



A MAJOR NEW COPPER-GOLD DISCOVERY IN A WORLD CLASS DISTRICT

CORPORATE PRESENTATION | APRIL 2018

FORWARD LOOKING STATEMENTS

Nature of this document: The purpose of this presentation is to provide general information about Xanadu Mines Limited (the 'Company'). Unless otherwise stated herein, the information in this presentation is based on the Company's own information and estimates. In attending this presentation or viewing this document you agree to be bound by the following terms and conditions.

Not an offer: This presentation is for information purposes only and does not constitute or form any part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities in the Company in any jurisdiction. This presentation and its contents must not be distributed, transmitted or viewed by any person in any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction. This presentation is not considered a recommendation by the Company or any of its affiliates, directors or officers that any recipient invest in the Company nor does it constitute investment, accounting, financial, legal or tax advice.

Not financial product advice: This presentation does not take into account the individual investment objectives, financial situation and particular needs of each of the Company's Shareholders. You may wish to seek independent financial and taxation advice before making any decision in respect of this presentation. Neither the Company nor any of its related bodies corporate is licensed to provide financial product advice in respect of the Company's securities or any other financial products.

Forward-looking statements: Certain statements in the presentation are or may be "forward-looking statements" and represent the Company's intentions, projections, expectations or beliefs concerning, among other things, future operating and exploration results or the Company's future performance. These forward looking statements speak, and the presentation generally speaks, only at the date hereof. The projections, estimates and beliefs contained in such forward looking statements necessarily involve known and unknown risks and uncertainties, and are necessarily based on assumptions, which may cause the Company's actual performance and results in future periods to differ materially from any express or implied estimates or projections. It is recognised that it is common practice for a company to comment on and discuss its exploration in terms of target size and type. All statements contained in this presentation by the Company which refer to the potential quantity and grade of the target is accompanied by a detailed explanation of the basis for the statement. The potential quantity and grade for the target is conceptual in nature and, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

Disclaimer: No representation or warranty, express or implied, is made by the Company that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of the Company, its directors, officers, employees, advisers and agents expressly disclaims any responsibility for the accuracy, fairness, sufficiency or completeness of the material contained in this presentation, or any opinions or beliefs contained in this document, and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. The Company is under no obligation to update or keep current the information contained in this presentation or to correct any inaccuracy or omission which may become apparent, or to furnish any person with any further information, unless required to do so by law. Any opinions expressed in the presentation are subject to change without notice. Recipients of this presentation should make their own, independent investigation and assessment of the Company its business, assets and liabilities, prospects and profits and losses, as well as the matters covered in this presentation. Independent expert advice should be sought before any decision based on an assessment of the Company is made.

Unverified information: This presentation may contain information (including information derived from publicly available sources) that has not been independently verified by the Company.

JORC: The information in this report that relates to the exploration results previously reported in the ASX Announcements dated 31 January 2018. The Company is not aware of any new information or data that materially affects the information included in those relevant market announcements.



INVESTMENT HIGHLIGHTS

SIGNIFICANT DISCOVERY IN A WORLD CLASS DISTRICT

Kharmagtai is growing into a globally significant copper-gold discovery

ESTABLISHED PORTFOLIO OF ADVANCED PROJECTS

Multiple porphyry copper-gold projects with genuine potential

EXPERIENCED BOARD & INCOUNTRY MANAGEMENT

High-calibre team with a proven record of discovery in Mongolia & globally

FINANCED FOR AGGRESSIVE DRILLING

A\$9.1m in cash to support exploration at Kharmagtai & Red Mountain



WHAT ARE PORPHYRY COPPER DEPOSITS

TARGETING GLOBALLY SIGNIFICANT DISCOVERIES

PORPHYRY COPPER DEPOSITS

Principal contributor to the global copper supply

OCCUR IN DISTRICTS

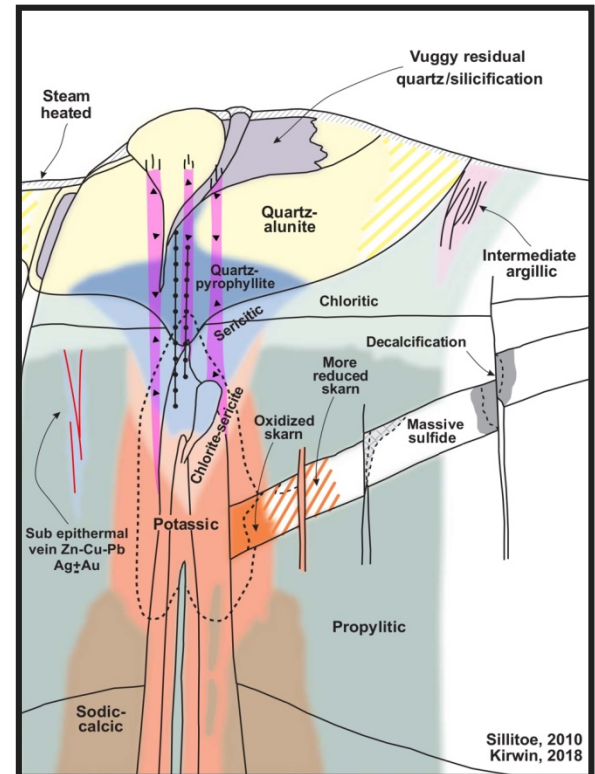
Typically occur in clusters – multiple deposits

ATTRACTIVE ECONOMICS

Main targets for the global producers

TOURMALINE BRECCIA

Common in porphyry camps & can be world-class



SCARCITY OF SHALLOW COPPER DISCOVERIES

GROWING DEMAND FOR NEW COPPER PROJECTS



Source: Company websites. CuEq. calculations only use copper and gold. Metal price assumptions: Cu \$2.6/lb, Au \$1,300/oz

*ASX announcement dated 19 March 2015 "Kharmagtai Maiden JORC Resource".

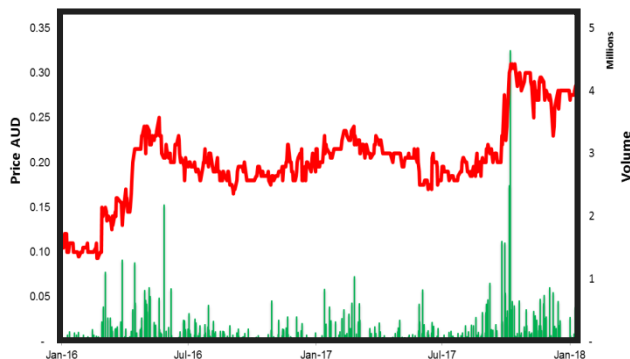
*ASX announcement dated 18 September 2014 "Kharmagtai exploration target upgraded".

STRONG FOUNDATION & EXPERIENCED TEAM

CAPITAL STRUCTURE

Share price (16 March 2018)	A\$0.25
52w range	A\$0.17-0.345
Issued shares	588.7m
Market capitalisation	A\$147.2m
Cash (31 December 2017)	A\$9.1m
Enterprise value	A\$138.1m

SHARE PRICE PERFORMANCE



EXPERIENCED BOARD OF DIRECTORS

Kevin Tomlinson

Non-Executive Chairman

Experienced resources company CEO, director and financier with more than 30 years' experience within the Canadian, Australian and United Kingdom Stock markets. Previous development and production boards included Chairman of Medusa Mining (ASX, AIM, TSX) and NED on Centamin Plc (ASX, AIM, LSE, TSX) and Orbis Gold (ASX).

Andrew Stewart

Managing Director & Chief Executive Officer

Geologist with over 15 years' experience in minerals exploration primarily focused on project generation and evaluation and development of exploration strategies throughout Asia and Eastern Europe. Senior technical and management positions at Ivanhoe & Vale.

Darryl Clark

Independent Non-Executive Director

Exploration geologist with over 20 years' experience throughout Australia, Central Asia and South East Asia. Previous corporate roles with both Vale and BHP Billiton. Responsible for business development strategies and the coordination of discovery events.

Ganbayar Lkhagvasuren

Executive Director

Co-founder of Xanadu and Director since 2006. Joint venture partner in Mongol Metals LLC and brings a vital Mongolian perspective to the Board of Directors. Responsible for day-to-day operations in Mongolia.

Hannah Badenach

Non-Executive Director

Director Mongolia and Head of Mongolia and Asian/Middle East base metals at Noble Resources International Pte Ltd. Extensive Mongolian, commercial and business development experience across a broad range of commodities.

Marcus Engelbrecht

Non-Executive Director

Well-rounded senior mining executive with more than 30 years industry experience. Spent 20 years with BHP Billiton and more recently was MD and CEO of a London listed gold miner operating in Indonesia. He has worked in various emerging markets across the globe, including in Africa and South East Asia.

Michele Muscillo

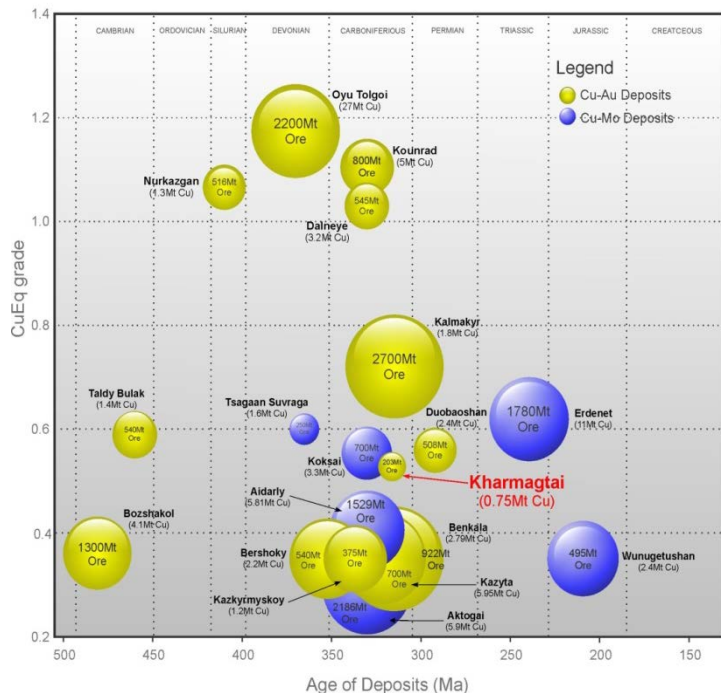
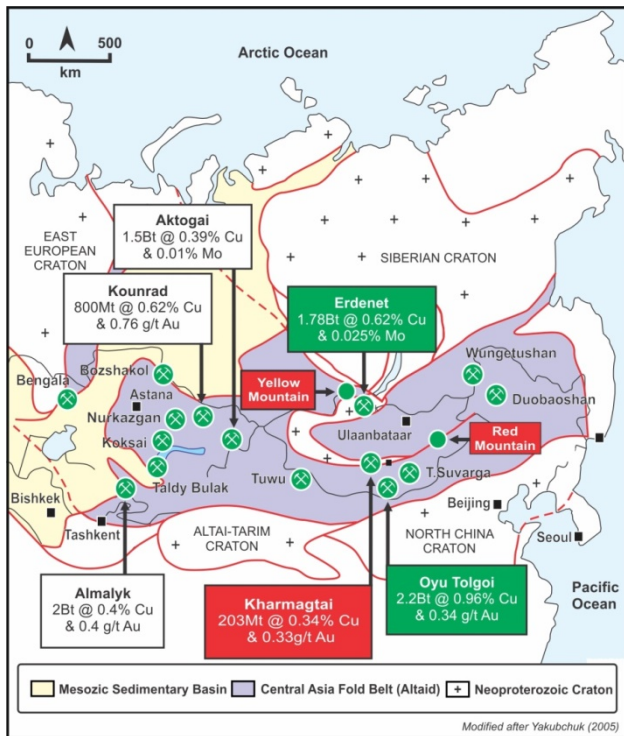
Independent Non-Executive Director

Michele has practised exclusively in corporate law for the duration of his legal career and has extensive experience in mergers and acquisitions and capital markets transactions, including the negotiation of significant commercial contracts and agreements. His key areas of practice include Corporate Advisory and Governance, Mergers and Acquisitions, Capital Markets and Resources and Energy.

