Kookaburra Gully
An emerging new Australian graphite mine

LINCOLN MINERALS LIMITED
ASX : LML
www.lincolnminerals.com.au
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Information in this presentation that relates to exploration activity, mineral resources and results was compiled by Dr A J Parker who is a Member of the Australasian Institute of Geoscientists. Dr. Parker is Managing Director of and has shares in Lincoln Minerals Limited. He has sufficient experience relevant to the styles of mineralisation and to the activities which are being presented to qualify as a Competent Person as defined by the JORC code, 2012. Dr. Parker consents to the release of the information compiled in this presentation in the form and context in which it appears.

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Information extracted from previously published reports identified in this presentation is available to view on the Company’s website www.lincolnminerals.com.au. 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 announcements 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 been materially modified from the original market announcements.
Corporate Snapshot

- **A focused emerging graphite producer** with five projects in the Eyre Peninsula – a proven world-class flake graphite province.

- **Mining Lease application submitted** for flagship Kookaburra Gully Graphite Project, 35km north of Port Lincoln, South Australia.

- **Targeting graphite production** of >25,000 tpa and sales of high purity (>93% TGC) concentrate in **CY2016**.

### Corporate Snapshot Table

<table>
<thead>
<tr>
<th><strong>ASX Code</strong></th>
<th><strong>LML</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Capitalisation</strong></td>
<td>A$13.4 million</td>
</tr>
<tr>
<td><strong>Shares on issue</strong></td>
<td>268.4 million</td>
</tr>
<tr>
<td><strong>52 Week range</strong></td>
<td>0.04 – 0.09 cents</td>
</tr>
<tr>
<td><strong>Cash at 31 December 2014</strong></td>
<td>A$1.67 million</td>
</tr>
<tr>
<td><strong>Debt</strong></td>
<td>NIL</td>
</tr>
</tbody>
</table>

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**Board Snapshot**

- **Non-Executive Chairman** - Mr Jin Yubo
- **Managing Director** - Dr Allan John Parker
- **Non-Executive Director** - Mr Eddie Lung Yiu Pang
- **Non-Executive Director** - Mr Alex Hooi-Kinag Lim

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*Flake graphite sample from Kookaburra Gully*
Investment Case

**Focused graphite company** with Australia’s highest quality deposit

Flagship assets **ideally located in close proximity to necessary infrastructure**

Flagship Kookaburra Gully Project

- **High-grade deposit** ranked in the world’s top 10 highest graphite grade resources
- High purity levels of up to **98% TGC** easily produced by conventional flotation
- **Substantial resource** located in recognised mining friendly jurisdiction

**Strong investment appeal** relative to peers across key metrics

**Direct exposure to graphite and graphite market opportunity**

- Foundation shareholder in international graphite trading platform headquartered in one of world’s most active graphite trading ports

**Near-term production – early 2016**

- Low capital investment and estimated operating costs
- Subject to government approvals, finance
Graphite Market Fundamentals

STRONG GROWTH MARKET

- US$13.6 billion global market
- Growth since 2002 has been approx. 7.5% and forecast to grow 3.7% each year (CAGR) from 2014 until 2020
- Expected to reach US$17.56 billion in 2020
- Demand for graphite and graphene projected to more than double to approx. 2.6Mt per annum by 2020
Graphite Market Fundamentals

**BATTERY COMMERCIALISATION**
- Graphite is a key input in the manufacture of lithium-ion batteries
- Batteries widely used in electric vehicles, smart phones, portable computer devices and more
- Global demand for battery materials forecast to grow at more than 15% over next three years

**WIDESPREAD INDUSTRIAL APPLICATIONS**
- Graphite is used in pencils, dry lubricants, steelmaking, pebble-bed nuclear reactors, solar energy, reinforcements in plastics and much more
Graphite Market Fundamentals

CHINESE GRAPHITE MARKET

- Global supply from China tipped to decline due to lower grades, higher operating costs, tighter environmental controls and as the country moves to consume more of its own graphite.
- Demand forecast to increase, driven largely by government plans to increase hybrid & electric cars.
- Currently 270,000 electric cars in China – goal is to increase this to at least 5 million by 2020.

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World Class Graphite Assets

Significant acreage position in the minerals rich Eyre Peninsula in South Australia – ranked 19 as world’s most attractive destination for mining investment by Fraser Institute
Kookaburra Gully
High-grade and High Quality Graphite Resource

JORC Mineral Resource:
- **2.2 Mt Indicated and Inferred at 15.1% TGC (5% TGC cutoff)**
- or 3.16 Mt Indicated and Inferred at 11.5% TGC (2% TGC cutoff)

“Kookaburra Gully is within the Top 10 global resources based on graphite grade and is capable of delivering near-term production at low cost.”

