Delivering Australia's Highest Quality Graphite Project

LINCOLN MINERALS LIMITED
ASX : LML
www.lincolnminerals.com.au

Kookaburra Gully Trench 4
12m @ 20.5% graphitic carbon

Important Notice

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Competent Person's Statement

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.

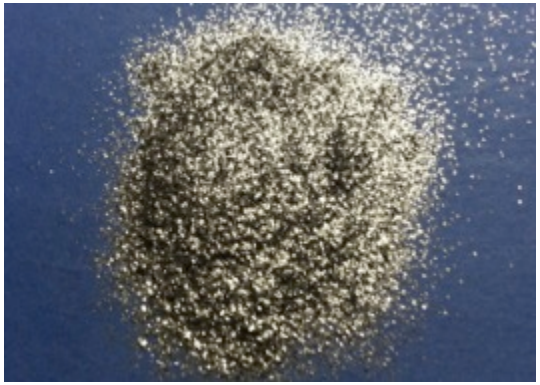
Previously Published Reports

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

ASX Code	LML
Market Capitalisation	A$10.7 million
Shares on issue	268.4 million
52 Week range	0.04 – 0.09 cents
Cash at 31 March 2014	A$1.19 million
Debt	NIL



Graphite sample from Kookaburra Gully

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

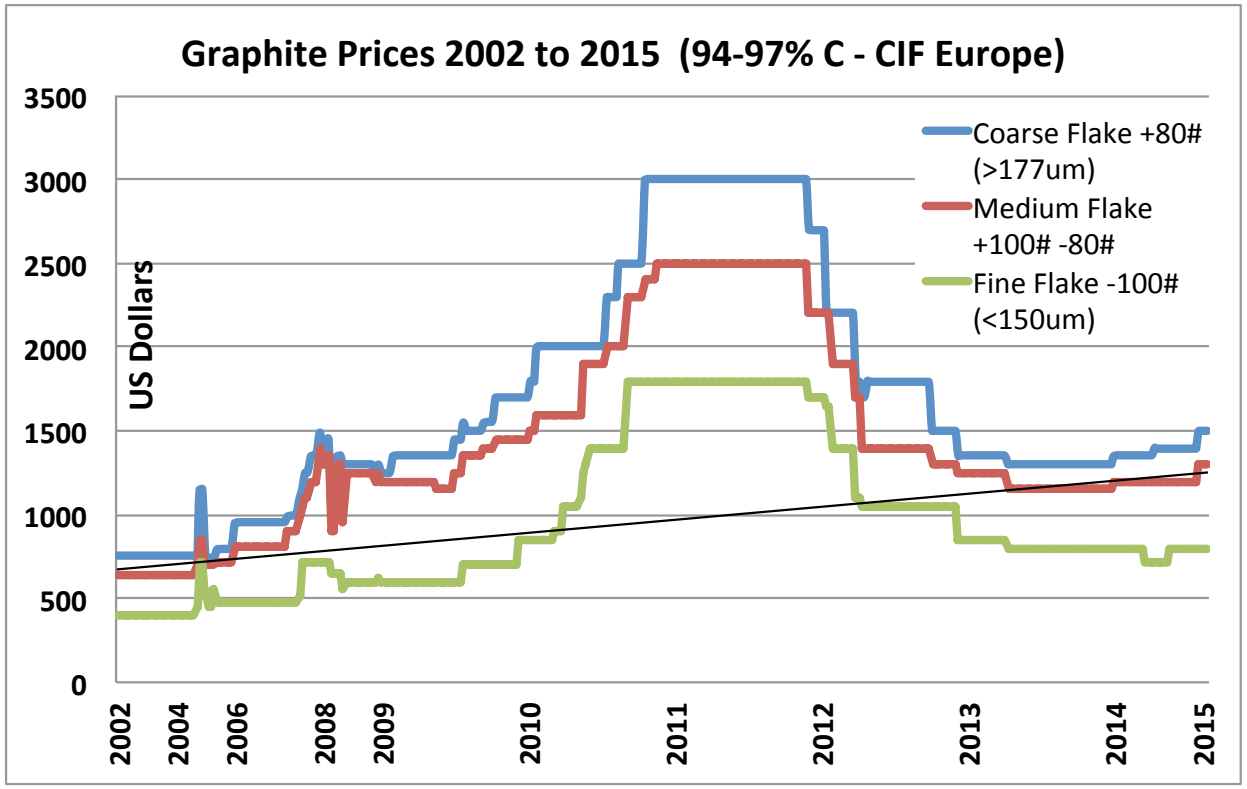
Investment Case

- **Focused graphite company** with Australia's highest quality deposit
- Flagship assets **ideally located in close proximity to necessary infrastructure**
- Flagship Kookaburra Gully Project
  - Very **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
- **PACE program** for drilling large Kookaburra Extended graphite target

Graphite Market Fundamentals

STRONG GROWTH MARKET

- US$13.6 billion global market
- Growth since 2002 has been approx. 7.5% each year 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



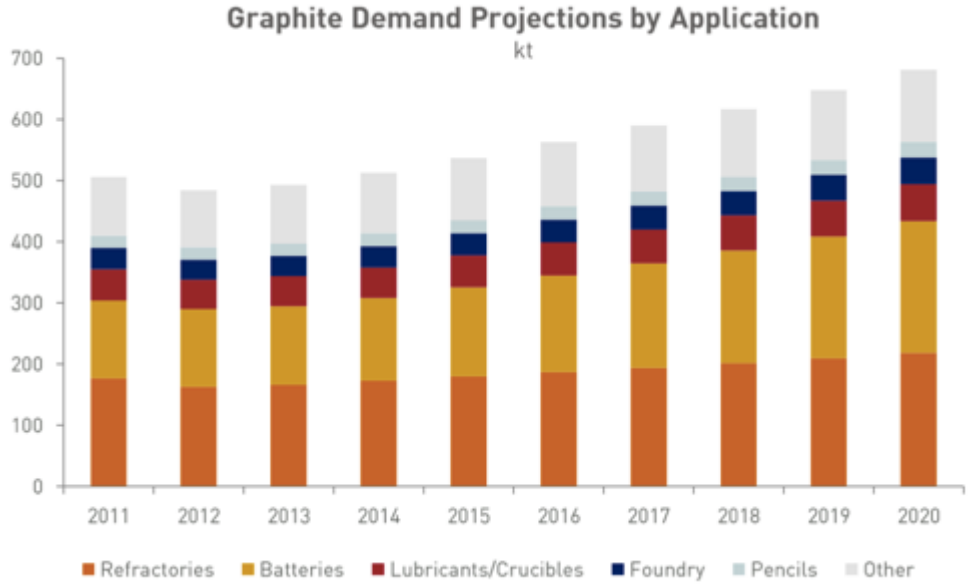
Graphite Market Fundamentals

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 – **come in battery backup for solar powered homes**
- Global demand for battery materials forecast to grow at more than 15% over next three years

