



# NIUMINCO GROUP LIMITED

**PNG MINING & PETROLEUM CONFERENCE November 2017**



**PROSPERING IN A CHANGING GLOBAL ENVIRONMENT**

ASX Code: NIU  
POMSoX : NIU

# Important Information

---



This presentation is not a prospectus nor an offer of securities for subscription or sale in any jurisdiction nor a securities recommendation.

The information in this presentation is an overview and does not contain all information necessary for investment decisions. In making investment decisions, investors should rely on their own examination of Niuminco Group Limited and consult with their own legal, tax, business and/or financial advisers in connection with any acquisition of securities.

The information contained in this presentation has been prepared in good faith by Niuminco Group Limited. However, no representation or warranty, express or implied, is made as to the completeness or adequacy of any statements, estimates, opinions or other information contained in this presentation.

To the maximum extent permitted by law, Niuminco Group Limited, its directors, officers, employees and agents disclaim liability for any loss or damage which may be suffered by any person through the use of, or reliance on, anything contained in or omitted from this presentation.

Certain information in this presentation refers to the intentions of Niuminco Group Limited, but these are not intended to be forecasts, forward looking statements, or statements about future matters for the purposes of the Corporations Act (Cth, Australia) or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause Niuminco Group Limited's actual results, performance or achievements to differ from those referred to in this presentation to occur as contemplated.

The presentation contains only a synopsis of more detailed information to be published in relation to the matters described in this document and accordingly no reliance may be placed for any purpose whatsoever on the sufficiency or completeness of such information and to do so could potentially expose you to a significant risk of losing all of the property invested by you or incurring by you of additional liability. Recipients of this presentation should conduct their own investigation, evaluation and analysis of the business, data and property described in this document. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and you should satisfy yourself in relation to such matters.

The information in this report that relates to exploration results is based on Information reviewed by Ian Plimer (BSc [Hons], PhD) who is a Fellow of the Australasian Institute of Mining and Metallurgy. Professor Plimer is a director of Niuminco Group Limited and 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 a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

# Corporate Snapshot



## Capital Structure

Ordinary Shares on Issue	2,206,273,876
Options (Jan 2019 @ \$0.007)	180,000,000
Market Capitalisation (@ \$0.002)	\$4.4m

## Major Shareholders

Directors & Management	21.1%
Australian Metals Group	14.8%
Victoria Park Investments/Nepean	5.7%
<b>Top 20</b>	<b>60.86%</b>

## Board and Management

Professor Ian Plimer	Independent Chairman
Tracey Lake	Managing Director
Mark Ohlsson	Non-Executive Director
Mark Ohlsson	Company Secretary

# 2017 – A year of Re-focus and Change

---



- **Continuing scale-up of ore processing capacity at Edie Creek** – acquisition of 5 tph ball mill, roller crusher, vibrating feeders, bin vibrators, 2 tph concentrator; modifications to ISP concentrator, feed hopper, vibrating screen and conveyor belt circuit.
- **Purchase of remaining 17% Edie Creek interest taking Niuminco ownership to 100%**
- **13,160g ( 423 oz) gold & 12,943g ( 416 oz) silver produced** from 3,443 t of wet ore at avg grade of **3.8g/t Au** in FY 2017. Production negatively impacted by aging mining equipment downtime, lack of mains power for 16 months and installation of, and modifications to, processing plant.
- **Applications for Extension of Terms (to September 2019) lodged** for EL1441 at May River and EL1438 at Bolobip.
- **Further exploration drilling** done at Edie Creek – 2 more holes drilled at the Enterprise/Karuka vein and stock-work systems, confirming potential bulk-tonnage target.
- **Capital Raisings** completed in January 2017 raising AUD\$600,000 cash, and in November 2017 raising AUD\$750,000 (\$240,000 cash,\$510,000 debt conversion).
- **Commencement** of Bolobip and May River exploration drilling programs.
- **Divestment of Tasmanian tin assets** through ASX float of TNT Mines Ltd to realise AUD\$900,000 and allow re-focus on prime PNG assets exclusively.

