



Inova Resources Limited Company Presentation September 2013



Forward Looking Statements & Disclaimer

This document includes forward-looking statements. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Inova Resources believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

This presentation has been prepared by Inova Resources Limited (ACN 107 689 878) ("Inova") for the sole purpose of providing an overview of its current prospects and proposed exploration and development strategy to recipients ("Recipient"). This presentation and its contents are provided to the Recipient in confidence and may not be reproduced or disclosed in whole or in part to any other person, without the written consent of Inova.

The presentation is based on information available to Inova as at the date of the presentation. The information contained in this presentation has not been verified by Inova nor has Inova conducted any due diligence in relation to that information. The presentation contains selected information and does not purport to be all inclusive or to contain all information that may be relevant to the Recipient. The Recipient acknowledges that circumstances may change and this presentation may become outdated as a result. Inova accepts no obligation to update or correct this presentation.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Inova, its directors, employees or agents, advisers, nor any other person accepts any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability arising from fault or negligence on the part of Inova or its directors, employees or agents.

Nothing in this Presentation is a promise or representation as to the future. Statements or assumptions in this presentation as to future matters may prove to be incorrect and differences may be material. Inova does not make any representation or warranty as to the accuracy of such statements or assumptions.

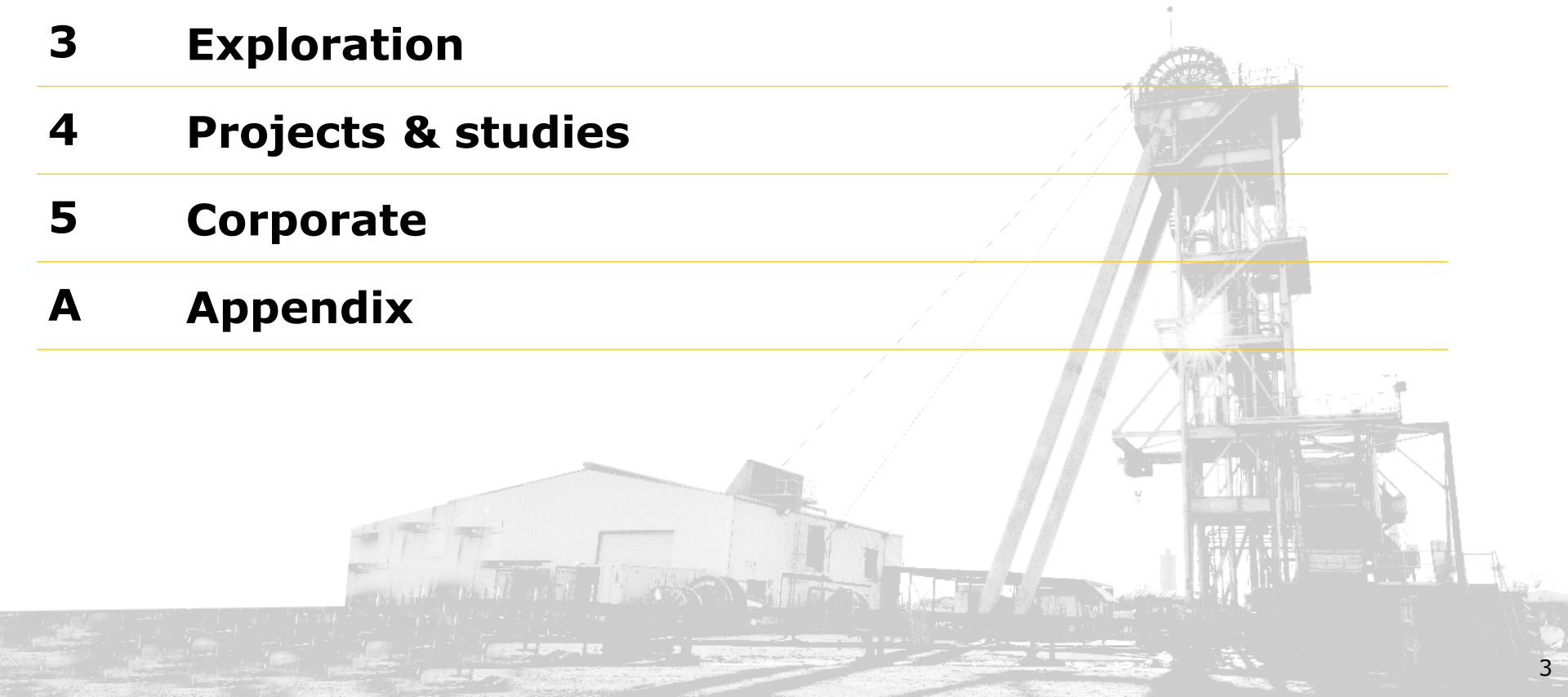
The information in this presentation does not take into account the investment objectives, financial situation and particular needs of any Recipient. The Recipient should not make an investment decision on the basis of this presentation alone and the Recipient should conduct its own independent investigation and assessment of the content of this presentation. Nothing in this presentation constitutes financial product, investment, legal, tax or other advice. Nothing in this presentation should be construed as a solicitation to buy or sell any security or to engage or refrain from engaging in any dealing in any security.

Photographs, maps, charts, diagrams and schematic drawings appearing in this presentation are owned by and have been prepared by or commissioned by Inova, unless otherwise stated. Maps and diagrams used in the presentation are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this presentation.

By accepting this presentation the Recipient agrees to be bound by the foregoing statements.

Contents

- 1 Overview**
- 2 Osborne operations**
- 3 Exploration**
- 4 Projects & studies**
- 5 Corporate**
- A Appendix**



