

# Investor Presentation

## April 2014



**WINMAR**  
RESOURCES LIMITED

# Disclaimer

The views expressed in this presentation contain information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Any forward looking statements in this presentation have been prepared on the basis of a number of assumptions which may prove incorrect and the current intentions, plans, expectations and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside the Company's control.

Important factors that could cause actual results to differ materially from the assumptions or expectations expressed or implied in this presentation include known and unknown risks. Although the Company believes the expectations expressed in any forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

This presentation should not be relied upon as a recommendation or forecast by Winmar Resources Limited. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction

Refer to Competent Persons statements and Exploration target definition at end.

# Hamersley Iron Ore Project



# Winmar Resources Ltd

- Listed on ASX in Feb 2011 after A\$11M capital raising - A\$4M pre-listing and A\$7M listing
- Focus on Hamersley Iron Project in Pilbara region of WA
- Advanced exploration target adjacent to major operating mines & infrastructure
- Maiden Indicated Resource of **42.6 Mt** at **55.2% Fe** (57.3% CaFe)
- Global Mineral Resource estimate **343.2 Mt** at **54.5% Fe** (57.9% CaFe) with Exploration target ~400 Mt.
- Winmar beneficial owner of 51% interest
- High Calibre Board & Management Team

# Corporate Structure

### Mr Albert Wong | Non-Executive Chairman

Mr Wong is an investment banker with over 30 years experience in the finance industry. He was admitted as a Member of the Australian Stock Exchange in 1988 and was the principal of Intersuisse Limited until 1995 when he established and listed on the ASX, the Barton Capital group of companies including eStar Online. Mr Wong was also a founding Director of both Pluton Resources Limited and Gujarat NRE Resources NL. Mr Wong is currently Chairman of Cabral Resources Limited (ASX:CBS), Deputy Chairman of Prima Biomed Limited (ASX:PRR) and Kimberley Diamonds Limited (ASX: KDL), and a Non-Executive Director of Zodiac Resources Pty Ltd.

Mr Wong has been widely involved in philanthropic activities including current directorships with UNSW Foundation Limited (the principal fund raising arm of the University of New South Wales), Ian Thorpe's Fountain for Youth Foundation, and additionally serving as Committee Member of the Messel Endowment Capital Campaign and Honorary Life Governor of the Science Foundation for Physics at the University of Sydney. Mr Wong professional associations include, Fellow of Financial Services Institute of Australasia, Practitioner Member (Master Stockbroking) of the Stockbrokers Association of Australia and Fellow of the Australian Institute of Company Directors.

### Mr Alex Alexander | Non-Executive Director

Mr Alexander is Founder and Managing Director of Summit Capital Limited ("Summit"), 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 appointment 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 Non-Executive Director of International Coal Limited and was previously Non-Executive Chairman of Blich Resources Limited.

### Mr David Nolan | Non-Executive Director

Mr Nolan is a corporate lawyer with over 17 years experience advising on corporate acquisitions, capital raisings and financing for mining companies. David is a partner in the Sydney corporate advisory practice of Kemp Strang and was previously a partner of Mills Oakley Lawyers and a senior adviser at the London Stock Exchange. David's expertise includes IPOs and capital raisings, venture capital and private equity, mergers and acquisitions, restructurings and takeovers, corporate finance, commercial agreements, and regulatory and corporate governance advice. David has valuable relationships in the advisory and regulatory community and brings a depth of corporate governance expertise.

David is currently Chairman of Scott Creek Coal Limited and a Non-Executive Director of the Ian Thorpe Foundation For Youth and was previously Chairman of Hastings Rare Metals Limited and a Non-Executive Director of Apollo Minerals Limited. David holds a Bachelor of Laws (Hons) and Bachelor of Arts from Bond University, Queensland.

### Dave Jenkins | Exploration Manager

Mr Jenkins has 20 years experience as Senior Geologist and Director at Terra Search, a specialist mineral exploration consultancy. Dave has worked at all levels of management of base metal and gold exploration programs in Queensland and WA, and is a member of Geological Society Australia Australasian Institute Mining & Metallurgy Australian Institute of Geoscientists/Geological Society Australia.

### Carolyn Patman | Company Secretary

Carolyn Patman is a Director of Business Services at HLB Mann Judd in Sydney and has been a Chartered Accountant for over 17 years. Carolyn has built an enviable reputation for work within and across a wide variety of small businesses from various industry sectors including prior company secretarial experience for small ASX listed companies.

### Luke Humphreys | General Manager

Mr. Humphreys has over 10 years' experience in various management roles with Qantas Airways Ltd, and General Manager roles with junior mining explorers including 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.

# Corporate Overview

## Corporate Structure

### Capital Structure as at 31/03/2014

Market Cap (at \$0.022)	A\$3.81M
Ordinary Shares	163.4 M
Unlisted options	5.0 M
Cash and receivables	A\$212K
Share Price – 52 week high & low	A\$0.041 - A\$0.011

### Shareholder Breakdown as at 31/03/2014

PX Steel International Corp Ltd	13.16%
Albert Wong	6.89%
Ms Yan Xie	3.06%
Sun Hung Kai Investment Services Ltd	3.05%
Holdings   Top 20 Shareholders	52.30%





# The Hamersley Iron Project

### Advanced Project

- Global Mineral Resource of **343 Mt at 54.5% Fe (57.9% CaFe)**
- Indicated Category of **42.6 Mt at 55.2% Fe (57.3% CaFe)**

### Exploration Upside

- Exploration Target ~400Mt @ 54-56% Fe
- CID zone comprises 318.9Mt @ 55.2% Fe (58.7% CaFe)
- SW corner of CID is shallow, higher grade, Indicated category
- Deposit open, additional gravity targets
- Potential DSO product from shallow Indicated Resource

### Infrastructure Advantages

- Adjacent to operating mines, workforce, roads & rail
- FMG and RIO rail approx. 25 km from deposit.
- Major towns nearby Tom Price (50km), Paraburdoo (125km)

