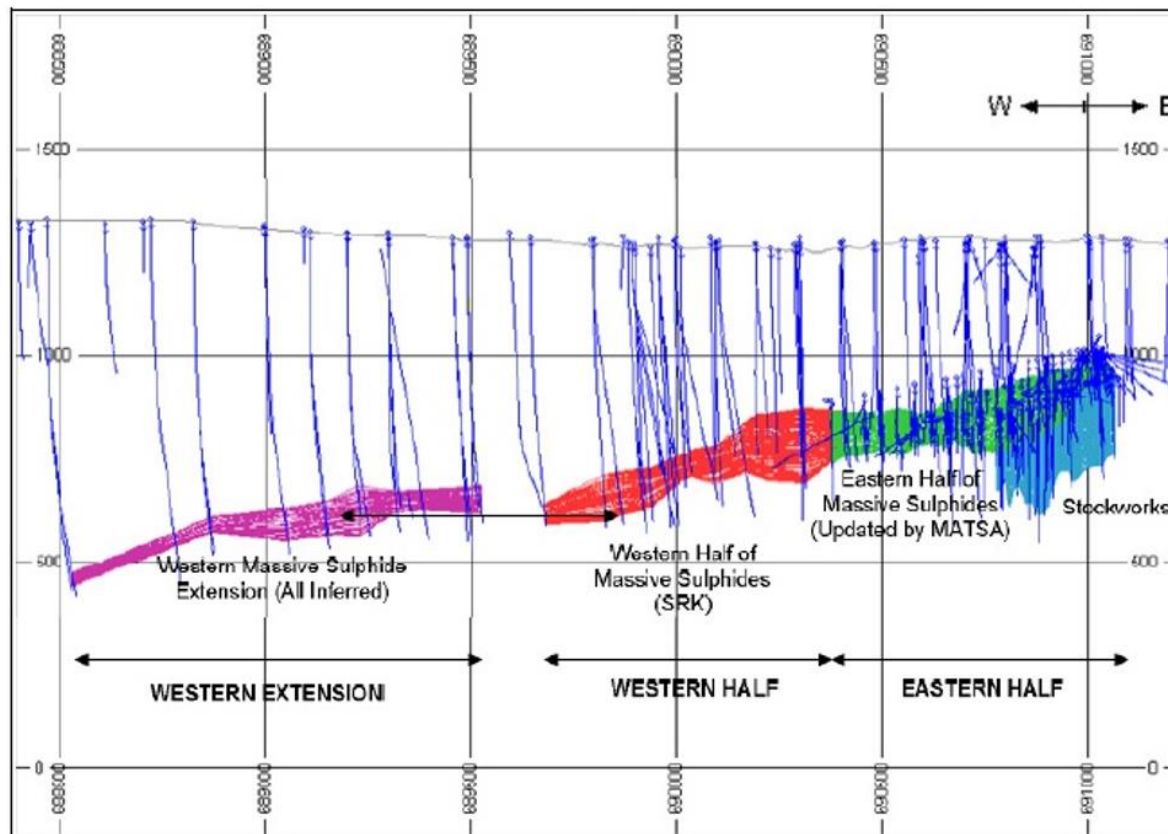
Historic production to 1984:	2.6 million tonnes at 5g/t gold
Equates to:	418,000 oz gold
+ 2012 / 2015 resource estimates:	WFE ASX announcement 17 August 2016
<hr/>	
TOTAL production + remaining:	+1,000,000 oz gold

- **Pre-mining Lomero contained at least 1 million oz gold**
- **WFE aims to increase the tonnage significantly**
- **VMS orebodies typically comprise clusters of sulphide lenses**
- **8km to the east of Lomero, MATSA contains ~40 million tonnes**



Lomero – How big could it become?