# Focusing on Three Prime Assets in PNG



- **EDIE CREEK MINE** - Producing gold and silver mine - adjacent to **Hidden Valley** mine
- **MAY RIVER PROJECT** - Major drill ready copper- gold porphyry and epithermal anomalies. Adjacent to +21Moz AuEq **Frieda River** deposit.
- **BOLOBIP PROJECT** – 60km east of **Ok Tedi**. Large drill ready, copper-gold porphyry target.

# Edie Creek – Operating gold/silver Mine



## Epithermal Gold and Silver Deposit

- Edie Creek is located in the Morobe Province, approximately 5km from Harmony Gold's Hidden Valley Mine, which produced ~190Koz of AuEq in 2015.
- Edie Creek comprises 6 granted MLs covering 3.92km<sup>2</sup> and includes high grade Au-Ag veins and lower grade bulk tonnage options identified with substantial economic potential.
- Within the MLs, Niuminco has developed a 200 person camp, mining/processing infrastructure and maintenance / admin facilities.
- Measured scale-up of pilot mining & processing continuing.



# 2017 – Edie Creek Production Review



- Continued scale-up of gold production capacity at Edie Creek
- **Slow “grinding” progress, but progress nonetheless**
- FY2017 Production: 423oz Au and 416oz Ag.
- 3443 tonnes of ore processed ( 9.4 tonnes per day) at an average grade of 3.8g/t
- Production negatively impacted by lengthy downtime on aging mining excavators and bulldozer, the installation, testing and modification of processing plant and lack of mains power for past 16 months
- Further equipment purchased to increase production rate:
  - New roller crusher, 5 tph ball mill, 2x vibrating feeders, 2x bin vibrators, 2tph concentrator;
  - Modifications to conveyor belt, ore feed hoppers and the vibrating screen;



**Niuminco is positioned to increase processing throughput to 40-60 tpd.**

# Edie Creek – Scaling Up Production



## Significantly Scaled-up Operations

- With new infrastructure now installed and modified, plus upgraded mining equipment being purchased, Edie Creek ore processing is now poised to run at **40-60 tpd**, in a single, 11hour shift.
- Niuminco is now positioned to have operations at Edie Creek become **consistently cash flow positive at grades of 1.5-2 g/t**.
- At current gold prices, operating **break-even production at Edie Creek is approx. 90oz Au per month (or 90g Au per day)**.



With minimal fixed operating overheads, the increase in plant throughput is expected to significantly increase revenues to the Company going forward.