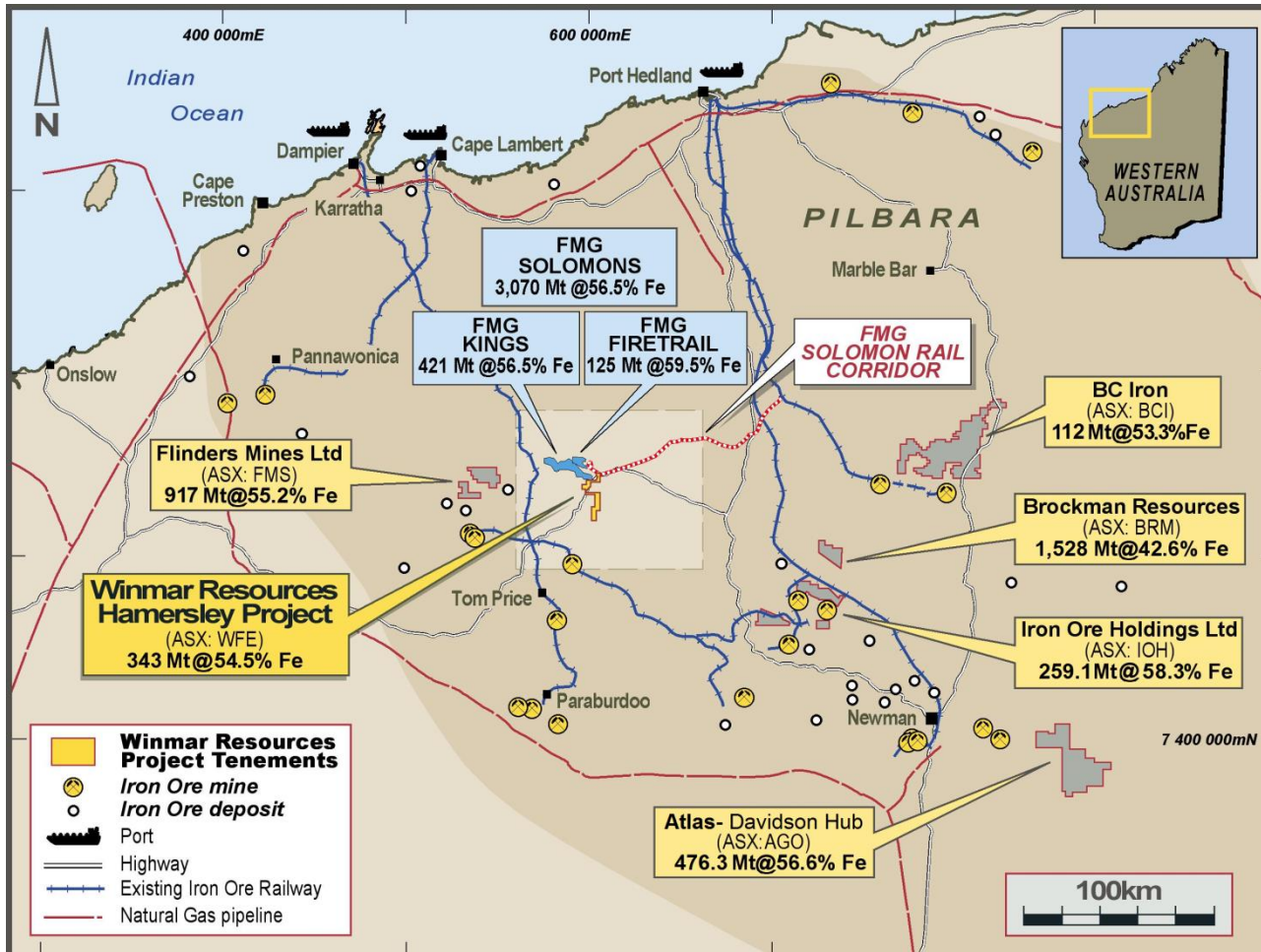
### Pathway to Ownership

- WFE has recently earned 51% interest in project from Cazaly Iron Pty Ltd
- Joint Venture formed
- Total expenditure \$10M:
  - \$4M paid upfront, pre listing
  - \$6M exploration expenditure < 3yrs
- Option for 100% ownership



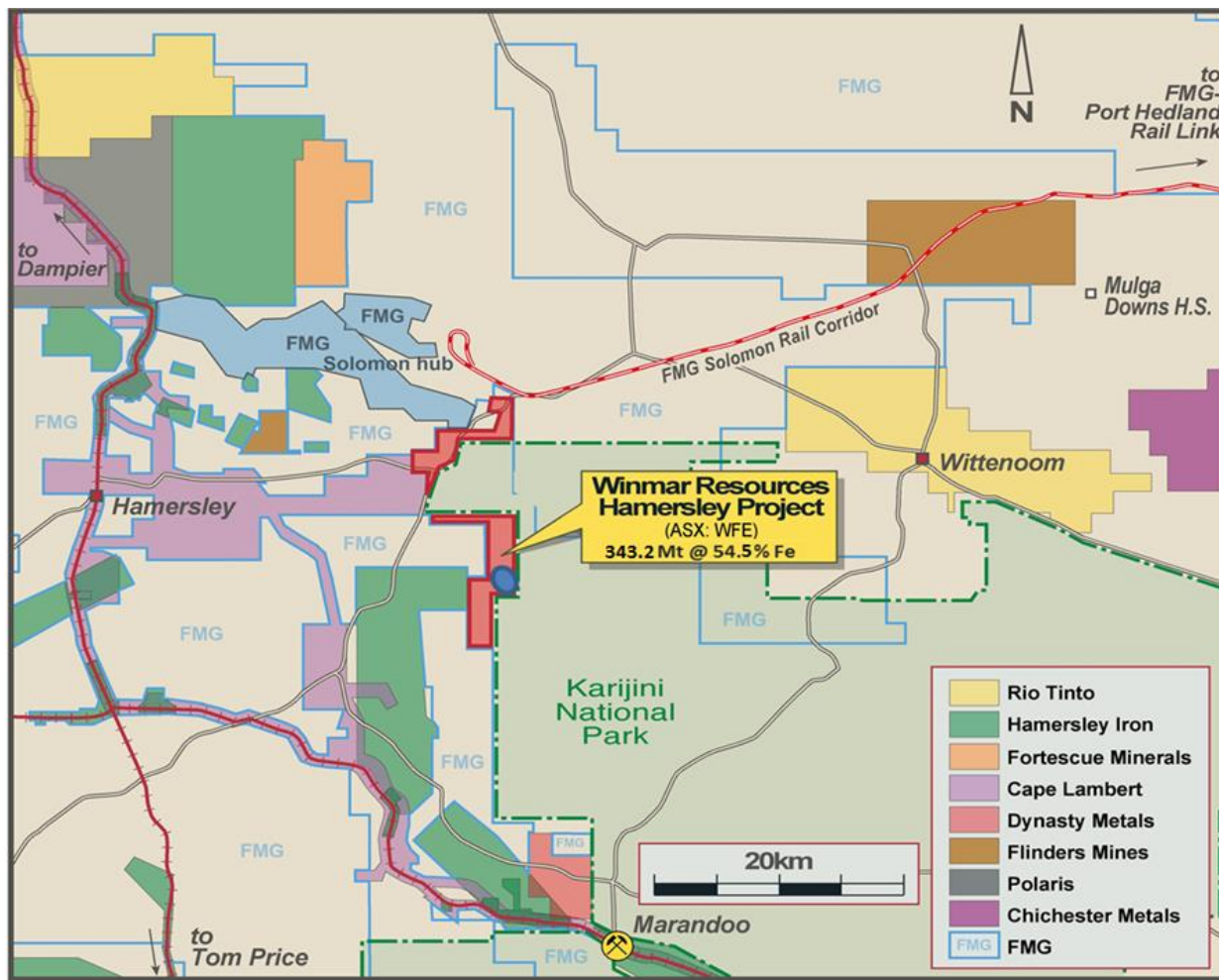
# Project Location Map

## The Hamersley Iron Project



# Proximity to Peers

## The Hamersley Iron Project



### Project Characteristics

- Open, pastoral country
- Hamersley Ranges, alluvial plains, South Fortescue River.
- Brockman Iron Formation with underlying Mt McRae and Mt Sylvia Formations (BIF, shales, chert).
- Hidden CID and Marra Mamba type ore deposits



### Exploration Licence E47/1617 granted to Cazaly Iron Pty Ltd in 2008

- E47/1617 covers approximately 49 Km<sup>2</sup>.
- Cazaly has pegged a Mining Lease Application (M47/1450) covering 1,042ha over part of E47/1617.

### Cazaly Completed 3 Phases of RC Drilling

- 2008: 18 holes were drilled for 1,795m (PLRC0001 – PLRC0018).
- PLRC0010 returned; 40m @ 56.6% Fe from 96m (discovery of buried CID).
- 2009: 9 drill holes for 1,332m (PLRC0022 – PLRC0030). 60m @ 55.6% Fe from 90m in PLRC0029.
- **Maiden inferred resource estimate 143Mt @ 52.6% Fe.**

### 2011 Exploration Program (funded by Winmar)

- 81 drill holes for 12,805m in a major resource drill-out. Best intercept 78m @ 56.6% Fe from 100m in PLRC0058.
- **Inferred Resource estimate upgrade: 241 Mt @ 54.3% Fe.**

### Metallurgical samples: 2008 - 2013

- Three Sonic Drill holes were completed for a total of 354m.
- Four HQ diamond drill holes for 365m (CID).
- Bauer bulk sampling 109m (DID, upper CID).
- RC rock chip samples from 8 holes tested in SW corner of deposit (Oct'13)
- Early ore characterisation completed.

**Recent beneficiation testing has shown that crushing and screening followed by gravity separation may be sufficient to upgrade the material to a more premium product.**

- Advanced metallurgical work focusing on CID beneficiation:
- Crush, screening, de-sliming; target upgrade ROM 55% Fe → > 60% fines
- High grade DSO
- Nagrom, Perth completed metallurgical work.