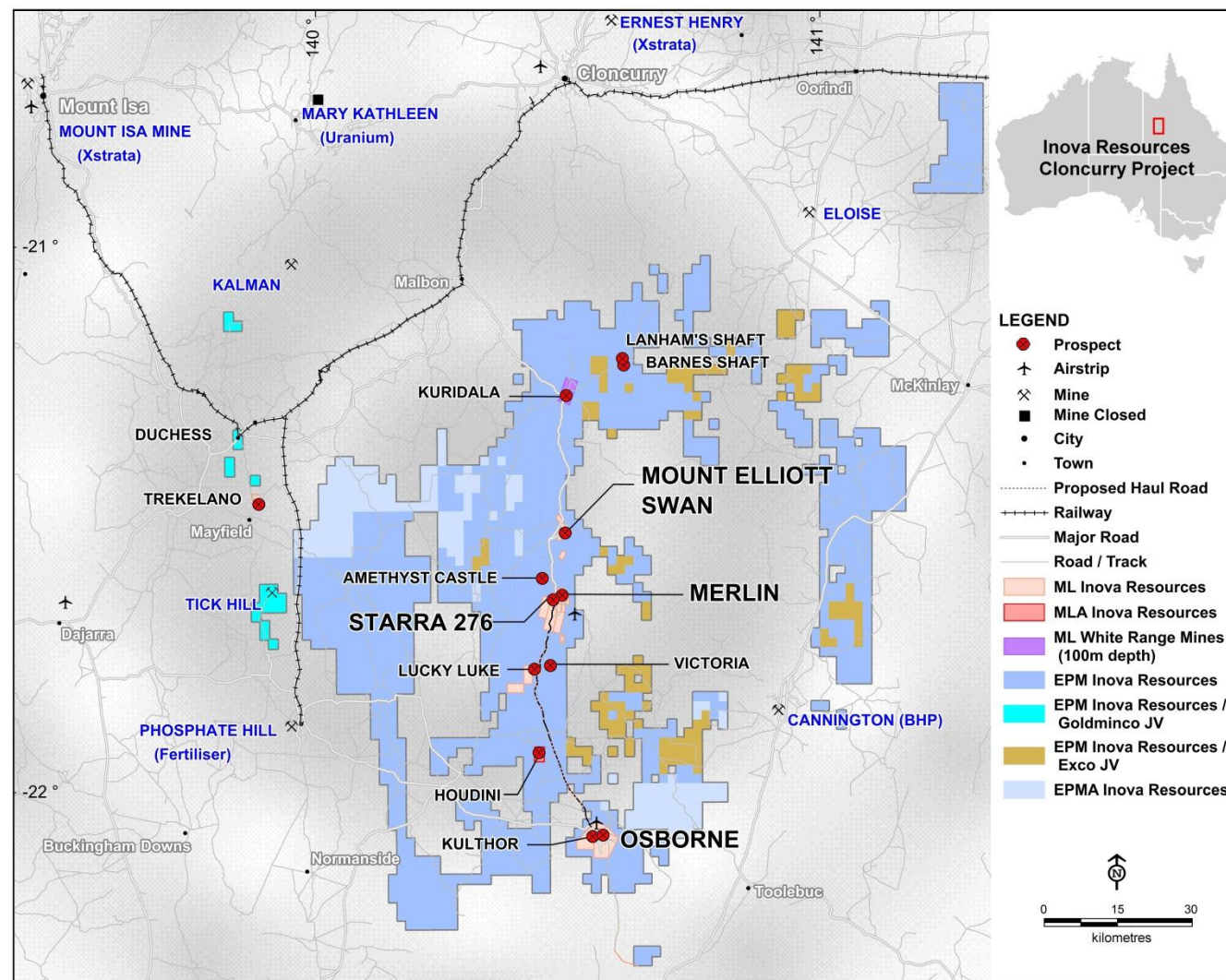
Overview

- 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

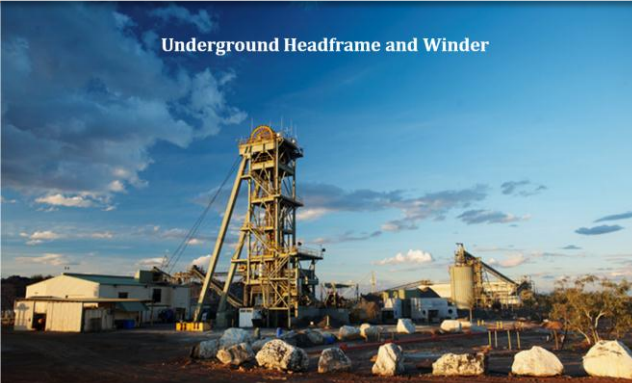


Osborne Operations

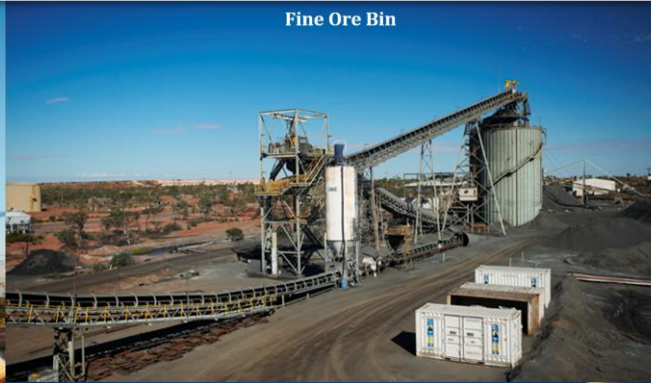


Osborne processing plant

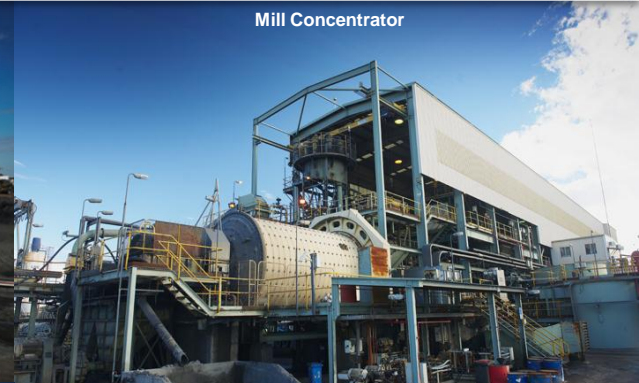
Underground Headframe and Winder



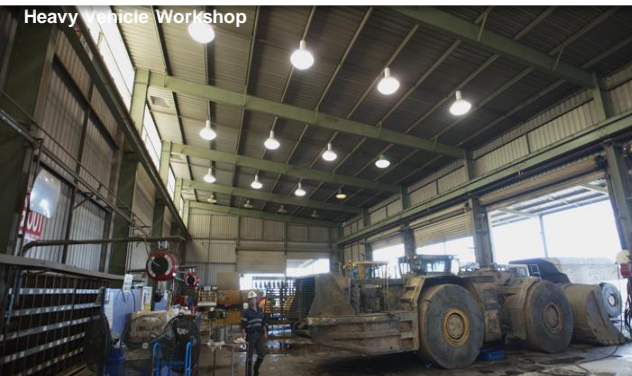
Fine Ore Bin



Mill Concentrator



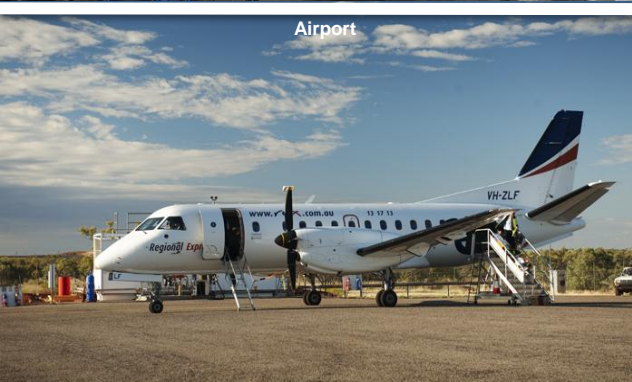
Heavy Vehicle Workshop



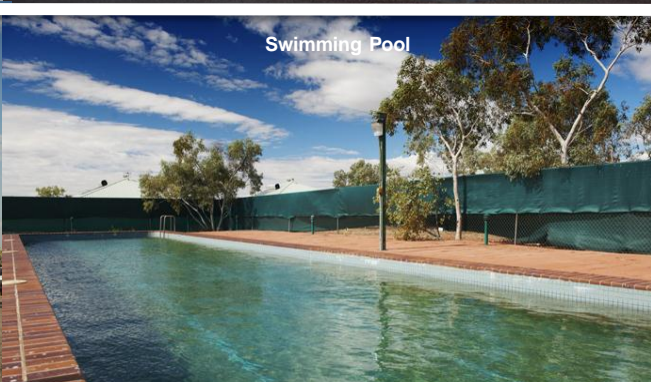
Power Station



Airport



Swimming Pool



Osborne Mine Office & Administration Facilities



Osborne copper-gold operation update