WIDESPREAD INDUSTRIAL APPLICATIONS

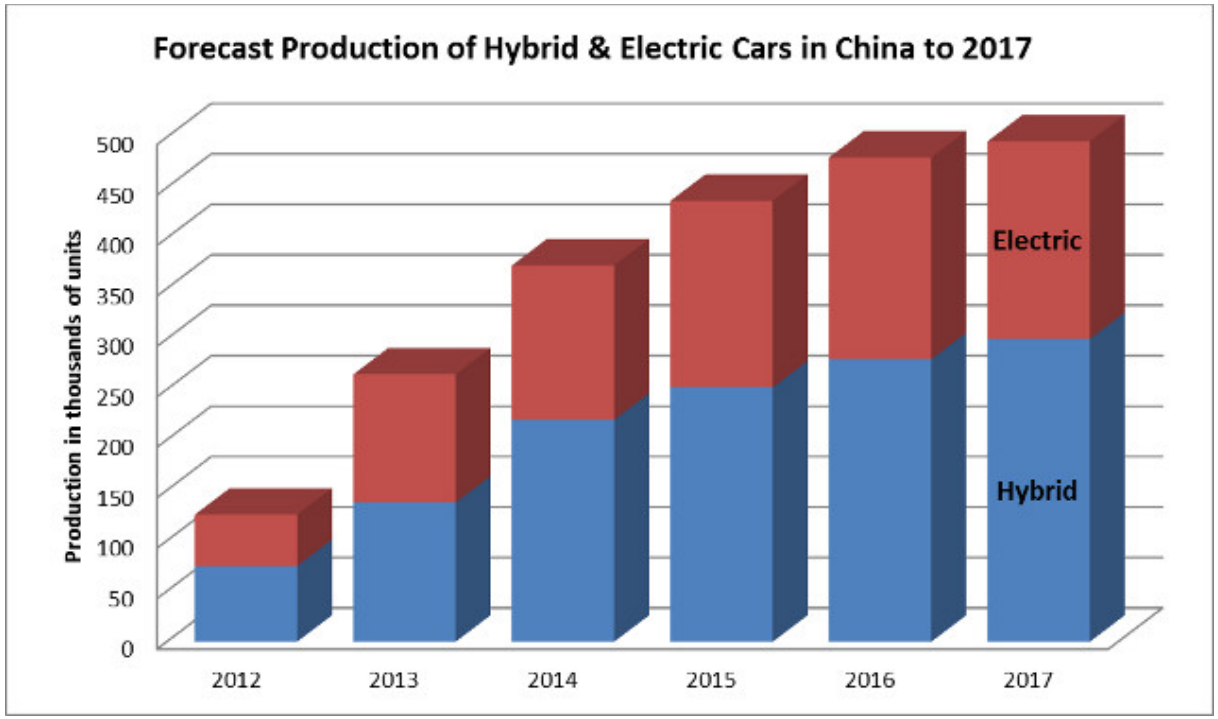
- Graphite is used in pencils, dry lubricants, steelmaking, pebble-bed nuclear reactors, solar energy, reinforcements in plastics and much more



Graphite Market Fundamentals

CHINESE GRAPHITE MARKET

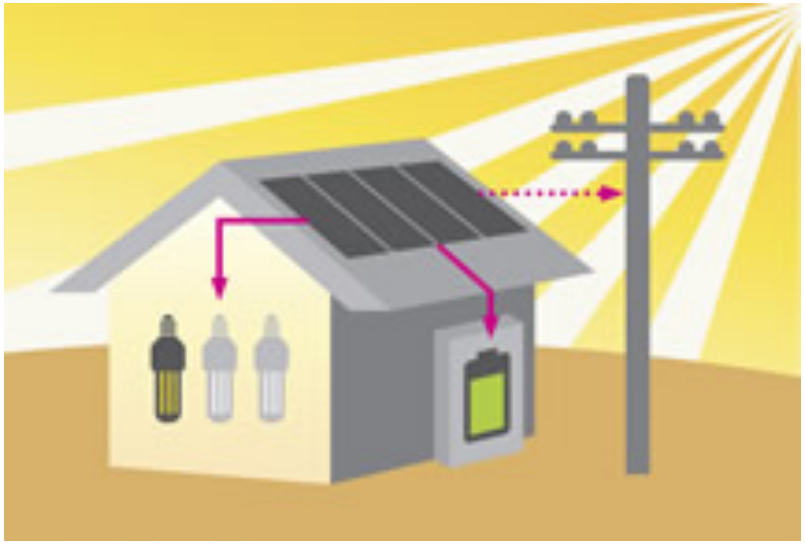
- Supply tipped to decline due to lower grades, higher operating costs, tighter environmental controls and as the country moves to consume more of its own graphite
- Demand forecast to increase, driven largely by government plans to increase hybrid & electric cars
- Currently 270,000 electric cars in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



Graphite Market Fundamentals

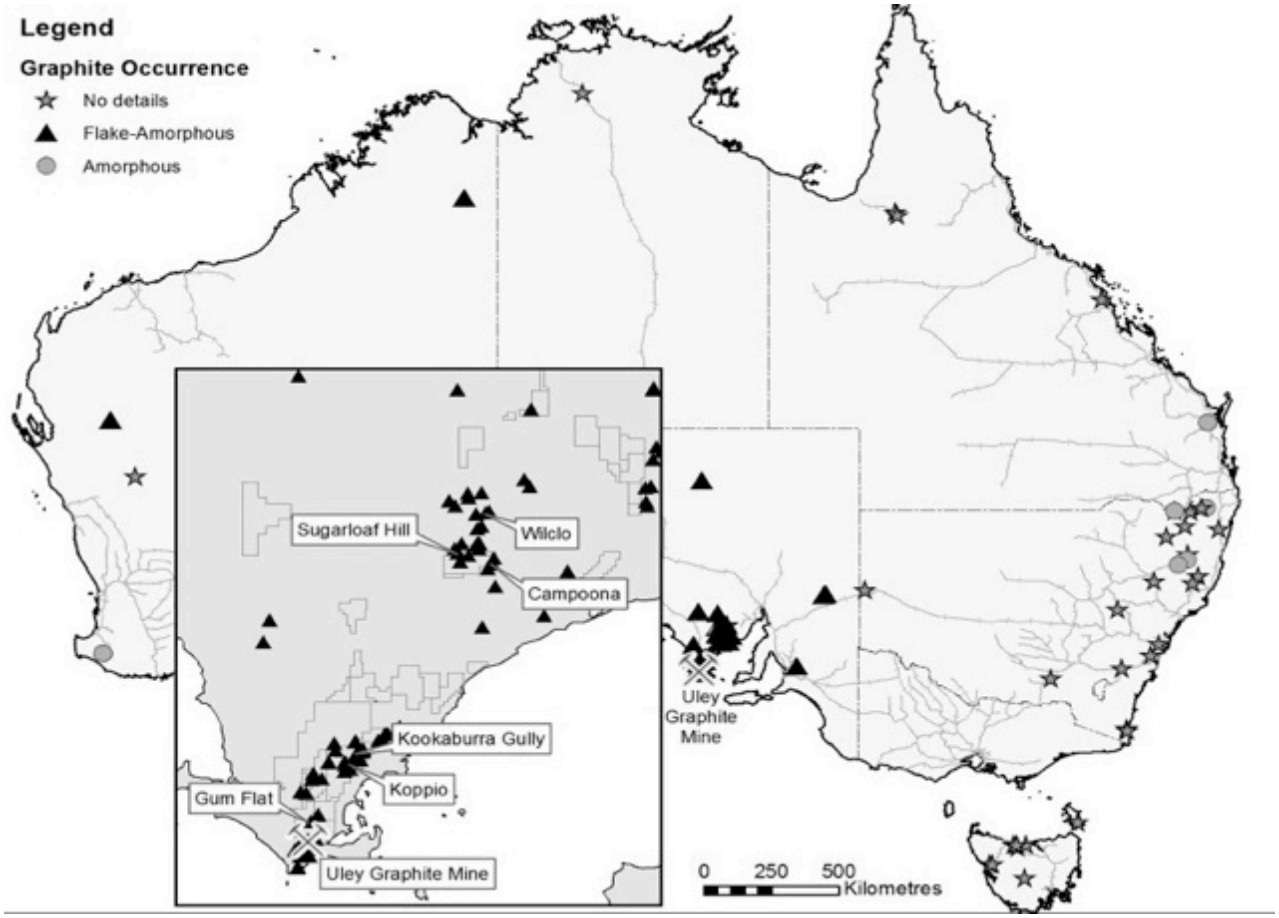
TESLA-ZEN SOLAR GRAPHITE MARKET

- Tesla this week stated that response to their battery announcement has been "**crazy off the hook**," with 38,000 reservations for the Powerwall and 2,500 reservations for the higher-capacity Powerpack.
- "***We're basically sold out through the middle of next year, in the first week***."
- Benchmark expects that to produce each Powerwall, 16 kilograms of synthetic graphite (or 16 kilograms of spherical graphite derived from 40 kilograms of flake graphite concentrate), as well as 12 kilograms of lithium hydroxide, will be required. For the Powerpacks, Moores said those amounts will increase 10 times (about 160 kilograms of graphite and 120 kilograms of lithium).