### Project Highlights of 2013

- Defining the controls on the known resources
- Expanding the resource inventory
- Improved Metallurgical knowledge
- Moving forward with infrastructure access negotiations
- Native Title agreements including Heritage agreements on a project basis.
- Base line environmental studies
- Confirming economic viability of DSO operation



### Winmar Managing Project from Nov 2011

- 5,434m of RC drilling (McKay)
- 2 x Heritage surveys (Eastern Guruma)
- 3 Native Title Meetings
- Two season Flora and Vegetation surveys (Pilbara Flora)
- Preliminary Metallurgical testing (Nagrom)
- Environmental scoping study (RPS / Aquaterra)
- HQ Diamond drilling (DrillWest)
- Bulk sampling (Bauer)
- Resource Calculation upgrade x2 (RungePincockMinarco)
- Gravity survey work of northern area (Haines)
- Re-logging of previous drilling, geological model

### Winmar Exploration Joint Venture First Work Program Completed

- Assay test work on 780 samples.
- Metallurgy test-work on 8 CID samples in SW corner of deposit
- Detailed metallurgical test-work using Diamond Core CID & DID samples
- Upgraded JORC resource including maiden Indicated Category.
- Level 1 Fauna Survey Reporting.

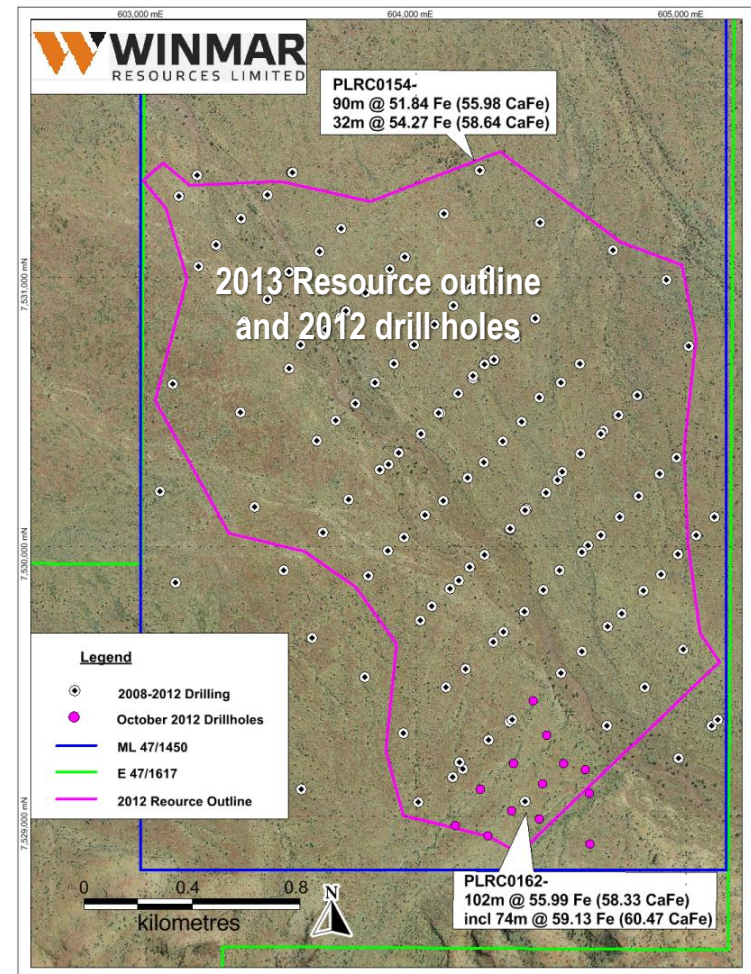
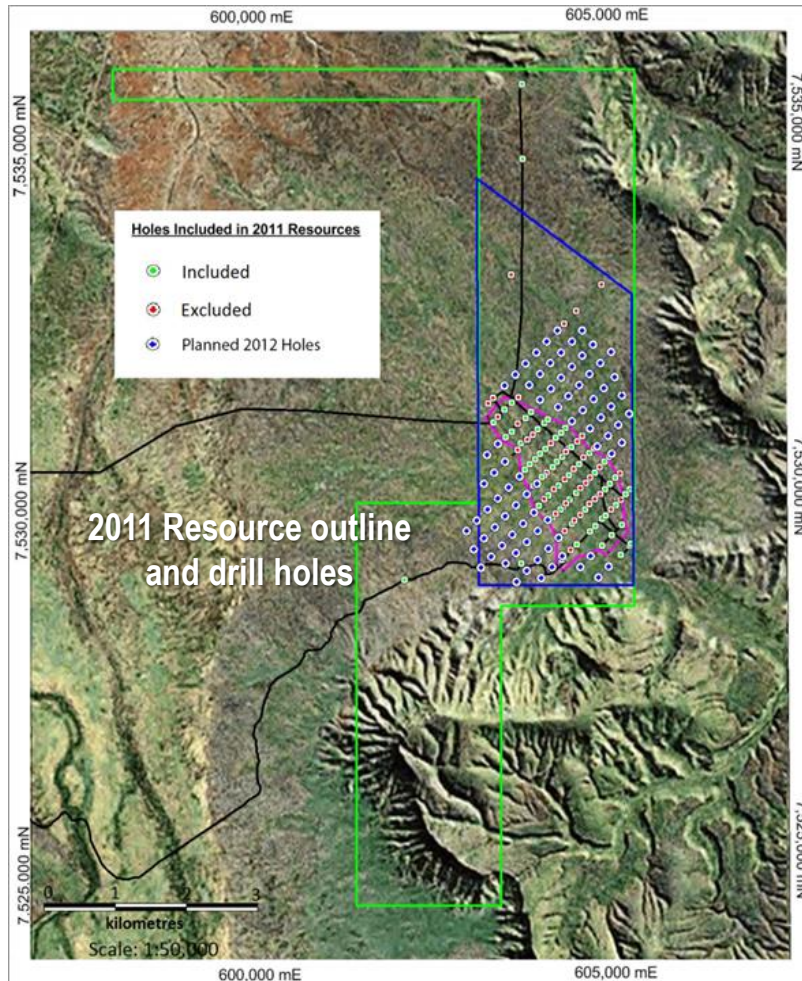
### Focus on South West of Deposit – Indicated Resource, CID

- Indicated Resource of 42.6 Mt of shallow CID mineralisation from 26m of surface
- Shallow high grade CID zone to be the initial focus of development plans at the project.



# Location of Significant Drill Holes

# The Hamersley Iron Project



### Mineral Resource Estimate upgrade May 2013 confirms

- Indicated category of **42.6 Mt @ 55.2% Fe** (57.9% CaFe)
- Inferred category of **300.6 Mt @ 54.5% Fe** (57.9% CaFe)

Hole ID	Type	Tonnage Mt	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P%	LOI%	Calcined Fe%
Indicated	CID	42.6	55.2	10.9	5.5	0.04	3.6	57.3
Inferred	DID	24.3	46.4	24.8	5.2	0.03	2.5	47.6
Inferred	CID	276.3	55.2	9.7	4.4	0.04	6.3	58.9
<b>TOTAL</b>	<b>CID+DID</b>	<b>343.2</b>	<b>54.5</b>	<b>10.9</b>	<b>4.6</b>	<b>0.04</b>	<b>5.7</b>	<b>57.9</b>

NB: Calcined Fe (CaFe) calculated by the formula  $CaFe\% = [(Fe\%)/(100-LOI1000)]*100$

# DID reported at a 40% Fe Cut-off grade. \* CID reported at a 52% Fe Cut-off grade.

The Mineral Resource upgrade compiled by independent mining consultant RungeMinarco in May 2013 delivered a maiden Indicated Resource, and provides Winmar with the impetus to progress with Pre-Feasibility studies and Infrastructure negotiations.

## Two Mineralisation Styles Present

- an upper detrital zone (DID), and
- lower channel iron deposit (CID) from 26 metres below surface

## Channel Iron Deposits (CIDs)

- are prominent in Pilbara Region of WA. Deposition took place during the Tertiary within meandering, mature river channels draining the Hamersley Ranges.

