



Inova Resources Limited Company Presentation September 2013



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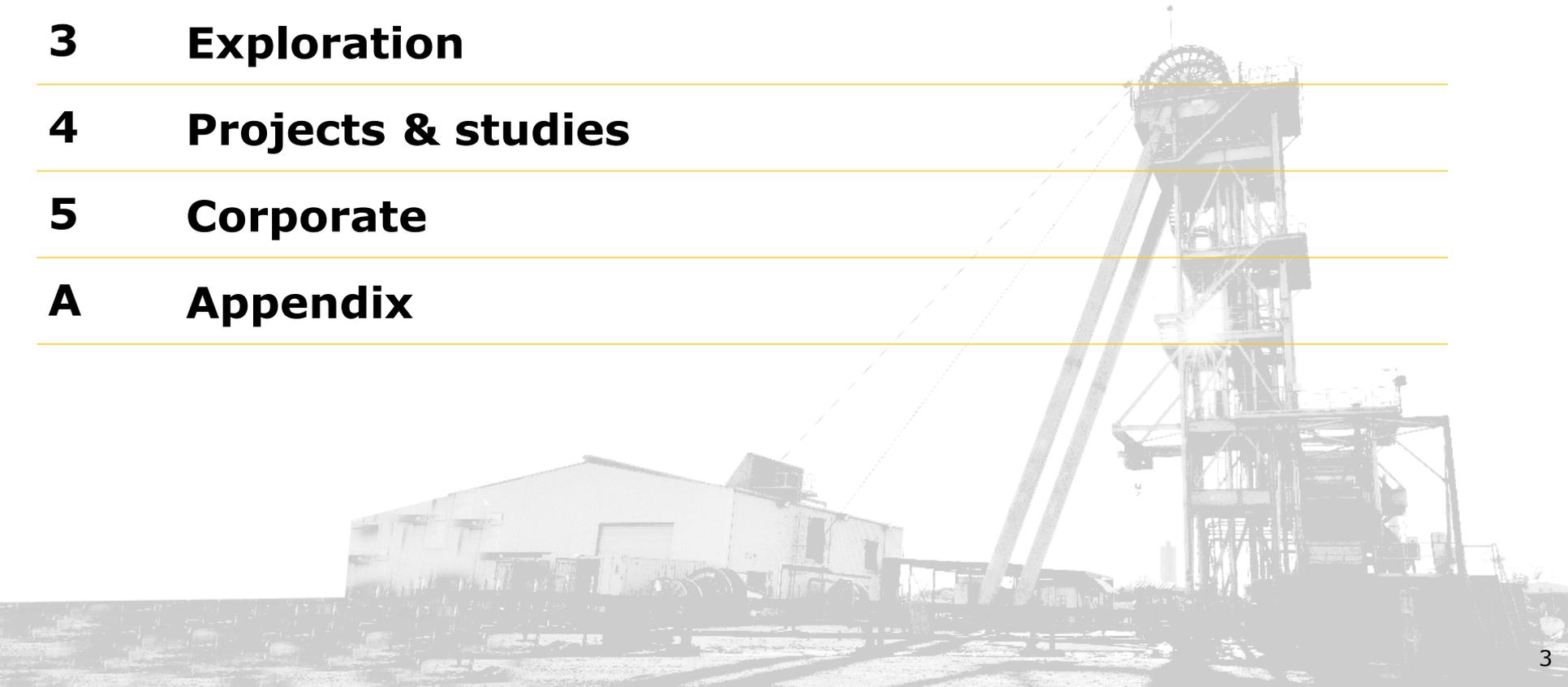
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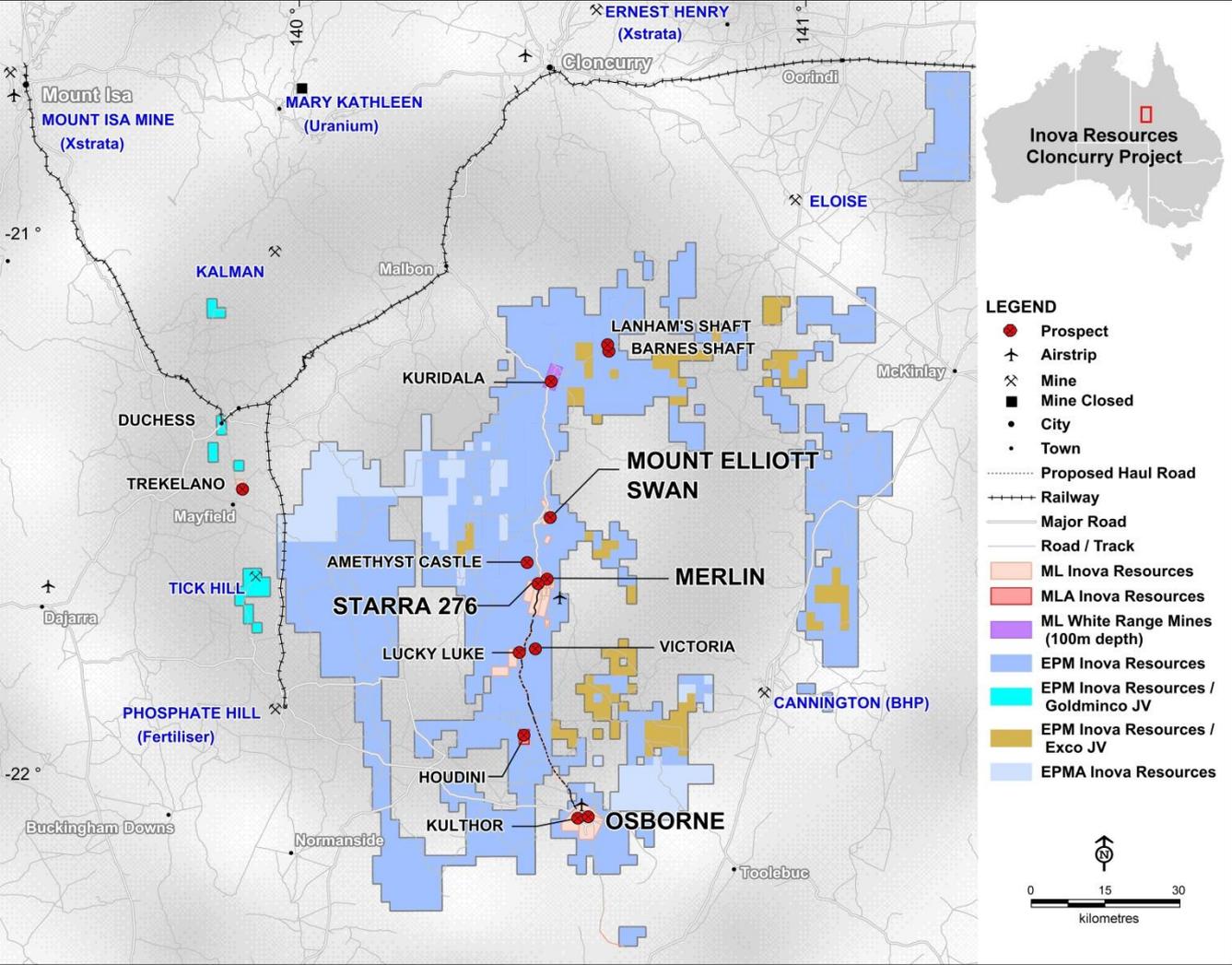


Overview

- Exploring in one of the world's best geological belts
- Osborne Project successfully producing and selling copper & gold
 - 2013 throughput: 1.4 to 1.6 million tonnes ore
- Targeting C1 costs at Osborne ~US\$2.00/lb Cu (at steady-state)
 - June 2013 month C1 cash costs US\$2.09 / lb Cu
- Merlin is a very high grade molybdenum and rhenium deposit
- Mount Elliott / SWAN is a large copper-gold project
- Tenements highly prospective for copper, gold, molybdenum/rhenium and uranium
- Exploration is an important growth driver
 - innovative exploration using multiple geo-scientific techniques



Inova Resources' exploration tenements - In one of the world's best geological belts



- Mt Isa Inlier – highly prospective
- Over 5,600 km² of tenements in QLD*
- Surrounded by a number of major projects
e.g. Mt Isa (Xstrata), Ernest Henry (Xstrata), Cannington (BHP), Phosphate Hill (Incitec)

* Additional 2,270 km² of tenements in Emmerson Resources Ltd JV (51%) in Northern Territory

Focus

- on producing copper and gold at Osborne
- on the high-grade Merlin Mo/Re Project to deliver the value engineering outcomes and enhanced project economics
- on better understanding the SWAN higher grade resource to progress the Mount Elliott / SWAN copper-gold project

Discipline

- financial discipline to deliver cost savings and ensure profitable operations at Osborne
- maintain financial and cash position, toward future growth
- maintain operating discipline at all sites