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 Frasers Institute

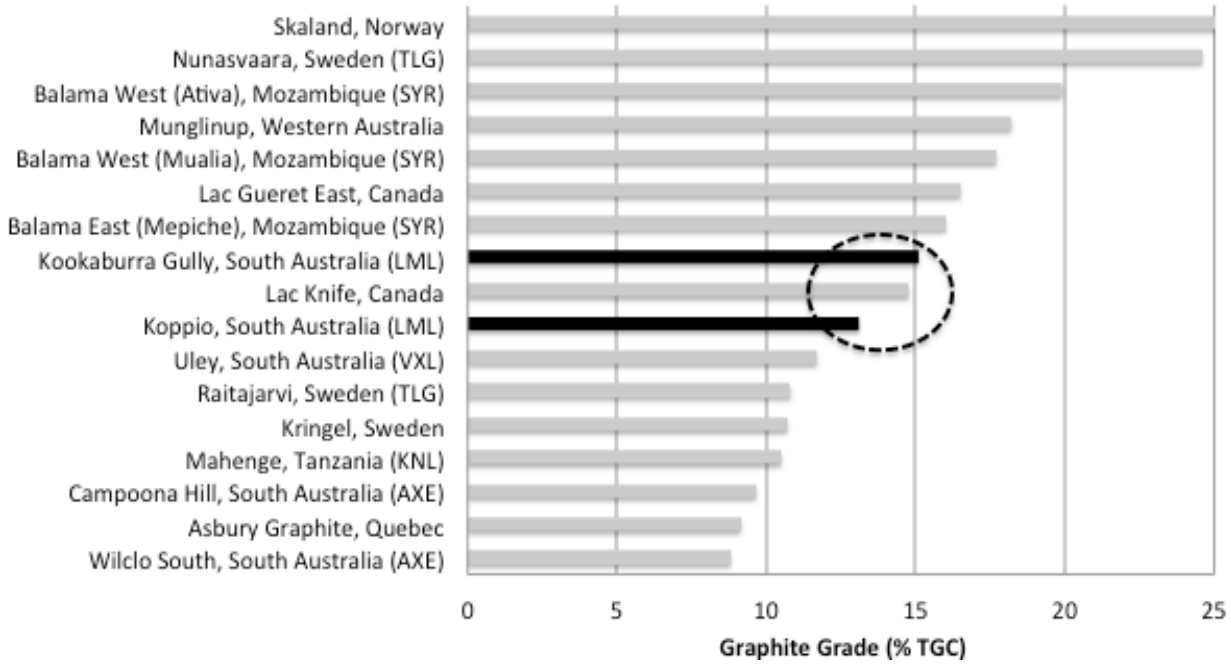


Kookaburra Gully
High-grade and Quality Graphite Resource

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)*

Global Resources by Graphite Grade

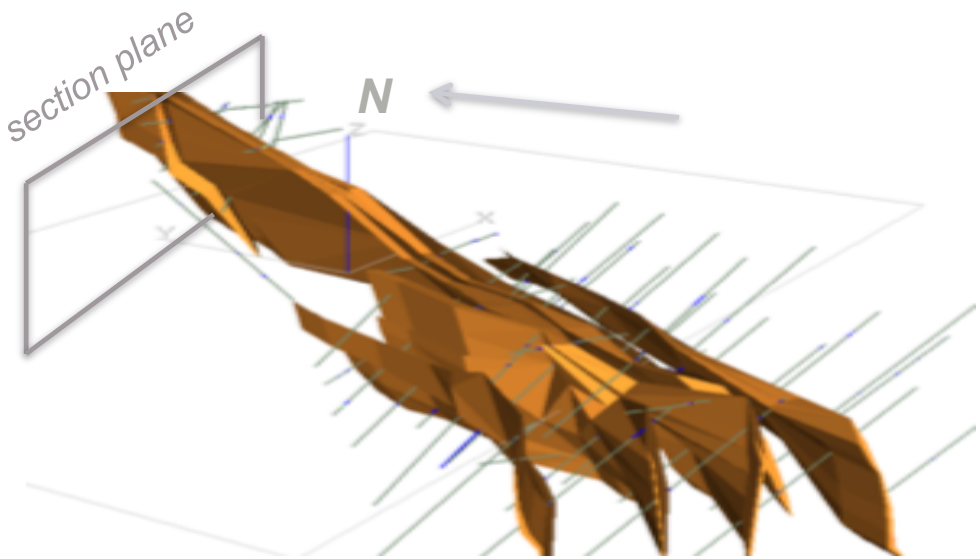


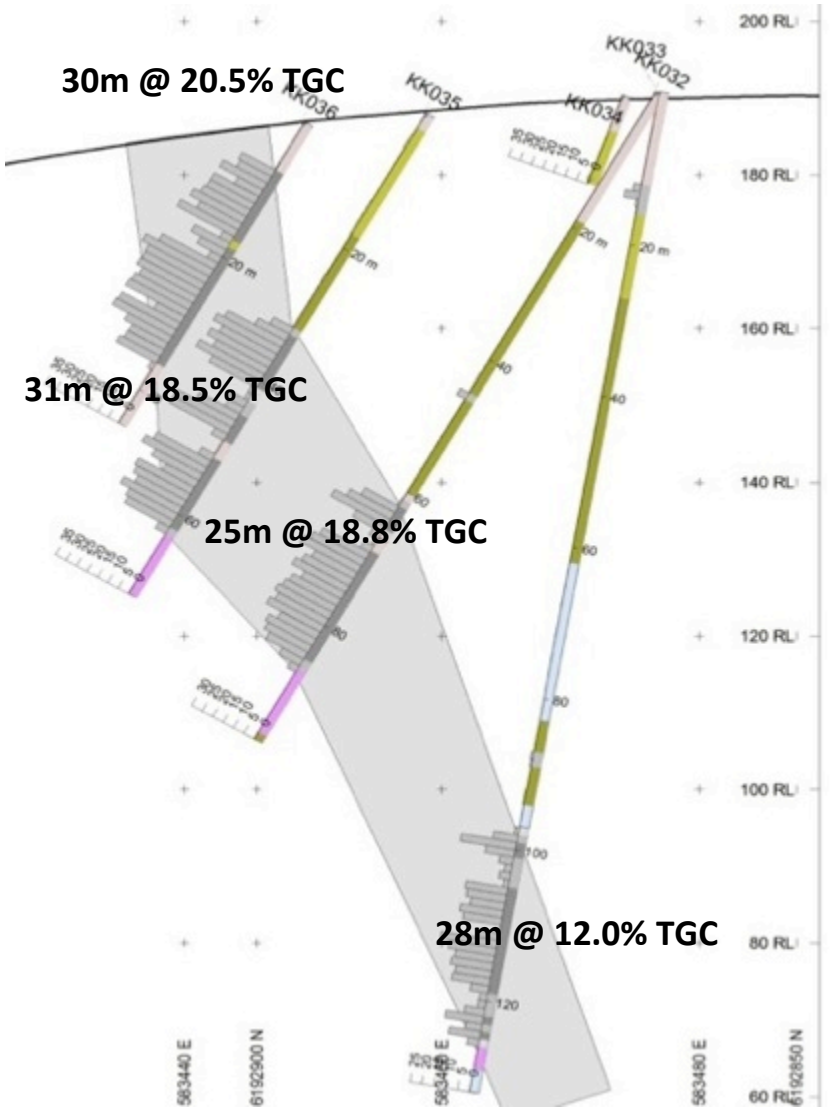
"Kookaburra Gully is within the Top 10 global resources based on graphite grade and is capable of delivering near-term production at low cost."