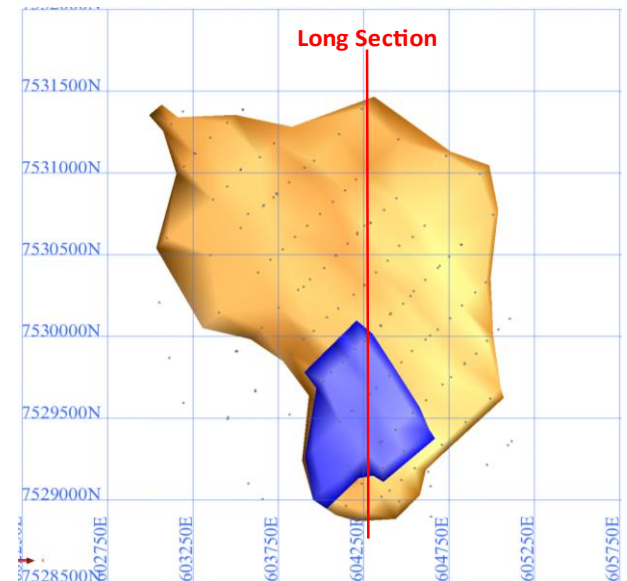
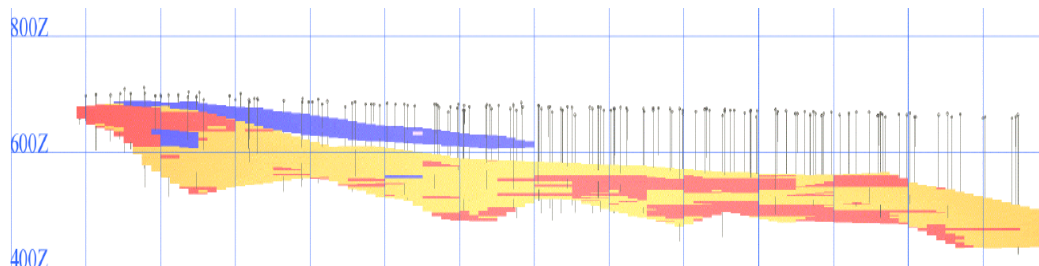
## Detrital Iron Deposits (DIDs)

- are accumulated in colluvial fans directly flanking Banded Iron Formations (BIF).

Figure 1 | Right: Winmar Drilling and Resources Wireframes (Plan View) CID: Brown | DID: Blue

Figure 2 | Below: Long Section of North South through resource model

Blue: 40-50% Fe | Amber 50-55% Fe | Red 55-60% Fe



# Mineralisation Styles

## The Hamersley Iron Project

Flinders Mines		Tonnage	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	LOI
PIOP	CID, BID	Mt	%	%	%	%	%
Total*		917	55.2	9.7	4.8	0.072	5.6
Measured		101	56.4	10.5	5.1	0.054	2.8
Indicated		343.7	55.5	8.9	4.5	0.083	6.2
Inferred		472	54.7	10.2	5	0.067	5.7

\* FMS, Investor Presentation, July 2012

FMG Solomon		Tonnage	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	LOI
Kings Deposit	CID, BID	Mt	%	%	%	%	%
Total**		1,378	55.9	7.37	3.17	0.063	5.6
Measured		66	57.6	5.67	1.73	0.047	2.8
Indicated		597	56	7.24	3.12	0.062	6.2
Inferred		715	55.6	7.63	3.34	0.066	5.7

\*\*FMG, Media Release, 20 May 2011.

Winmar	Type	Tonnage	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	LOI
		Mt	%	%	%	%	%
Indicated + Inferred	CID + DID	343.2	54.5	10.9	4.5	0.04	5.7
Indicated + Inferred	CID only	318.9	55.2	9.9	4.5	0.04	5.9

WFE, ASX Announcement 23 May 2013

# Mineralisation examples

## The Hamersley Iron Project



**Top left:** CID mineralisation, hematite spheroids/pisolites of 0.5-2mm

**Bottom left:** Weathered CID

**Top right:** Quaternary detrital with clasts of hematitic material, chert and BIF within unconsolidated clays

**Bottom right:** Indurated Tertiary detrital.



# Project Development Options

## The Hamersley Iron Project

### Potential Development Scenarios based on Scoping Studies

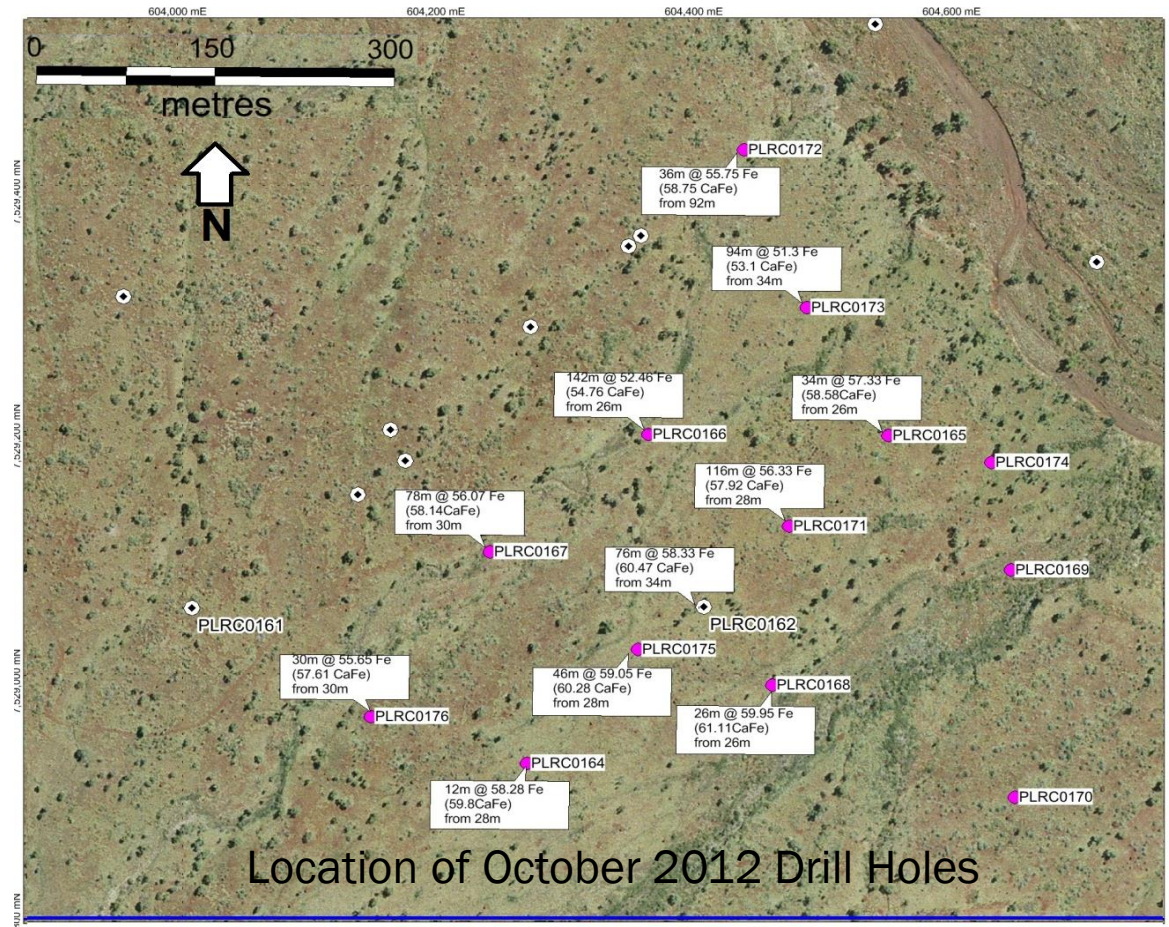
Scoping Options	Stage 1 – Shallow SW Deposit	Stage 2 – Total ore body
Production target	2 – 4 Mtpa	5 - 10 Mtpa.
Resource	42.6 Mt Indicated	300.6 Mt Inferred
Mine life	10+ years	20+ years
Mineralisation	Hematite	
Mining	Drill & blast, Open Pit	
Location	Close to infrastructure and Asian markets with focus on China.	