Discover

- leverage off the substantial amount of accumulated drilling and targeting data for exploration planning
- prioritise exploration effort within budgeted parameters
- exploration funded from operational cash flow

Inova Resources 2013 Outlook

2013 expected production

- 1.4 -1.6 million tonnes mill throughput
 - @ 1.3 – 1.5% copper and 0.8 – 1.0 grams/tonne gold
- Starra 276 production fully ramped-up
- Ten shipments of copper-gold concentrate expected for 2013

Cash position

- Cash at 30 June 2013: \$32.8 million

C1 cash operating costs target of ~\$2.00 per pound from mid-2013

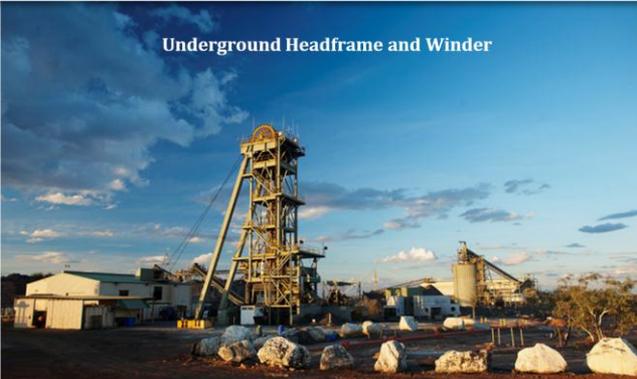
- Q2 2013 C1 cash costs US\$2.65 /lb Cu – post gold credits
 - month of June 2013 C1 costs US\$2.09, reflecting higher throughputs



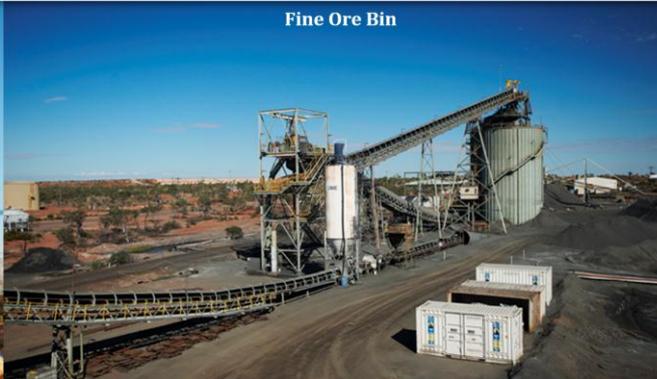
Osborne Operations



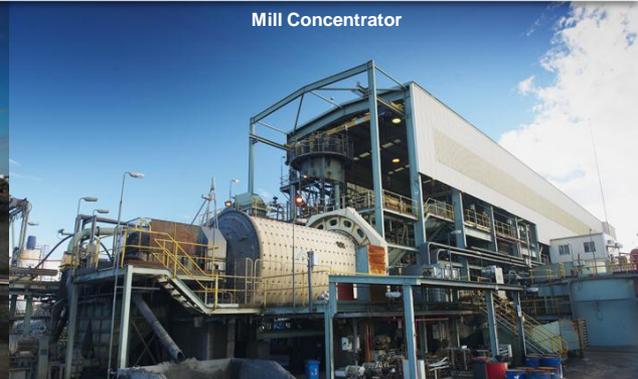
Osborne processing plant



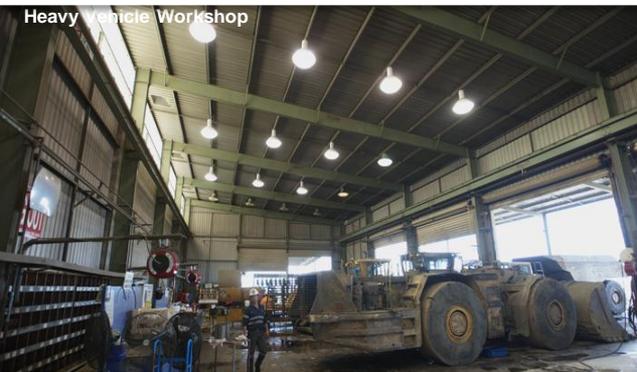
Underground Headframe and Winder



Fine Ore Bin



Mill Concentrator



Heavy Vehicle Workshop



Power Station



Osborne Mine Office & Administration Facilities



Airport



Swimming Pool



Production

- Copper-gold concentrate production on track with Starra 276 mine ramp up complete
- 1H 2013 production: 8,900 tonnes copper and 10,500 oz gold from 648,000 tonnes throughput (6 months including ramp-up)

Infrastructure

- Existing power station converted to gas from diesel (~50% power costs reduction)
- Haul road between Osborne and Starra 276 complete and operational

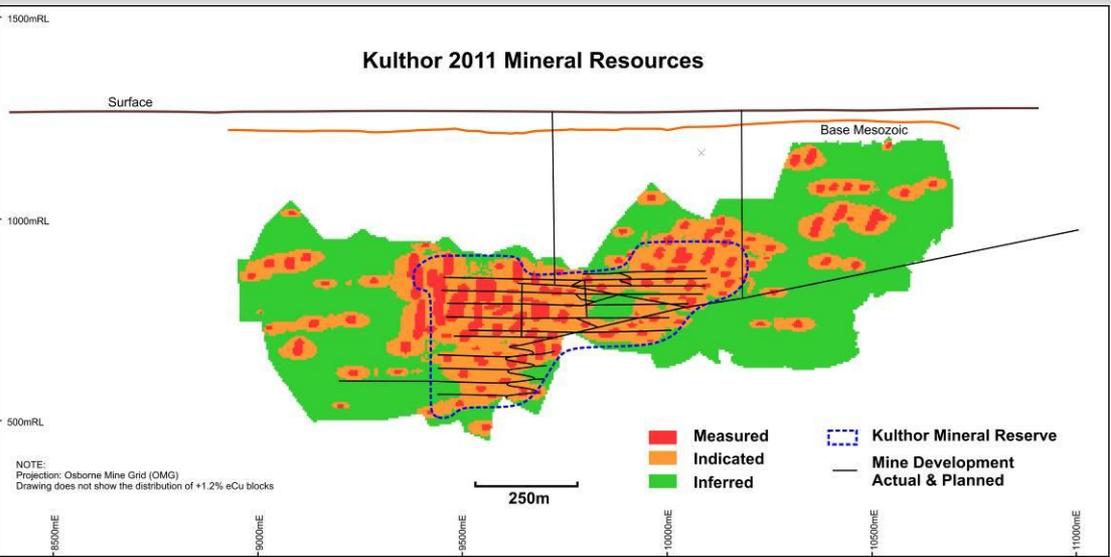
Kulthor

- Kulthor production on target to deliver required tonnage to meet 2013 production guidance
- Updated Mineral Reserve estimate later in Q3 2013

Starra 276

- Starra 276 ramped up to full production rates in Q2 2013, on target to deliver required tonnage to meet 2013 production guidance
 - Ongoing resource drilling at Starra 276 – updated Mineral Reserve estimate later in Q3 2013
-

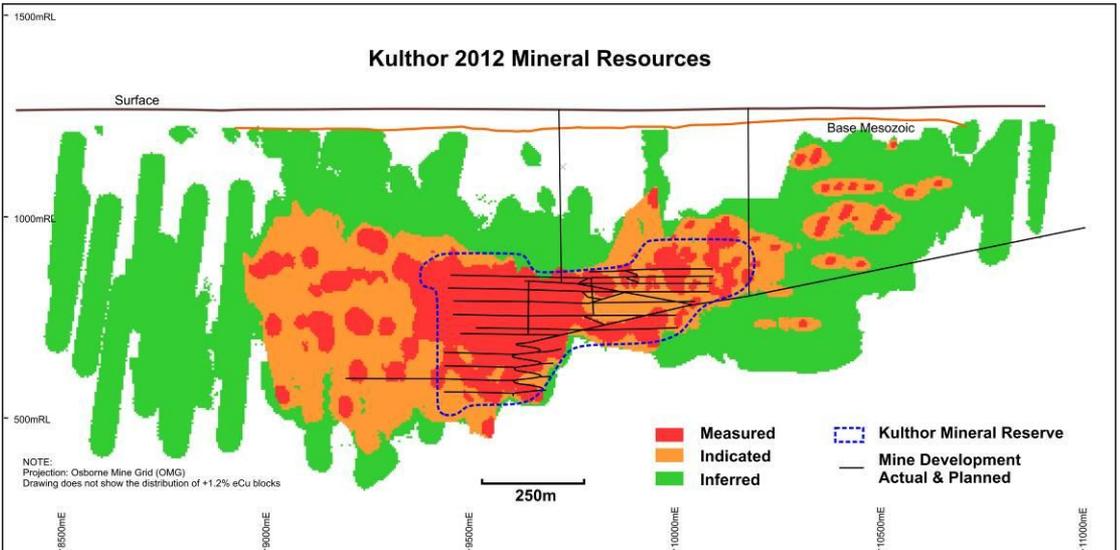
Kulthor 2012 mineral resources upgrade



KULTHOR MINERAL RESOURCES - 2011					
	Ore (Mt)	Grade		Contained	
		Copper (%)	Gold (g/t)	Copper ('000t)	Gold ('000oz)
Measured & Indicated	4.7	1.5	1.0	70.5	143.6
Inferred	5.5	1.2	0.8	68.6	147.7

