KOOKABURRA GULLY GRAPHITE

In South Australia’s Eyre Peninsula a world class high grade flake graphite province

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ASX : LML
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Kookaburra Gully Trench 4
12m @ 20.5% graphitic carbon
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*It is emphasised that Exploration Target tonnage and grade estimates are entirely conceptual in nature and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*
Presentation outline

1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources
2. Lincoln Minerals Graphite projects
3. Kookaburra Gully High Grade Flake Graphite Resource
4. Project timelines
5. References
Global Graphite Resources
(Graphite Resource Grades > 10% TGC)

- **NORWAY-SWEDEN**
  - Skaland, Nunasvaara, Kringel & Raitajarvi

- **CHINA**: 70% world production
  - Heilongjiang Province (NE China) ca. 12-14% TGC
  - Shandong Province (near Qingdao) ca. 2-3% TGC

- **CANADA**
  - Lac Gueret East & Lac Knife

- **MOZAMBIQUE**
  - Balama East & West

- **TANZANIA**
  - Mahenge

- **SRI LANKA**
  - Bogala & Kahategeha

- **NORWAY-SWEDEN**
  - Skaland, Nunasvaara, Kringel & Raitajarvi

- **WESTERN AUSTRALIA**
  - Munglinup

- **SOUTH AUSTRALIA**
  - Kookaburra Gully, Koppio, Campoona Hill

Map Source: Graphite Sector Overview, May 2012, Industrial Alliance Securities Inc
Projects

- Dominant position on Eyre Peninsula
  - tenements totalling 4,364 km²
  - proven world class iron ore & flake graphite province
  - close to infrastructure

High grade JORC Mineral Resources with significant exploration upside in a region with a long history of iron ore & graphite production

Lincoln Minerals has 5 graphite projects on Eyre Peninsula
1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources

2. Lincoln Minerals’ Graphite Projects

3. Kookaburra Gully High Grade Flake Graphite Resource

4. Project Timelines

5. References
Lincoln has 5 Graphite Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Current Status</th>
<th>2013 - 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOOKABURRA GULLY</td>
<td>• Indicated &amp; Inferred JORC Mineral Resource</td>
<td>• Detailed metallurgical studies</td>
</tr>
<tr>
<td></td>
<td>• 2.25 Mt @ 15.0% TGC</td>
<td>• Customer and market development</td>
</tr>
<tr>
<td></td>
<td>• Scoping studies completed</td>
<td>• Approval to mine</td>
</tr>
<tr>
<td>KOOKABURRA GULLY EXTENDED</td>
<td>• EM Survey completed</td>
<td>• Trial mining &amp; pilot plant</td>
</tr>
<tr>
<td>(Immediate target)</td>
<td>• Approval to drill received</td>
<td>• D &amp; C full process plant</td>
</tr>
<tr>
<td>KOPPIO GRAPHITE MINE</td>
<td>• EM Survey completed</td>
<td>• Drilling &amp; JORC Resource 2014</td>
</tr>
<tr>
<td>(Target)</td>
<td>• Existing Inferred Mineral Resource 57Kt @ 13.1% TGC</td>
<td>• Exploration Target 7-20Mt @ 10-15% TGC</td>
</tr>
<tr>
<td>GUM FLAT (ULEY)</td>
<td>• Adjacent Uley Graphite Mine</td>
<td>• Exploration targeted 2014</td>
</tr>
<tr>
<td>(Long-term target)</td>
<td>• Adjacent Uley Graphite Mine</td>
<td>• Exploration targeted 2014</td>
</tr>
<tr>
<td>CAMPOONA SYNCLINE</td>
<td>• EM Survey completed</td>
<td>• Exploration targeted 2014</td>
</tr>
<tr>
<td>(Long-term target)</td>
<td>• Adjacent Archer Exploration’s Campoona Hill</td>
<td>• Exploration targeted 2014</td>
</tr>
</tbody>
</table>

Targeting resource expansion & early production across all 5 graphite projects
Kookaburra Gully is a Top 10 Global Graphite Resource

"Kookaburra Gully is a world class deposit capable of delivering near term production at low cost; and there is significant potential as we explore major consistent EM anomalies immediately to the south of this resource."