# Focus Plans on Indicated Resource

## The Hamersley Iron Project

### Focus on shallow south west corner of deposit

- Maiden Indicated Resource of 42.6 Mt @ 55.2% Fe
- Metallurgical studies May 2013 confirm higher grade material
- Shallow CID from 26m
- DSO potential
- Next Steps: Diamond drill program to confirm product characteristics



### Indication of Higher CID Grade in SW Corner

Composite Assays | Dry Crushing & Screening Upgrades to 58.5% Fe

Sample Batch 1	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	P %	S %	LOI <sub>1000</sub> %	CaFe %
PLRC0162	59.96	7.01	4.5	0.348	0.041	0.029	1.95	61.2
PLRC0165	58.70	8.69	4.58	0.353	0.042	0.03	2.06	59.9
PLRC0168	60.15	7.03	4.33	0.294	0.046	0.026	2.01	61.4
PLRC0175	59.05	7.41	5.21	0.393	0.037	0.029	2.11	60.3
<b>Batch 2</b>								
PLRC0164	58.52	6.89	5.97	0.408	0.043	0.031	2.6	60.1
PLRC0167	57.11	8.41	6.18	0.547	0.039	0.018	2.76	58.7
PLRC0171	58.33	8.77	5.01	0.402	0.043	0.028	1.97	59.5
PLRC0176	56.40	9.52	5.65	0.464	0.043	0.026	3.13	58.2
<b>Average</b>	<b>58.53</b>	<b>7.97</b>	<b>5.18</b>	<b>0.401</b>	<b>0.042</b>	<b>0.027</b>	<b>2.32</b>	<b>59.9</b>

### Indication of Higher CID Grade in SW Corner

Cumulative Assays | Wet Screening provides 60.4% Fe with 91% Yields at + 45 microns

Cum Size Batch 1	Yield %	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> & Al <sub>2</sub> O <sub>3</sub> %	LOI <sub>1000</sub> %	CaFe %
> 0.212	83.0	61.4	6.08	3.89	9.97	1.55	62.4
> 0.106	88.4	61.2	6.17	3.95	10.12	1.62	62.3
> 0.075	90.0	61.2	6.22	3.97	10.19	1.64	62.2
> 0.045	<b>92.0</b>	<b>61.1</b>	6.31	4.01	<b>10.32</b>	1.67	62.1
> 0	100.0	59.7	7.42	4.57	11.99	1.97	60.9
<b>Batch 2</b>							
> 0.212	81.2	60.2	6.74	4.48	11.22	1.9	61.3
> 0.106	86.5	60.0	6.85	4.56	11.41	1.99	61.2
> 0.075	88.6	59.9	6.93	4.61	11.54	2.03	61.1
> 0.045	<b>90.5</b>	<b>59.7</b>	7.02	4.66	<b>11.68</b>	2.07	61
> 0	100.0	57.8	8.44	5.52	13.96	2.48	59.3

# Mine Gate Scoping Study

## Scoping Study

3/04/2014

Winmar Resources Limited | ASX: WFE

### Purpose of study :

- Assess the economic viability of turning the Indicated Resource (42.6 Mt @ 55.2% Fe) in the south-west corner of the deposit into an Inventory (non-JORC)
- Determine the size of mining inventory and associated costs for financial modelling

### The study indicates Winmar can develop an economically viable operation:

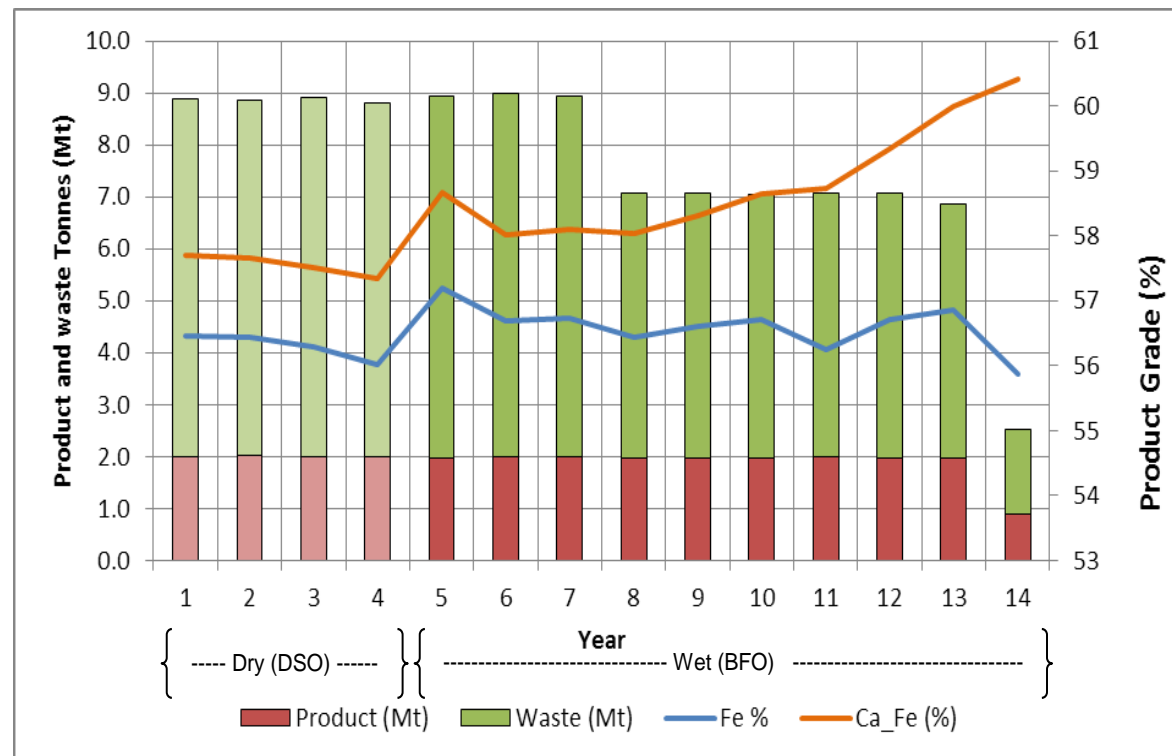
- Starting with a dry Fines only Direct Shipping Ore product - 2 Mtpa
- Introduction of a wet beneficiation processing plant once the project is operational producing a Beneficiated Fines Ore (BFO) product – 2 Mtpa to 4 Mtpa
- Operate with relatively low capital and unit operating costs
- A robust pit inventory of ~27Mt achieving targeted product grade of 57% Fe

# Indicated Resource Study

## Scoping Study

The study indicates Winmar can develop an economically viable operation:

- Study limited to **INDICATED RESOURCE** only
- 13-14 year Life of Mine at 2 Mtpa
- 57% Fe product grade
- < 15% Silica/Alumina
- Simple dry DSO operation years 1-4
- Wet processing years 5-14 producing a BFO product
- Low capital and unit operating costs
- A robust pit inventory of ~ 27Mt



### Outcomes:

- CAPEX total of A\$86.7M
  - A\$ 59.2M year 0 – Contractor dry operation
    - Includes A\$ 24.3M road to Solomon
  - A\$ 27.5M year 4 - Owner wet operation
- OPEX of AUD\$57/t FOB includes:
  - A\$ 15/t Rail (Benchmarked by SRK)
  - A\$ 10/t Port (Benchmarked by SRK)
  - A\$ 7.80/t road haulage to Solomon (DeGreys)
  - A\$ 14/t Mining (SRK)
  - A\$ 7.50/t Processing (SRK)
- Revenue deductions:
  - Shipping US\$ 13.5/t (conservative)
  - Royalties 7.5%

### Assumptions:

- $\pm 35\%$  accuracy at Scoping Stage
- Fe price = CFR minus product penalties of  $\sim 14\%$
- Haulage of product to Solomon stockpile
- Processing upgrade based on RC sample test work plus similar project benchmarking
- Upgrade product to 57% Fe Fines only product with removal of  $< 45\mu$  fines at wet processing
- 10% Ore loss and 10% dilution factor – conservative
- Benchmarked/conservative transport costs
- Moisture 6% - tbc at PFS



# Product comparison

## Scoping Study

Peer	RIO	BHP	AGO	RIO JV	FMG	BCI	MIN	IOH		WFE (Indicated)	
Product	PB Fines	Newman Fines	Fines	Mesa J+A	SSF			Dry	Wet	Dry	Wet
FE %	61	62.7	57.5	56.9	56.68	57	57.51	57.8	57.7	57	57
SiO <sub>2</sub> %	5	6	7	4.6	6.16	3.2	11.71	6	6.4	10.5	9.5
Al <sub>2</sub> O <sub>3</sub> %	3	3	2.2	2.7	2.86	2.1	2.36	3	2.2	5	4.7
P %	0.15	0.09	0.15	0.03	0.05	0.02	0.10	0.14	0.14	0.05	0.05
S %	0.06	0.06	0.04	-	0.03	-	0.01	-	-	0.02	0.02
LOI	-	-	9.5	9.4	8.01	12	3.34	7.6	8.1	2.1	3.5
Specifications	>8mm = 12% max	>6.3mm = 25% max; <0.15mm = 35% max	>9.5mm = 5 %max	<9.5mm = 1.61%	>6.3mm = 14.6%; <45µ = 5.5%	-	>10mm = 3.19%	-	-	>8mm = 14.6%; <0.15mm =9%	