Global Resources by Graphite Grade

![Graphite Grade Chart]

TGC = Total Graphitic Carbon
Kookaburra Gully Deposit

- Identified by Pancontinental Mining in 1980s
- Graphite flake length 50-1500 micron
- Up to 40% Total Graphitic Carbon
- Substantial upside potential with deposit located at NE end of 5km long electromagnetic anomaly
- Mineralisation extends from surface to at least 125m depth and remains open

<table>
<thead>
<tr>
<th>Depth</th>
<th>TGC (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30m</td>
<td>20.5%</td>
</tr>
<tr>
<td>31m</td>
<td>18.5%</td>
</tr>
<tr>
<td>25m</td>
<td>18.8%</td>
</tr>
<tr>
<td>28m</td>
<td>12.0%</td>
</tr>
</tbody>
</table>
Kookaburra Gully – Robust Mine Plan

- Small open pit & process plant (cf Uley Graphite Mine) = small environmental footprint
- Process 250,000 tonnes per annum (tpa) ore
- Produce up to 40,000tpa of high grade (93-98% TGC) graphite concentrate

Realisable infrastructure solutions
- Water – pipeline from Tod Reservoir (10 km) + mains water for final product cleaning
- Power – onsite generation and grid – ca. 5km from 33 kV transmission line (2-4 MW)
- Transport to Port Lincoln (35km) in bulka bags or in containers to Port Adelaide for shipping
Kookaburra Gully – Robust Project Economics

Low capital investment less than $50 million and competitive cash operating costs

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Graphite Price (A$/t conc)</th>
<th>Life (yrs)</th>
<th>Plant feed</th>
<th>Feed %TGC</th>
<th>Concentrate</th>
<th>Conc %TGC</th>
<th>Operating Cost ($/t conc)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low revenue</td>
<td>$1,077</td>
<td>6.2</td>
<td>1.55 Mt</td>
<td>15.7</td>
<td>233 kt</td>
<td>94.0</td>
<td>$630</td>
</tr>
<tr>
<td>High revenue</td>
<td>$1,382</td>
<td>7.2</td>
<td>1.80 Mt</td>
<td>15.4</td>
<td>256 kt</td>
<td>97.0</td>
<td>$704</td>
</tr>
</tbody>
</table>

**Project Cash Flow (pre-tax A$m)**

- A$/US$ rate 0.90
- A$/US$ rate 0.75
- A$/US$ rate 1.00
- AMC model (0.92)
Kookaburra Gully Conceptual Mine Plan

Main components
- Open pit mine
- Enclosed processing and storage sheds
- Pit & all infrastructure total approx. 105 hectares
- No major groundwater issues
- Mineral Claims pegged and registered

Mining Lease Application lodged & in progress
Kookaburra Gully
Simple 4-stage on-site processing plant
Kookaburra Gully
Pilot processing plant options

Detailed metallurgical tests show a high-grade high-quality coarse flake concentrate can be produced with:
- **Concentrate grades up to 98% TGC**
- **Up to 24% coarse flake** (larger than 150 micron)
- Acid leach tests have shown that these concentrates **can be easily upgraded to 99.9% C** if required
- **Production of high-value end products** – spherical graphite, expanded graphite and graphene

**Pilot Processing Plant Metallurgy**
- Would allow Lincoln to process run-of-mine material to test and optimise final process flow sheet
- Would produce bulk concentrates for global market and customer consideration

**Options**
- Laboratory scale – 2 tonne to 200 tonne sample
- Build & commission on-site pilot plant (ca. $4 million)
- Third-party toll processing locally or overseas
- Pilot plant testing to begin in H1 2015
## Upside potential with world-class assets