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

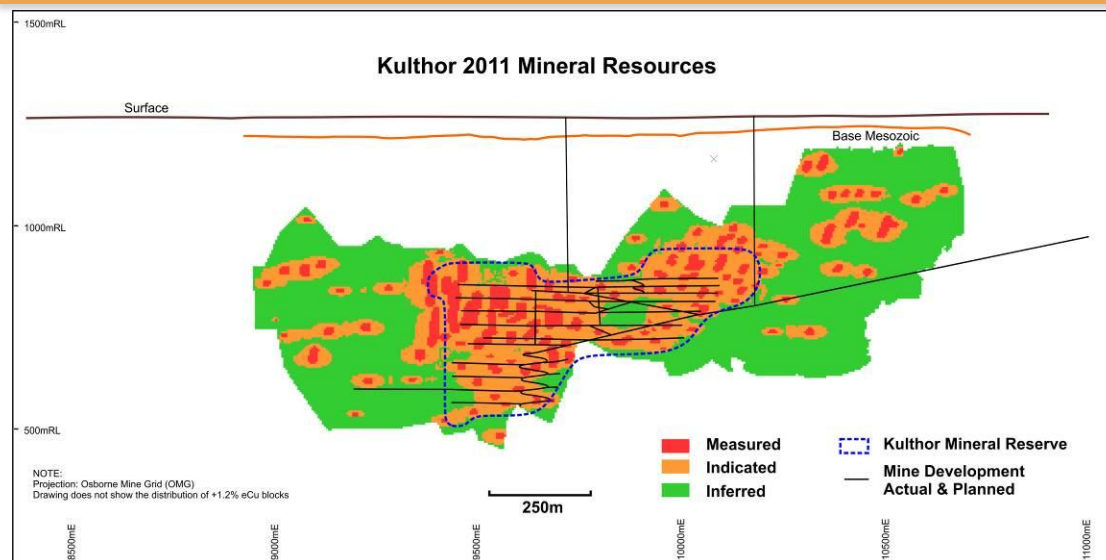
Kulthor

- 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

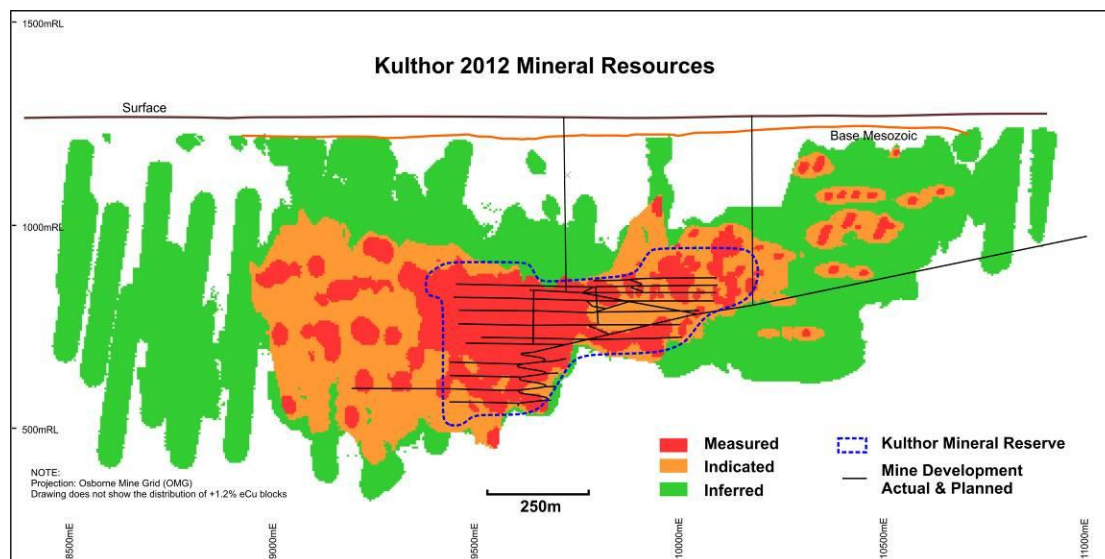
Kulthor 2012 mineral resources upgrade



KULTHOR MINERAL RESOURCES - 2011					
		Grade		Contained	
	Ore (Mt)	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

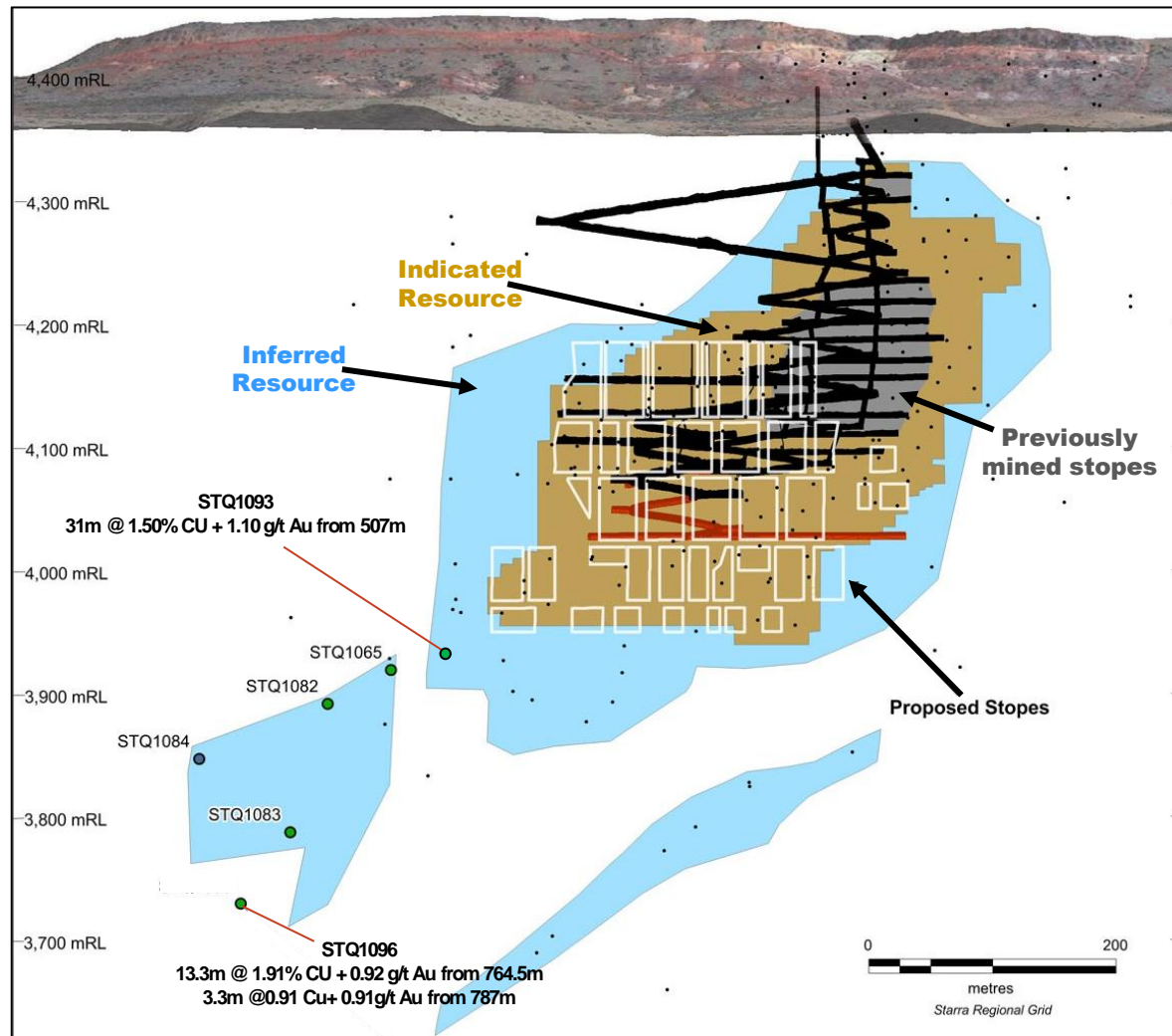
KULTHOR MINERAL RESOURCES - 2012					
		Grade		Contained	
	Ore (Mt)	Copper (%)	Gold (g/t)	Copper ('000t)	Gold ('000oz)
Measured & Indicated	7.4	1.6	1.0	116.5	234.4
Inferred	5.4	1.3	0.9	72.8	148.2