Comparison of Winmar's indicative product versus recent commercial shipments and/or statistics from peers

# Indicative economics

## Scoping Study

### Analyst consensus - Base

- Cash flow = A\$ 321M
- NPV = A\$ 113M
- IRR = 44%

		USD:AUD					
		0.8	0.85	0.9	0.95	1	1.05
CFR \$USD	80	-70	-116	-156	-193	-226	-256
	90	51	-2	-50	-92	-130	-164
	100	171	111	57	10	-33	-72
	110	291	224	164	111	63	19
	120	411	337	271	212	159	111
	130	532	451	378	14	255	203

NPV values based Scoping Study cost assumptions

CFR 62% Fe 2013-14 Analyst Consensus			
CFR USD	2015	2016	2017
Base	113.3	105.8	102.0
High	150.0	139.3	123.5
Low	90.0	92.0	88.0

FX Analyst Consensus 28/2/14			
USD:AUD	2016	2017	2018
Base	0.85	0.84	0.83
High	0.94	0.94	0.95
Low	0.76	0.76	0.76

### **Strategy – gain Infrastructure access MOU/Agreement:**

- Undertake scoping study to understand road/rail and port costs and opportunities - \$60k
- Re-engage with FMG/RIO/Flinders with superior understanding of project economics

### **Better understand the characteristics of the Ore through processing:**

- Grade vs Size testing diamond drill samples using both Dry and Wet screening
- Coarse crush sizing analysis to determine fines distribution
- Physical test work for crushing and screening design
- Pilot scale scrubbing vs wet screening assessment
- Product characteristic test work for smelting assessment
- Expand the beneficiation testing of CID through additional gravity test work

### Winmar to address the following aspects during the PFS:

- Further work on ore loss and dilution
- Geotechnical and hydro-geo assessments
- Pit and dump designs
- More detailed production scheduling
- Environmental, social and permitting considerations
- Further metallurgical test work program
- Further develop engineering design for the preferred options
- Further drilling to determine the characteristics of the ore body
- Determine tailings requirements.

# Regional Transportation Options

# Winmar Infrastructure

## Overview

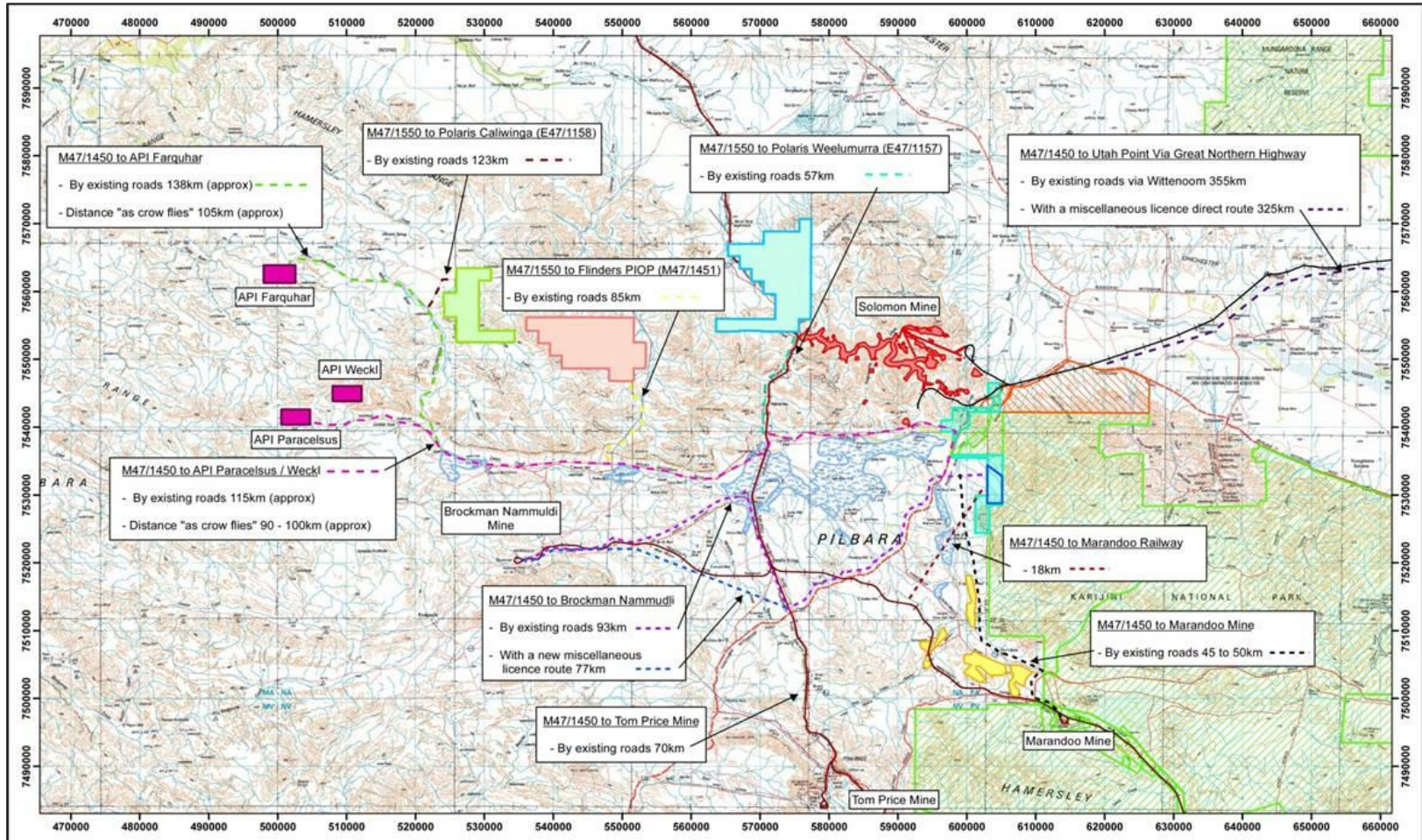
- Pilbara infrastructure developments remain dynamic today
- Focus on Overcoming capacity constraints (Port and Rail) and maximising return across existing infrastructure
- Infrastructure Scoping Study to review options

## Concepts

- Focus on lowest cost options
  - JV Partnership with our closest neighbours to take advantage of existing infrastructure (e.g. BC Iron/FMG type JV)
- Option 1: FMG via Solomon to Port Hedland
  - Road ore to Solomon ~25kms from Winmar deposit on public/ private roads. Access FMG's Solomon rail link to Port Hedland
- Option 2: Rio Tinto Hamersley railway to Dampier
  - Road ore to RTIO railhead (18Km) on private and public roads. RTIO rail link to Dampier port facilities
- Option 3: Road haulage to Port Hedland