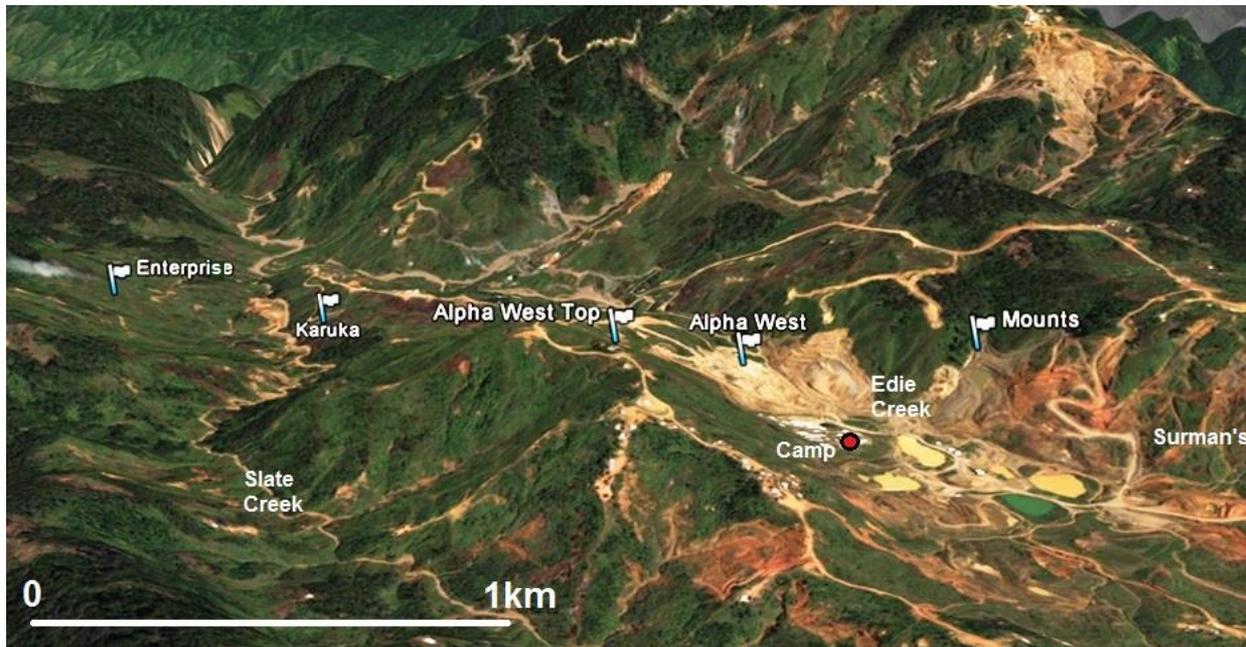
# Processing and Mining Plant Upgrades



- Current crushing and processing circuit includes:
  - Jaw crusher, vibrating screen, feed hopper bin, vibrating feeder, conveyor belt, 5tph ball mill and a Gekko ISP concentrator plant and cyclone.
- Increased throughput and recoveries expected as a result of recent installation and modifications to new and existing processing infrastructure including:
  - 5tph ball mill,
  - roller crusher (to be installed),
  - Bin vibrators, feed hoppers, conveyor belt and ISP concentrators
  - A second milling circuit comprising the 2 tph ball mill and 2tph centrifugal concentrator.
- Increased and more reliable mining capacity through planned purchase of 2 x 2<sup>nd</sup> hand Komatsu D85 bulldozers, a 2<sup>nd</sup> hand 40t articulated tip truck and a new 6t excavator