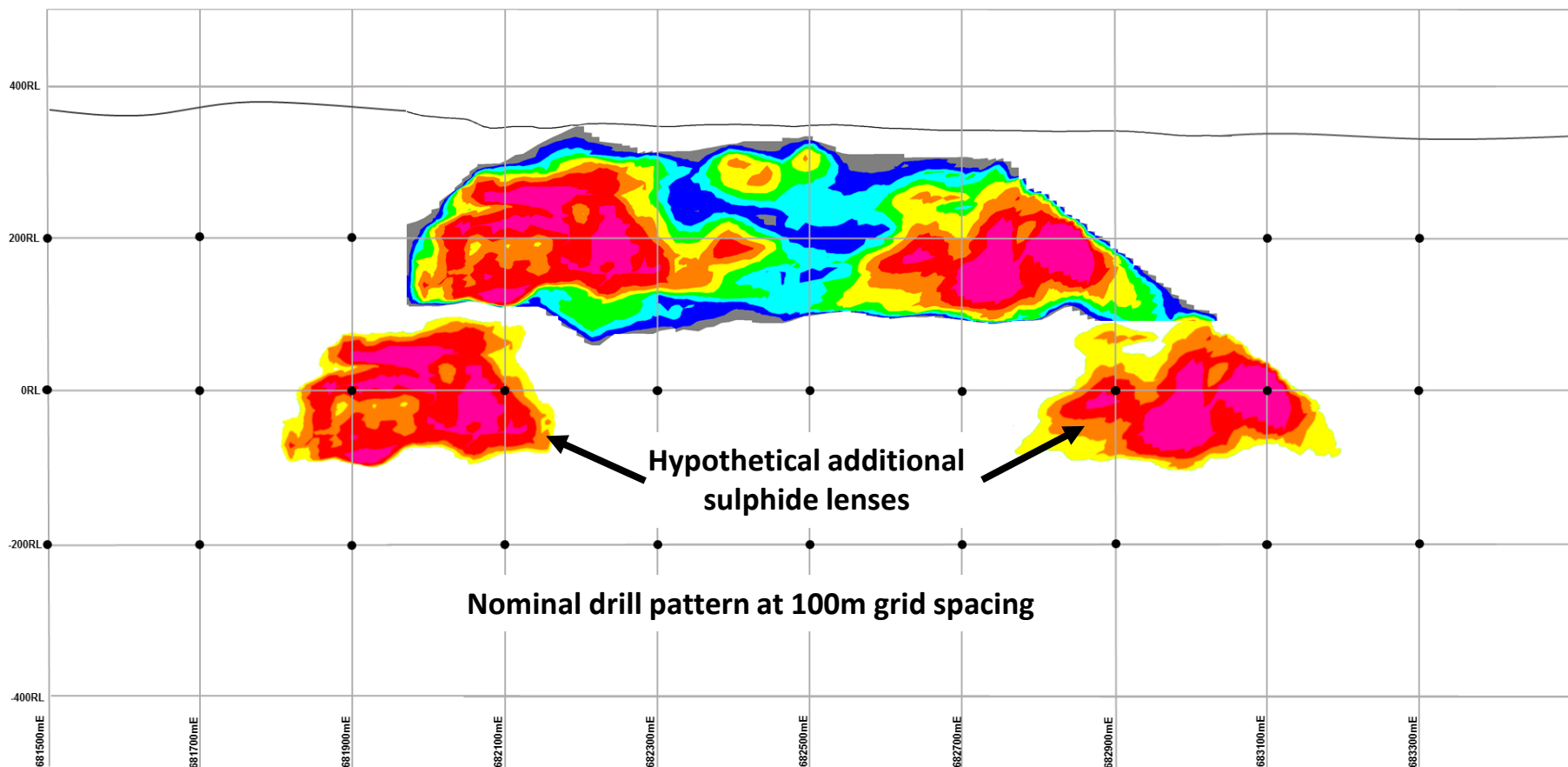
Just 8km to the east of Lomero, Aguas Teñidas is ~40 million tonnes





Lomero – Initial aim: +1.5 million oz gold

At Lomero, WFE intends to grow Lomero with step-out drilling on 100m grid





Lomero – Treatment Scenario 1

Bulk mining + bulk treatment (as per Lomero pre-1984)

Input: Bulk massive sulphide with gold, silver, copper, zinc

Step 1: Roaster ^A and / or Flash Smelter ^B → liquid SO₂ / sulphuric acid
→ residue (containing metals)

Step 2: Acid leach of residues → **gold + metal sulphates**

Step 3: Electrowinning → **copper, zinc**

CSMA 2003 test work achieved gold recoveries of “over 80%” with further test work warranted (Behre Dolbear Intl, NI43-101 Report, May 2012, p.27).

A e.g. Eti (Bandirma, Turkey); Tongling (China); Yunfu Pyrite (China);
Asturiana Zinc Hinojedo roaster (Cantabria, Spain).

B e.g. Atlantic Copper (Huelva, Spain), Xiangguang Copper (Yanggu, China);
Boliden Harjavalta Copper (Finland).



Lomero – Treatment Scenario 2

Selective mining + selective treatment

Input: Selectively mine the three defined types of gold-bearing massive sulphide:

Cu - Au sulphide	Flotation ^C	→	Cu concentrate + Au credits + Au-pyrite
Zn - Au sulphide	Flotation ^C	→	Zn concentrate + Au-Ag credits + Au-pyrite
Au - pyrite	Oxidation ^D	→	CIL process → gold
	- Roasting		
	- BIOX / Bioleach / Albion		
	- POX		

C e.g.: MATSA treatment plant / Shared future development at San Telmo / Own

D As per A and B in previous slide



Lomero – Three year timeline

Winmar proposes to spend €5 million over three years:

Year 1 + 2: Drill programme ~13,000m

- Enlarge Lomero resource significantly
- Increase proportion of Indicated Resource component
- Obtain samples for metallurgical test work

New WFE upgraded resource estimate

Metallurgical test work

- Determine optimum treatment pathway

Year 3: Metallurgical test work

Scoping study

- Economic assessment
- Conceptual mine design
- Environmental studies



Lomero – Three year timeline

Winmar will continue to develop its relationships:





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Compliance Statement

The information in this presentation that relates to Exploration Targets at Lomero is based on information compiled by Mr Rod Sainty, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Sainty is a full-time employee of Winmar Resources Ltd. Mr Sainty has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Sainty consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.