KULTHOR MINERAL RESOURCES - 2012					
	Ore (Mt)	Grade		Contained	
		Copper (%)	Gold (g/t)	Copper ('000t)	Gold ('000oz)
Measured & Indicated	7.4	1.6	1.0	116.5	234.4
Inferred	5.4	1.3	0.9	72.8	148.2

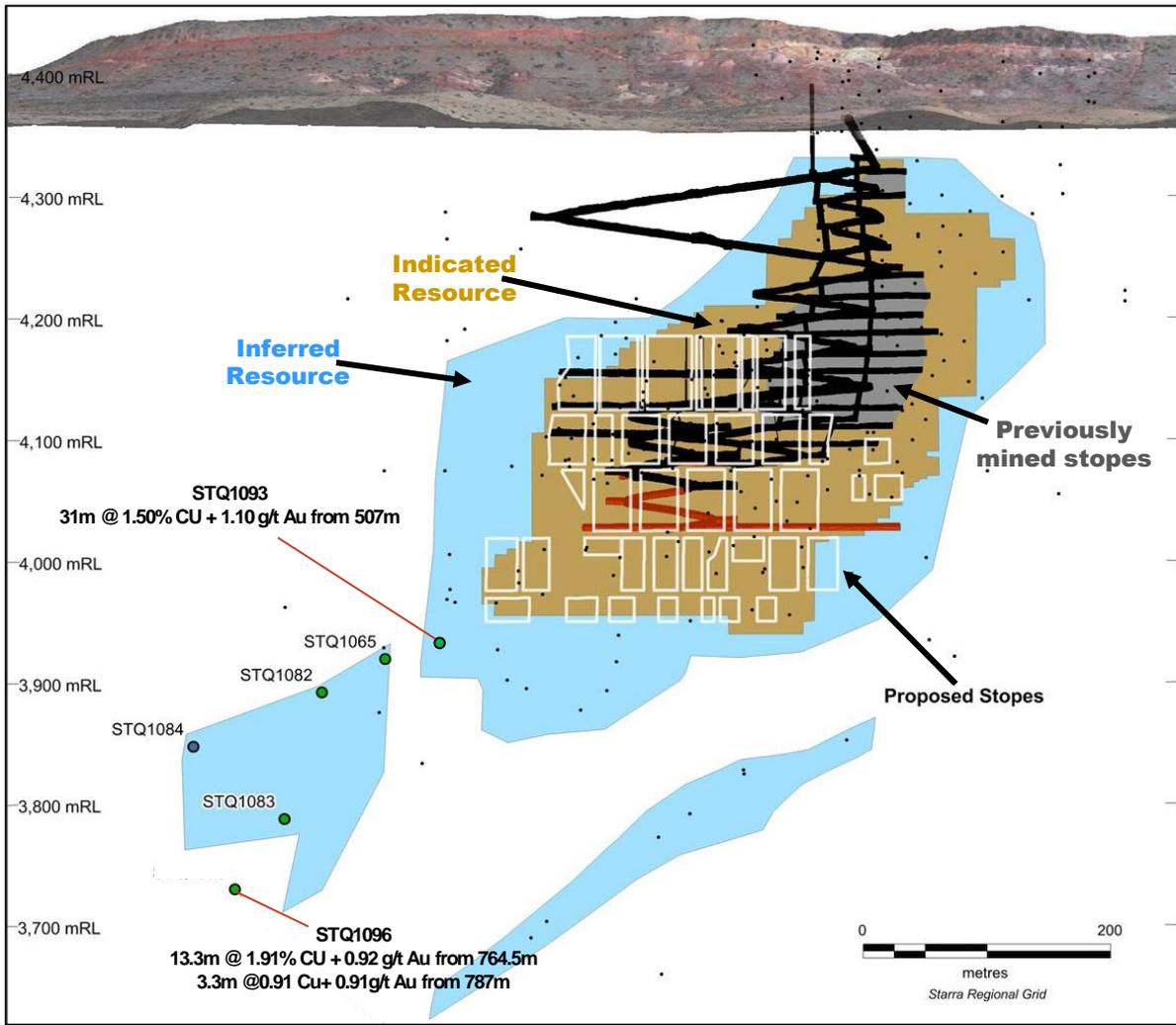
- 60% increase in Measured & Indicated copper & gold resources and improved grades
- Studies underway to update Kulthor Mineral Reserves, aiming to include upgraded Mineral Resources – Q3 2013



Starra 276 development and resource potential



- Drilling indicates potential to increase Mineral Resource at Starra 276



- Revised Mineral Reserve estimate for Starra 276 to be finalised in Q3 2013

Osborne Copper-Gold Project

Mine life extension opportunities

Potential targets for mine-life extensions have been identified and are being assessed for feasibility – only value enhancing prospects will be progressed

Kulthor and Starra 276 resource extensions

- Potential for low-capex extensions being assessed
 - Ongoing work at Kulthor to update Mineral Reserves from the Indicated Mineral Resource
 - Mineral Reserve estimate updates at Starra 276 from recent drilling to be released in Q3 2013
-

Mount Elliott Open Pit

- Mount Elliott open pit – retrieving pillars from historical mining
 - Scoping study indicated potential mining inventory of 7.8 Mt @1.5% Cu and 0.8 g/t Au
-

Other potential sources

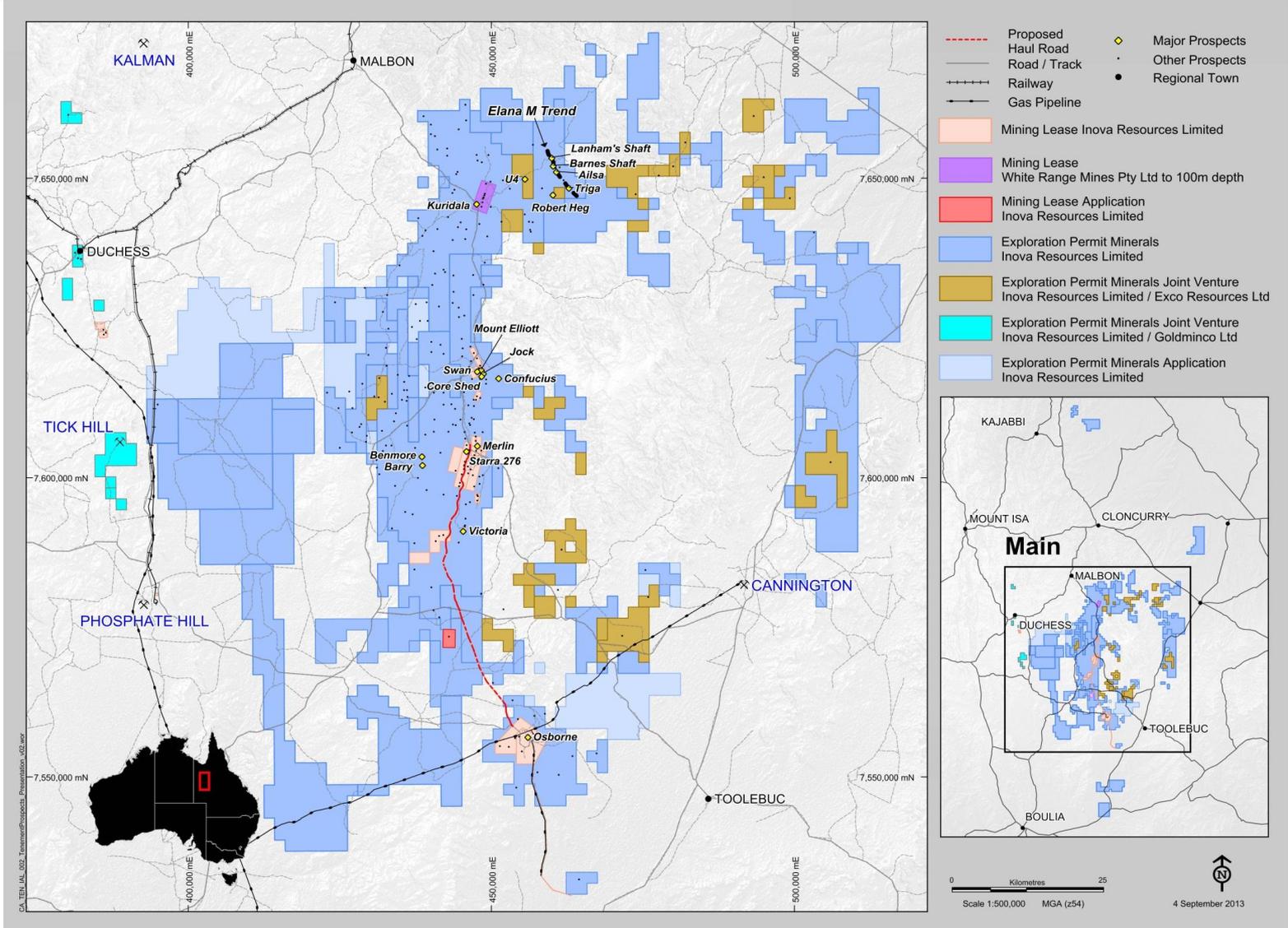
- Assessment of a number of prospects being undertaken, including:
 - Victoria/Stuart: Approximately 30 kms from Osborne mill adjacent to the Osborne-Mount Dore haul road. Initial drilling program commenced
 - Starra Line: Other historical Starra mines being assessed: Starra 222, 251 and 257
-



