



Minara Resources Limited

Investor Relations Presentation – October 2006

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Managing Director and CEO



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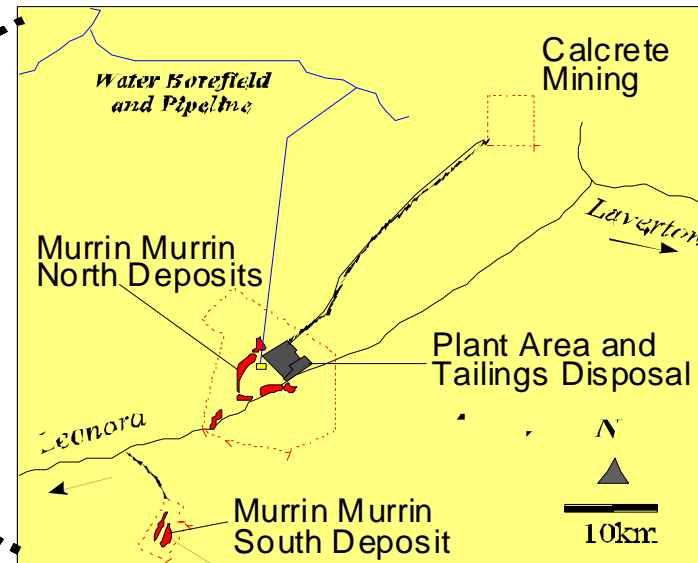
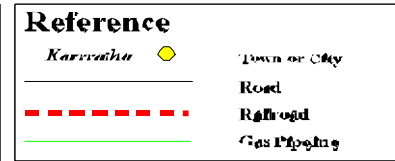
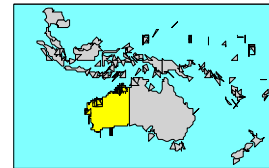


Corporate Overview - History

- ❖ Founded in 1994 (previously Anaconda Nickel Ltd)
- ❖ Successful debt restructure and recapitalisation in 2002 / 2003
- ❖ Name changed to Minara Resources Limited in Dec 2003
- ❖ Murrin Murrin project is a 60/40 Joint Venture between Minara and Glencore International AG
- ❖ At nameplate capacity Murrin Murrin will produce 40,000 tpa Nickel and 2,500 tpa Cobalt
- ❖ 40 plus years mine life at nameplate capacity



Corporate Overview - Location



Financial Overview

- ❖ ***Results for six months to 30 June 2006***
 - ◆ net profit of A\$100.7M
 - ◆ dividend 12½ cents – A\$58M
 - ◆ net cash flow of A\$39.4M
 - ◆ minimal debt with A\$120M cash on hand
- ❖ Strong balance sheet for growth
- ❖ Unhedged on both currency and commodity
- ❖ Shareholdings: Glencore 51% - other 49%