TGC = Total Graphitic Carbon

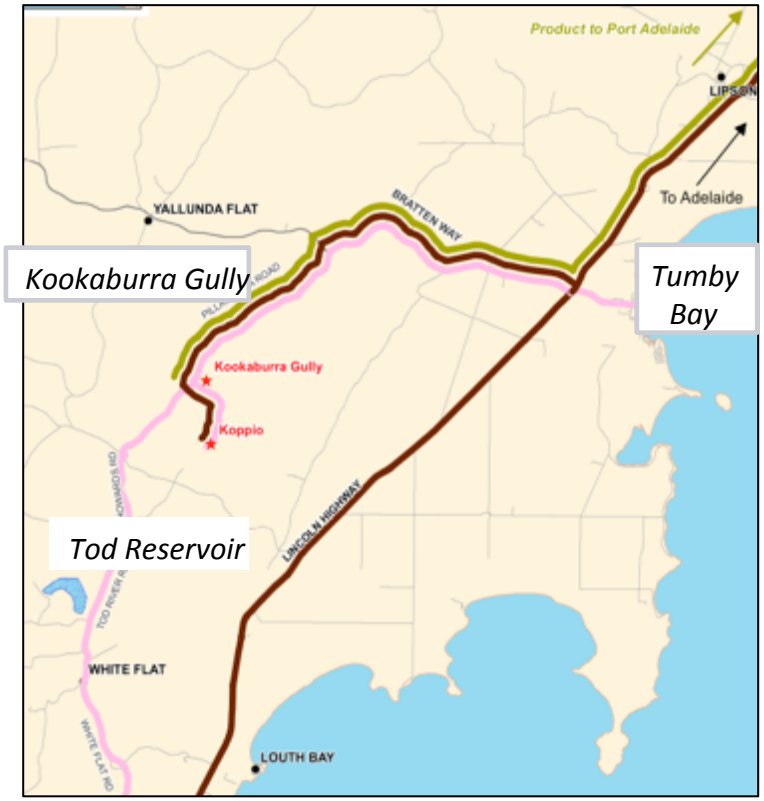
Kookaburra Gully Deposit

- 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





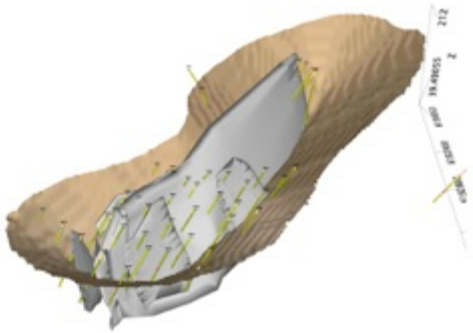
Kookaburra Gully – Robust Scoping Study



- 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



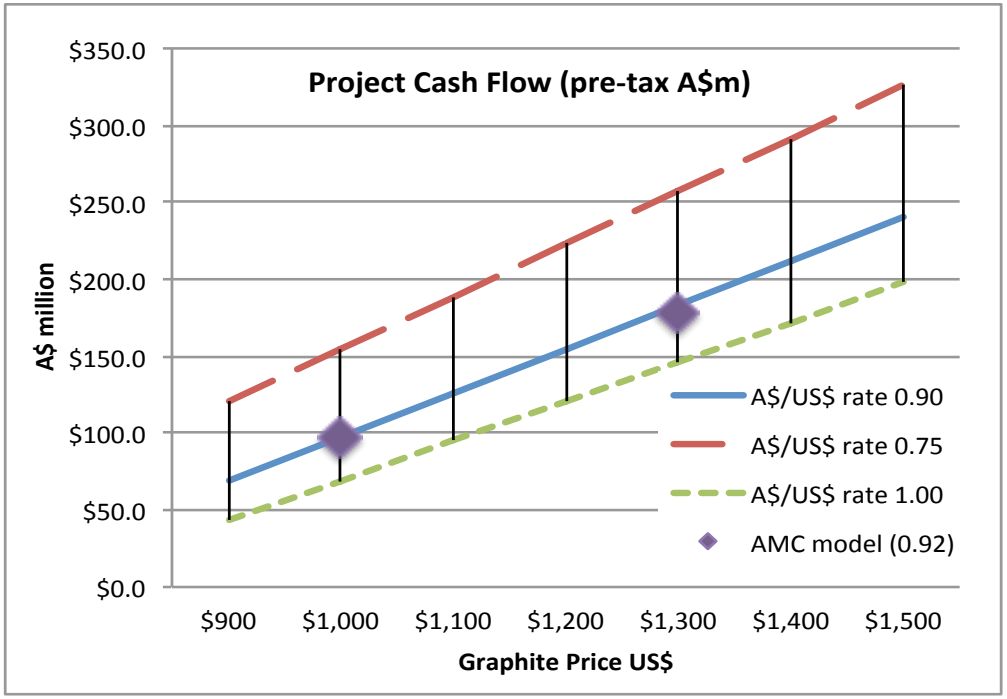
Lincoln Minerals Limited

Emerging Graphite Producer

Kookaburra Gully – Robust Project Economics

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

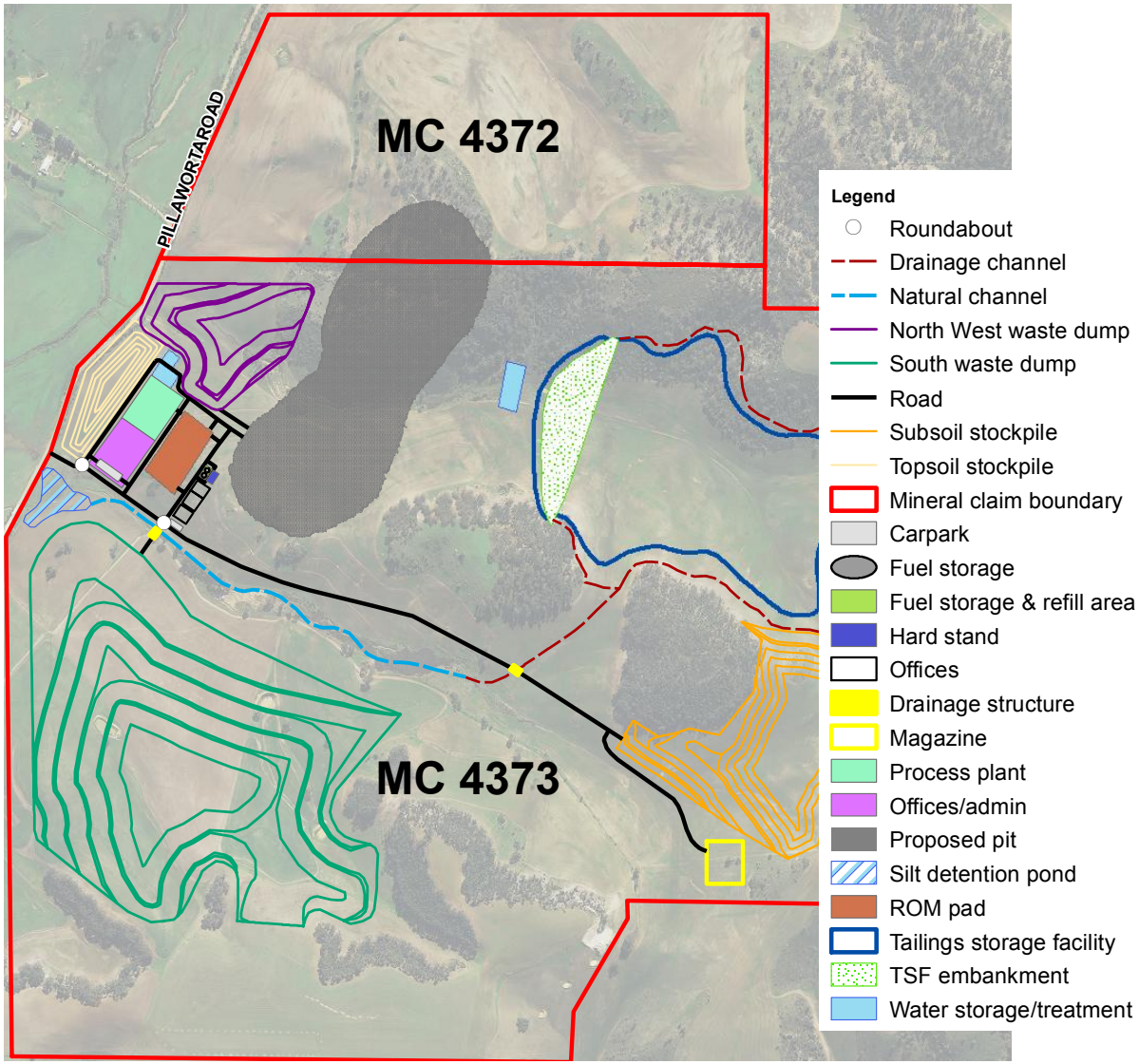
			Production				
Scenario	Graphite Price (A$/t conc)	Life (yrs)	Plant feed	Feed %TGC	Concentrate	Conc %TGC	Operating Cost ($/t conc)
Low revenue	$1,077	6.2	1.55 Mt	15.7	233 kt	94.0	$630
High revenue	$1,382	7.2	1.80 Mt	15.4	256 kt	97.0	$704