Excluding China & Sri Lankan vein deposits
Eyre Peninsula Geology

Graphite occurs within Early Proterozoic metamorphic sequence of quartzite, banded iron formation, marble, schist & gneiss

Upper amphibolite (to granulite) facies

Multiply deformed folded schist sequence
1. South Australia’s Eyre Peninsula – host to 5 Global Top 20 graphite resources

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Kookaburra Gully

Trench 4 (looking west)
20m @ 16.3% C
including
12m @ 20.5% C

Identified by Pancontinental Mining in early-mid 1980’s
Several trenches excavated north and south of outcropping graphite unit
Kookaburra Gully Project Summary

- World class metamorphic flake graphite resource
- Drilling undertaken by Lincoln Minerals in January 2013
- JORC Mineral Resource:
  - 2.25 Mt Indicated and Inferred at 15% TGC (5% TGC cutoff)
  - or 3.16 Mt Indicated and Inferred at 11.5% TGC (2% TGC cutoff)
- Highly sought after premium flake graphite product produced at grades >93% TGC without chemical leaching
- Petrology - average size graphite flakes 350-500 micron
- Metallurgy – up to 98% TGC after 4 stage flotation with 75-98% recovery
- Competitive on quality, grade, cost and economics
- Proximity to infrastructure and competitive transport options
- Concept mine plan and Mining Lease Application in preparation (AMC Consultants and Parsons Brinckerhoff)

JORC = JORC Code, 2004  Mt = million tonnes  TGC = Total Graphitic Carbon
Kookaburra Gully Geology

- Graphite flakes disseminated in quartzo-feldspathic mica + sillimanite + garnet + carbonate schist with clay near surface replacing muscovite mica
- Graphite flake length range 50-1500μm (average 350-500μm)
Kookaburra Gully Deposit

- Up to 40% total graphitic carbon (TGC)
- Mineralisation extends from surface to at least 125m below ground level & strike length of at least 500m
- Simple open-cut mining operation
- Easy to mine

30m @ 20.5% TGC
31m @ 18.5% TGC
25m @ 18.8% TGC
28m @ 12.0% TGC
Metallurgical Studies in Progress

ALS-Metallurgy – July-Nov 2013 (ongoing – in progress)

- Rougher flotation plus regrind and 4 stages of cleaning to optimise flowsheet
- Aircore drill samples produced 93-96% C concentrates with 91-98% recovery but only 10% flake at +106 micron due to samples being ground down during drilling
- Surface clay-rich trench samples => 10-25% flake and 98% C at +150 micron but only 75% recovery
Kookaburra Gully

Conceptual Mining Operation

- Small open pit & process plant (cf Uley Graphite Mine) = small environ footprint
- Process 200,000-400,000 tpa ore
- Produce 24,000-55,000 tpa of high grade (93-98% TGC) graphite concentrate
- No major groundwater issues
- Water – pipeline from Tod Reservoir (10 km) with small desalination plant for final product cleaning
- Adjacent to main powerline but no substation so will initially generate power onsite (2-4 MW)
- Transport in containers to Port Adelaide for shipping (ca. $100 per tonne)
- Mining Lease Application in prep by Parsons Brinckerhoff

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Internationally cost competitive

<table>
<thead>
<tr>
<th></th>
<th>200,000 tonnes ore per annum</th>
<th>400,000 tonnes ore per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>$37.9m</td>
<td>$48.5m</td>
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<tr>
<td>Recovery</td>
<td>Processing Cost</td>
<td></td>
</tr>
<tr>
<td>80%</td>
<td>$378</td>
<td>$307</td>
</tr>
<tr>
<td>90%</td>
<td>$338</td>
<td>$276</td>
</tr>
</tbody>
</table>
Simple Low Cost Processing