Minara Resource Position

❖ Reserves

2005 : 145mt @ 1.09% Ni and 0.087% Co

❖ Resources

Murrin Murrin 334mt @ 0.99% Ni

Marshall Pool 321mt @ 0.69% Ni

Weld Range 329mt @ 0.75% Ni

Irwin Hills/Coglia 23mt @ 0.7% Ni





Operations Overview - Autoclaves



AREA 3200

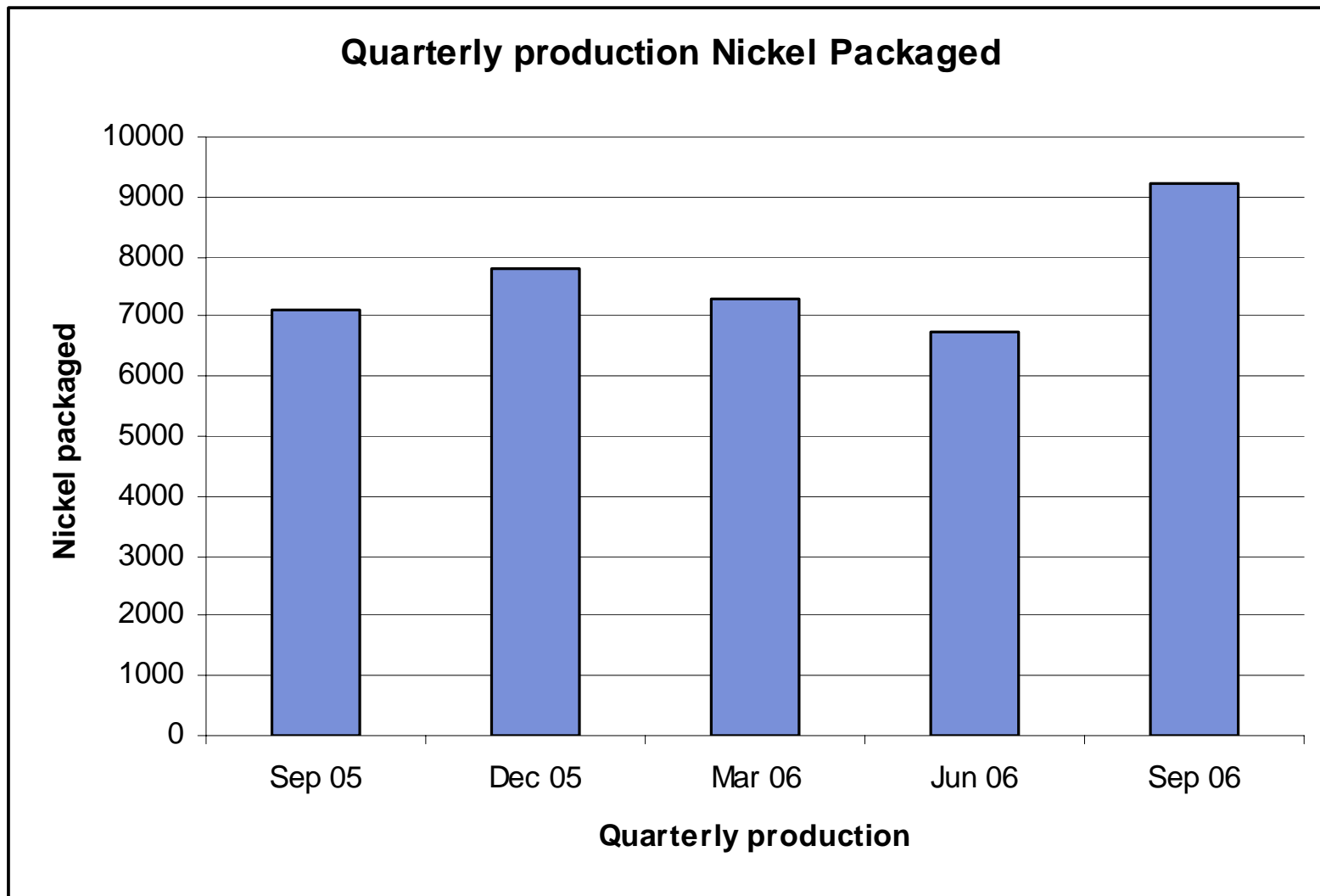


Operations Overview

- ❖ Record Quarterly Production – consistent profile
- ❖ Acid Plant
 - ◆ new acid demister installed
 - ◆ Significant improvement in acid plant integrity and performance since July
- ❖ Substantial improvement on planned against unplanned maintenance
- ❖ No new technical issues
- ❖ Statutory maintenance shutdown in Q4 2007



Quarterly Production



The Road Ahead – 2007 + beyond

- ❖ Focus on consistent HPAL plant performance
- ❖ Expand HPAL production to nameplate capacity
- ❖ Commission and ramp-up Heap Leach demonstration facility
- ❖ Feasibility studies under way for Heap Leach expansion
- ❖ Continued addition and exploration of supplementary high grade feeds



Summary

- ❖ Strong financial position
- ❖ Improving operating performance
- ❖ Improving dividend profile
- ❖ No new technical issues
- ❖ Production expansion in 2007 from Heap Leach
- ❖ Positive nickel market