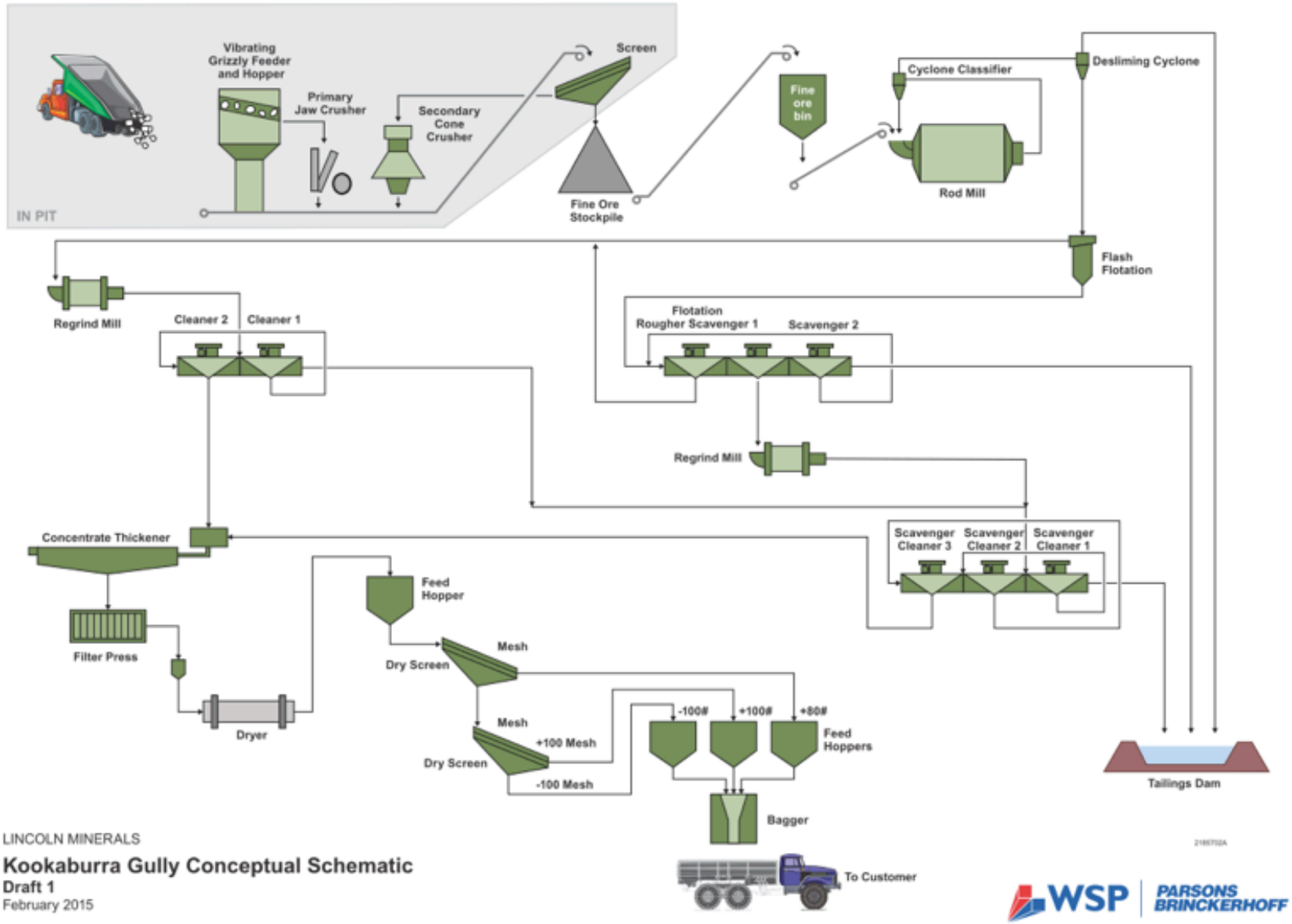
Kookaburra Gully
Conceptual Mine Plan

Main components

- Open pit mine
- Enclosed processing and storage sheds
- Pit & all infrastructure total approx. 110 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 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

- 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

Kookaburra Gully - Peer comparison

	Lincoln	Archer	Valence	Lamboo	Kibaran	Syrah	Triton	Talga
Deposit	**Kookaburra Gully**	Campoona & Wilclo	Uley	McIntosh	Epanko	Balama	Nicanda Hill	Nunasvaara
Jurisdiction	**South Australia**	South Australia	South Australia	Western Australia	Tanzania	Mozambique	Mozambique	Sweden
Contained resource (Mt)	**0.332**	0.771	0.360	0.338	2.2	117.3	155.9	1.86
Grade	**15.1%**	9.0%	11.54%	4.73%	9.80%	10.20%	10.70%	24.40%
Product off-take	**Graphite Trading Platform**	Marketing	6 Sales contracts & MOUs	1 Binding	1 Binding & 1 LOI	1 Binding & 1 MOUs	1 Binding	Marketing
Time frame to production	**Mining Lease submitted**	Exploration	Producing	Exploration	Feasibility Study	DFS/Pre-construction	Pre-Feasibility Study	Scoping Study
Market capitalisation (A$)	**$13.7m**	$7.6m	$68.1m	$13.6m	$26.9m	$613m	$138.2m	$51.9m