- 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

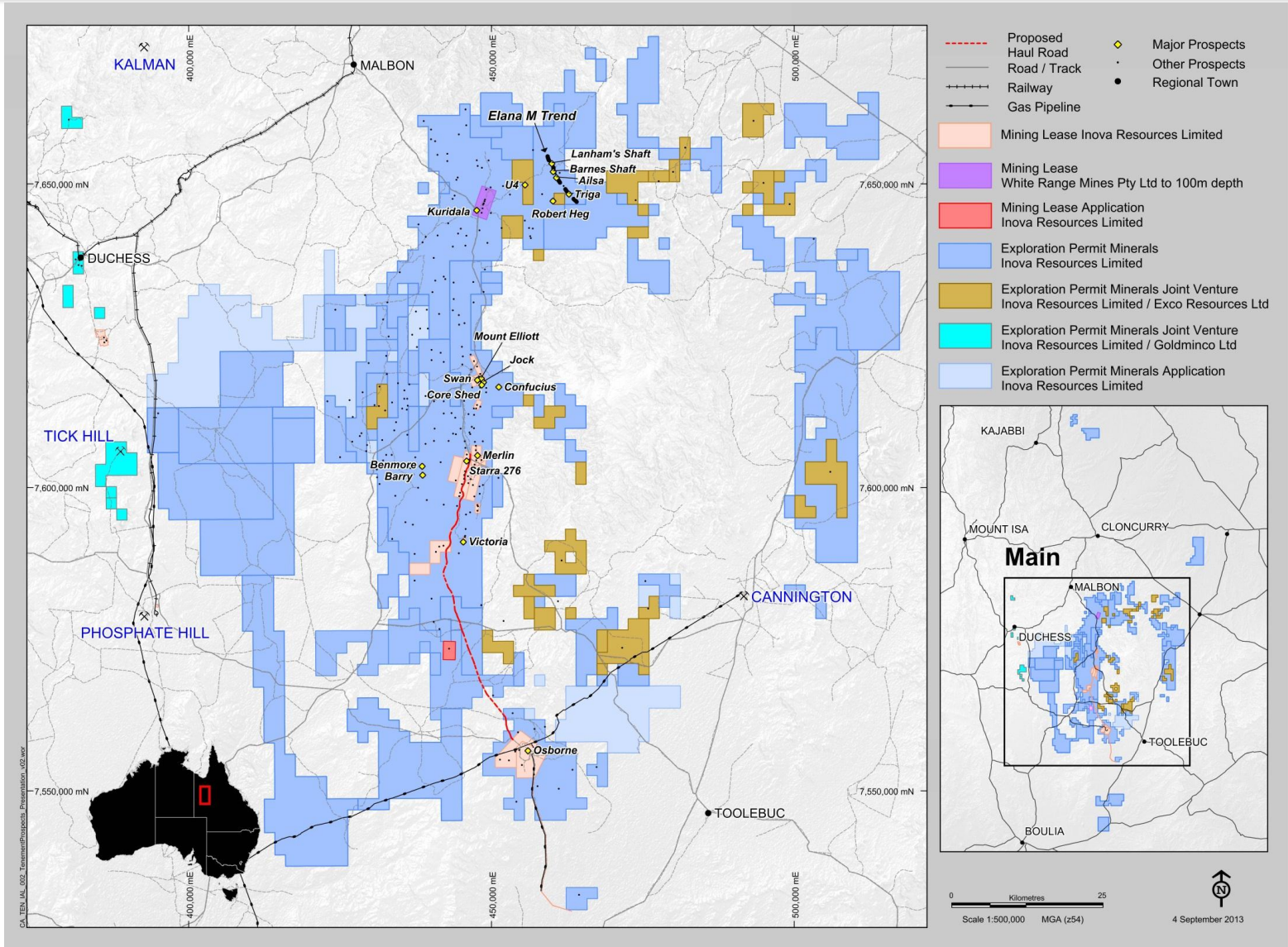
- Assessment of a number of prospects being undertaken, including:
 - Victoria/Stuart: Approximately 30 kms from Osborne mill adjacent to the Osborne-Mount Dore haul road. Initial drilling program commenced
 - Starra Line: Other historical Starra mines being assessed: Starra 222, 251 and 257
-



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

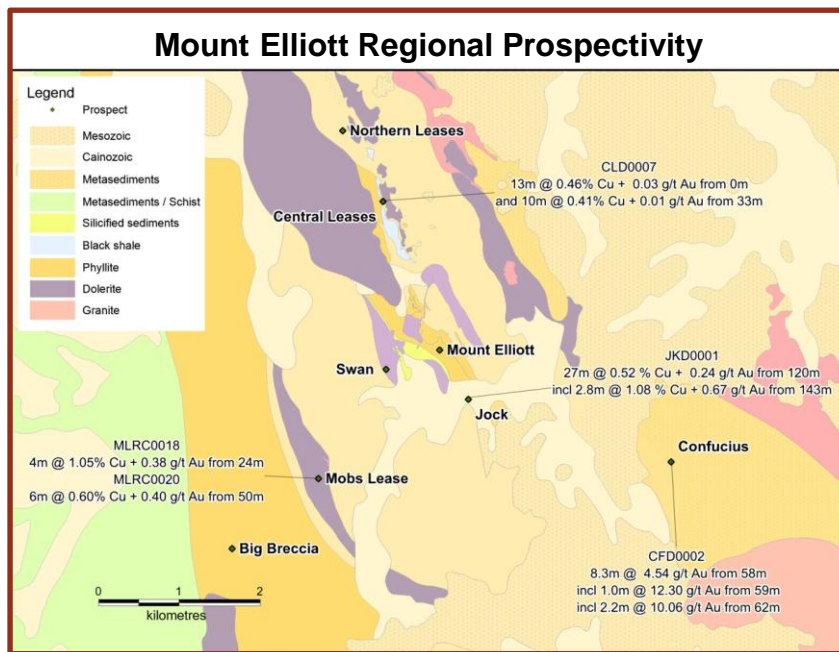


Exploration targets

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 U_3O_8 from 14 m
- **RHR0026** 13m @ 1,165 ppm U_3O_8 from 13 m