Mine, crush screen & mill

4 stage flotation
incl. flash flotation, regrind as needed
then rougher, scavenger & cleaner flotation cells

Thicken, press dry, bag & export
Significant Exploration Upside

- >4.5km EM anomaly extending SW from Kookaburra Gully
- Exploration Target** of 7 – 20 Mt at Kookaburra Gully Extended
- Other significant EM anomalies:
  - Koppio Mine, Glendara & Pernella
  - Drilling program approved

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# Summary Timeline – *Mine within 2 Years*\(^*\)

<table>
<thead>
<tr>
<th></th>
<th>2013 H2</th>
<th>2014 H1</th>
<th>2014 H2</th>
<th>2015 H1</th>
<th>2015 H2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kookaburra Gully Graphite</strong></td>
<td>Metallurgy &amp; Marketing</td>
<td>(Kookaburra Extended Drilling)</td>
<td>Secure Sales Contracts</td>
<td>Mine &amp; Export Graphite</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trial Mining</td>
<td>Pilot Plant</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mining Lease</td>
<td>Application &amp; PEPR</td>
<td>Build Full Scale Process Plant</td>
<td></td>
</tr>
</tbody>
</table>

Aim is to take the Kookaburra Gully graphite project to critical development and commercialisation milestones over next 9-15 months:

- Metallurgy and marketing for commitment from end-user customers
- Undertake drilling at Kookaburra Gully Extended
- Obtain Mining Lease and other Government/Community approvals 2014
- Build a Pilot Processing Plant (ca. $1.97m) and undertake trial mining late 2014
- **Full scale plant targeted for 2015**

\(^*\) Subject to Government approvals, finance and economic market conditions

PEPR = Program for Environmental Protection & Rehabilitation
THANKYOU

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This presentation has been prepared by Lincoln Minerals Limited ("LML") as an aid to a spoken explanation. The information contained in this presentation is based on a number of public statements, Quarterly Reports and ASX releases made by LML:

References


# Kookaburra Gully Resources

## Kookaburra Gully Mineral Resource at 5% TGC lower cut-off grade

<table>
<thead>
<tr>
<th>Mineral Resource Classification</th>
<th>Tonnage (Mt)</th>
<th>Average Grade (% TGC)</th>
<th>Contained Graphite (tonnes)</th>
<th>Density (g/cc)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicated</td>
<td>1.56</td>
<td>14.3</td>
<td>223,000</td>
<td>2.56</td>
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<tr>
<td>Inferred</td>
<td>0.70</td>
<td>16.5</td>
<td>115,000</td>
<td>2.48</td>
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<tr>
<td>TOTAL (&gt;5% TGC)</td>
<td>2.25</td>
<td>15.0</td>
<td>338,000</td>
<td>2.53</td>
</tr>
</tbody>
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## Kookaburra Gully Mineral Resource at 2% TGC lower cut-off grade

<table>
<thead>
<tr>
<th>JORC Resource Category</th>
<th>Resource Tonnes</th>
<th>Average Grade (% TGC)</th>
<th>Contained Graphite (tonnes)</th>
<th>Density (g/cc)</th>
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</thead>
<tbody>
<tr>
<td>Indicated</td>
<td>2,180,154</td>
<td>11.04</td>
<td>240,741</td>
<td>2.56</td>
</tr>
<tr>
<td>Inferred</td>
<td>976,264</td>
<td>12.49</td>
<td>121,897</td>
<td>2.55</td>
</tr>
<tr>
<td>TOTAL (&gt;2% TGC)</td>
<td>3,156,418</td>
<td>11.49</td>
<td>362,638</td>
<td>2.56</td>
</tr>
</tbody>
</table>

Mt = million tonnes  TGC = Total Graphitic Carbon

NB tonnages may not add up exactly as shown due to rounding of significant figures