Exploration



Projects & exploration prospects



Exploration at Inova Resources

- Substantial exploration program review undertaken
 - Identify areas previously drilled with higher-grade, near-surface results
 - Focus exploration on large greenfields targets and follow up on other exploration targets such as the Elana M Trend and the Mount Elliott Trend
 - Focus resource definition on brownfields targets (including SWAN, Starra 276 and Kulthor resource extensions)
 - Use multiple geoscience techniques to improve targeting and feedback
- Plan to leverage off substantial exploration expenditure over past five years: with further data analysis and re-interpretation
- New look at gold opportunities to leverage Osborne processing infrastructure

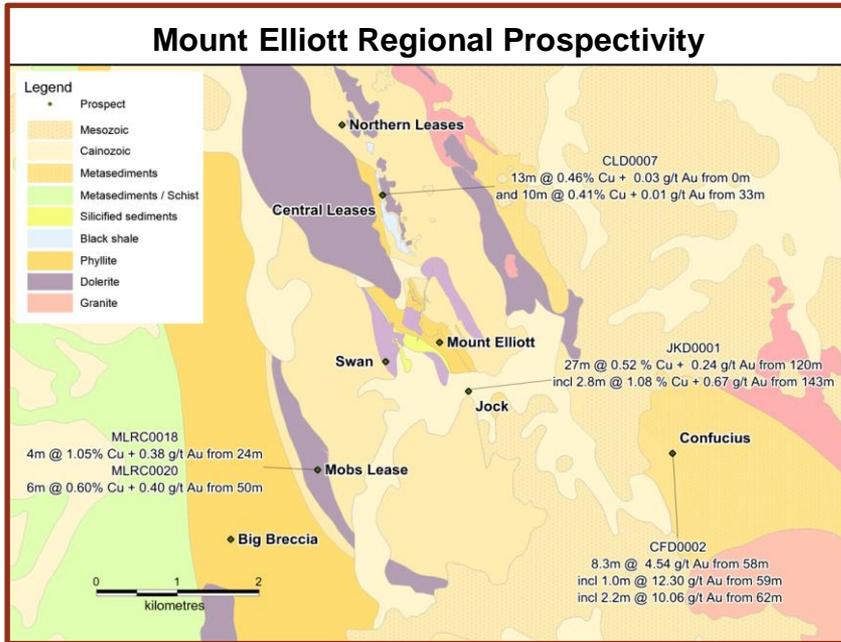


Exploration targets

Mount Elliott Region

The Mount Elliott region hosts a number of tested and untested prospects targeting large-scale copper & gold deposits.

These include the SWAN higher grade zone, Benmore, Reindeers and Northern & Central Leases



Confucius

Confucius is a gold prospect: early drilling included:

- **CFD0002** 9.3m @ 4.18 g/t Au from 58m
- **CFD0006** 8.0m @ 10 g/t Au from 74m

Channel chip samples have returned up to 24 g/t gold from multiple veins.

Elana M Trend

The Elana M Trend covers 10 km of highly prospective IOCG targets. These include prospects such as:

Barnes Shaft

- **BAD0018** 29m @ 3.2% Cu, 3.37 g/t Au, 383 ppm Co from 210m
- **BAD0005** 29m @ 1.1% Cu, 0.60 g/t Au, 361 ppm Co from 88m
- **BAD0006** 34m @ 1.1% Cu, 0.59 g/t Au, 371 ppm Co from 28m

Lanham's Shaft

- **LAD0008** 24m @ 1.0% Cu, 0.78 g/t Au, 303 ppm Co from 161m
- **LAD0002** 21m @ 1.37% Cu, 1.14 g/t Au, 226 ppm Co from 136m

Barry & Benmore

Two distinct areas of significant (potential sulphide) anomalism identified – coincident IP chargeability, magnetic and gravity results. Further work planned to progress Benmore.

Uranium

Robert Heg

Recent drill results:

- **RHR0026** 25m @ 658 ppm U₃O₈ from 14 m
- **RHR0026** 13m @ 1,165 ppm U₃O₈ from 13 m

Historic drilling includes:

- **RH001** 22m @ 4,809 ppm U₃O₈ from 13 m (CRAE hole 1993) - incl. 11m @ 9,344 ppm U₃O₈ from 14 m
- **RHDD0019** 11m @ 4,691 ppm U₃O₈ from 15 m (Inova 2007) - incl. 9m @ 5,649 ppm U₃O₈ from 15 m

Exploration: Copper Leach Potential

- Inova Resources currently undertaking company-wide review of prospects for Copper Leach potential – either standalone or regional project possible
- Numerous target deposits identified:
 - SWAN oxide
 - Mount Dore
 - Schiller
 - Victoria/Stuart
 - Lucky Luke
 - Barnes Shaft
 - Kuridala
 - Lady Ella
 - Triga
 - Tip Top
 - Houdini
 - Flora
- For example: near-surface oxide mineralisation at SWAN includes:

Mount Elliott/SWAN Oxide and Transitional Mineral Resources (0.5% eCu cutoff ¹)			
	Ore (Mt)	Copper Grade (%)	Contained Copper (kt)
Indicated	42.5	0.67	283
Inferred	6.6	0.60	40