LAST GREAT EXPLORATION FRONTIERS

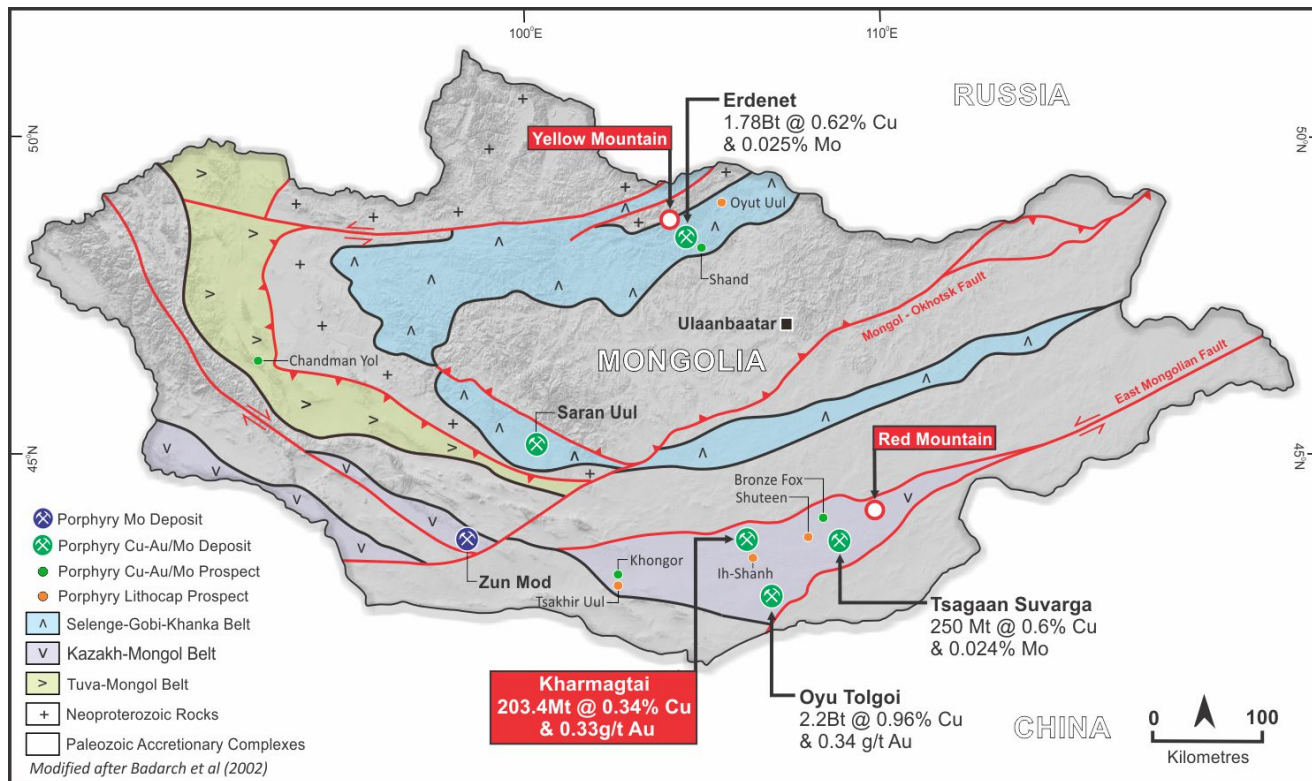
LARGE MINERAL PROVINCES ON THE NEW SILK ROAD

NUMEROUS HIGHLY MINERALISED & VASTLY UNDEREXPLORED PORPHYRY BELTS



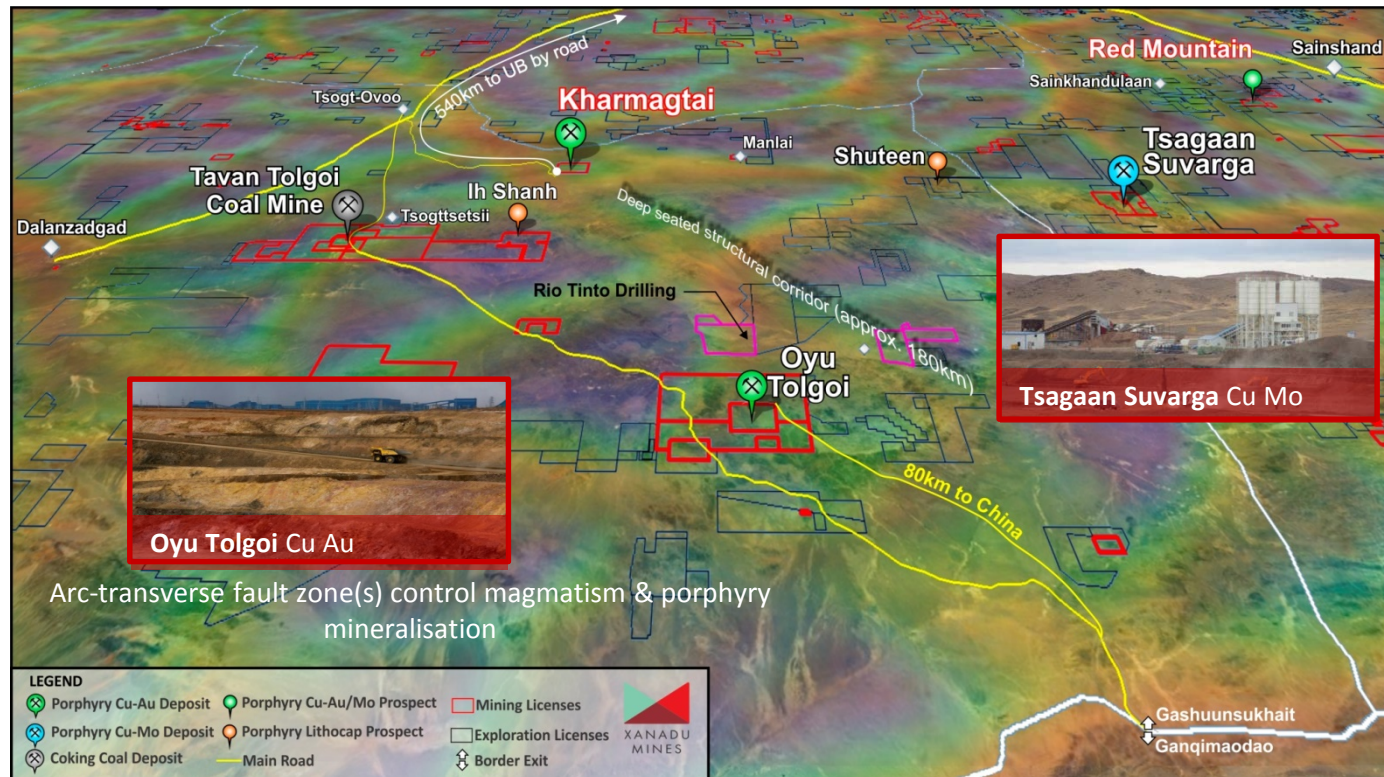
MONGOLIAN PORPHYRY COPPER BELTS

SIGNIFICANT UNTAPPED COPPER-GOLD POTENTIAL



WORLD CLASS OYU TOLGOI PORPHYRY TREND

HUNT FOR COPPER DEPOSITS IN THE SOUTH GOBI BELT



The background of the slide is an aerial photograph of a vast, arid, mountainous landscape. In the lower right quadrant, there is a small industrial or mining facility with several buildings and storage tanks. The sky is a clear, pale blue.

KHARMAGTAI PORPHYRY CU-AU DISTRICT

LARGE DISTRICT-SCALE PORPHYRY COPPER PROJECT

Under explored & hosting a globally significant copper-gold discovery

SHALLOW HIGH-GRADE MINERALISATION

Multiple 200+ meter interceptes @ 1% CuEq from surface

GROWING COPPER & GOLD RESOURCE BASE

Maiden resource containing 1,533 MLB CU & >2 MOZ AU^{*ASX}

CLOSE TO INFRASTRUCTURE

Close to significant deposits in development & production

*ASX announcement dated 19 March 2015 "Kharmagtai Maiden JORC Resource." Table 1 information dated 29 April 2016 continues to apply

KHARMAGTAI PORPHYRY CU-AU DISTRICT

LARGE DISTRICT WITH MULTIPLE PORPHYRY CENTRES

Outcrop throughout the Kharmagtai district is sparse

Quaternary sand forming a thin cover over most of the porphyry system



Stockwork Hill

Copper Hill

White Hill



KHARMAGTAI PORPHYRY CU-AU DISTRICT

SIGNIFICANT DISCOVERY ATTRACTING ATTENTION

1975

RECOGNITION

First porphyry Cu mineralisation

1995-1998

QGX GOLD

Early exploration focused on the shallow gold mineralisation

2001-2006

IVANHOE MINES

Exploration focused on outcropping porphyry mineralisation
Drill holes were shallow and closely spaced

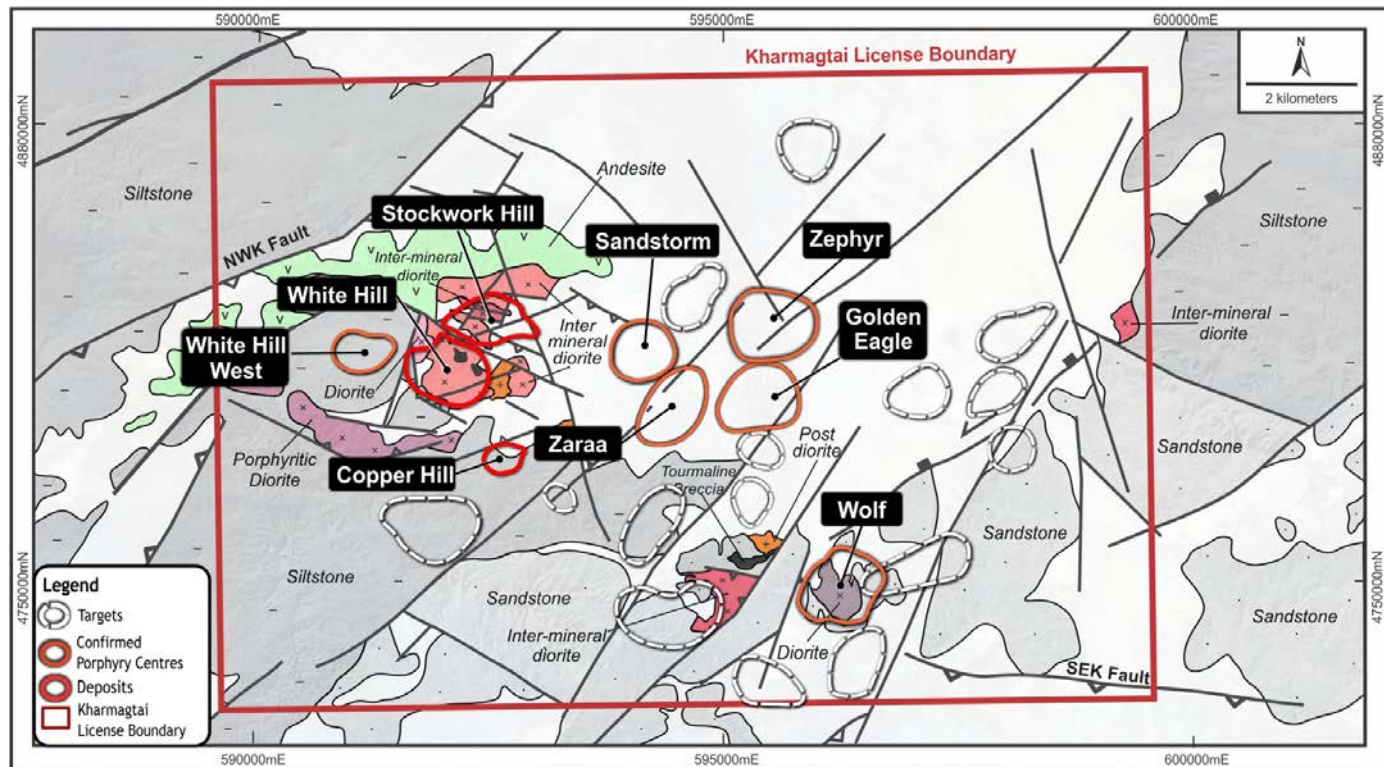
2015 & beyond

XANADU MINES

Exceptional exploration success
Recent drilling intercepts >650m or greater at +1% copper equivalent
Start the commercialisation process to the benefit of Xanadu's shareholders of this world class Cu-Au discovery