# Edie Creek Drilling Program

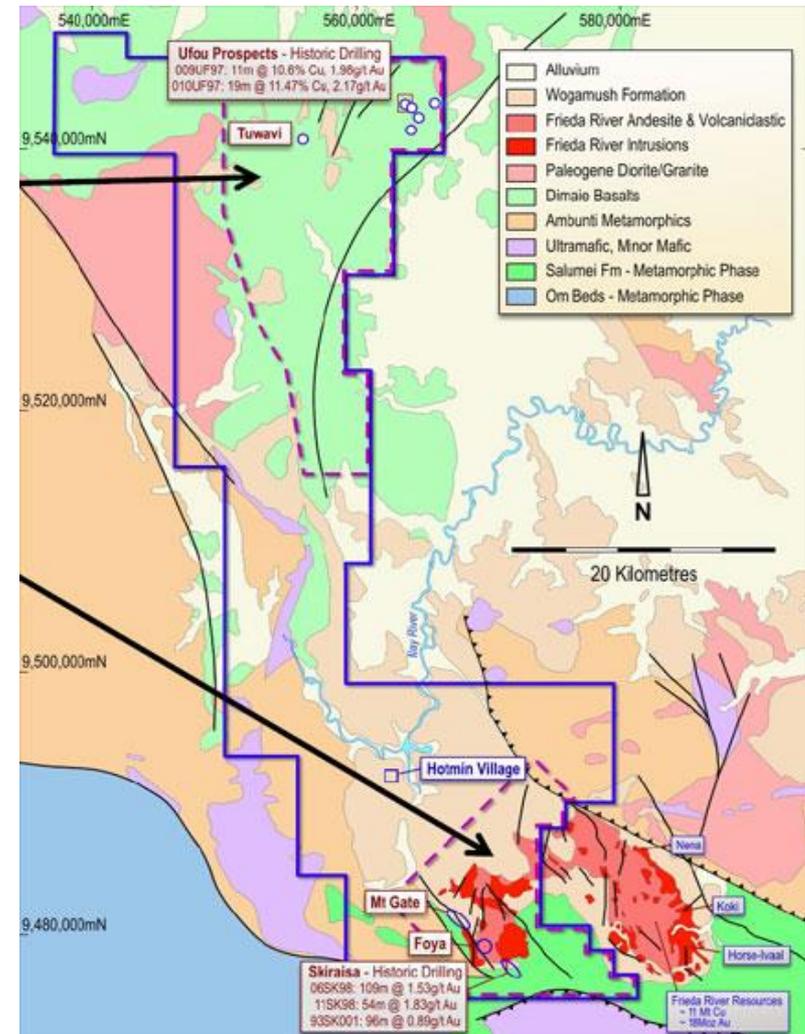


- Completed the first 2 holes (EDD 024 and EDD 025) of up to 10 deeper (300m) holes into the **Enterprise/Karuka diatreme and stock-work zone, confirming its potential as a bulk-tonnage target.**
- Screen Fire Assay results for drill-hole EDD 024 **confirmed the presence of coarse gold by showing a weighted average grade of 1.72g/t Au for the first 48m**, and demonstrated gold values to a maximum of 0.2g/t Au in a number of sections throughout the balance of the hole. **Assay results** for drill-hole EDD 025 confirmed the presence of disseminated gold by showing a **weighted average grade of 0.5g/t Au from 10m to 22.7m, a weighted average 5.6g/t Au from 37.7m to 42.4m, and continuous mineralisation to a maximum of 0.6g/t Au throughout the balance of the 126.5m hole.** This **further confirms the concept of a large disseminated gold-bearing system.**