- Potential Leachable Copper Prospects assessment underway

1. Equivalent copper cutoff grade (eCu% = Cu% + 0.6*Au g/t)



Projects and studies



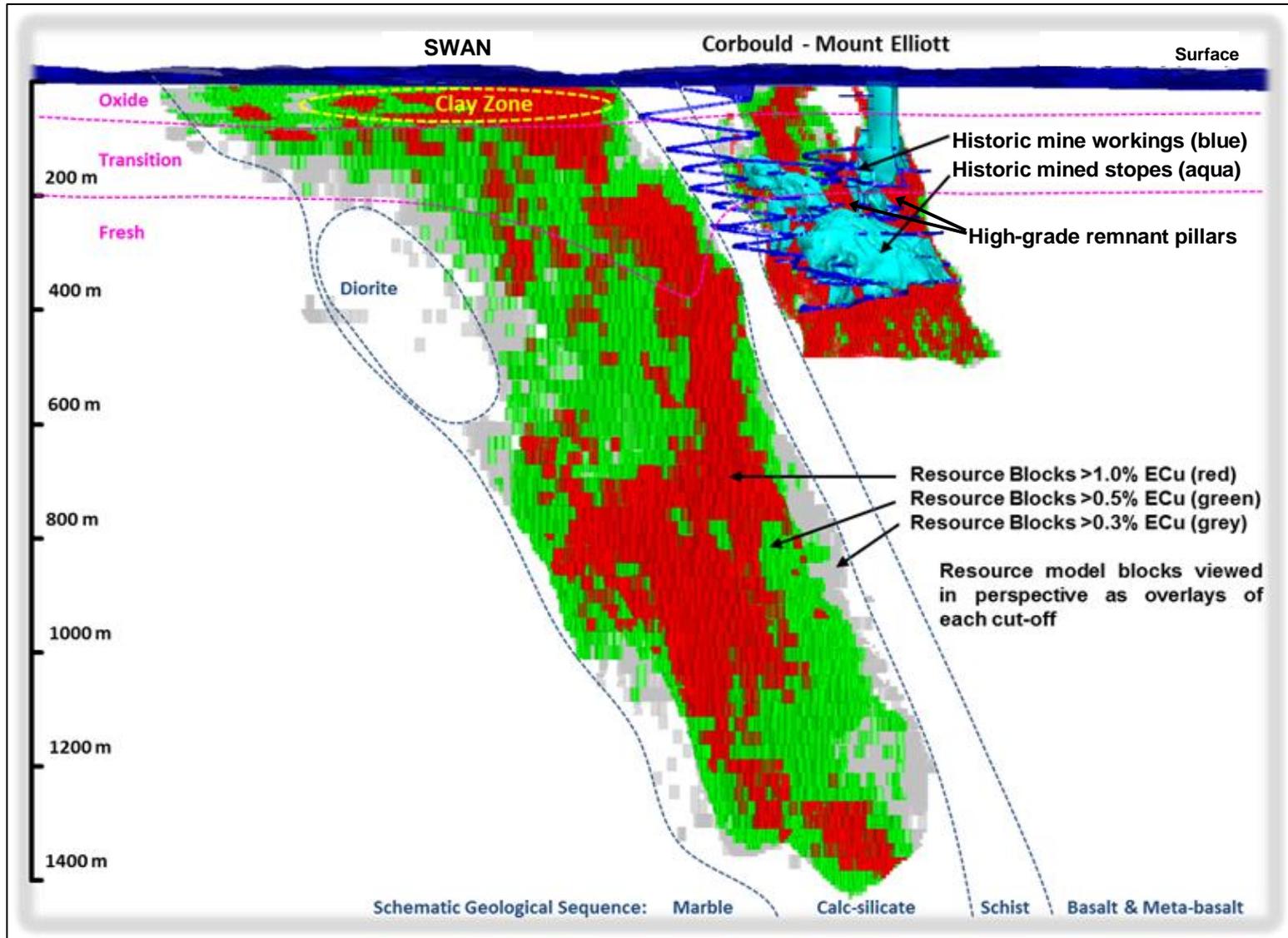
Mt Elliott/SWAN project

- Large deposit with favourable mineralogy that can leverage existing infrastructure and company capabilities.
- Update to Mount Elliott/SWAN Mineral Resource estimate undertaken in 2012/13
- Revised Mineral Resource provides tighter, more robust estimate. Combines previous drilling (132,000 metres) with recent drilling and revisions of geological interpretation to provide a completely re-worked block model
- Contains continuous higher grade copper zones
(e.g. MEHQ1130 90m @ 1.95% Cu, 1.31 g/t Au - 2008)
- Further work underway to progress project and to update the Mount Elliott / SWAN Scoping Study
- 2013 Mineral Resource estimate (at a 0.5% eCu¹ cutoff grade):

Mount Elliott/SWAN 2013 Mineral Resources (0.5% eCu cutoff ¹)					
	Ore (Mt)	Grade		Contained Metal	
		Copper (%)	Gold (g/t)	Copper (Mt)	Gold (Moz)
Indicated	157	0.67	0.40	1.1	2.0
Inferred	107	0.54	0.31	0.58	1.1

1. Equivalent copper cutoff grade (eCu% = Cu% + 0.6*Au g/t)

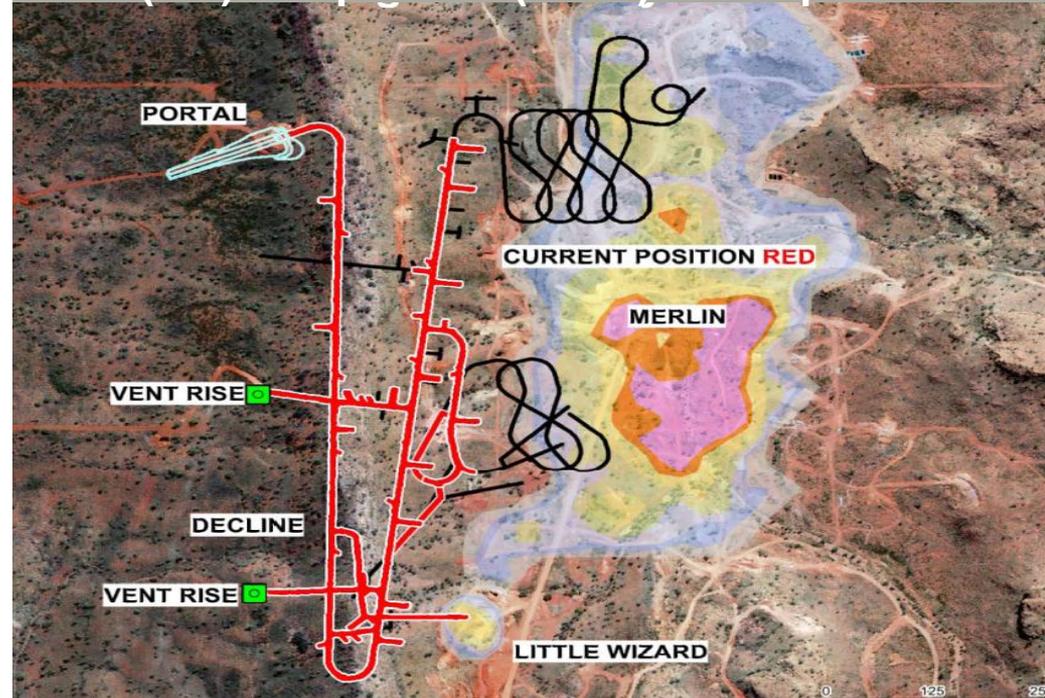
Mt Elliott/SWAN: revised block model



Merlin Molybdenum & Rhenium Project

- High grade Molybdenum-Rhenium deposit:
 - Mineral Reserve of 7.1 Mt @ 1.1% Mo & 18 g/t Re
 - Substantially higher grades than other Mo producing mines – e.g. Henderson mine (Freeport-McMoRan) operates at ~0.25% Mo
- Production-size decline completed to a total length of 2,400 metres
- Existing feasibility study shows a robust and positive project:
 - Mine life 15 years
 - Annual production¹
 - 5,100 t molybdenum
 - 7,300 kg rhenium
 - Initial capex to first production \$345m

Merlin – Decline progress showing completed (red) and planned (black) development



- Ongoing metallurgical testwork and value engineering effort to further improve project economics, finalise product strategy and to ensure robust project returns throughout the commodity price cycle
- Ability to leverage existing infrastructure and company skills/capabilities
- Considerable resource prospectivity at Merlin, adjacent to Merlin and along a 70km geological belt

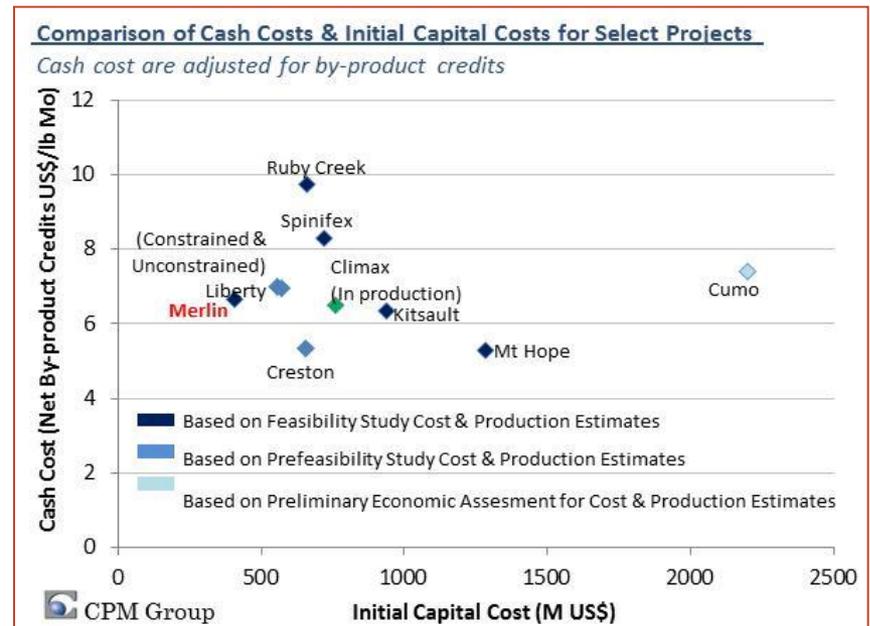
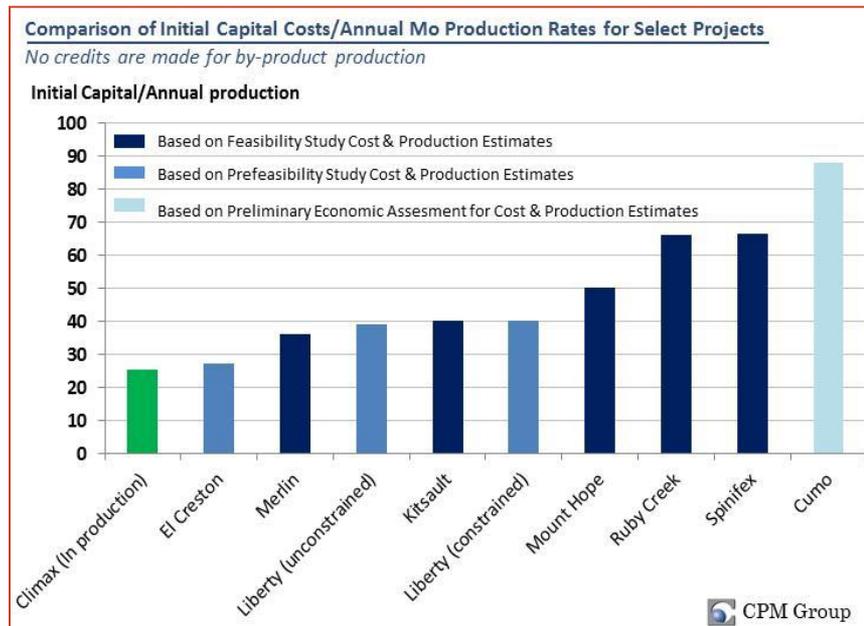
¹ Average steady state production for first seven years following ramp-up