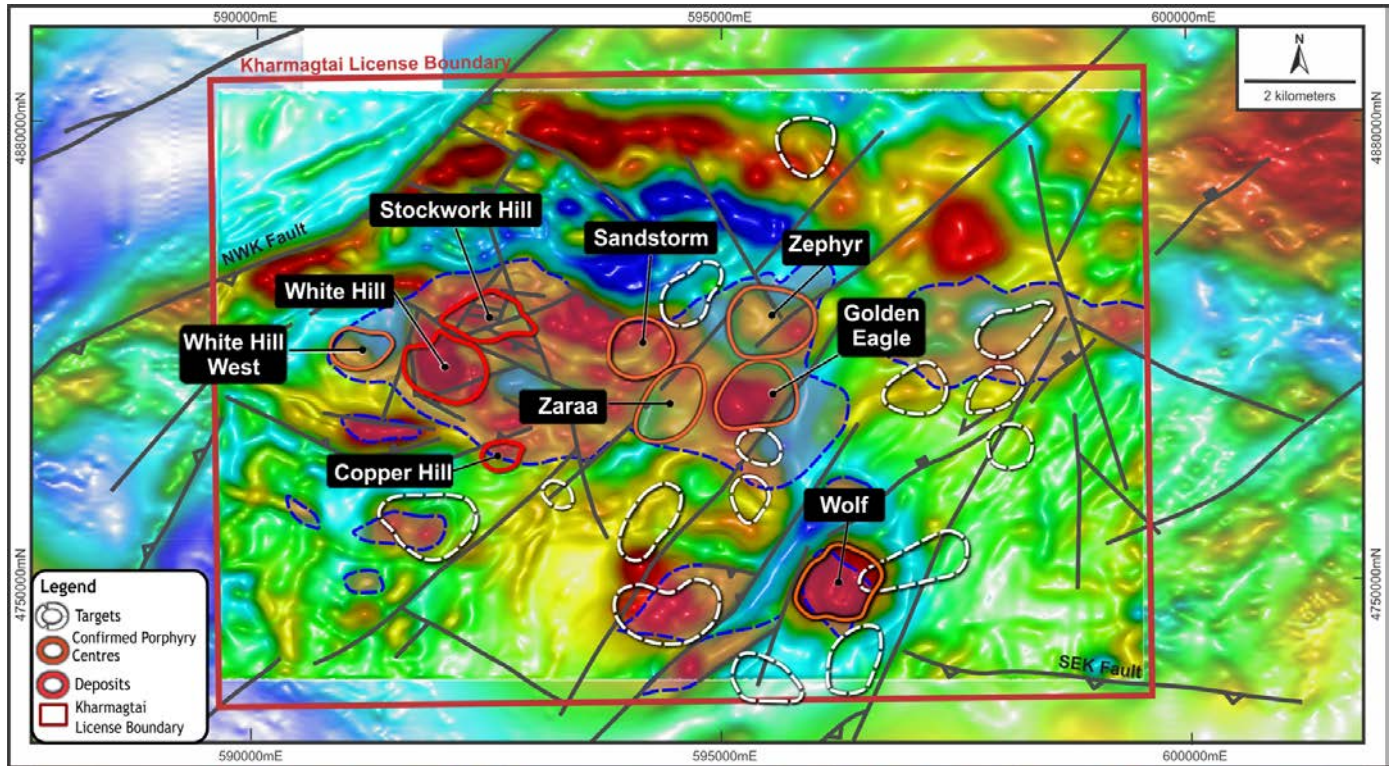
KHARMAGTAI PORPHYRY CU-AU DISTRICT

CLUSTER OF OUTCROPPING PORPHYRY DEPOSITS



KHARMAGTAI PORPHYRY CU-AU DISTRICT

LARGE COMPOSITE DIORITE INTRUSIVE COMPLEX

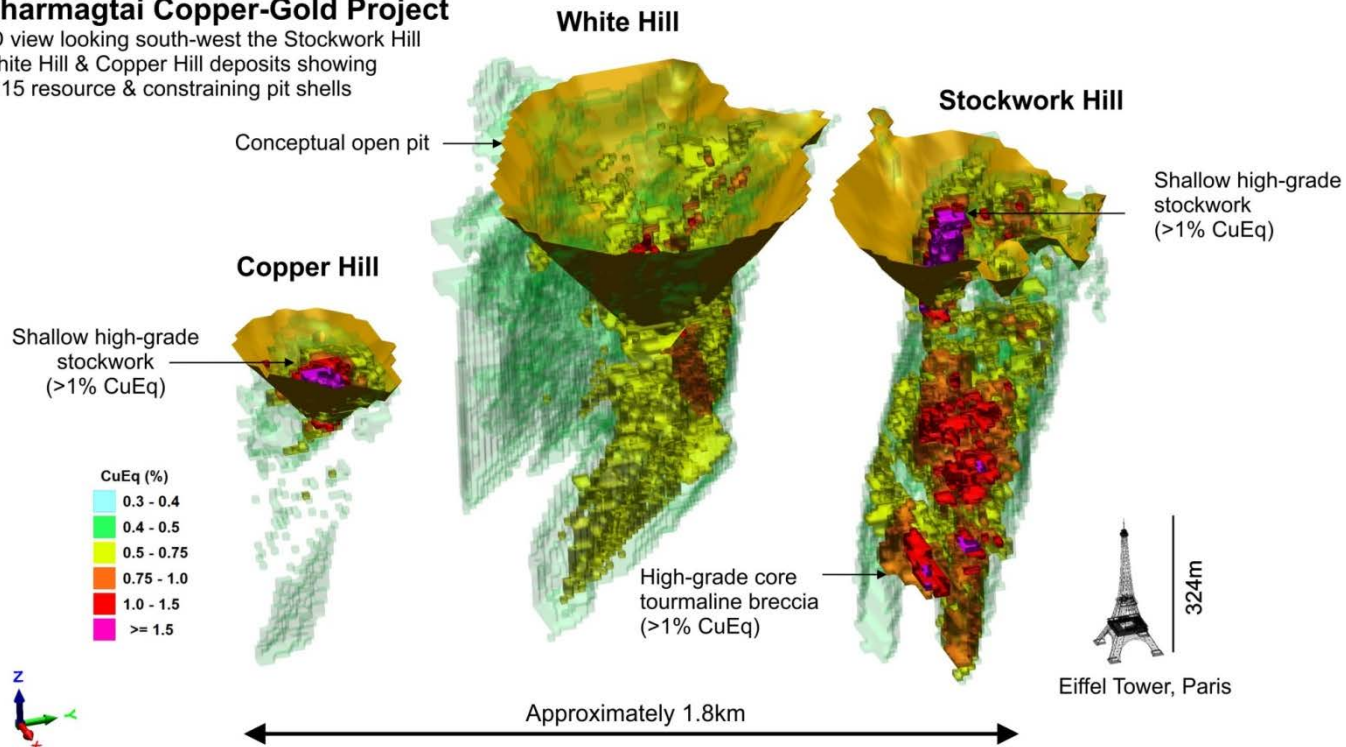


KHARMAGTAI PORPHYRY CU-AU DISTRICT

GROWING RESOURCE OF 1,533 MLB CU & >2 MOZ AU*

Kharmagtai Copper-Gold Project

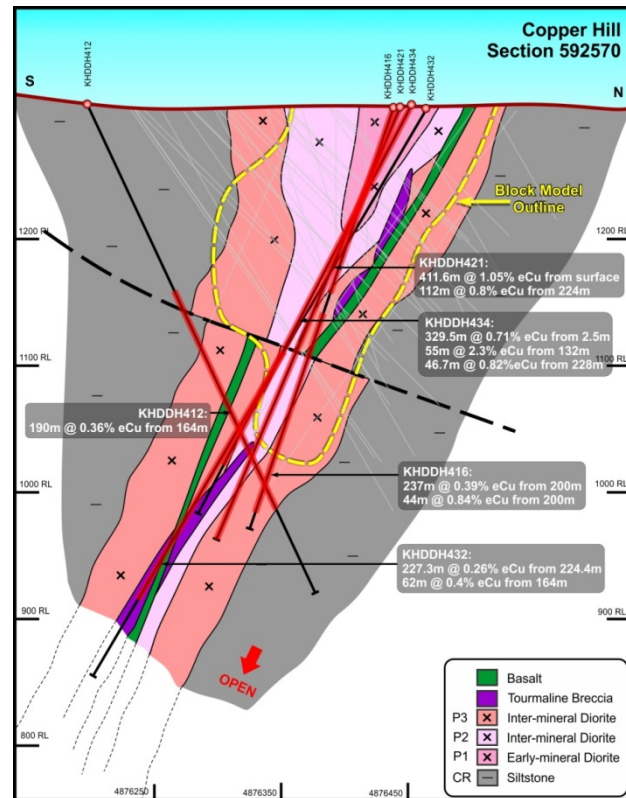
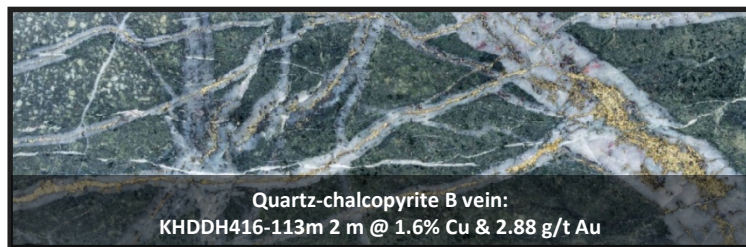
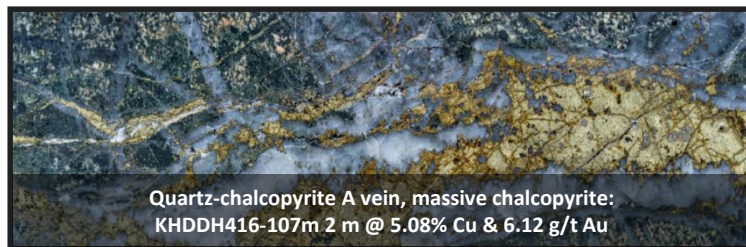
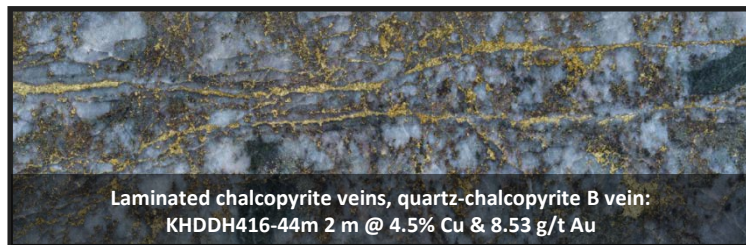
3D view looking south-west the Stockwork Hill
White Hill & Copper Hill deposits showing
2015 resource & constraining pit shells



*ASX announcement dated 19 March 2015 "Kharmagtai Maiden JORC Resource." Table 1 information dated 29 April 2016 continues to apply.

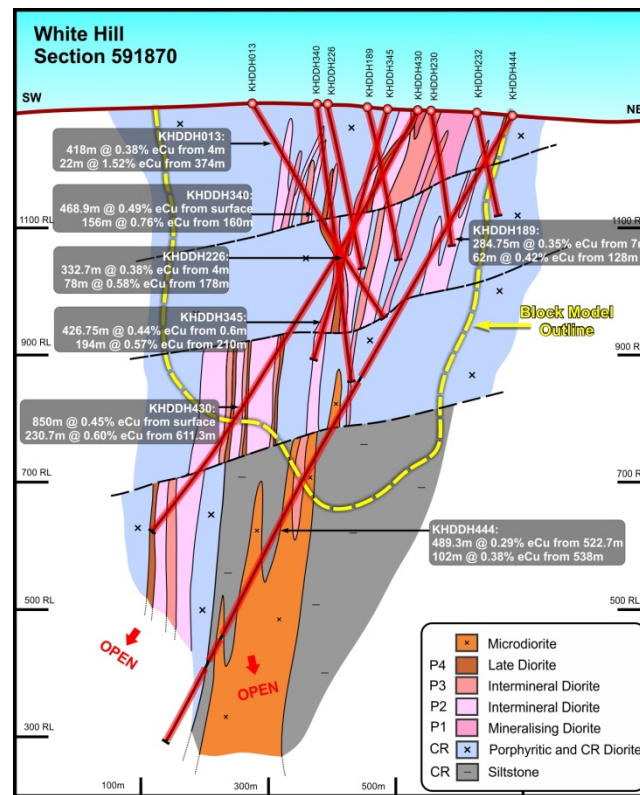
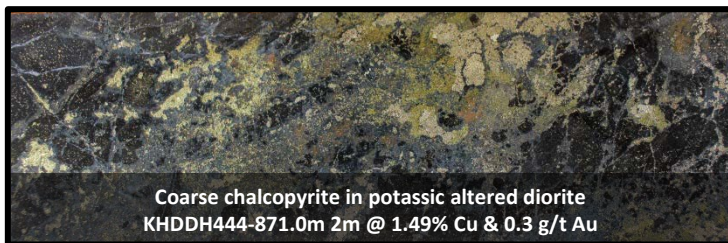
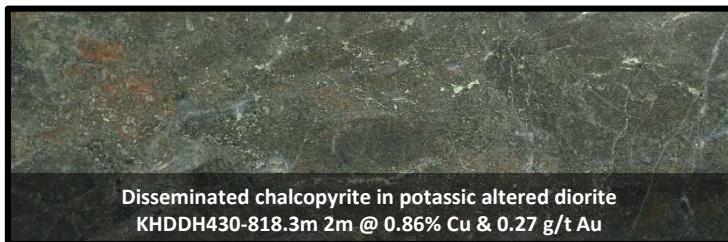
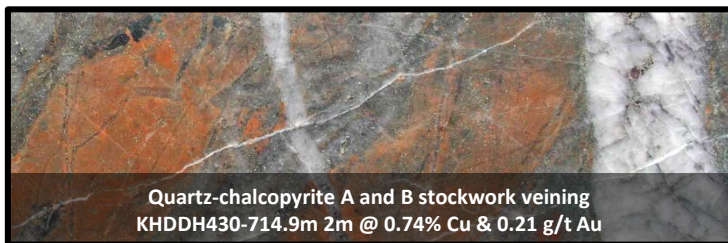
KHARMAGTAI PORPHYRY CU-AU DISTRICT