- Edie Creek remains **highly underexplored** and Niuminco will continue testing for **extensions of known vein and lode systems and bulk tonnage targets** using its own drill rigs and crew.

# May River Project –Adjoins Frieda River



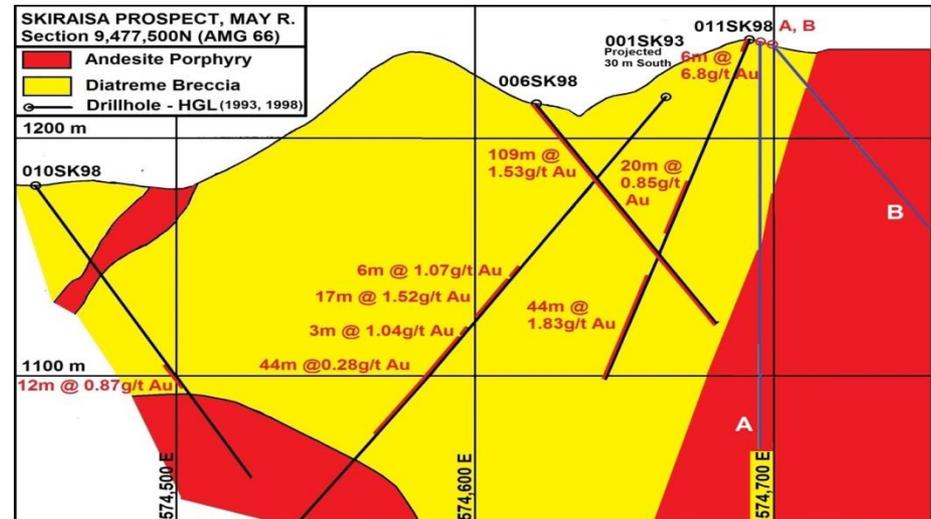
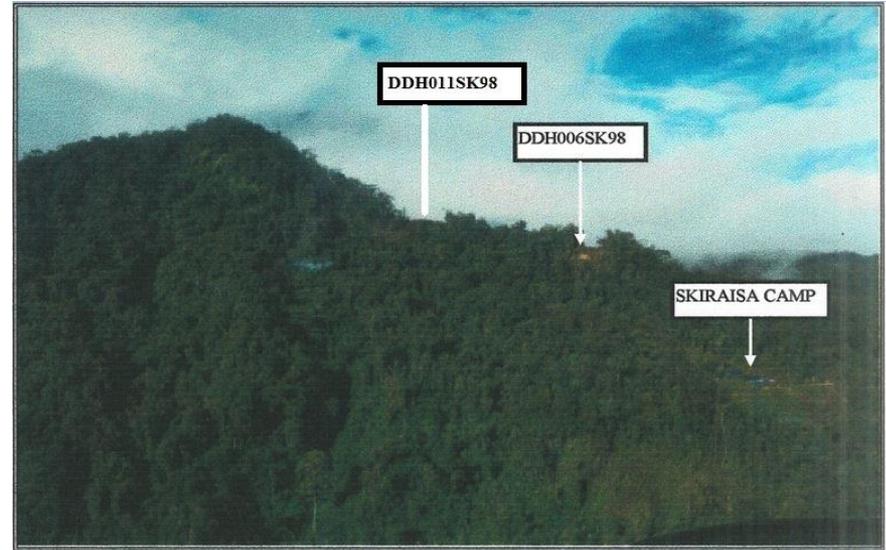
- Niuminco's May River Project is a large tenement holding adjacent to the Frieda River deposit, and is **highly prospective for both copper/gold porphyry deposits and smaller, high-grade epithermal gold deposits.**
- The Company is currently re-establishing its base camp area at Hotmin which acts as a regional exploration base in the centre of the tenements.
- **Existing airstrip**, and major **supplies brought in by low-cost river transport.**
- Renewal of term application to September 2019 has been lodged.
- **Over \$4.0 million spent by Mincor/Niuminco** from 2012-2017.
- **2-3 hole drilling program** at Skiraisa underway.