Merlin – Value Engineering Program

- Phase 1 of the Value Engineering Study complete
- Outcomes include potential for:
 - Concentrate grade increase from 30% to 38%-45% Mo
 - Mining production rate potential to increase by 10% to 550 ktpa (from 500 ktpa): Increased metal production and reduced operating costs
 - Capex reductions possible by altered product mix and consideration of removal of Roaster (sale of Mo/Re concentrate vs. more purified products)
- Phase 2 Value Engineering Study to provide data for updated Merlin Feasibility Study

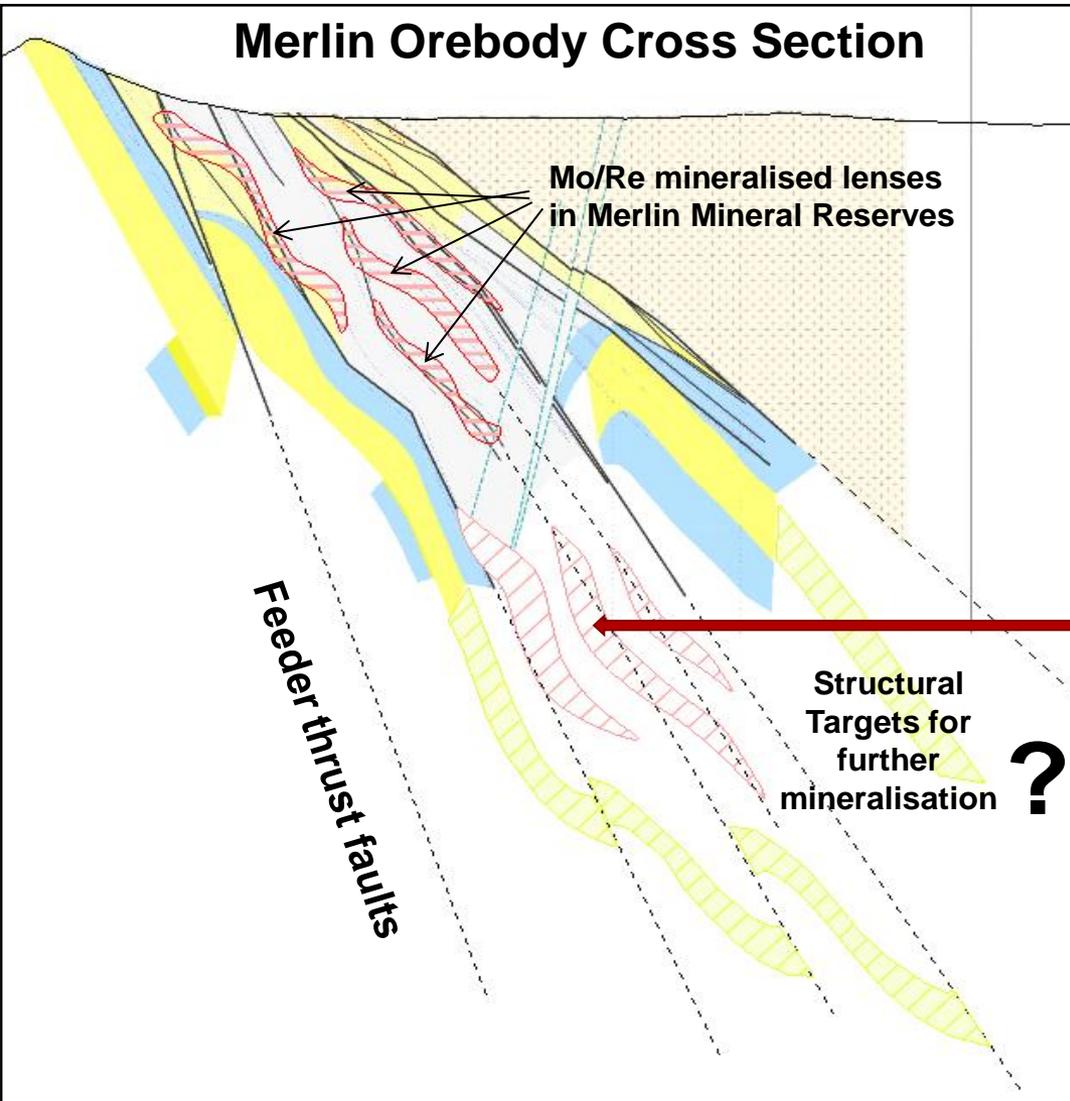
Merlin – Project comparisons

Comparable project analysis indicates Merlin's potential



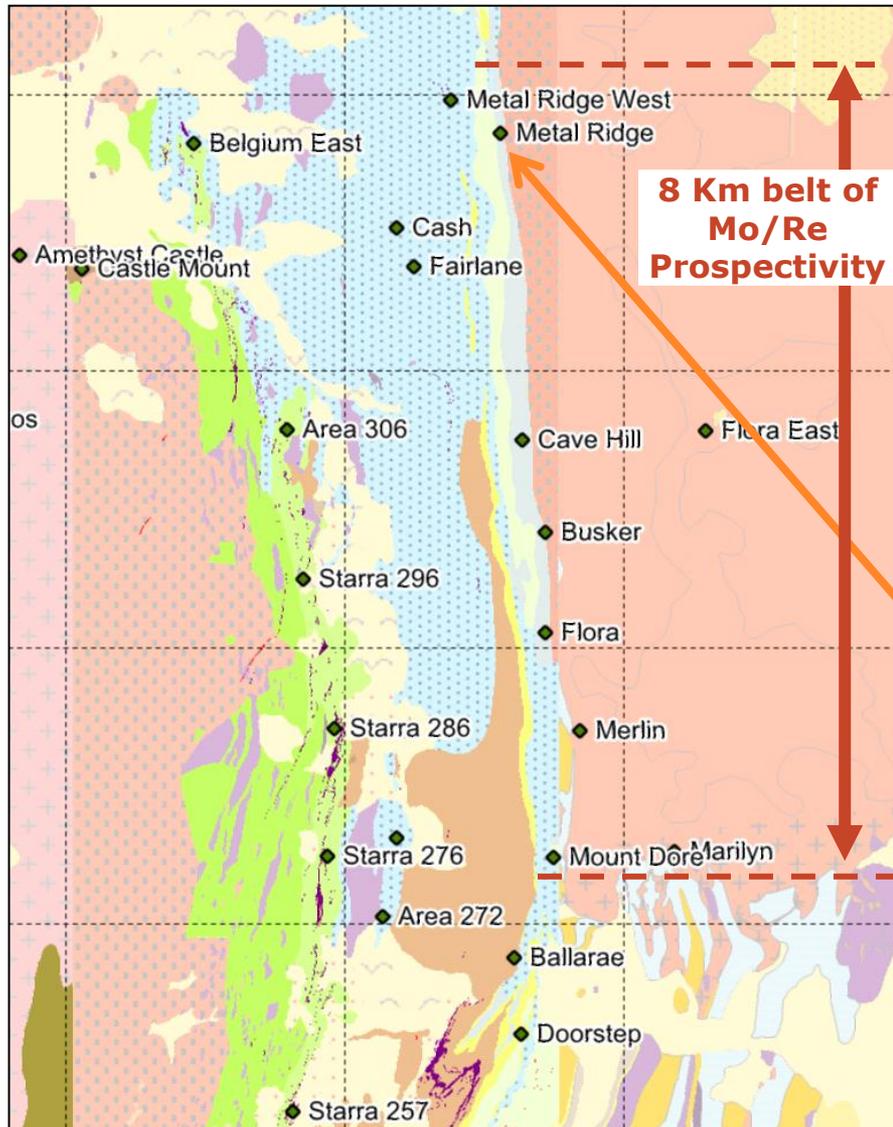
Merlin exploration upside – Geology

Merlin Orebody Cross Section



- Detailed Structural Study at Merlin has identified:
 - Feeder structures for mineralising fluids
 - Main control on mineralisation
- Mineralising fluids at Merlin focused along thrust fault breccias
- Mineralisation deposited where thrust faults intersect reduced black shale
- Potential deeper parallel systems below / adjacent to Merlin
- Down-dip potential from Merlin
- MDQ0252 and MDQ0248 deepest/most easterly Merlin holes drilled
 - **MDQ0252** - 29m @ 1.1% Mo, 10.1g/t Re from 385m
 - **MDQ0252** - 15m @ 1.6% Mo, 24.4g/t Re from 457m
 - **MDQ0248** - 11m @ 1.1% Mo, 9.1g/t Re from 473m