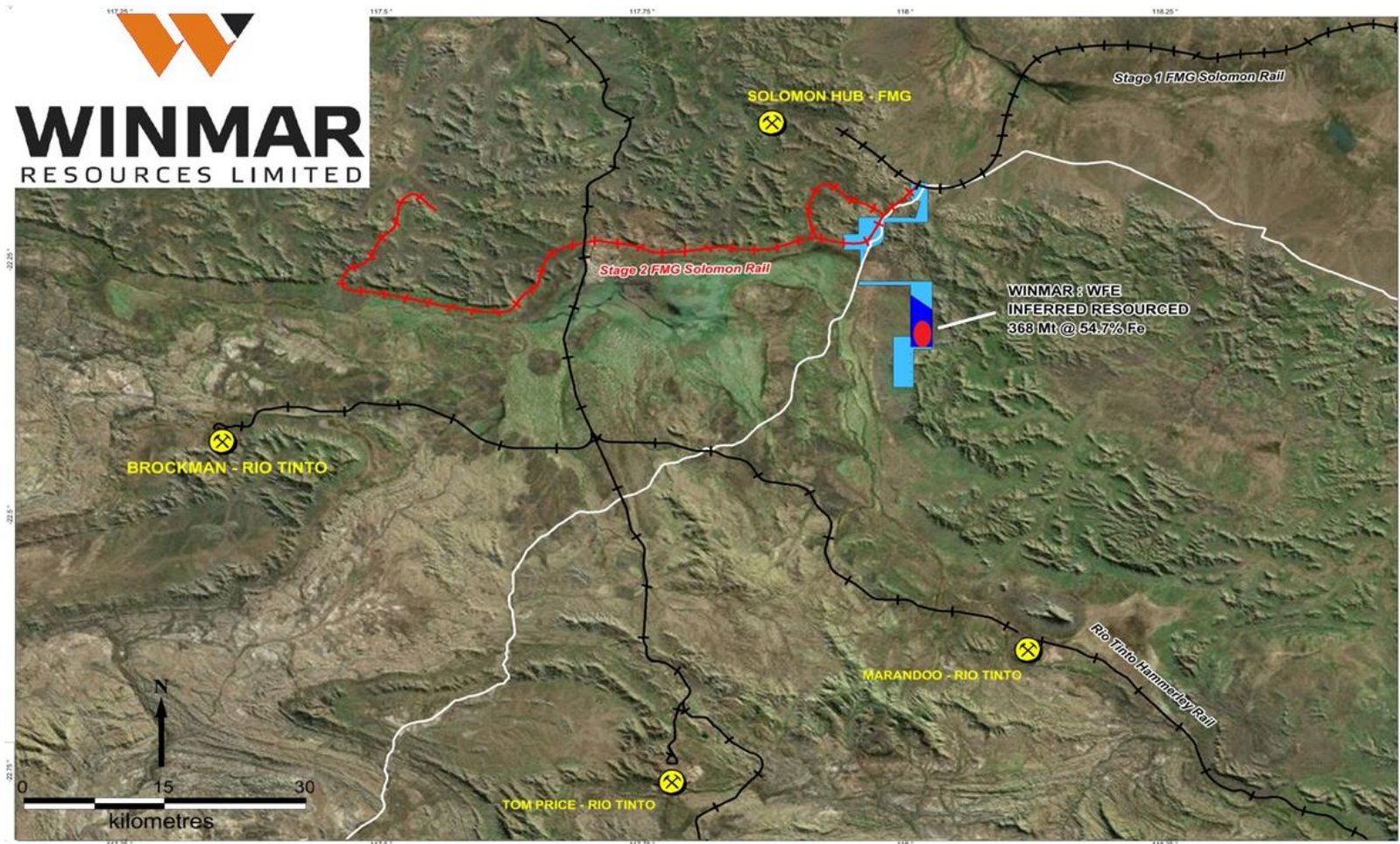
# Regional Transportation Routes

## Winmar Infrastructure



# Regional Rail Infrastructure

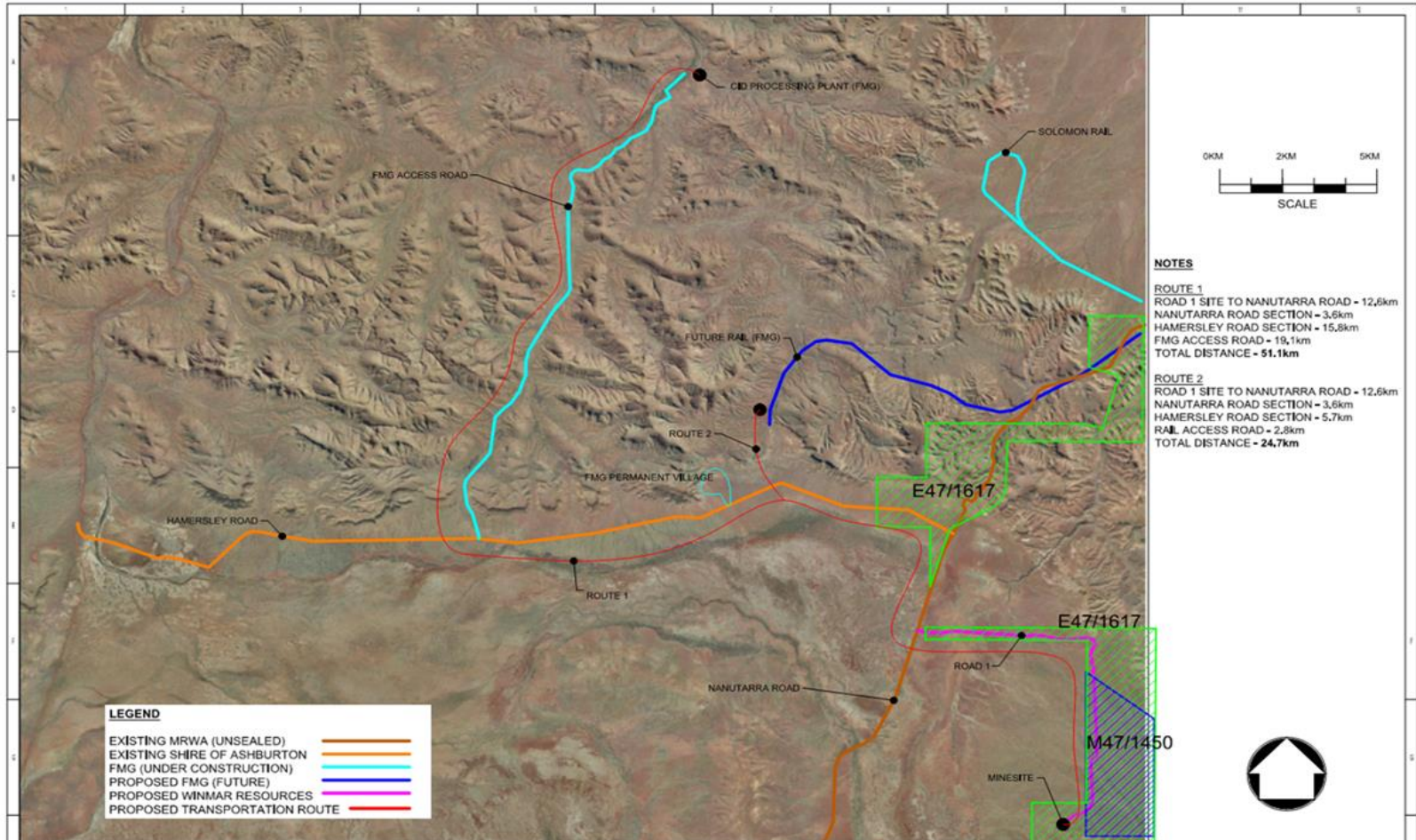
Winmar  
Infrastructure





# Road Access to Solomon

## Winmar Infrastructure

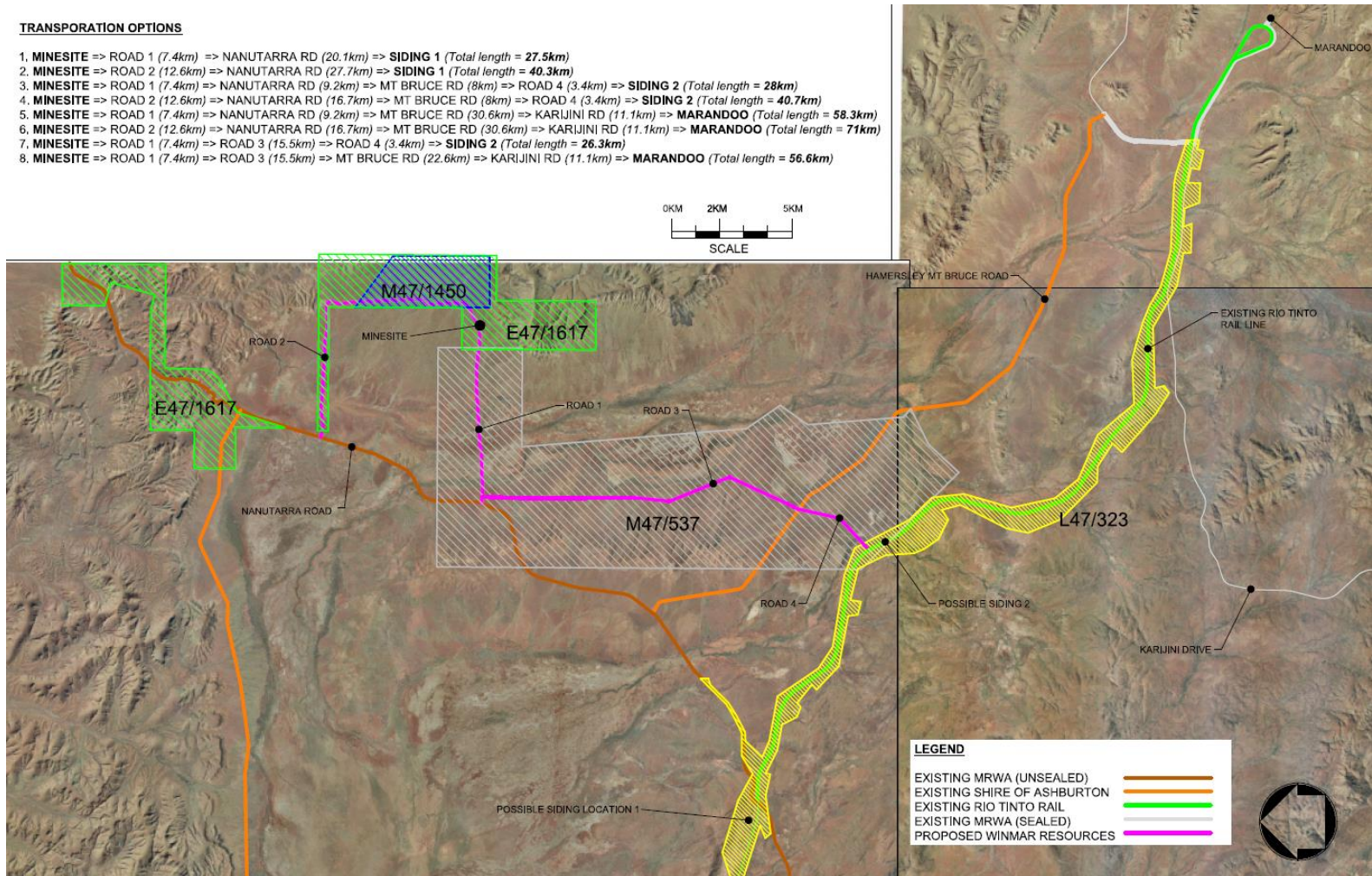
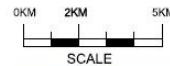


# Road Access to Marandoo

## Winmar Infrastructure

### TRANSPORTATION OPTIONS

1. MINESITE => ROAD 1 (7.4km) => NANUTARRA RD (20.1km) => **SIDING 1** (Total length = 27.5km)
2. MINESITE => ROAD 2 (12.6km) => NANUTARRA RD (27.7km) => **SIDING 1** (Total length = 40.3km)
3. MINESITE => ROAD 1 (7.4km) => NANUTARRA RD (9.2km) => MT BRUCE RD (8km) => ROAD 4 (3.4km) => **SIDING 2** (Total length = 28km)
4. MINESITE => ROAD 2 (12.6km) => NANUTARRA RD (16.7km) => MT BRUCE RD (8km) => ROAD 4 (3.4km) => **SIDING 2** (Total length = 40.7km)
5. MINESITE => ROAD 1 (7.4km) => NANUTARRA RD (9.2km) => MT BRUCE RD (30.6km) => KARIJINI RD (11.1km) => **MARANDOO** (Total length = 58.3km)
6. MINESITE => ROAD 2 (12.6km) => NANUTARRA RD (16.7km) => MT BRUCE RD (30.6km) => KARIJINI RD (11.1km) => **MARANDOO** (Total length = 71km)
7. MINESITE => ROAD 1 (7.4km) => ROAD 3 (15.5km) => ROAD 4 (3.4km) => **SIDING 2** (Total length = 26.3km)
8. MINESITE => ROAD 1 (7.4km) => ROAD 3 (15.5km) => MT BRUCE RD (22.6km) => KARIJINI RD (11.1km) => **MARANDOO** (Total length = 56.6km)



Why Invest in Winmar?

# Investment Summary

3/04/2014

Winmar Resources Limited | ASX: WFE

### Significant Deposit. Current Global Mineral Resource Estimate for Winmar

- **343.2 Mt @ 54.5% Fe (57.9% CaFe)**
- Indicated Resource of **42.6 Mt @ 55.2% Fe (57.9% CaFe)**
- Project Exploration Target\*\* of **~400Mt @ 54 – 56% Fe**

### Total of **152 drill holes for 20,961m** of Drilling to Date

- Assays continue to confirm high grade intersections of channel iron mineralisation
- Recently completed drill program to test higher grade shallow (from 28m) mineralisation, assays pending.
- Deposit remains open in North and SW directions

Metallurgy work of CID in SW corner completed – indicating higher grade material

Environmental surveys, Native Title Negotiations well advanced.

**Re-commence Pre Feasibility Studies in Q4 2013.**

# Valuation versus Peers

## The Hamersley Iron Project

### WFE EV/t Valuation

- 343Mt @ 54.5% Fe = 187 Mt contained Fe, JV Earn-in of 51% equates to approx. 95 Mt contained Fe.

### EV / t = \$0.05 (based on share price \$0.027)

- Iron Ore Holdings (IOH) and Flinders Mines (FMS) are the closest peers, albeit more mature, but with an EV/t many times that of Winmar.