# Copper/gold Porphyry and Epithermal gold



- Niuminco's May River Project adjoins the Frieda River porphyry deposit, owned by PanAust and Highlands Pacific Limited (ASX:HIG), which has delineated **+21Moz AuEq**.
- Niuminco has completed significant geophysical exploration programs and **now commenced its 2-3 hole drilling program** at Skiraisa, South May River from the historical 011SK98 hole drill pad (**holes A and B in the adjacent diagram**).
- Both 011SK98 and 006SK98 **terminated in potentially economic mineralisation and showed increasing grades with depth**.
- Both holes A and B will penetrate beyond the previous holes with hole B to penetrate the diatreme breccia-porphyry contact.
- May River has historical drilling highlights of:
  - 006SK98 : **109m @ 1.53g/t Au**
  - 011SK98: **44m @ 1.83g/t Au**
  - 001SK93: **96m @ 0.89g/t Au**



# Bolobip Project – “Elephant” country

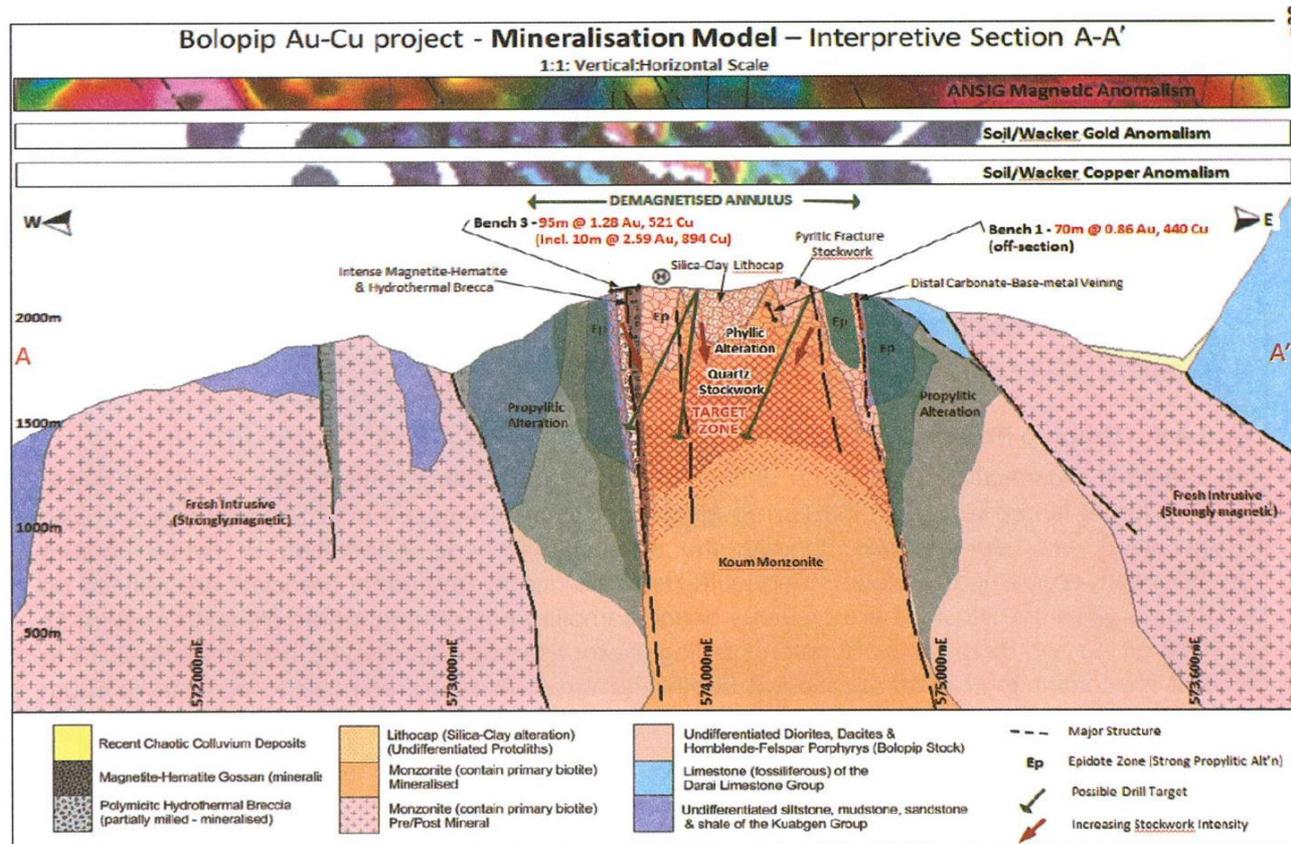


- Tenement EL1438 renewal application to September 2019 has been lodged.
- Since 2012/13, over **\$3.5 million** spent on exploration of the 320km<sup>2</sup> tenement.
- The exploration program centred around the Kaum Stock and focused on detailed mapping of geology, alteration and structure along with execution of a heli-magnetic and radiometric program.
- Potential for discovery of economic gold/copper mineralisation is considered significant and a 3 hole, 900m diamond drill program is underway.



A Major Copper Gold Porphyry Target 60km East of Ok Tedi Mine

# Bolobip – Drill Targets



- A multi-phase intrusive complex. 3 hole, 900m drill program currently underway.
- Latest data shows coherent 1km diameter copper and gold anomaly.
- Classic geochemical signature of a leached cap above a mineralised copper-gold porphyry system. Extensive surface gold mineralisation in trench channel samples (CRA exploration, 1990s).

# 2018 – Accelerated Expansion in PNG

---



- **Following the divestment of its TNT Mines Ltd assets in Tasmania, Australia** the Niuminco Group is now focussed on **accelerated expansion in Papua New Guinea** including:
  - **Delivering significantly increased mining & processing volumes at EDIE CREEK** of 40-60 tpd (targeting >150oz Au per month) through **further installation, commissioning and modification of processing plant and equipment** and the upgrading of aging mining equipment.
  - **Achieving consistent positive cash flow from Edie Creek** to allow Niuminco to:
    - **Accelerate low cost exploration and extension drilling at Edie Creek** using own rig and crew.
    - **Commence additional low cost drilling** following completion of the current 3 holes at **BOLOBIP** using own rig and crew.
    - **Commence further exploration drilling at SOUTH MAY RIVER**, at other identified targets following completion of the current 2-3 hole program at Skiraisa, using own rig and crew.

# Em Tasol –Thank You

---



## Registered Office

Niuminco Group Limited  
Austlink Corporate Centre  
Suite 50, 14 Narabang Way  
Belrose NSW 2085  
Australia

**Tel:** +61 2 9450 0828

**Fax:** + 61 2 9450 0877

**Email:**

[info@niuminco.com.au](mailto:info@niuminco.com.au)

**Web:** [www.niuminco.com.au](http://www.niuminco.com.au)