Merlin exploration upside – Repeat find



- Widespread molybdenum along belt for up to 8 km north of Merlin
- Similar geological conditions exist along belt:
 - Calc-silicate/black shale contact
 - Continuing extensive thrust regime

eg. METAL RIDGE

MRR0001 – 22m @ 0.19% Mo from 131m
incl. 12m @ 0.35 %Mo from 131m

MRR0002A – 1.2m @ 0.65% Mo from 128 m
incl. 0.27m @ 2.36%Mo from 129m

70 km Geological Belt – A New Molybdenum / Rhenium Province

Metal Ridge



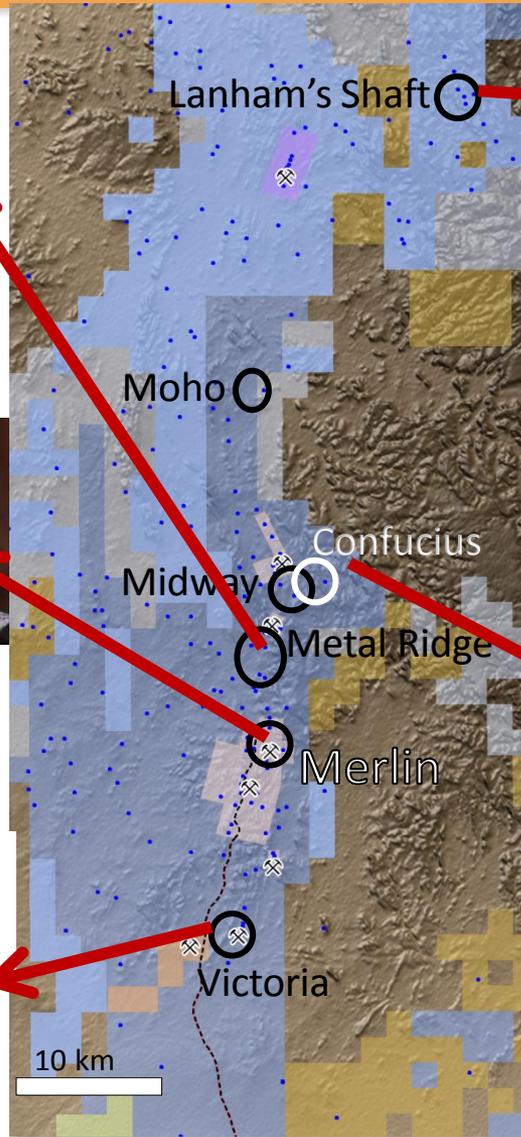
Merlin



MDQ0264 – 0.9m @ 46.4% Mo, 446 g/t Re
 Little Wizard: Ultra high-grade Mo/Re.
 Included in Merlin Mineral Reserves

Victoria

- 14 km south of Merlin
- Geological setting identical to Merlin
- VCD0008 – 1m @ 0.52% Mo, 3.26 g/t Re from 260m
- VCD0004 – 1m @ 0.93% Mo, 14.8 g/t Re from 110.5m



Lanham's Shaft

- Molybdenum intersections (and copper)
- LAD0001 – 34m @ 0.74% Mo, 3.1 g/t Re from 143m
- LAD0003 – 36m @ 1.1% Mo, 1.7 g/t Re from 116m

Confucius: Coarse grained molybdenite in rock chip samples



Merlin – Summary

- Very high grade deposit
- Long mine life
- Leverage existing infrastructure – reducing capex
- Leverage company capabilities
 - operating, technical, management
- Current work program is specifically targeted at reducing project capital and operating cost, and risk, to ensure robust project economics throughout the commodity price cycle
- Significant further resource potential that could increase throughput and extend life



Inova Resources Corporate



Inova Resources Board & Management

- Chairman (Peter McMahon) and 3 Turquoise Hill representative board members appointed May 2012
- CEO, Bob Vassie, appointed January 2013



Peter McMahon
Chairman
Non-Executive Director



James Askew
Independent Non-Executive Director



Kyle Wightman
Independent Non-Executive Director



Bob Vassie
CEO and
Managing Director



Stuart Beckman
Non-Executive
Director



Stephen McIntosh
Non-Executive
Director

Executive Leadership Team



Neal Valk
GM Operations



Kerry Parker
Chief Financial
Officer



Stephen Nossal
Snr VP Corporate
Development



Mark McGeough
GM Exploration

Investment highlights

Established Copper-Gold Producer

- Copper-gold operations approaching full production
- 2013 production guidance of 1.4 – 1.6 Mt @ 1.3% - 1.5% Cu, 0.8 – 1.0 g/t Au
- Mining from Osborne and Kulthor underground. Starra 276 ramp up complete and full scale mining commenced
- Strategy in place to target extending Osborne project life (beyond 2015)

Exploration

- Inova Resources has a substantial tenement holding in one of the world's most prospective geological belts
- Substantial database of compiled valuable information to target quality, long-term mill feed for Osborne and standalone discoveries

Projects

- Mount Elliott / SWAN hosts a very large copper-gold mineralised system
- Revised Mount Elliott/SWAN Mineral Resource produced
- Potential for Mount Elliott open pit to provide mill feed to Osborne plant
- Merlin Project value engineering / optimisation testwork continuing

Finance

- Capex and opex savings substantially implemented
- Cash and operational cash flow to fund company based on the current operating plan for Osborne
- 30 June 2013 cash balance of \$32.8 million