Historic drilling includes:

- **RH001** 22m @ 4,809 ppm U_3O_8 from 13 m (CRAE hole 1993)
- incl. 11m @ 9,344 ppm U_3O_8 from 14 m
- **RHDD0019** 11m @ 4,691 ppm U_3O_8 from 15 m (Inova 2007)
- incl. 9m @ 5,649 ppm U_3O_8 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



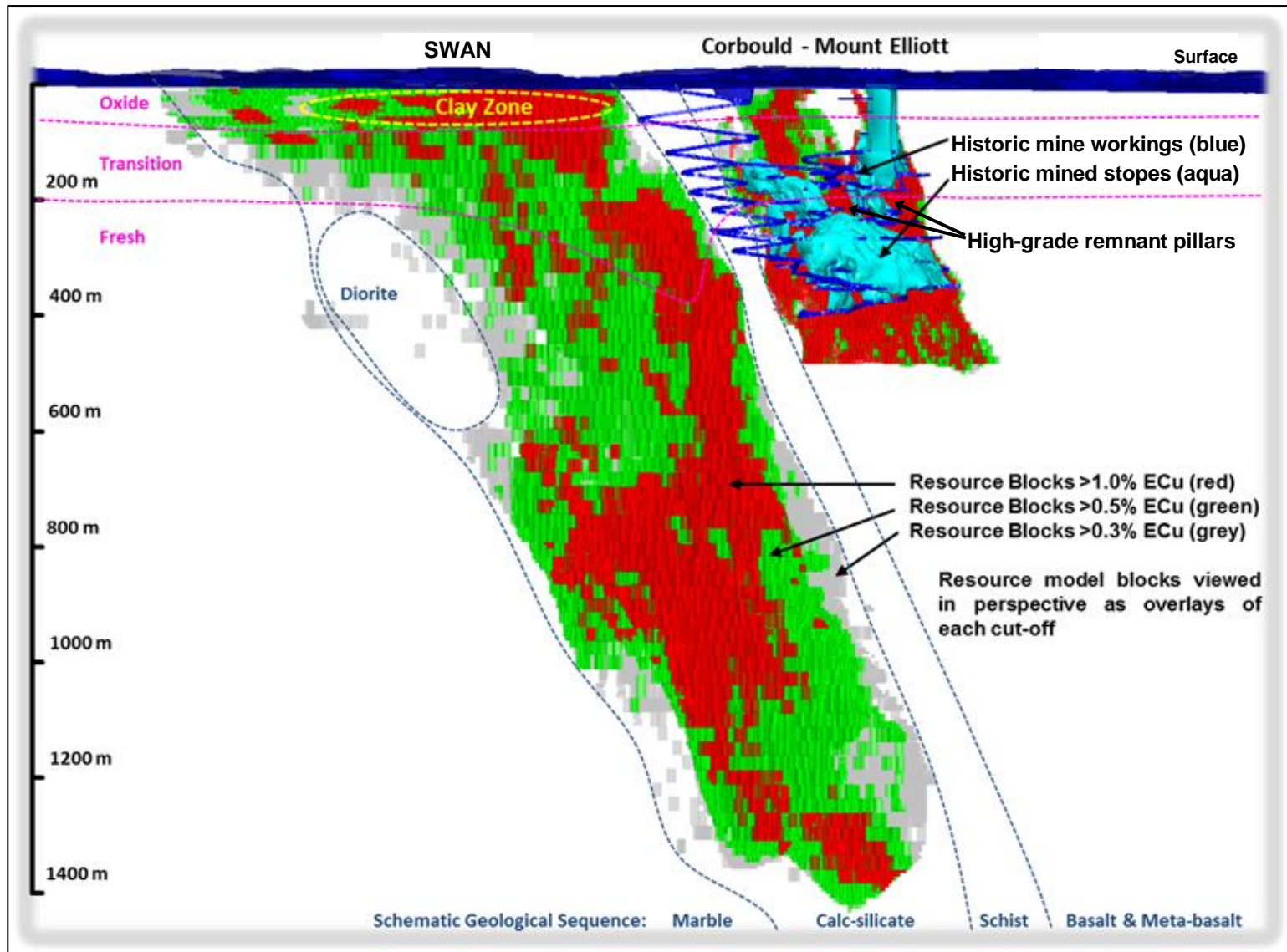
Mt Elliott/SWAN project

- 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)					
		Grade		Contained Metal	
	Ore (Mt)	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)