SHALLOW HIGH-GRADE GOLD-RICH MINERALISATION



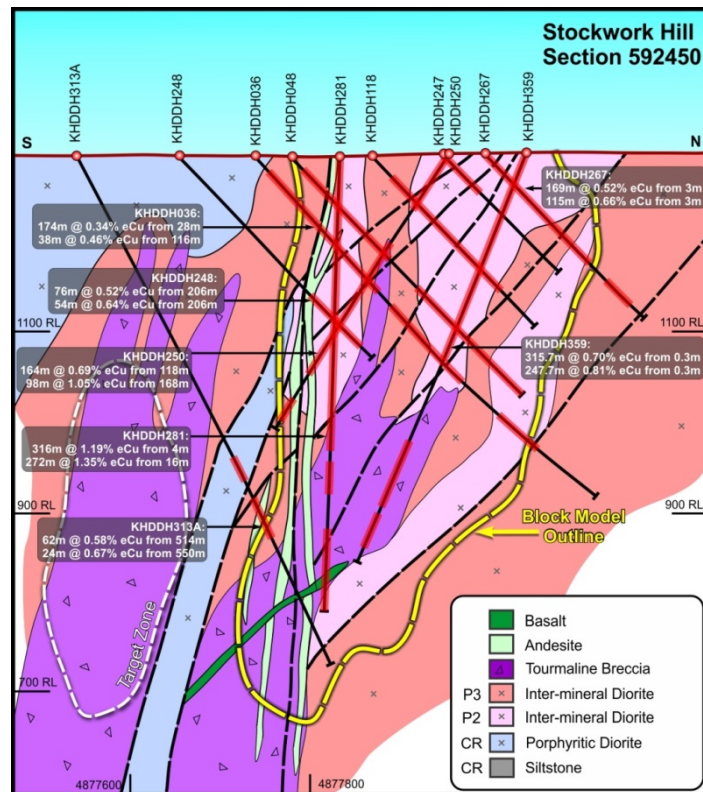
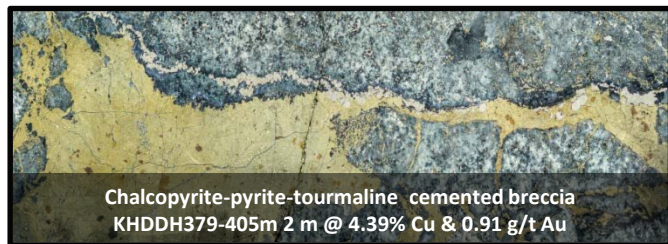
KHARMAGTAI PORPHYRY CU-AU DISTRICT

MULTIPHASED PORPHYRY MINERALISATION



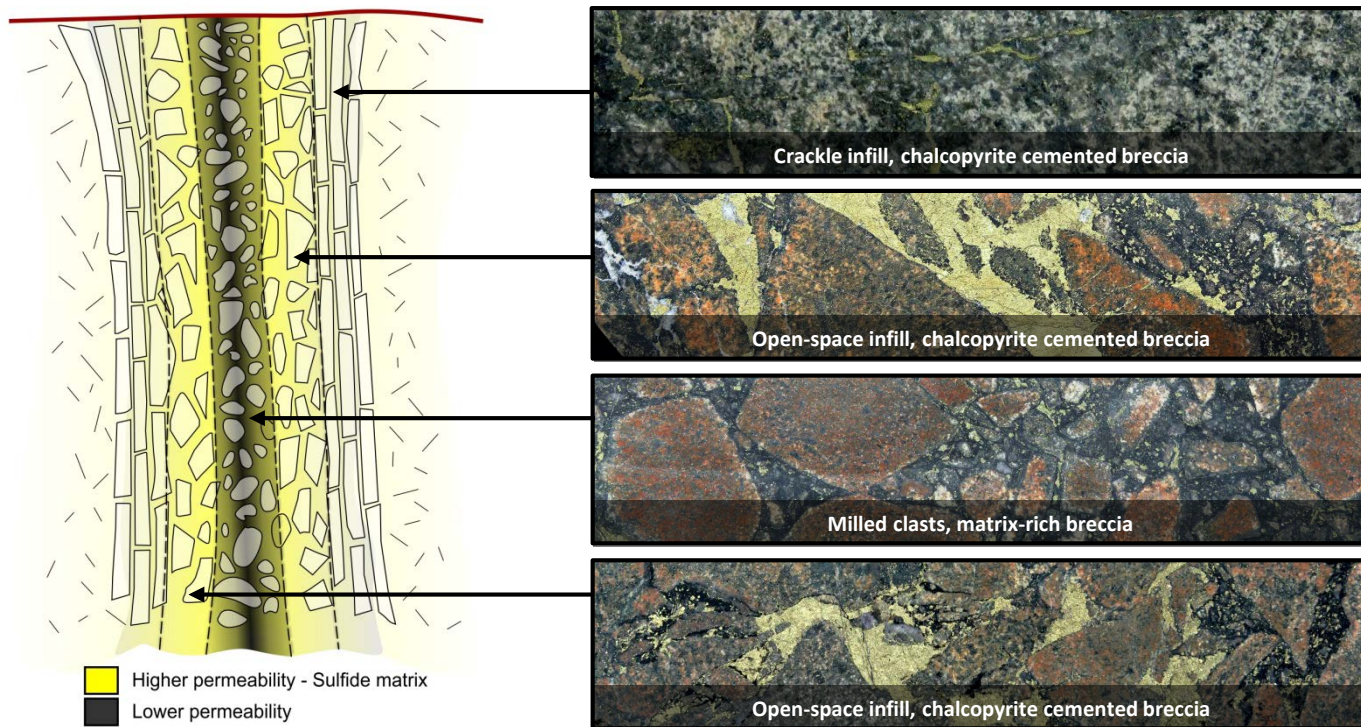
KHARMAGTAI PORPHYRY CU-AU DISTRICT

HIGH-GRADE TOURMALINE BRECCIA MINERALISATION

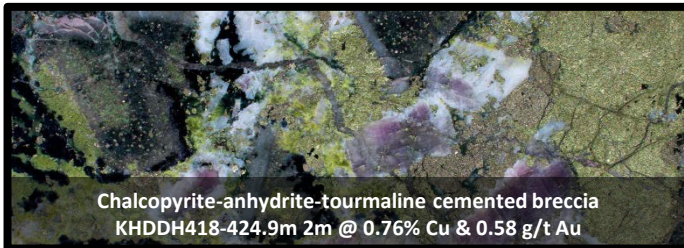
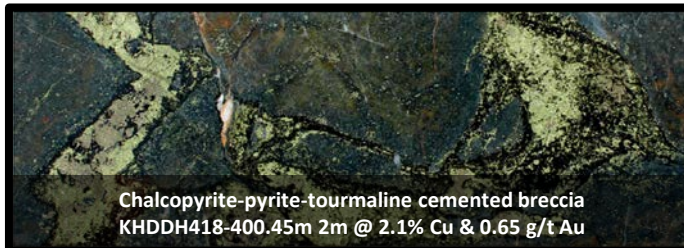
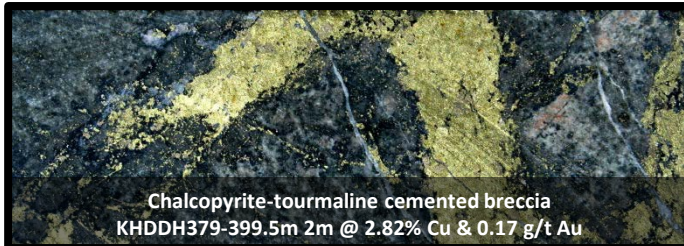
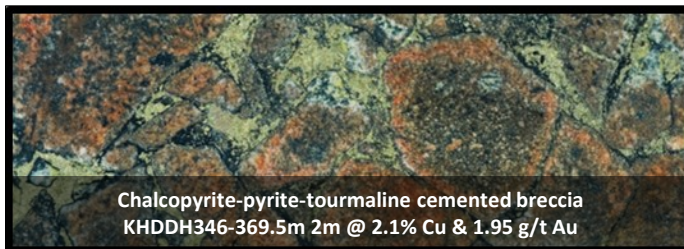