Strong investment appeal relative to peers across key metrics

Upside potential with world-class assets

Project	Current Status	2014 - 2015
KOOKABURRA GULLY	• Indicated & Inferred JORC Mineral Resource • 2.2 Mt @ 15.1% TGC • Scoping studies completed • Mineral Claims pegged • **Mining Lease Application submitted**	• Pilot plant metallurgical studies • Customer and market development • **Obtain ML & approval to mine** • Develop & commission mine & process plant
KOPPIO GRAPHITE MINE (Immediate target)	• Historic mine • High grade mineralization up to 43% TGC over 500m strike length	• Drilling completed in 2014 • JORC Resource 2015
KOOKABURRA GULLY EXTENDED (Immediate target)	• EM survey completed • 4.5km long EM anomaly • Approval to drill received	• Drilling & JORC Resource 2015 • Large exploration target • **2015 PACE program grant**
GUM FLAT-SLEAFORD (Long-term target)	• Adjacent Uley Graphite Mine	• Exploration targeted 2015-16
CAMPOONA SYNCLINE (Long-term target)	• EM survey completed • Adjacent Archer Exploration's Campoona project	• Exploration targeted 2016

Graphite market opportunity with direct exposure

QINGDAO INTERNATIONAL GRAPHITE EXCHANGE CENTER

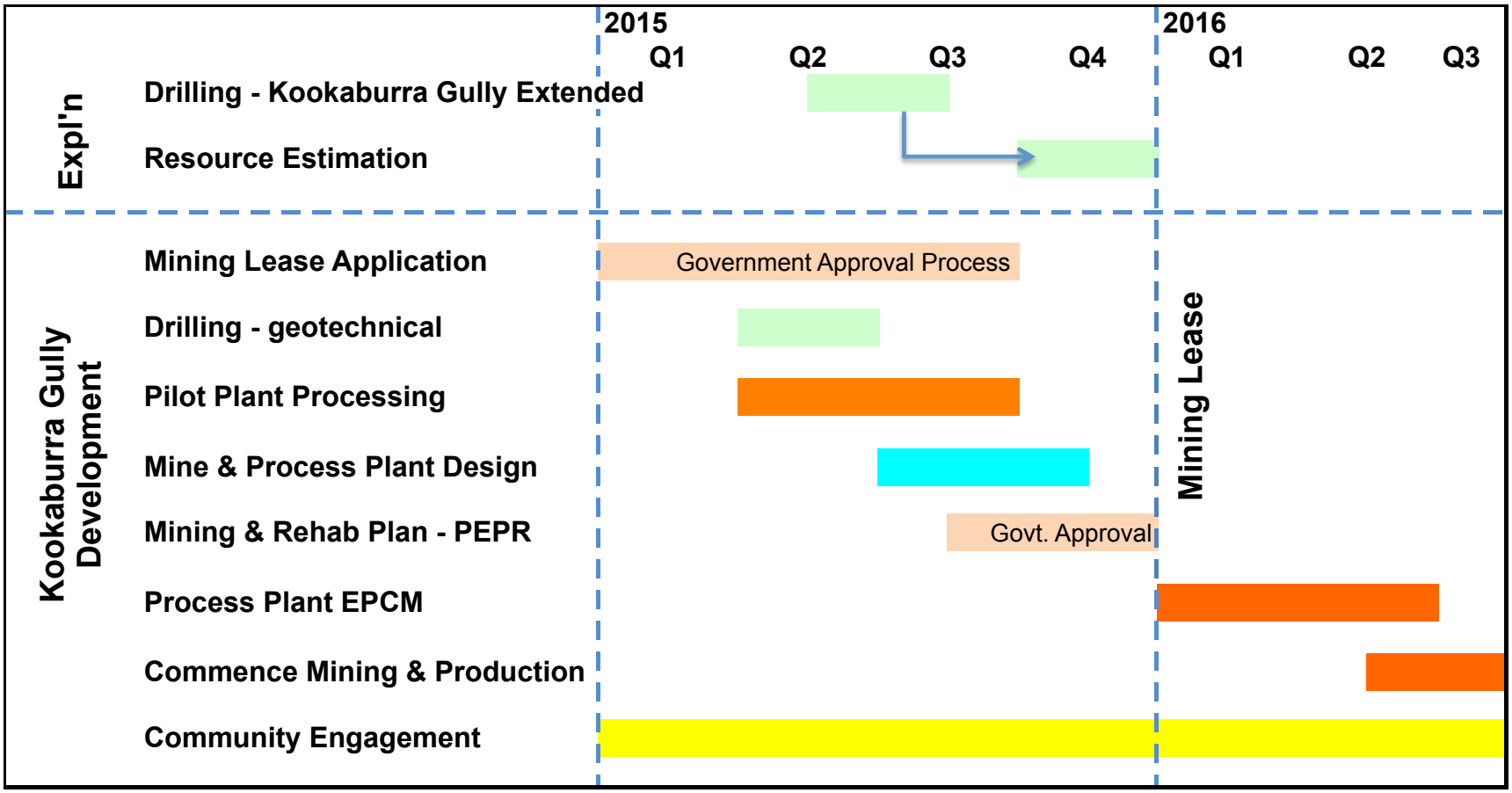
- Lincoln is a 25% foundation shareholder in the graphite and graphene trading platform
- Other shareholders include Qingdao Hainaer Nanometer Technology Co., Ltd (PRC 48%), Pleasant King Limited (Hong Kong 25%) and FU Lei (PRC 2%)
- This follows the signing of a cooperation agreement in 2014 with two 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

Lincoln Minerals' Chairman, Mr Jin Yubo (3rd from right) at signing of the agreement in Ningbo, China

ADDITIONAL GRAPHENE UPSIDE

- Lincoln part of international graphene research program with Monash University, Guangdong University of Technology, & the largest electronic components producer in China
- Partnership will research, develop and commercialise graphene-based electronic applications
- Lincoln to assist with international promotion and share in intellection property