### Peer Valuations

- IOH valuation at \$1.35 / Fe tonne** - as per recent acquisition by PMI / Mineral Resources<sub>1</sub>
- IOH valuation at \$1.25 / Fe tonne** - as per recent negotiations with FMG for purchase<sub>2</sub>
- FMS valuation at \$1.09 / Fe tonne** – takeover offer by MMK (Russia)<sub>3</sub>, since expired

	Fe cut off	Tonnage	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	LOI
	%	Mt	%	%	%	%	%
<b>FMS</b>	50	<b>917</b>	<b>55.2</b>	9.7	4.8	0.07	5.6
<b>IOH *</b>	50	<b>259.1</b>	<b>58.3</b>	5.4	3.2	0.17	6.9
<b>IOH **</b>	50	<b>54.8</b>	<b>56.7</b>	7.9	3.9	0.10	6.7
<b>WFE</b>	52	<b>343.2</b>	<b>54.5</b>	10.9	4.5	0.04	5.7
* FMG offer for Iron Valley project							
** PMI acquisition of Phil Creek, Lamb Creek & Yandicoogina projects							

1. Source: Iron Ore Holding announcement to ASX, 13 November 2011
2. Source: Fosters Stockbroking report , IOH/FMG deal for Iron Valley 14Feb2012
3. Source: Martin Place Securities Iron Ore Round-up, 25 November 2011

Enterprise Value is calculated by the following formula; market capitalisation plus debt, minority interest and preferred shares, minus total cash and cash equivalents.

**For further information please contact:**

**Luke Humphreys**

**General Manager**

**Winmar Resources Limited**

**M: 0428 000 008**

**E: [luke.humphreys@winmarresources.com.au](mailto:luke.humphreys@winmarresources.com.au)**

**W: [www.winmarresources.com.au](http://www.winmarresources.com.au)**

### *Competent Persons*

The information in this document that relates to Mineral Resources is based on information compiled by Mr D Jenkins and Mr S Searle.

Mr Jenkins is Principal Geologist of Terra Search and a Member of the Australian Institute of Geoscientists. Mr Jenkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves.

Mr Searle is a full time employee of RungePincockMinarco (ASX: RUL) and a Member of the Australian Institute of Geoscientists. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves.

Mr Searle and Mr. Jenkins consent to the inclusion of their names in the matters based on their information in the form and context in which it appears.

### *Exploration Target*

The Exploration Target refers to the conceptual extended mineralisation of the Winmar Deposit and surrounding prospects including detrital, channel and bedded mineralisation, based on drilling to date; interpreted geological model and complementary geophysics. At the present time there is insufficient drilling to determine the extended mineralisation and estimate and it is uncertain if further exploration will result in the determination of such mineralisation or estimate.