TOURMALINE BRECCIAS ARE DYNAMIC AND ZONED

ESTABLISHED GEOMETRY - HIGH GRADE IS CONTROLLED BY PERMEABILITY

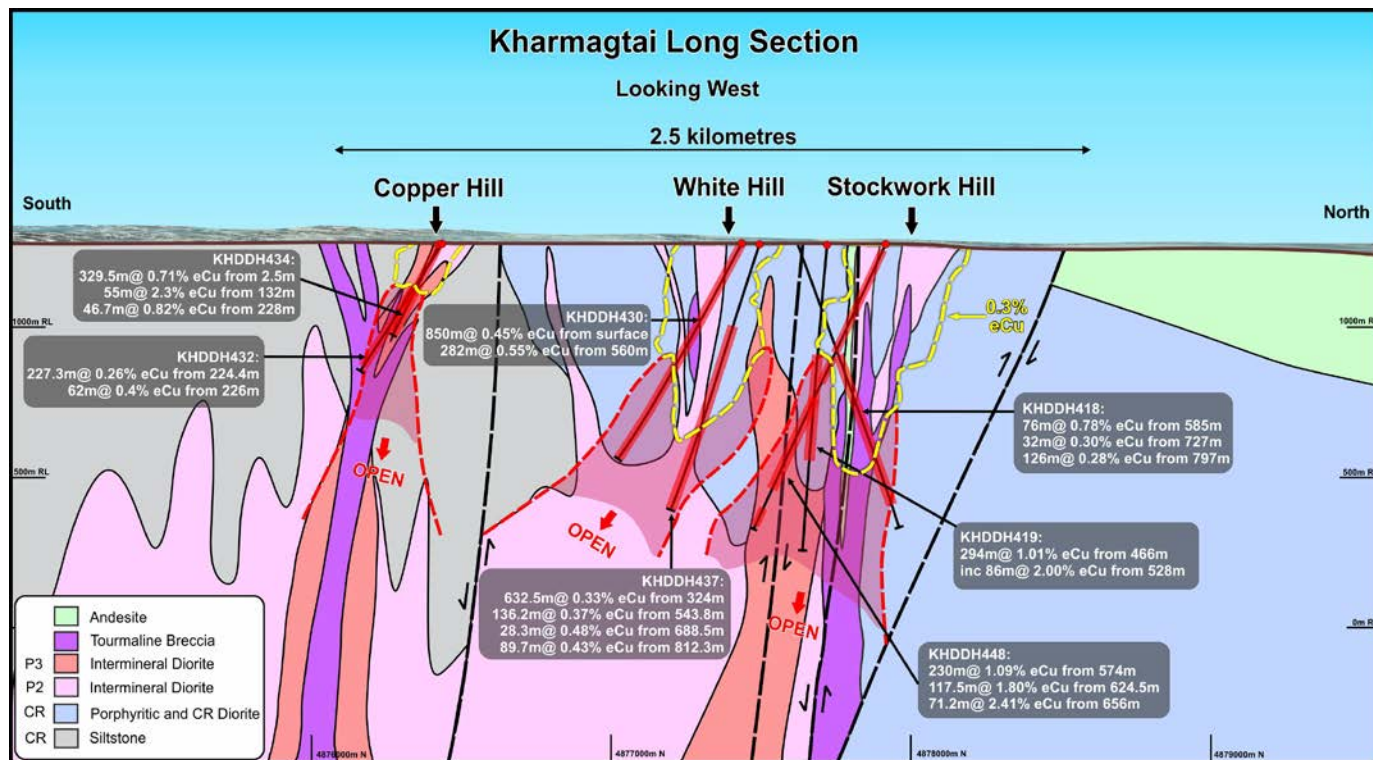


HIGH-GRADE TOURMALINE BRECCIA MINERALISATION



KHARMAGTAI PORPHYRY CU-AU DISTRICT

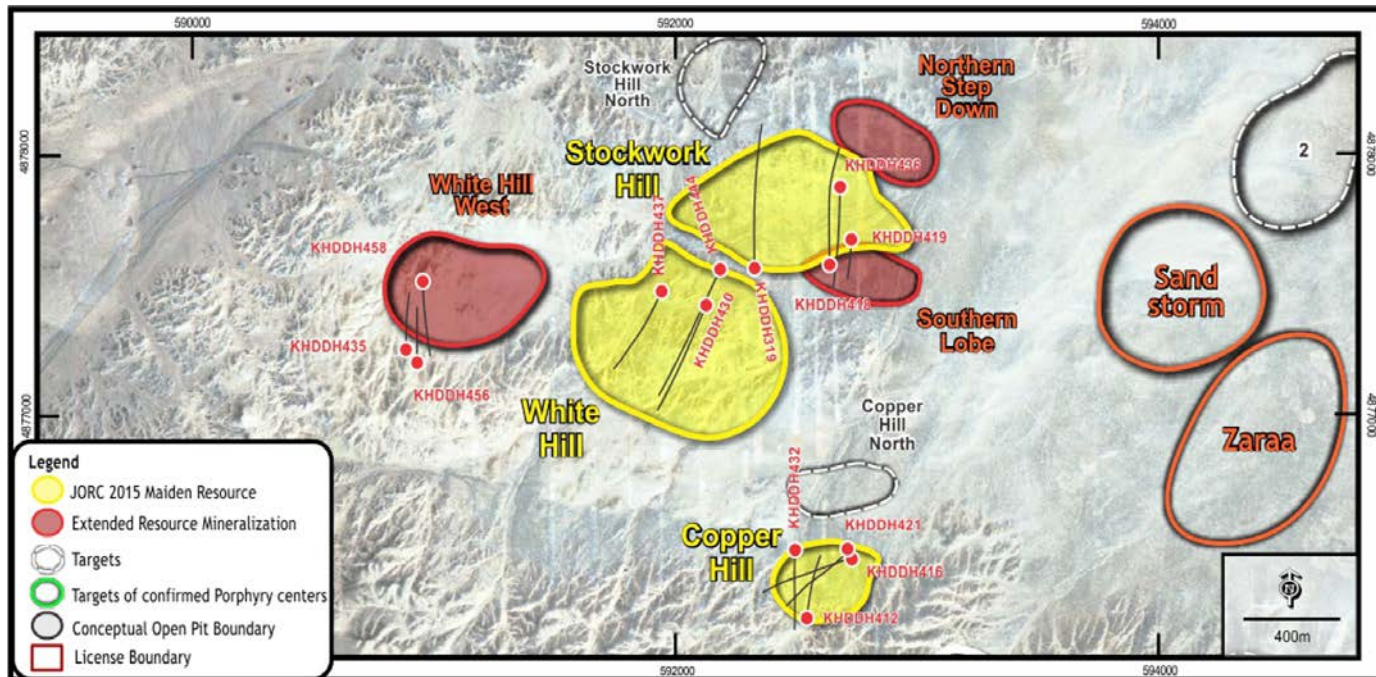
MUCH BIGGER SYSTEM THAN PREVIOUSLY UNDERSTOOD



CLEAR RESOURCE GROWTH PROFILE

DRILLING CONFIRMS A HUGE SYSTEM & GROWING

NEW DRILLING CONTINUES TO EXPAND MINERALISATION OUTSIDE CURRENT RESOURCES

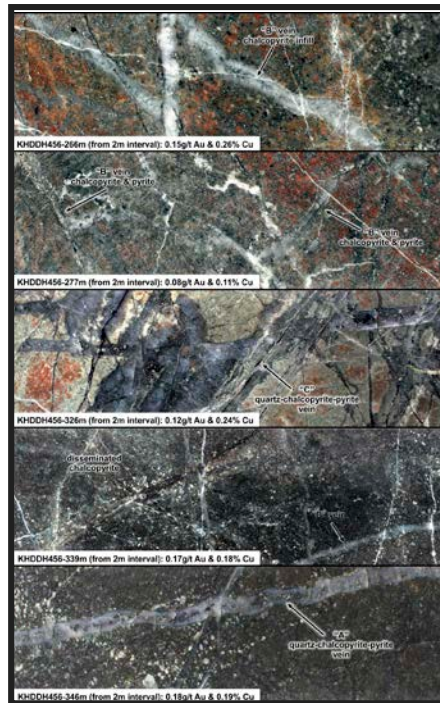
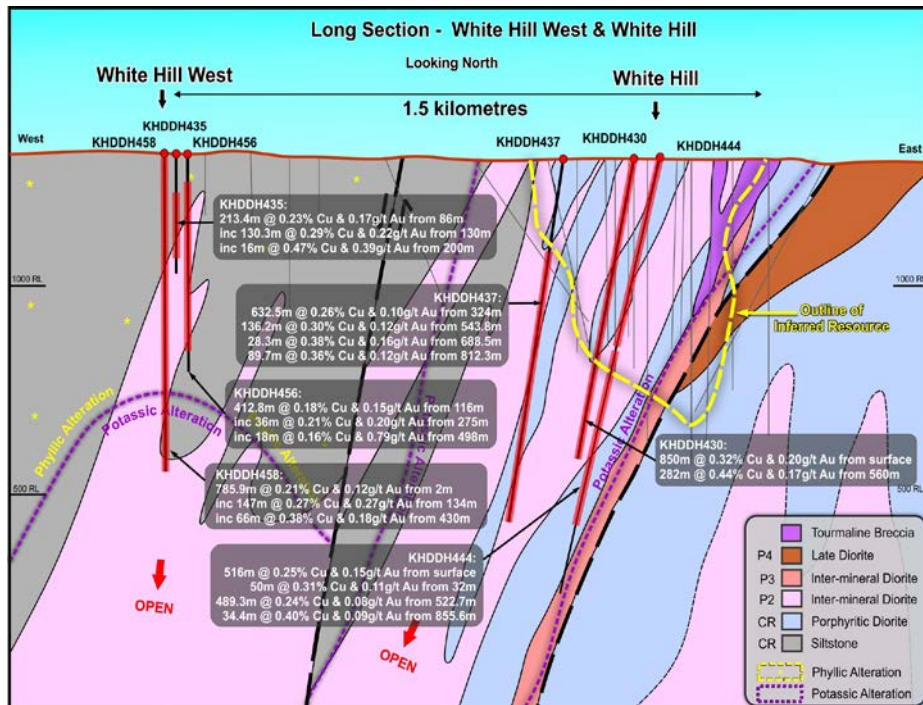


*ASX announcement dated 19 March 2015 "Kharmagtai Maiden JORC Resource." Table 1 information dated 29 April 2016 continues to apply.

CLEAR RESOURCE GROWTH PROFILE

DRILLING CONFIRMS A HUGE SYSTEM & GROWING

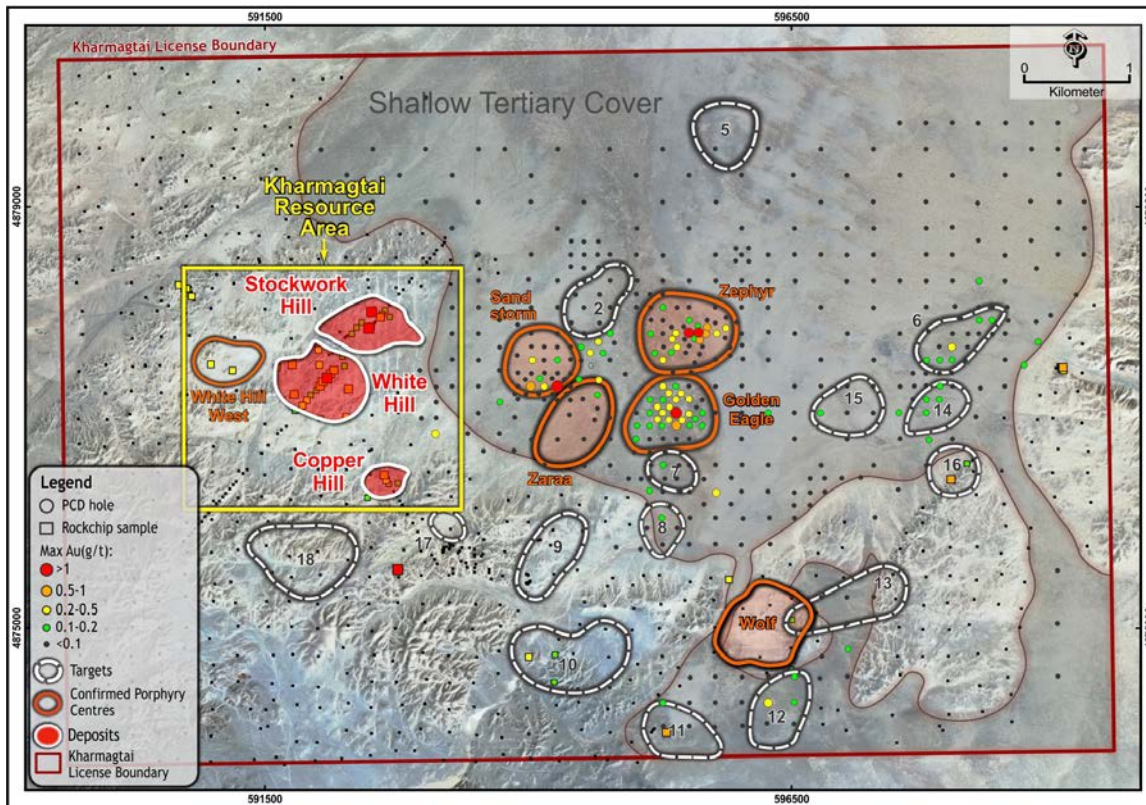
NEW DRILLING CONTINUES TO EXPAND MINERALISATION OUTSIDE CURRENT RESOURCES



*ASX announcement dated 19 March 2015 "Kharmagtai Maiden JORC Resource." Table 1 information dated 29 April 2016 continues to apply.