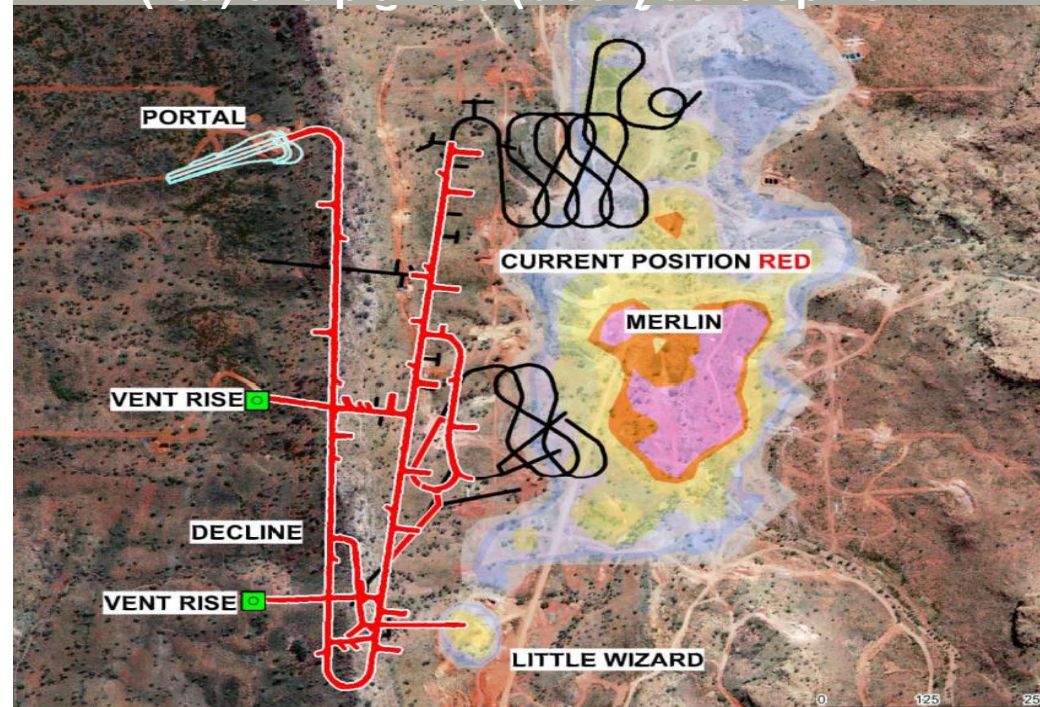
Mt Elliott/SWAN: revised block model



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

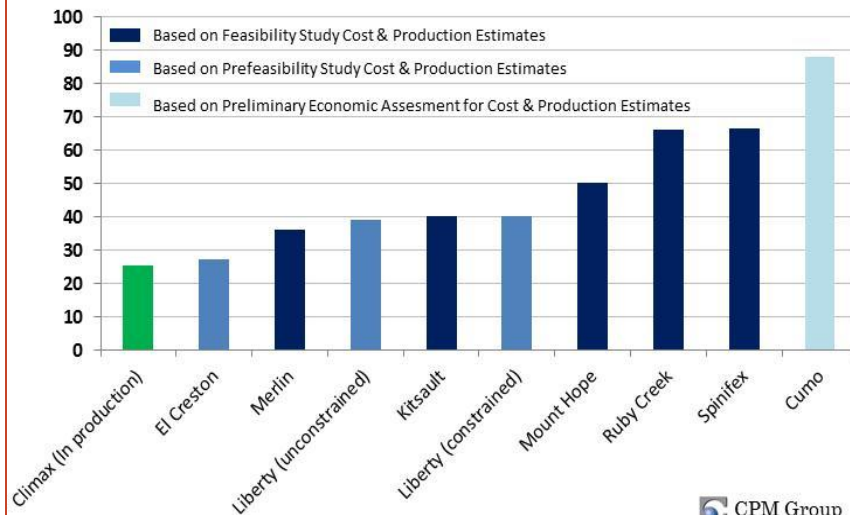
Merlin – Project comparisons

Comparable project analysis indicates Merlin's potential

Comparison of Initial Capital Costs/Annual Mo Production Rates for Select Projects

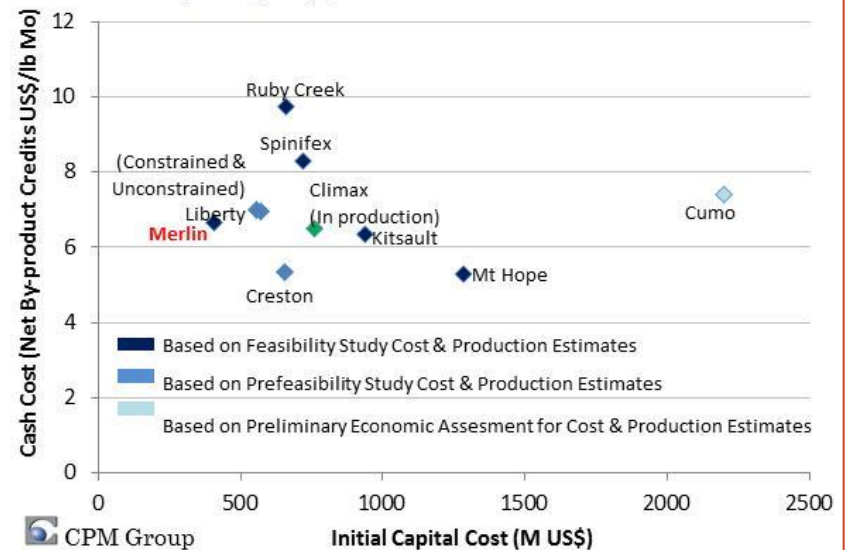
No credits are made for by-product production

Initial Capital/Annual production



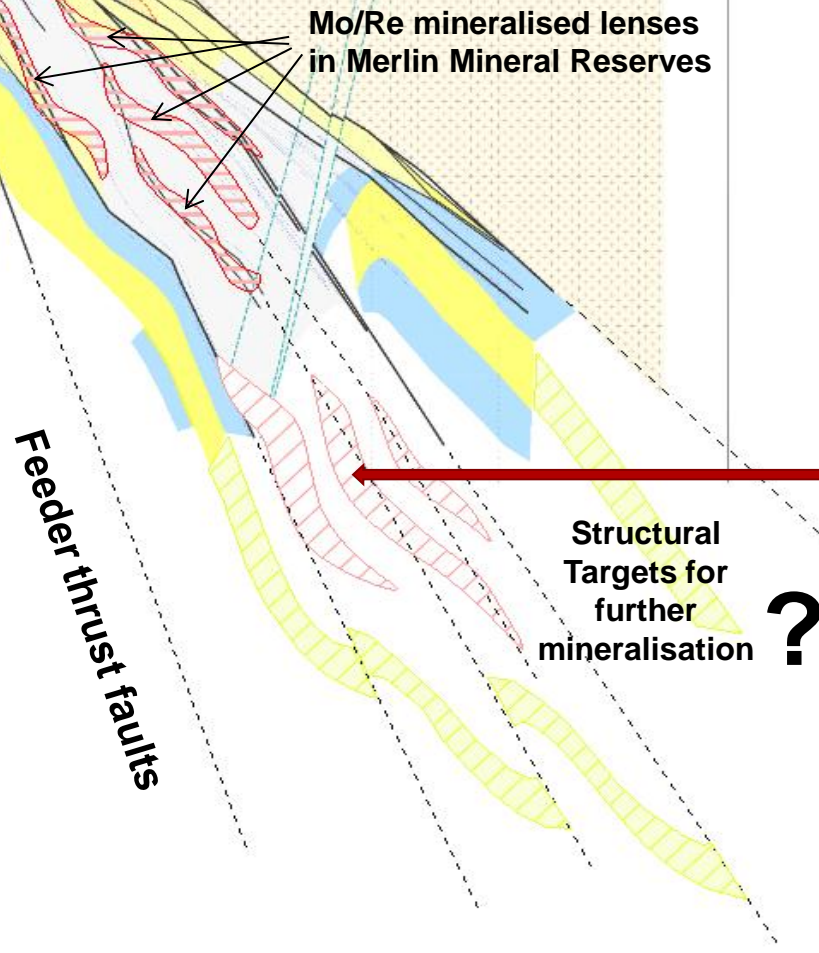
Comparison of Cash Costs & Initial Capital Costs for Select Projects