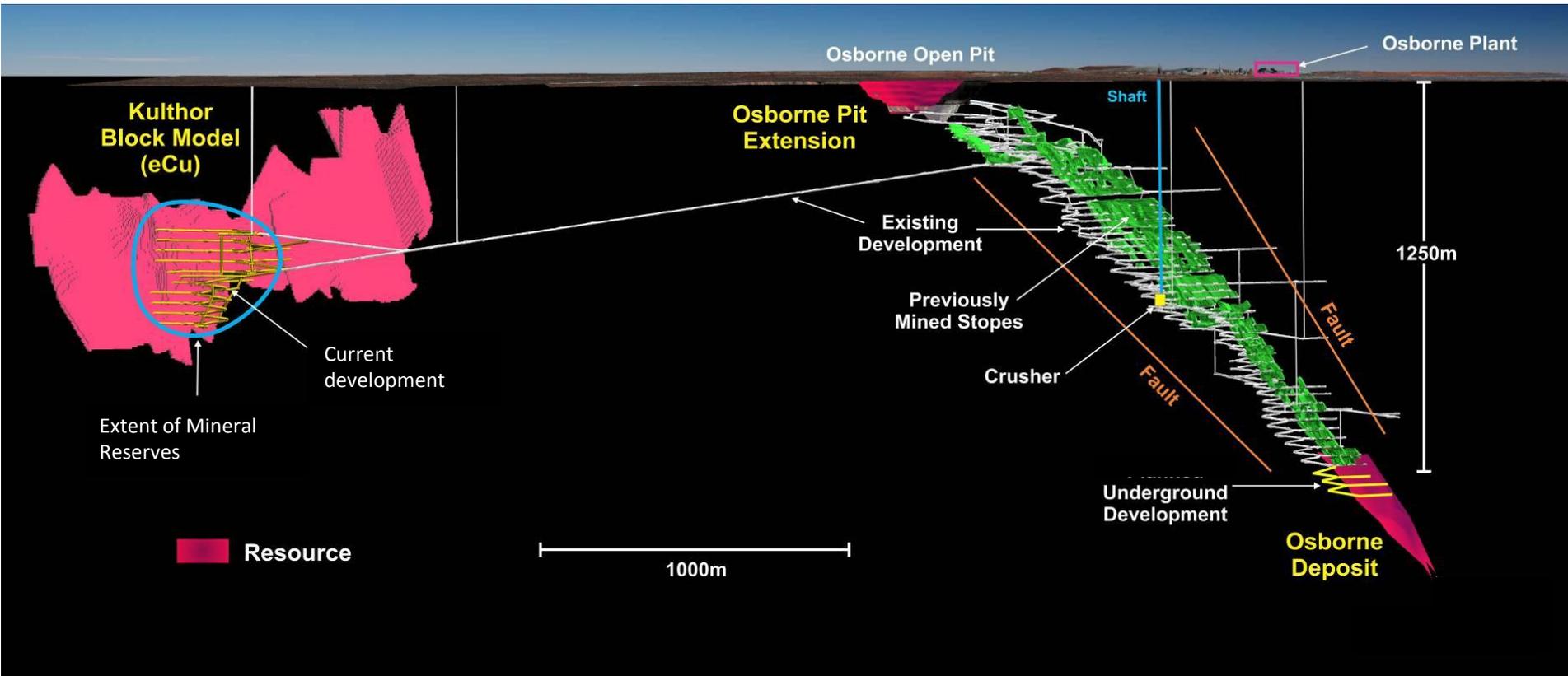
Appendix



Mineral Reserves & Mineral Resources

Mineral Reserves		<ul style="list-style-type: none"> ▪ Osborne Project¹ 6.7 Mt @ 1.2 % copper, 0.77 g/t gold ▪ Merlin 7.1 Mt @ 1.1 % molybdenum, 18 g/t rhenium 			
Mineral Resources	Osborne Project		Million Tonnes	Copper (%)	Gold (g/t)
	Osborne & Kulthor	Measured & Indicated	12	1.4	0.88
		Inferred	5.8	1.3	0.87
	Starra ²	Measured & Indicated	7.6	0.99	1.1
		Inferred	12.3	0.69	0.99
	Mount Elliott/SWAN	Measured & Indicated	157	0.67	0.40
		Inferred	107	0.54	0.31
	Mount Dore	Measured & Indicated	70	0.58	0.08
		Inferred	38	0.51	0.13
			Million Tonnes	Molybdenum (%)	Rhenium (g/t)
Merlin	Measured & Indicated	6.7	1.4	23	
	Inferred	0.18	0.78	13	

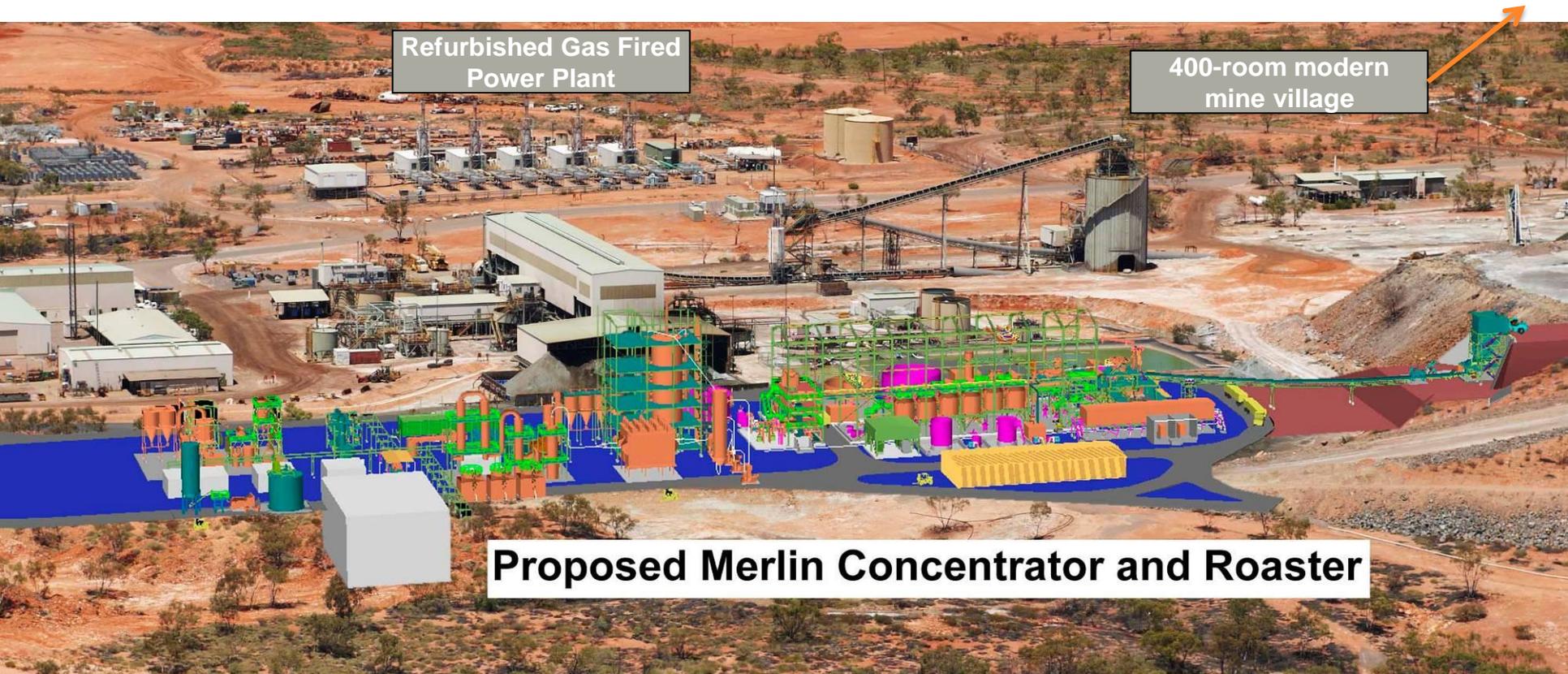
Osborne & Kulthor underground development



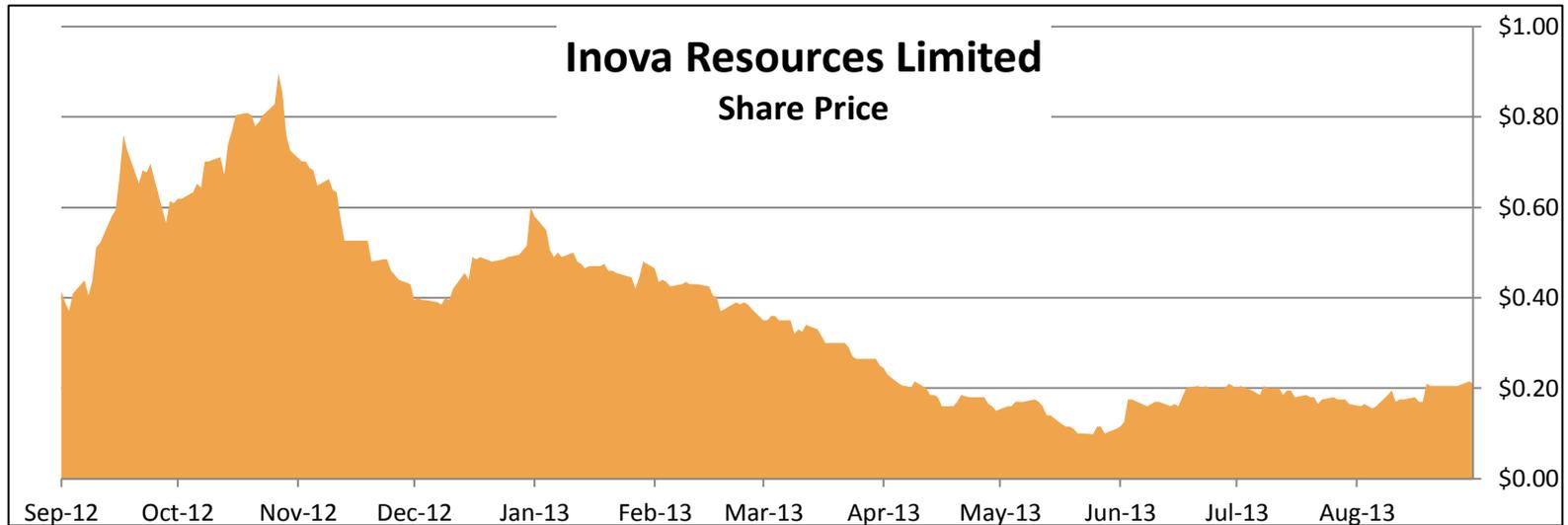
Merlin

– Leveraging Osborne infrastructure

- Existing refurbished Osborne processing plant - sharing infrastructure with proposed Merlin processing plant



Inova Resources Corporate



- **ASX/ TSX code:** **IVA**
- **Shares:** **728 million**
- **Share price:** **\$0.215 (@ 3 Sept 2013)**
- **Market Capitalisation:** **A\$156 million (@ 3 Sept 2013)**
- **Major Shareholder:** **Turquoise Hill Resources Limited holding 56%**

Distribution of 44% freefloat:

Foreign Institutions	57%
Australian Institutions	8%
Retail	35%