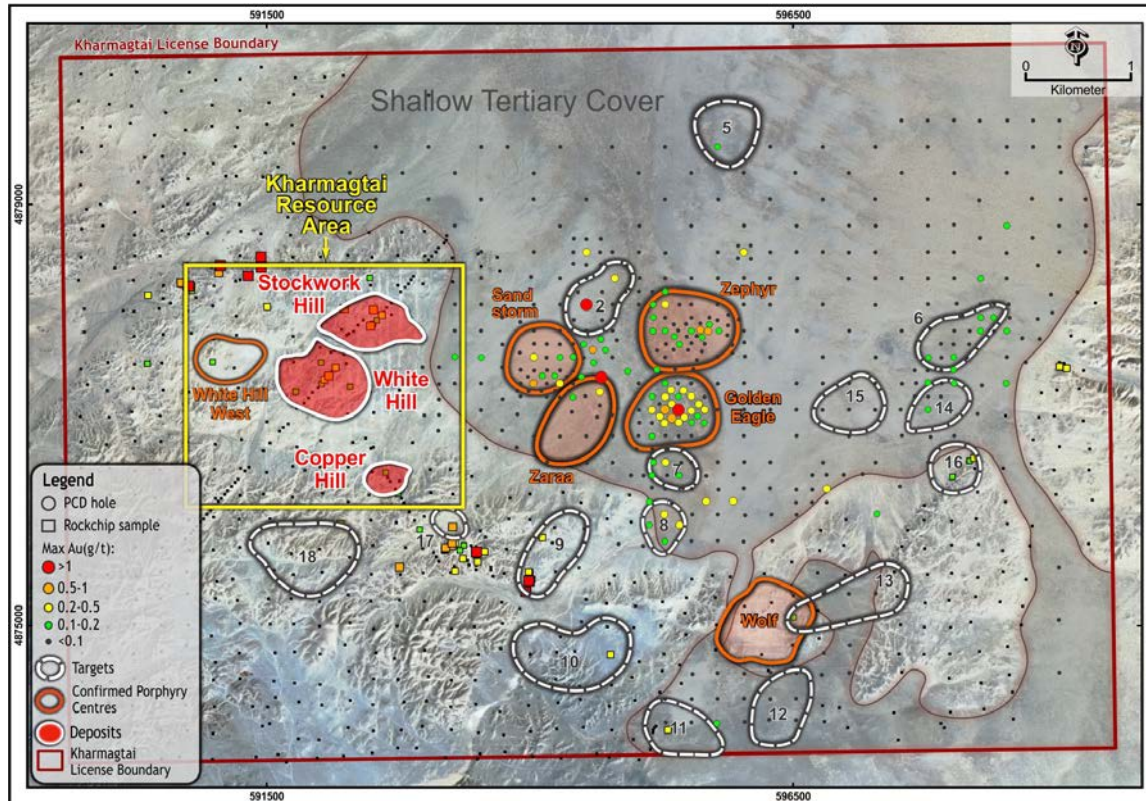
KHARMAGTAI PORPHYRY CU-AU DISTRICT

NUMEROUS PORPHYRY TARGETS UNDERCOVER - COPPER



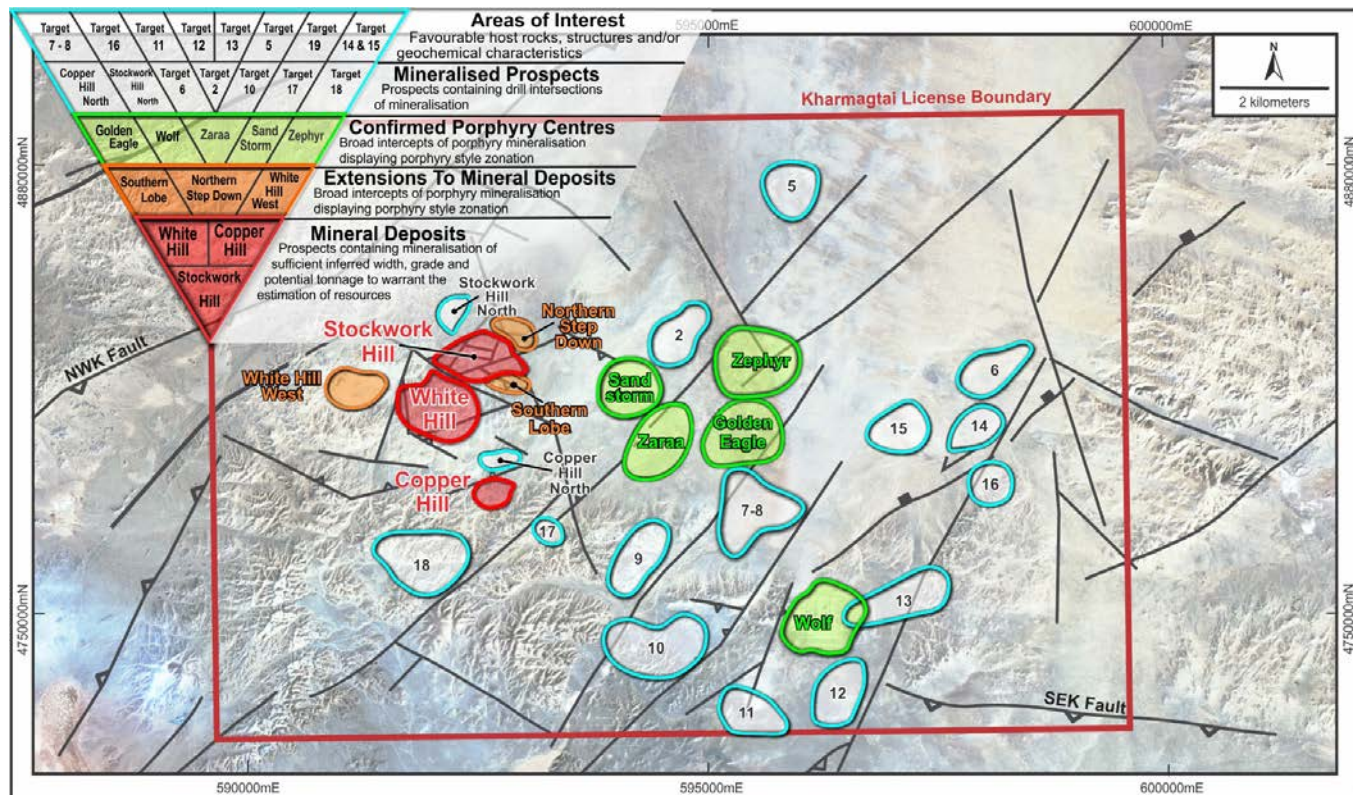
KHARMAGTAI PORPHYRY CU-AU DISTRICT

NUMEROUS PORPHYRY TARGETS UNDERCOVER - GOLD



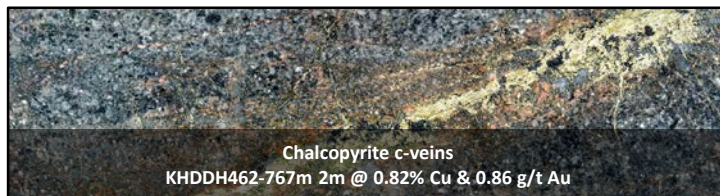
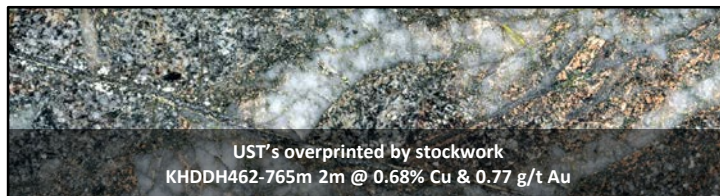
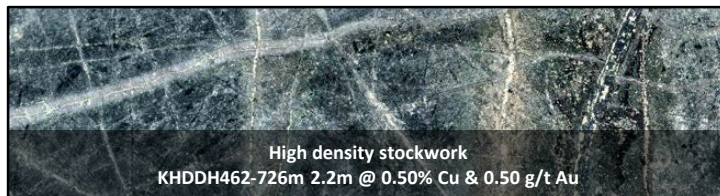
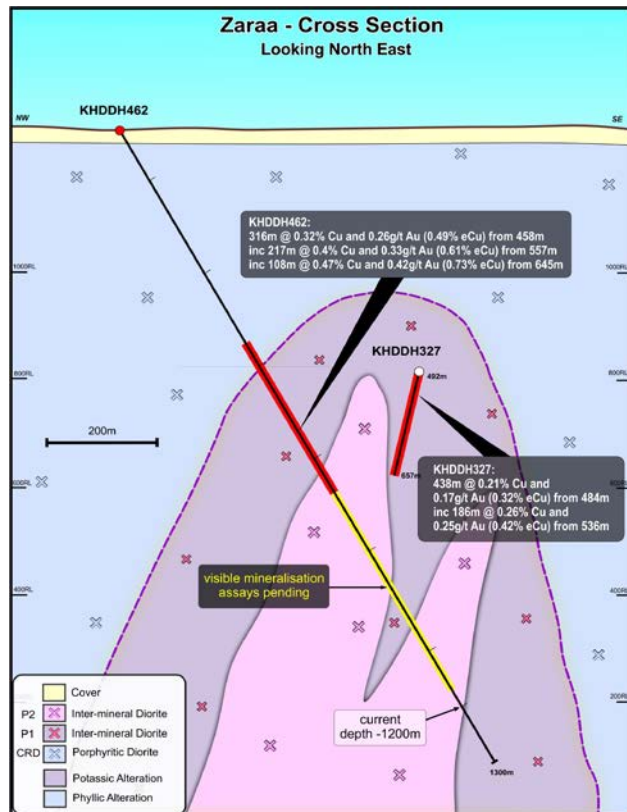
KHARMAGTAI PORPHYRY CU-AU DISTRICT