Cash cost are adjusted for by-product credits



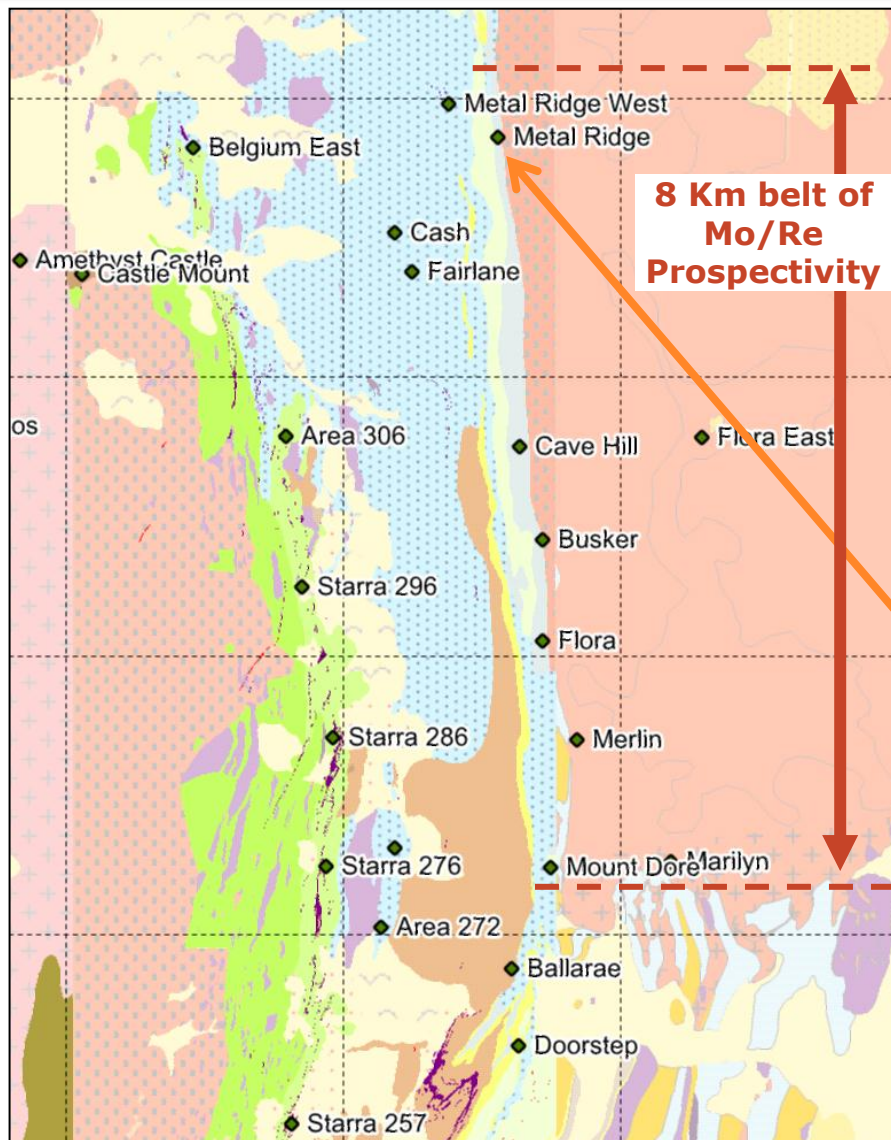
Merlin exploration upside – Geology

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

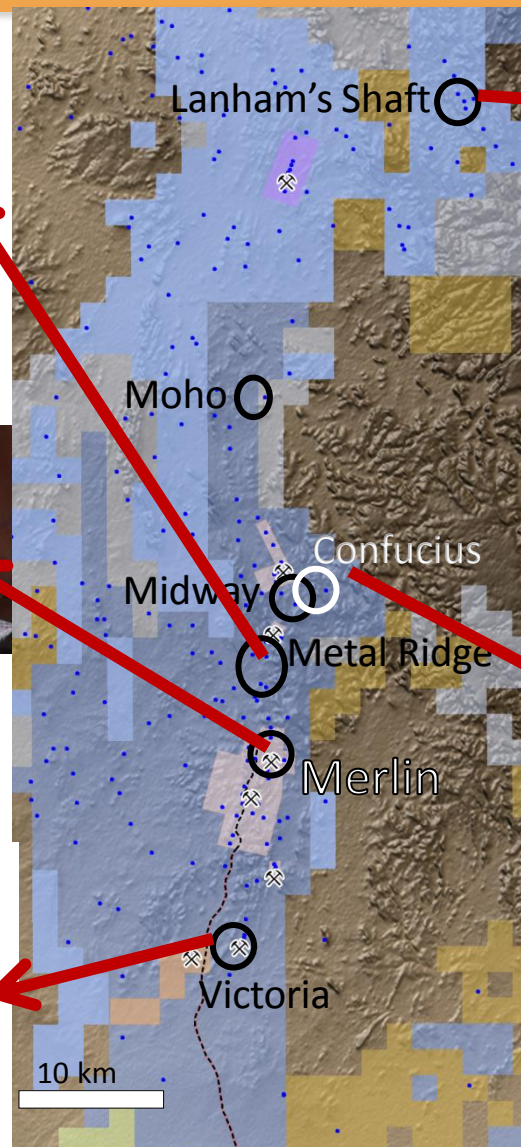


MDQ0264 – 0.9m @ 46.4% Mo, 446 g/t Re

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

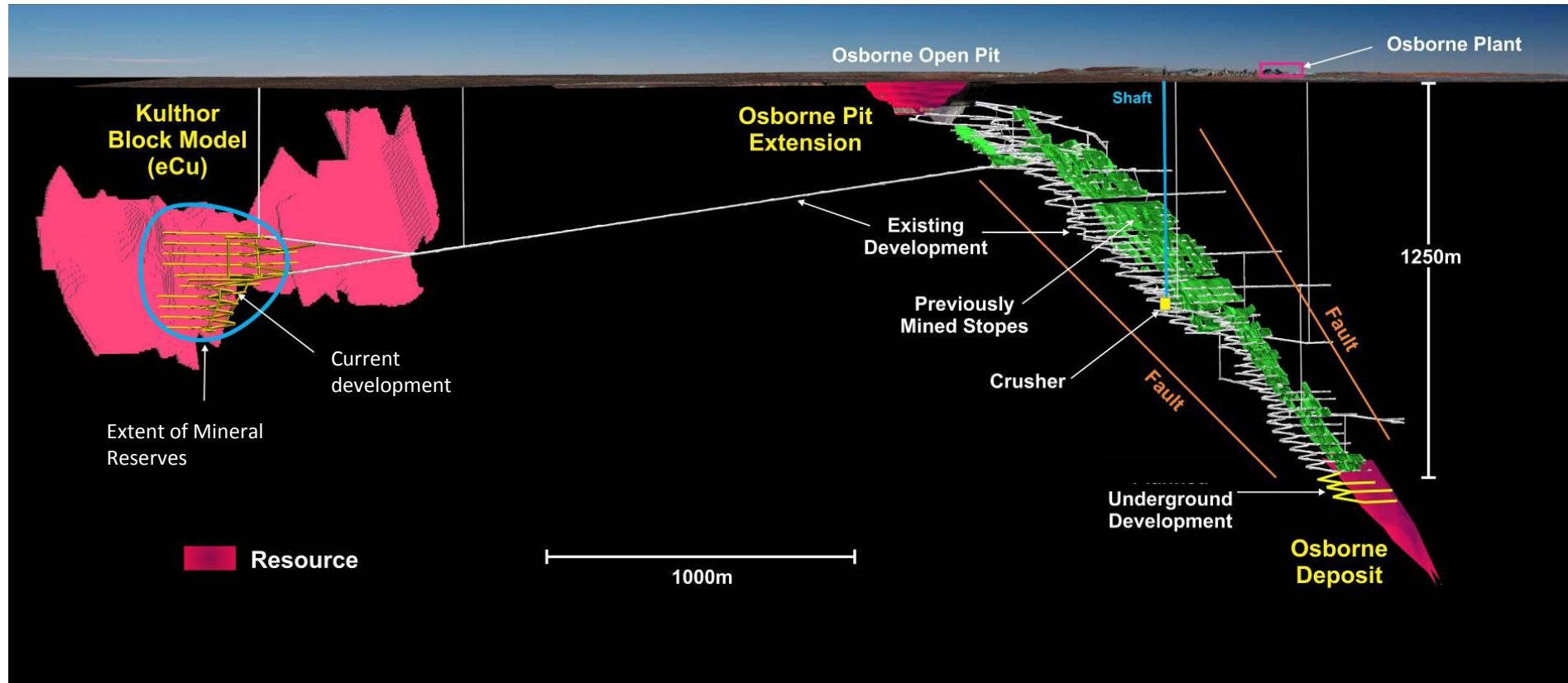
Appendix



Mineral Reserves & Mineral Resources

Mineral Reserves	<div><div>▪ Osborne Project¹ 6.7 Mt @ 1.2 % copper, 0.77 g/t gold</div><div>▪ Merlin 7.1 Mt @ 1.1 % molybdenum, 18 g/t rhenium</div></div>				
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