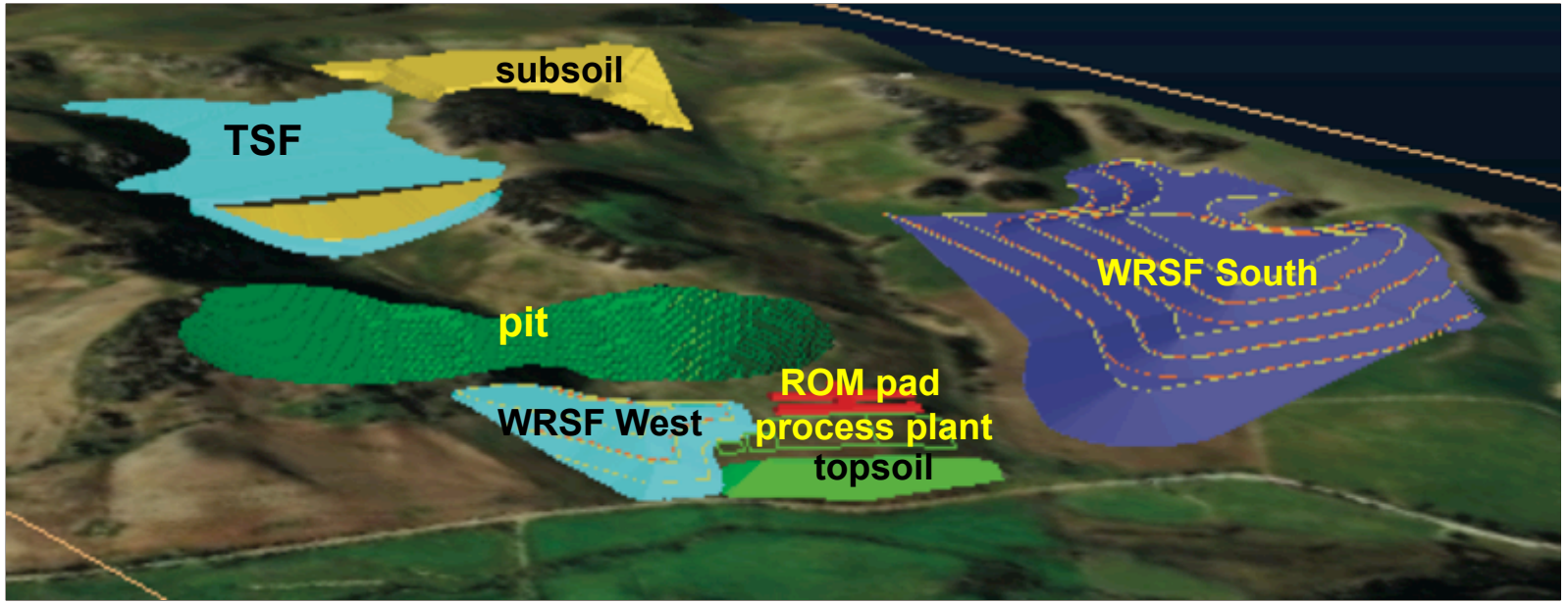
Production to commence in early CY16



Subject to finance and Government approvals

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



LINCOLN MINERALS

THANKYOU

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Appendix

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References

- Lincoln Minerals, 2012. Scoping study completed for Eyre Peninsula graphite. *Lincoln Minerals limited, ASX Announcement* 19 September 2012.
- Lincoln Minerals, 2013. Updated Graphite Mineral Resources for Lincoln's world-class Kookaburra Gully project in South Australia's Eyre Peninsula . *Lincoln Minerals Limited, ASX Announcement* 19 December 2013.
- Lincoln Minerals, 2014. 2013-2014 Annual Report. *Lincoln Minerals Limited October 2014*.
- Australian Graphite Limited, 2015. Community Information Update No.3, Kookaburra Gully Graphite Mine, Mining Lease Proposal. *Lincoln Minerals Limited, ASX Announcement February 2015*

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Kookaburra Gully Mineral Resource

Table 1. Kookaburra Gully Mineral Resource at a nominal 5% TGC lower cut-off grade

Mineral Resource Classification	Tonnage (Mt)	Average Grade (% TGC)	Contained Graphite (tonnes)	Density (g/cc)
Indicated	1.47	13.9	204,352	2.57
Inferred	0.73	17.3	127,425	2.52
TOTAL (>5% TGC)	**2.20**	**15.1**	**331,778**	**2.55**

Mt = million tonnes TGC = Total Graphitic Carbon

Table 2. Kookaburra Gully Mineral Resource at a nominal 2% TGC lower cut-off grade

Mineral Resource Classification	Tonnage (Mt)	Average Grade (% TGC)	Contained Graphite (tonnes)	Density (g/cc)
Indicated	2.10	10.6	223,349	2.56
Inferred	1.13	12.2	137,370	2.52
TOTAL (>2% TGC)	**3.23**	**11.2**	**360,719**	**2.54**

Mt = million tonnes TGC = Total Graphitic Carbon

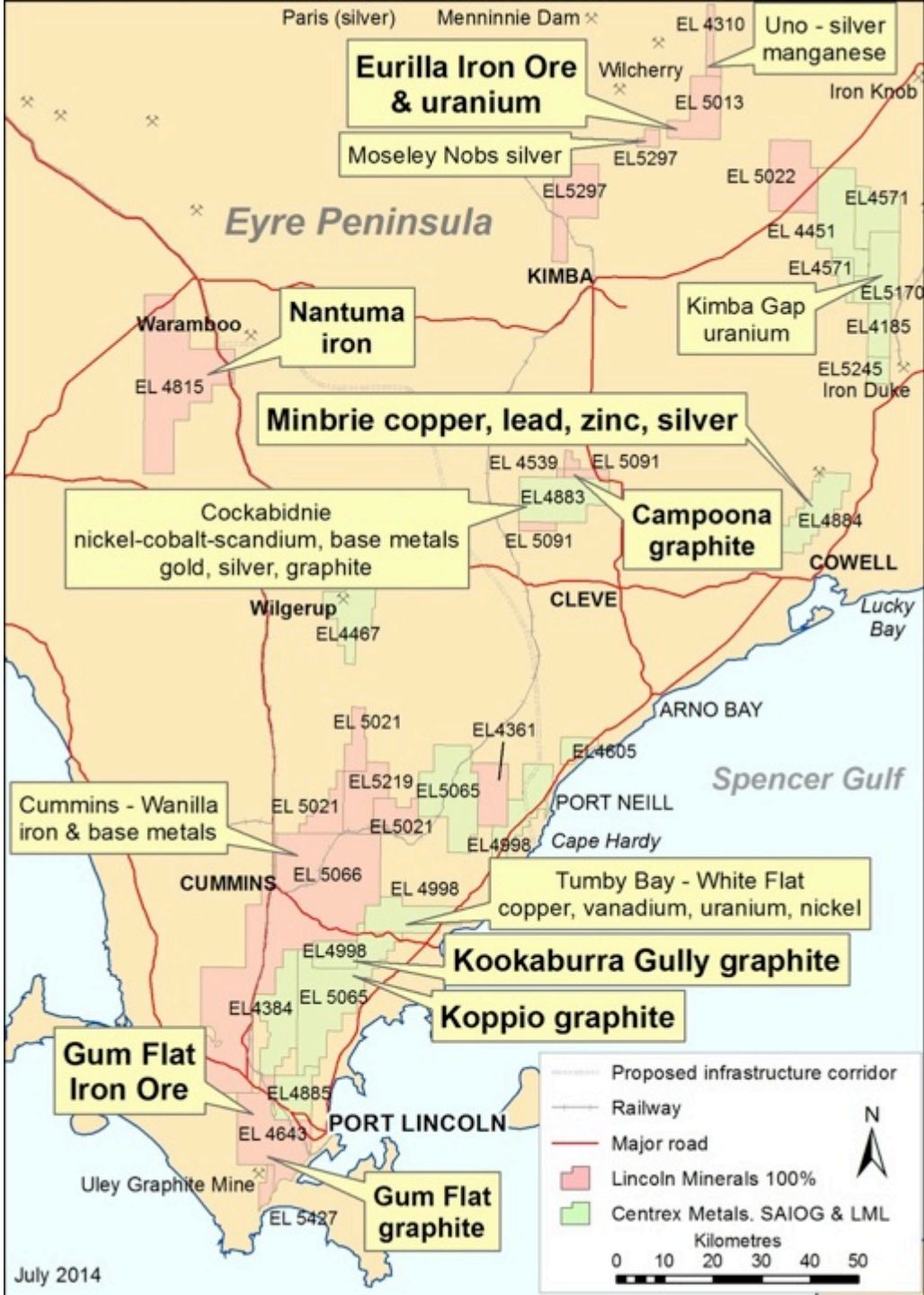
Reference

Lincoln Minerals, 2013. Updated Mineral Resources and Metallurgy for Lincoln's world-class Kookaburra Gully project in South Australia's Eyre Peninsula. *Lincoln Minerals Limited, ASX Announcement* December 2013.