19 large-scale targets identified within the Kharmagtai



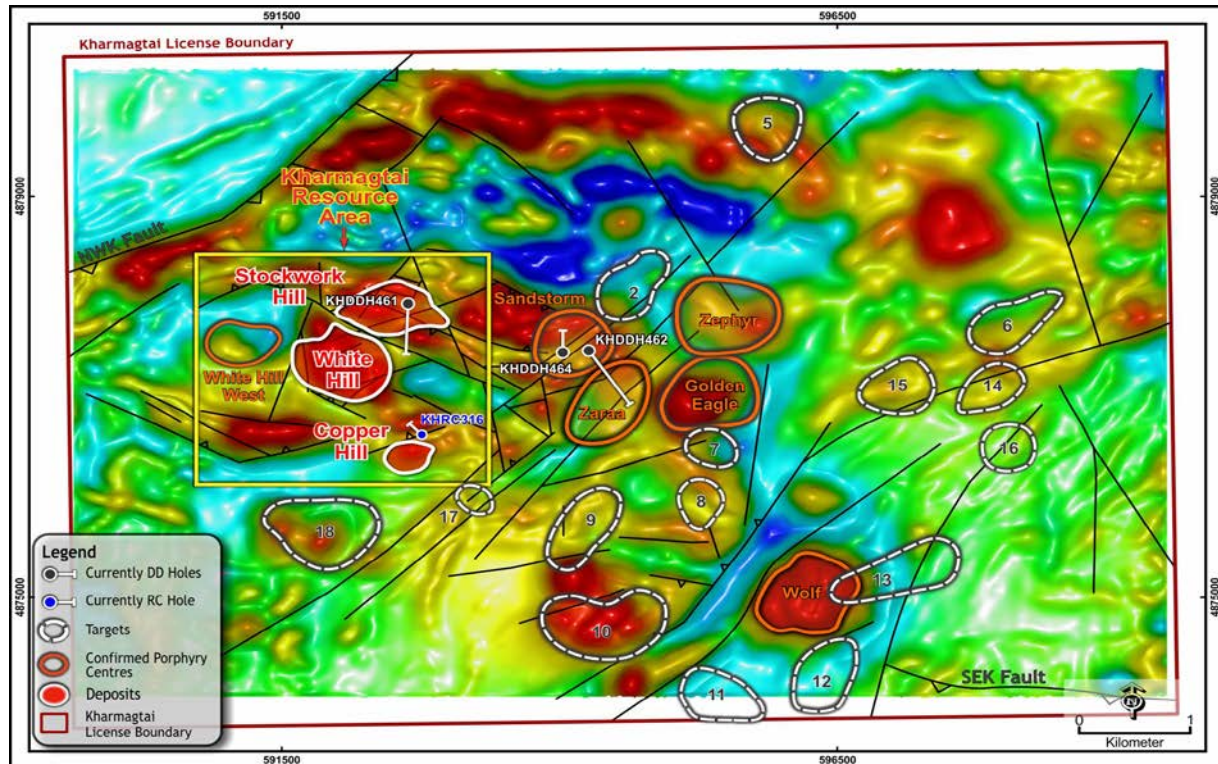
KHARMAGTAI PORPHYRY CU-AU DISTRICT

NEW COPPER PORPHYRY CENTRE DISCOVERED



KHARMAGTAI PORPHYRY CU-AU DISTRICT

NEW COPPER PORPHYRY CENTRE DISCOVERED



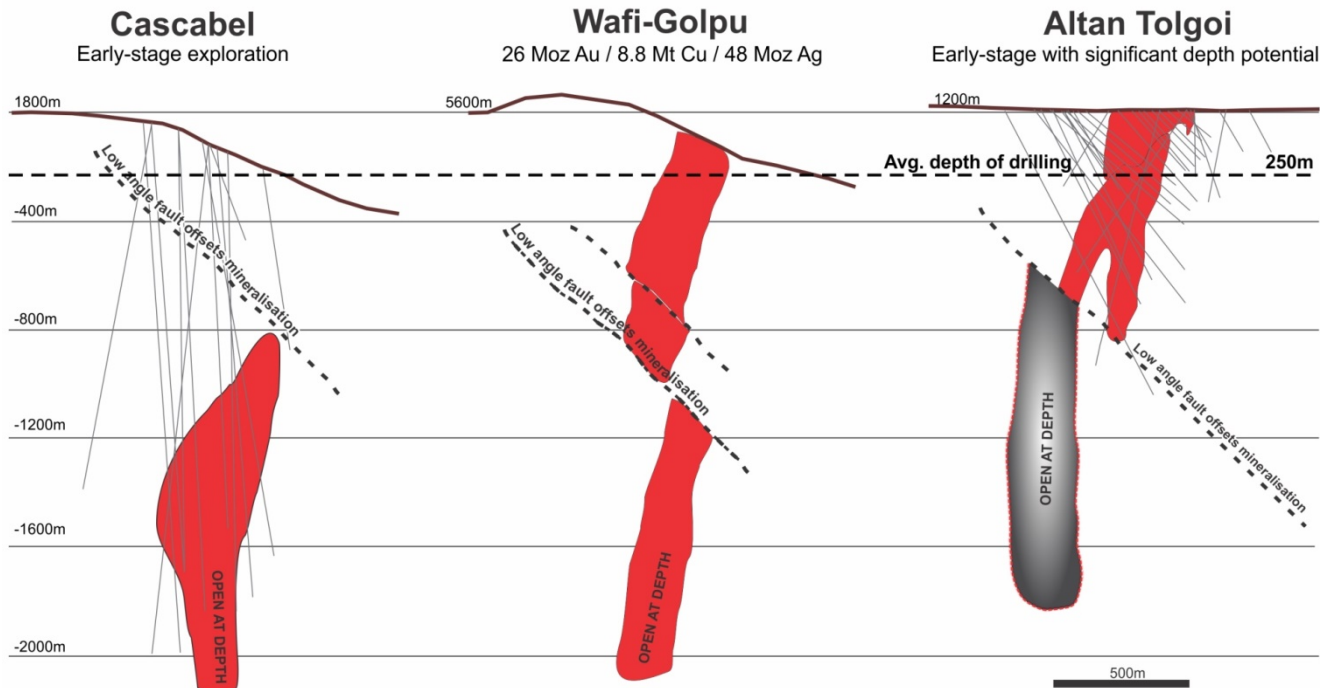
KHARMAGTAI PORPHYRY CU-AU DISTRICT

POTENTIAL TO HOST A GLOBALLY SIGNIFICANT DISCOVERY

 **SolGold** Market Cap: AUD \$678M

 **NEWCREST**
MINING LIMITED Market Cap: AUD\$18.12B

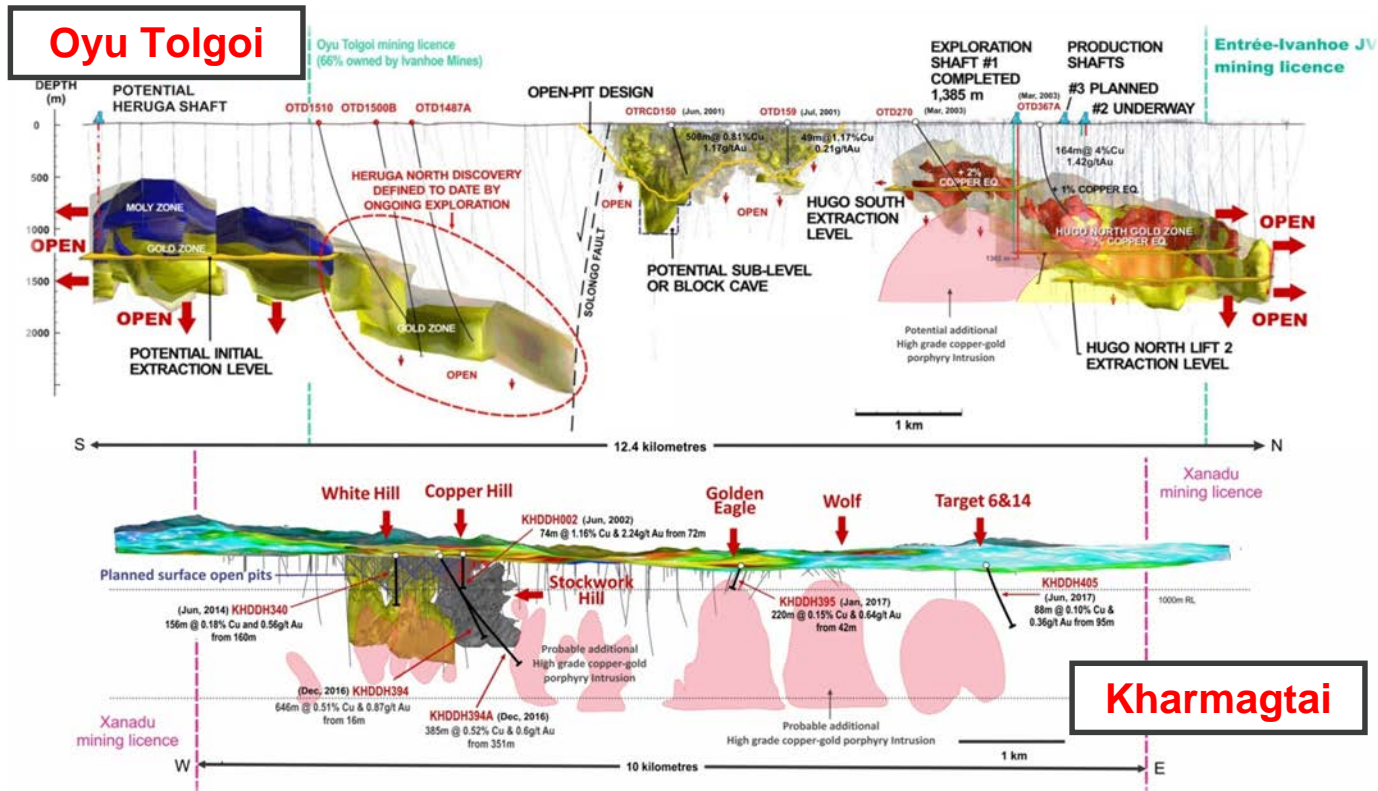
 Market Cap: AUD 147M
XANADU
MINES



*Figure adapted from Sol Gold corporate presentation dated November 2017 and Newcrest corporate presentation to Adapting to Exploration in the 21st Century dated 27 June 2016..

KHARMAGTAI PORPHYRY CU-AU DISTRICT

ARCHITECTURE OF SOUTH GOBI PORPHYRY SYSTEMS



*Oyu Tolgoi section taken from the discovery history of the giant Oyu Tolgoi porphyry copper deposit, Doug Kirwin, 2008.



RED MOUNTAIN PORPHYRY CU-AU DISTRICT

LARGE DISTRICT-SCALE PORPHYRY COPPER PROJECT

Largely under explored & hosting shallow high-grade gold-rich porphyry mineralisation

MULTIPLE CO-GENETIC CENTRES

Multiple porphyry intrusions, breccia pipe & epithermal targets identified

WIDESPREAD GOLD ANOMALISM

Numerous new epithermal vein gold targets over approximately 20km²

CLOSE TO INFRASTRUCTURE

Less than 70km from the trans-Mongolian rail



RED MOUNTAIN PORPHYRY CU-AU DISTRICT

© Mat Brown Photography

LARGE PORPHYRY DISTRICT CLOSE TO INFRASTRUCTURE

2001-2008

IVANHOE MINES

Reconnaissance
exploration

Exploration by Ivanhoe
Mines focused on
outcropping porphyry
mineralisation

The IVN drill holes were
mostly shallow and widely
spaced

2008-2011

VANTAGE EXPLORATION

Detailed work by Vantage
focused on outcropping
porphyry mineralisation
The drilling was mostly shallow
and closely spaced

2011 & beyond

XANADU MINES

Exceptional exploration results
greatly raise its status
Drilling program is initially
testing multiple near surface
priority copper-gold porphyry,
gold porphyry, and epithermal
gold targets

RED MOUNTAIN PORPHYRY CU-AU DISTRICT

SHALLOW HIGH-GRADE PORPHYRY MINERALISATION

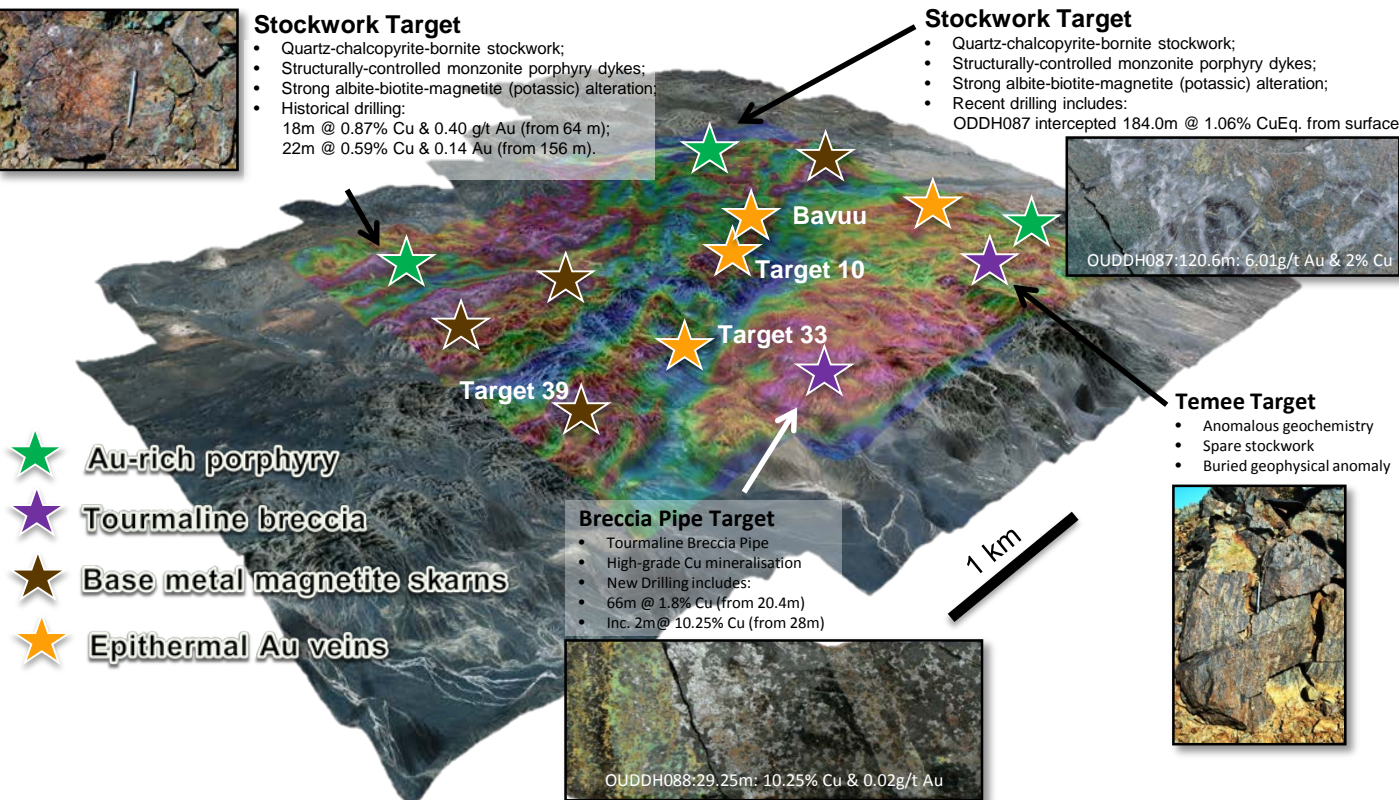
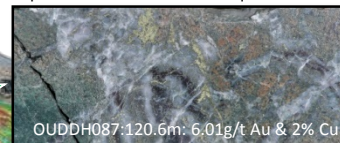


Stockwork Target

- Quartz-chalcopyrite-bornite stockwork;
- Structurally-controlled monzonite porphyry dykes;
- Strong albite-biotite-magnetite (potassic) alteration;
- Historical drilling:
18m @ 0.87% Cu & 0.40 g/t Au (from 64 m);
22m @ 0.59% Cu & 0.14 Au (from 156 m).