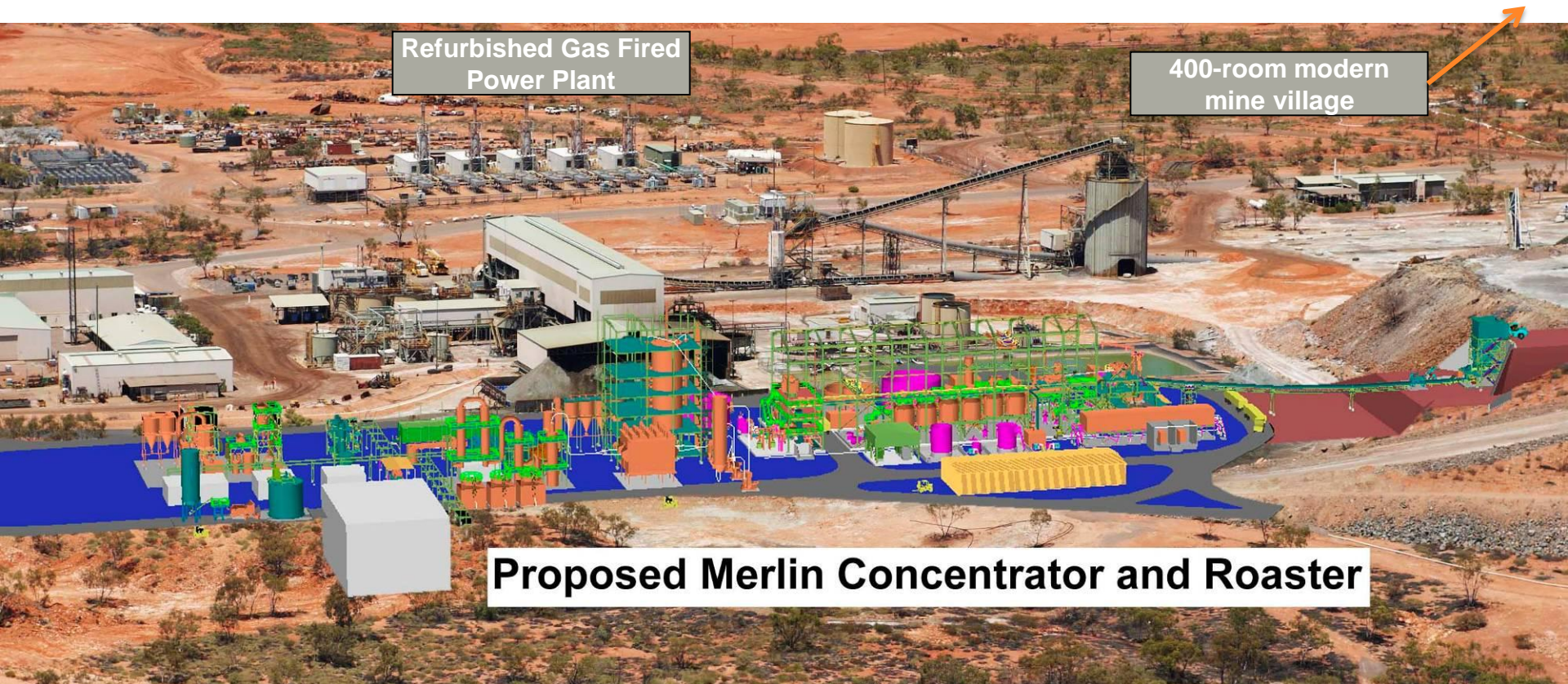
Osborne & Kulthor underground development



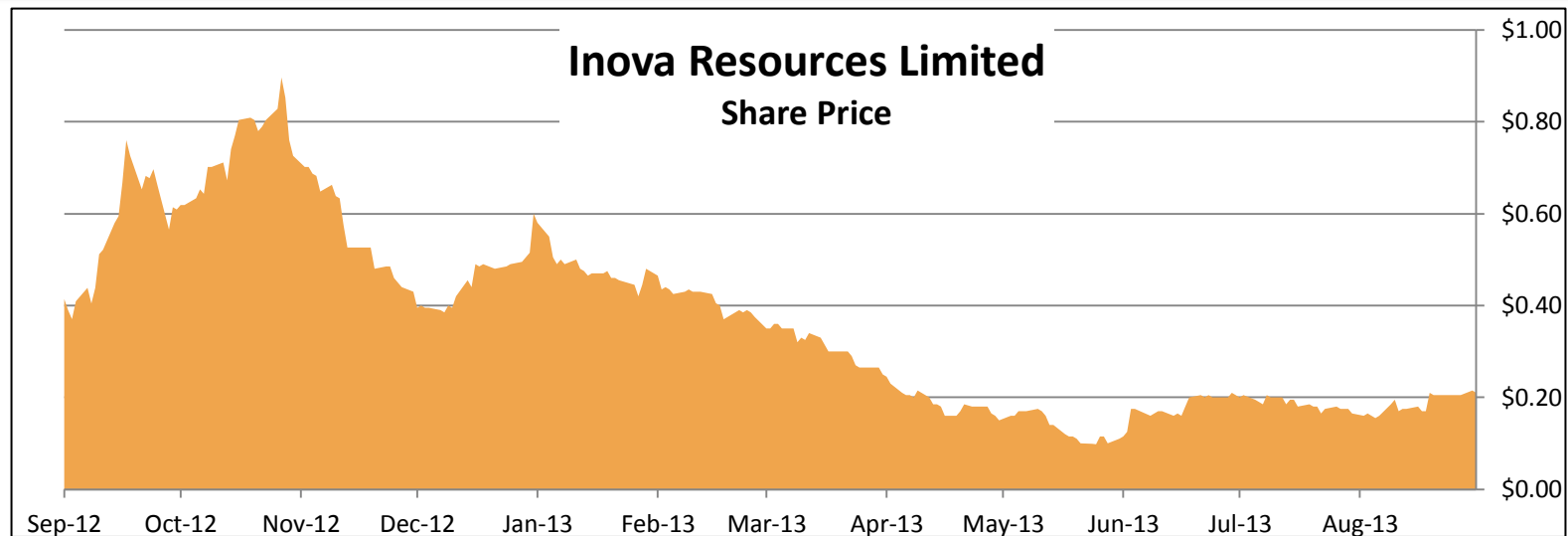
Merlin

– 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%