<table>
<thead>
<tr>
<th>Project</th>
<th>Current Status</th>
<th>2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>KOOKABURRA GULLY</strong></td>
<td>• Indicated &amp; Inferred JORC Mineral Resource</td>
<td>• Pilot plant metallurgical studies</td>
</tr>
<tr>
<td></td>
<td>• 2.2 Mt @ 15.1% TGC</td>
<td>• Customer and market development</td>
</tr>
<tr>
<td></td>
<td>• Scoping studies completed</td>
<td>• Obtain ML &amp; approval to mine</td>
</tr>
<tr>
<td></td>
<td>• Mineral Claims pegged</td>
<td>• Develop &amp; commission mine &amp; process plant</td>
</tr>
<tr>
<td></td>
<td>• <strong>Mining Lease Application submitted</strong></td>
<td></td>
</tr>
<tr>
<td><strong>KOPPIO GRAPHITE MINE</strong></td>
<td>• Historic mine</td>
<td>• Drilling completed in 2014</td>
</tr>
<tr>
<td><em>(3km SE of Kookaburra Gully)</em></td>
<td>• High grade mineralization up to 43% TGC over 500m strike length</td>
<td>• JORC Resource 2015</td>
</tr>
<tr>
<td><strong>KOOKABURRA GULLY EXTENDED</strong></td>
<td>• EM survey completed</td>
<td>• Drilling &amp; JORC Resource 2015</td>
</tr>
<tr>
<td><em>(Immediate target)</em></td>
<td>• 4.5km long EM anomaly</td>
<td>• Large exploration target</td>
</tr>
<tr>
<td></td>
<td>• Approval to drill received</td>
<td>• <strong>2015 PACE program</strong></td>
</tr>
<tr>
<td><strong>GUM FLAT-SLEAFORD</strong></td>
<td>• Adjacent Uley Graphite Mine</td>
<td>• Exploration targeted 2015-16</td>
</tr>
<tr>
<td><em>(Long-term target)</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CAMPOONA SYNCLINE</strong></td>
<td>• EM survey completed</td>
<td>• Exploration targeted 2016</td>
</tr>
<tr>
<td><em>(Long-term target)</em></td>
<td>• Adjacent Archer Exploration’s Campoonan project</td>
<td></td>
</tr>
</tbody>
</table>
Graphite market opportunity with direct exposure

QINGDAO INTERNATIONAL GRAPHITE EXCHANGE CENTRE

Lincoln is a 25% foundation shareholder in the graphite and graphene trading platform. Other shareholders include two of China’s foremost graphite producing regions; three major hi-tech graphite enterprises and Hong Kong’s Matrass Mining Group. Provides Lincoln with direct access to graphite and graphene customers and participation in graphene development applications.

ADDITIONAL GRAPHENE UPSIDE

- Lincoln part of international graphene research program with Monash University, Guangdong University of Technology, Guangdong Fenghua Advanced Technology Holding Co
- Partnership will research, develop and commercialise graphene-based electronic applications
- Lincoln to assist with international promotion and share in intellectual property

Lincoln Minerals’ Chairman, Mr Jin Yubo (3rd from right) at signing of the agreement in Ningbo, China
Production to commence in CY16

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Lincoln Minerals Limited
Emerging Graphite Producer
Summary

**Focused graphite company** with Australia’s highest quality deposit

Flagship assets **ideally located in close proximity to necessary infrastructure**

Flagship Kookaburra Gully Project

- **High-grade high-quality deposit** ranked in the world’s top 10 highest graphite grade resources
- High purity levels of up to **98% TGC** easily produced by conventional flotation
- **Substantial resource** located in recognised mining friendly jurisdiction

**Strong investment appeal** relative to peers across key metrics

**Direct exposure to graphite and graphite market opportunity**

- Foundation shareholder in international graphite trading platform headquartered in one of world’s most active graphite trading ports

**Near-term production – early 2016**

- Subject to Government approvals and finance
- Low capital investment and estimated operating costs
- **PACE program** for drilling large Kookaburra Extended graphite target
Appendix

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


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# Kookaburra Gully Mineral Resource

## Table 1. Kookaburra Gully Mineral Resource at a nominal 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>1.47</td>
<td>13.9</td>
<td>204,352</td>
<td>2.57</td>
</tr>
<tr>
<td>Inferred</td>
<td>0.73</td>
<td>17.3</td>
<td>127,425</td>
<td>2.52</td>
</tr>
<tr>
<td>TOTAL (&gt;5% TGC)</td>
<td>2.20</td>
<td>15.1</td>
<td>331,778</td>
<td>2.55</td>
</tr>
</tbody>
</table>

*Mt = million tonnes  TGC = Total Graphitic Carbon*

## Table 2. Kookaburra Gully Mineral Resource at a nominal 2% 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>2.10</td>
<td>10.6</td>
<td>223,349</td>
<td>2.56</td>
</tr>
<tr>
<td>Inferred</td>
<td>1.13</td>
<td>12.2</td>
<td>137,370</td>
<td>2.52</td>
</tr>
<tr>
<td>TOTAL (&gt;2% TGC)</td>
<td>3.23</td>
<td>11.2</td>
<td>360,719</td>
<td>2.54</td>
</tr>
</tbody>
</table>

*Mt = million tonnes  TGC = Total Graphitic Carbon*

## Reference