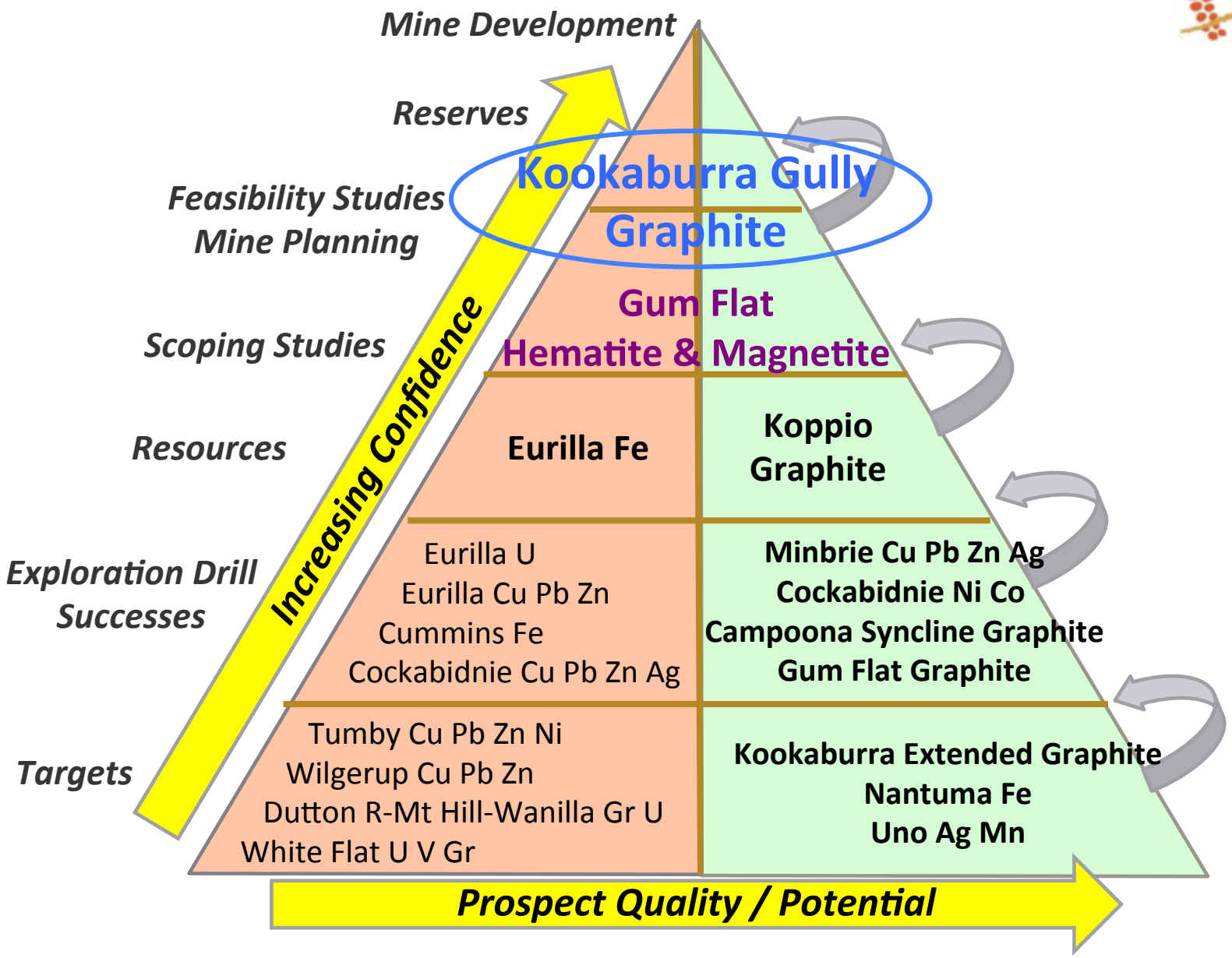
Other Projects

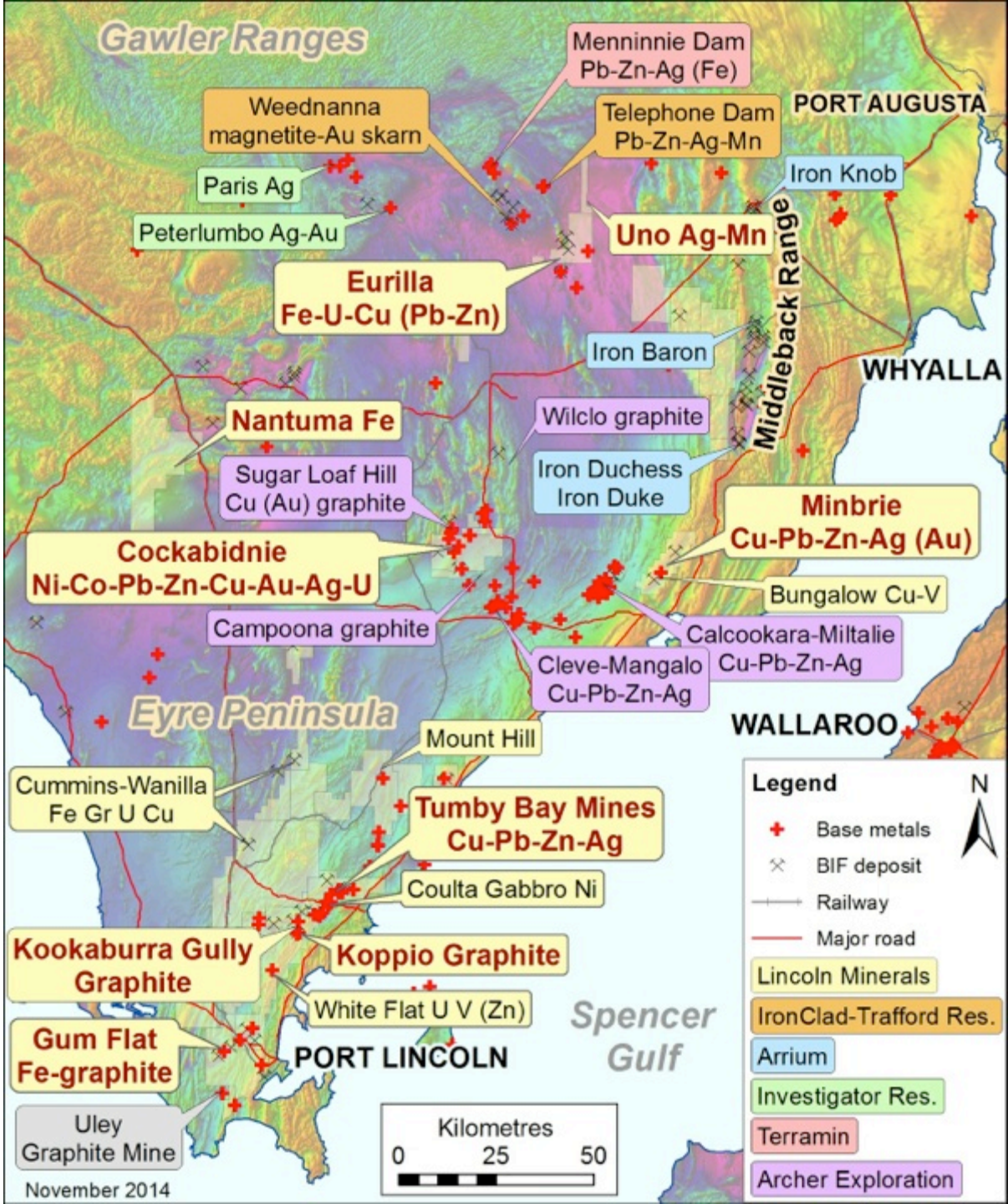
- Dominant position on Eyre Peninsula
  - tenements total 4,063 km^2
  - proven world class iron ore & flake graphite province
  - Proven copper-lead-zinc, uranium, nickel-cobalt, manganese and silver potential
  - close to infrastructure
- Eyre Peninsula has a long history of iron ore and graphite production
- Proposed infrastructure corridor to Cape Hardy opens up central Eyre Peninsula for Lincoln Minerals, particularly Nantuma

Subject to Government approvals, finance and economic market conditions



Other Projects



Base metal potential on Eyre Peninsula

- Historical mining on Eyre Peninsula for copper, lead and silver goes back to the mid-late 1800s
  - Tumby Bay region
  - Minbrie-Cleve-Cockabidnie region
- Significant new discoveries include Menninnie Dam (lead-zinc), Paris (silver) and Minbrie (copper-lead-zinc)
- Proven copper-lead-zinc, uranium, nickel-cobalt, vanadium, manganese and silver potential