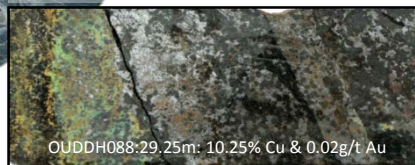
Stockwork Target

- Quartz-chalcopyrite-bornite stockwork;
- Structurally-controlled monzonite porphyry dykes;
- Strong albite-biotite-magnetite (potassic) alteration;
- Recent drilling includes:
ODDH087 intercepted 184.0m @ 1.06% CuEq. from surface



Breccia Pipe Target

- Tourmaline Breccia Pipe
- High-grade Cu mineralisation
- New Drilling includes:
66m @ 1.8% Cu (from 20.4m)
Inc. 2m @ 10.25% Cu (from 28m)



Temee Target

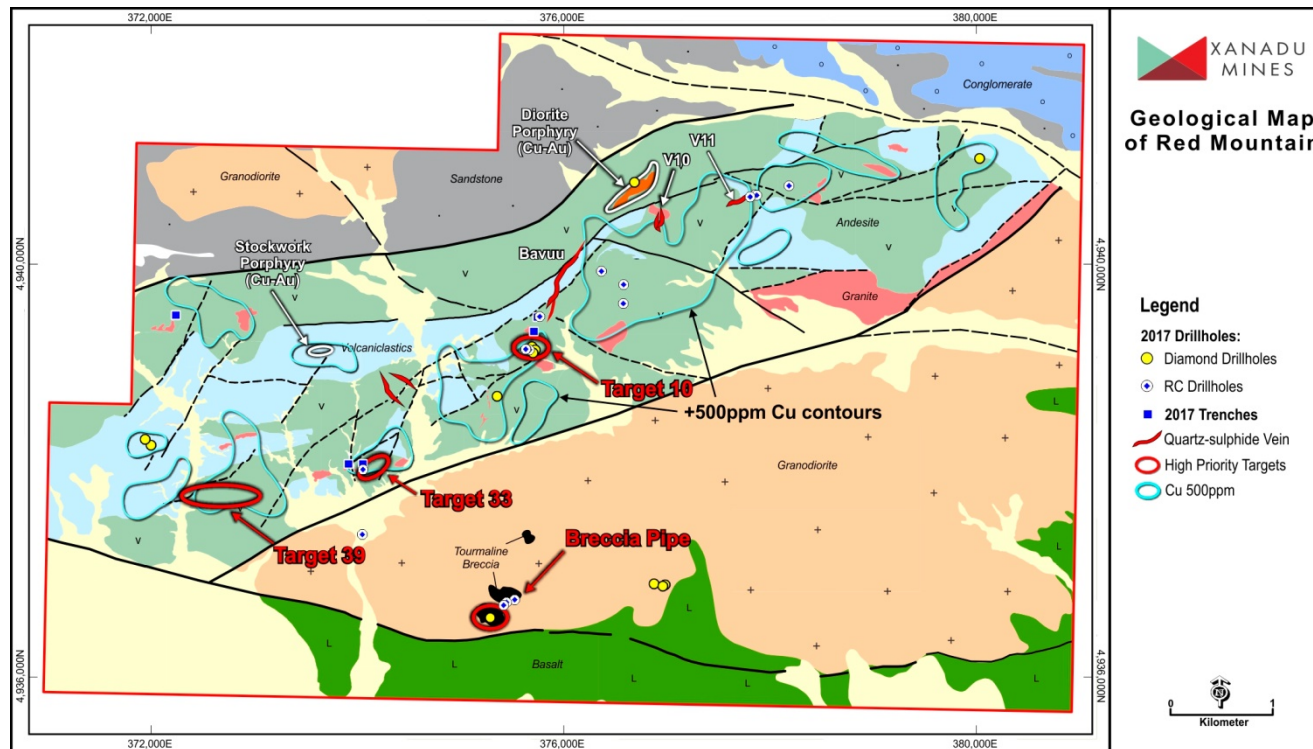
- Anomalous geochemistry
- Spare stockwork
- Buried geophysical anomaly



RED MOUNTAIN PORPHYRY CU-AU DISTRICT

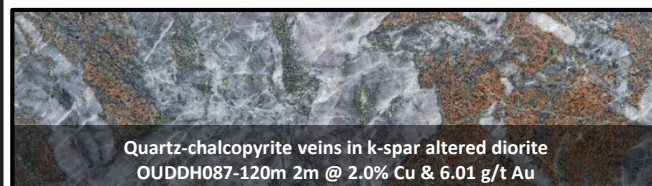
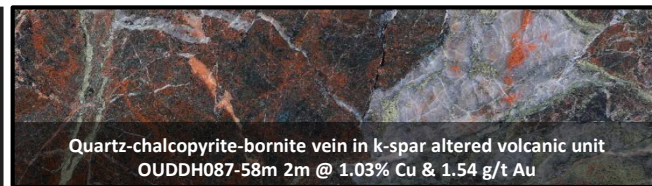
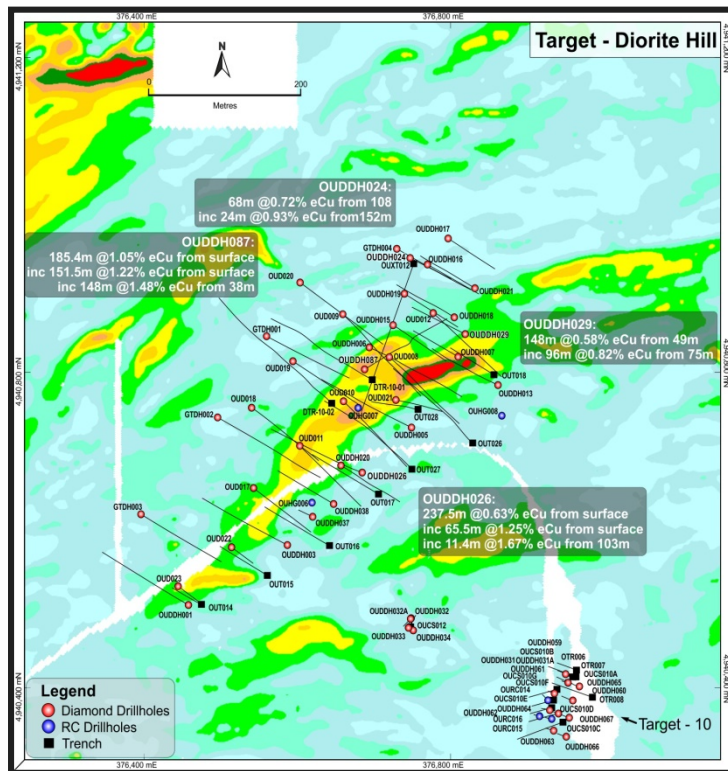
CLUSTER OF PORPHYRY & BRECCIA DEPOSITS

MULTIPLE PORPHYRY, BRECCIA PIPE & EPITHERMAL GOLD TARGETS IDENTIFIED



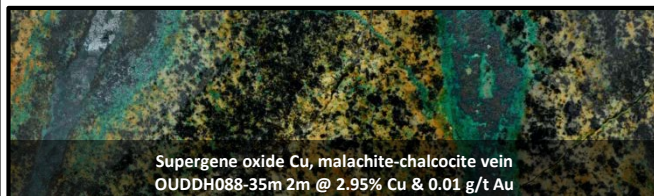
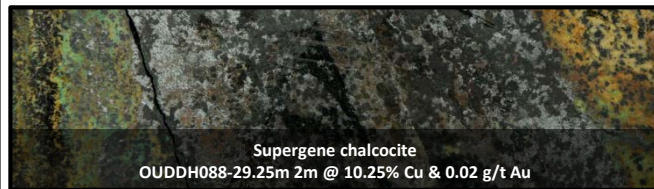
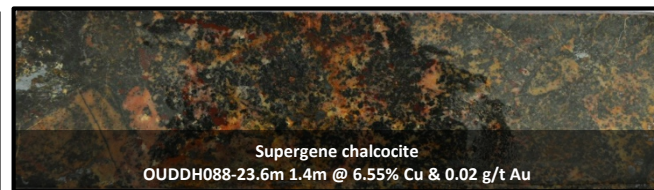
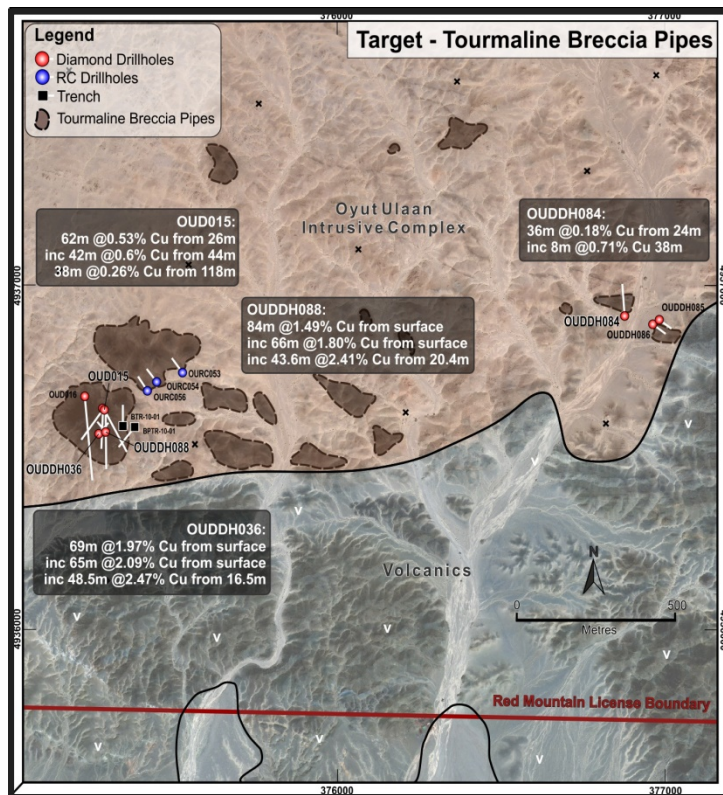
RED MOUNTAIN PORPHYRY CU-AU DISTRICT

MINERALISATION IS HOSTED WITHIN STOCKWORK ZONES

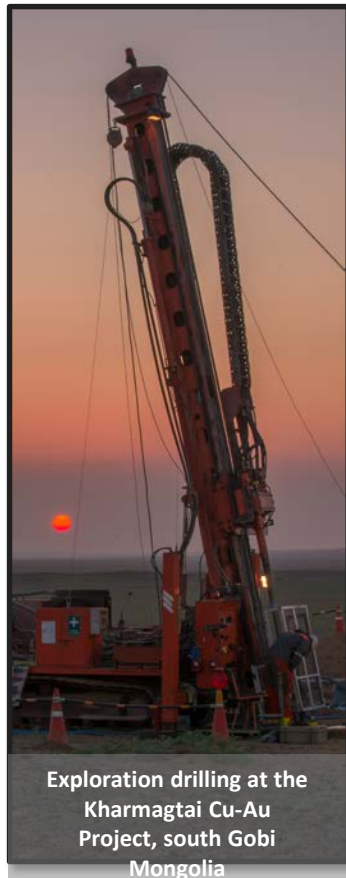


RED MOUNTAIN PORPHYRY CU-AU DISTRICT

HIGH-GRADE TOURMALINE BRECCIA MINERALISATION



ACCELERATED DRILLING ON MULTIPLE TARGETS



EXPLORATION PROGRAM & NEWS FLOW

Accelerated Kharmagtai drilling on multiple targets

Unlocking the potential of the Kharmagtai Cu-Au District

Bedrock drilling successfully defines new porphyry targets

Exploration drilling to be accelerated with extra drill rigs

Numerous shallow high-priority targets under-cover

Drill test high-grade mineralisation below current resources.

Strong drilling results at Red Mountain raise its status

Drilling is continuing to test multiple near surface priority targets



**XANADU
MINES**

For further information please visit
www.xanadumines.com or contact:

Dr Andrew Stewart

Managing Director & Chief Executive
Officer

T: +976 70130211 M: +976 99999211

Andrew.stewart@xanadumines.com



IMPORTANT NOTICES

Kharmagtai Mineral Resource estimate: 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 announcement 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 materially changed from the original market announcement.

The information in this presentation that relates to Mineral Resources is based on information compiled by Mr. Andrew J. Vigar, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr. Vigar is employed by Mining Associates Limited Hong Kong. Mr. Vigar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Vigar consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Exploration Results: The information in this presentation that relates to Exploration Results is based on information compiled by Dr. Andrew Stewart who is responsible for the exploration data, comments on exploration target sizes, QA/QC and geological interpretation and information, which is incorporated in the database that was provided to Mining Associates for undertaking the Resource estimate. Dr. Stewart is an employee of Xanadu and is a Member of the Australasian Institute of Geoscientists. Dr. Stewart has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the "Competent Person" as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Dr. Stewart consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Copper equivalence: When used is calculated using the following formula: $CuEq = Cu(\%) + Au (g/t) * 0.6378$, based on a copper price of \$2.60/lb, and a gold price of \$1300/oz, with assumed recoveries of 90% for copper and 70.85% for gold.

For the purpose of ASX Listing Rules 5.7.1, Xanadu refers to its Table 1 disclosure dated 28 July 2017 which continues to apply as at the date of this presentation. Xanadu is not aware of any new information or data that materially affects the information included in that announcement.