Mining Process

Graeme Skelton
Mining Manager



Ore Reserves

❖ **145Mt @ 1.09% Ni & 0.087% Co**

As at December 2005

3 Nickel Mining Areas:

❖ Murrin North

- ◆ 65% of reserves

❖ Murrin South

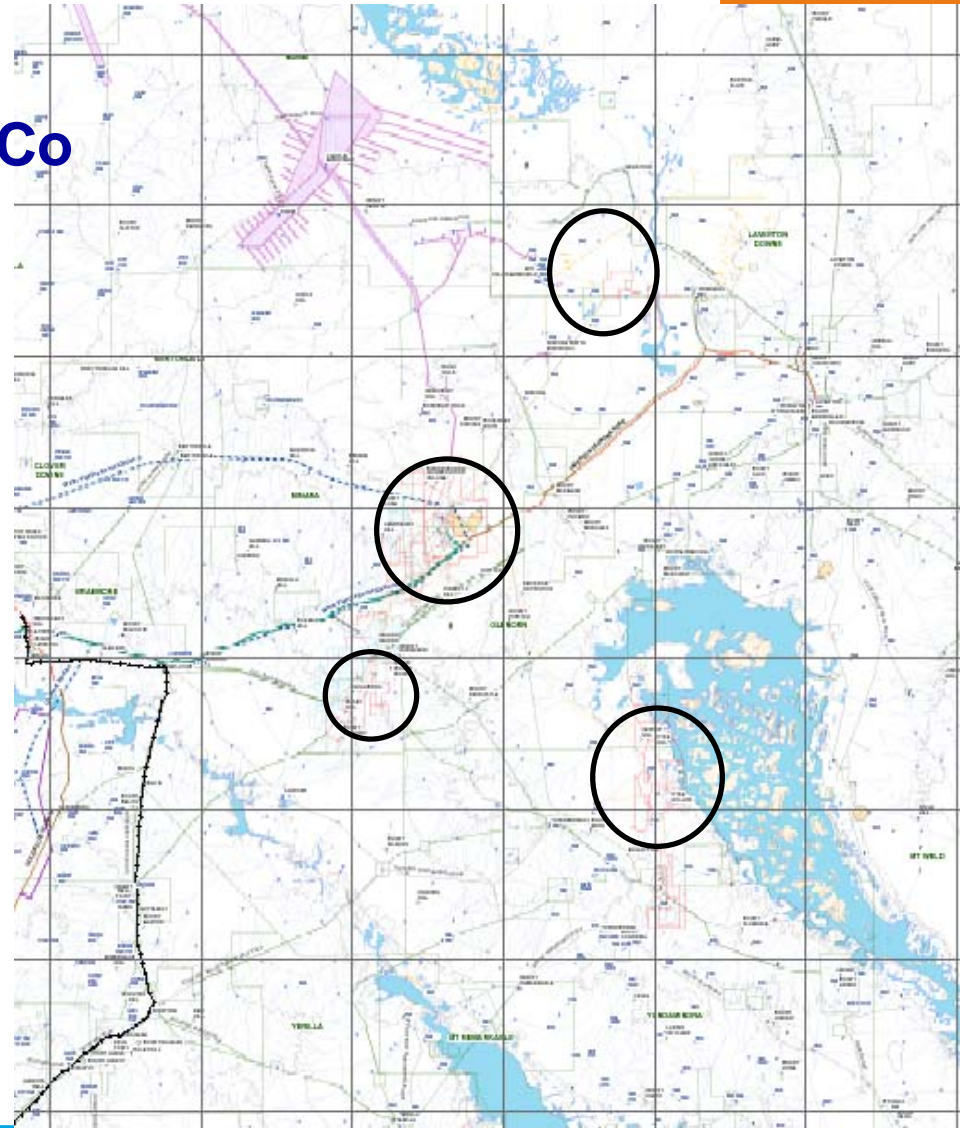
- ◆ 20km SW
- ◆ 15% reserves

❖ Murrin East

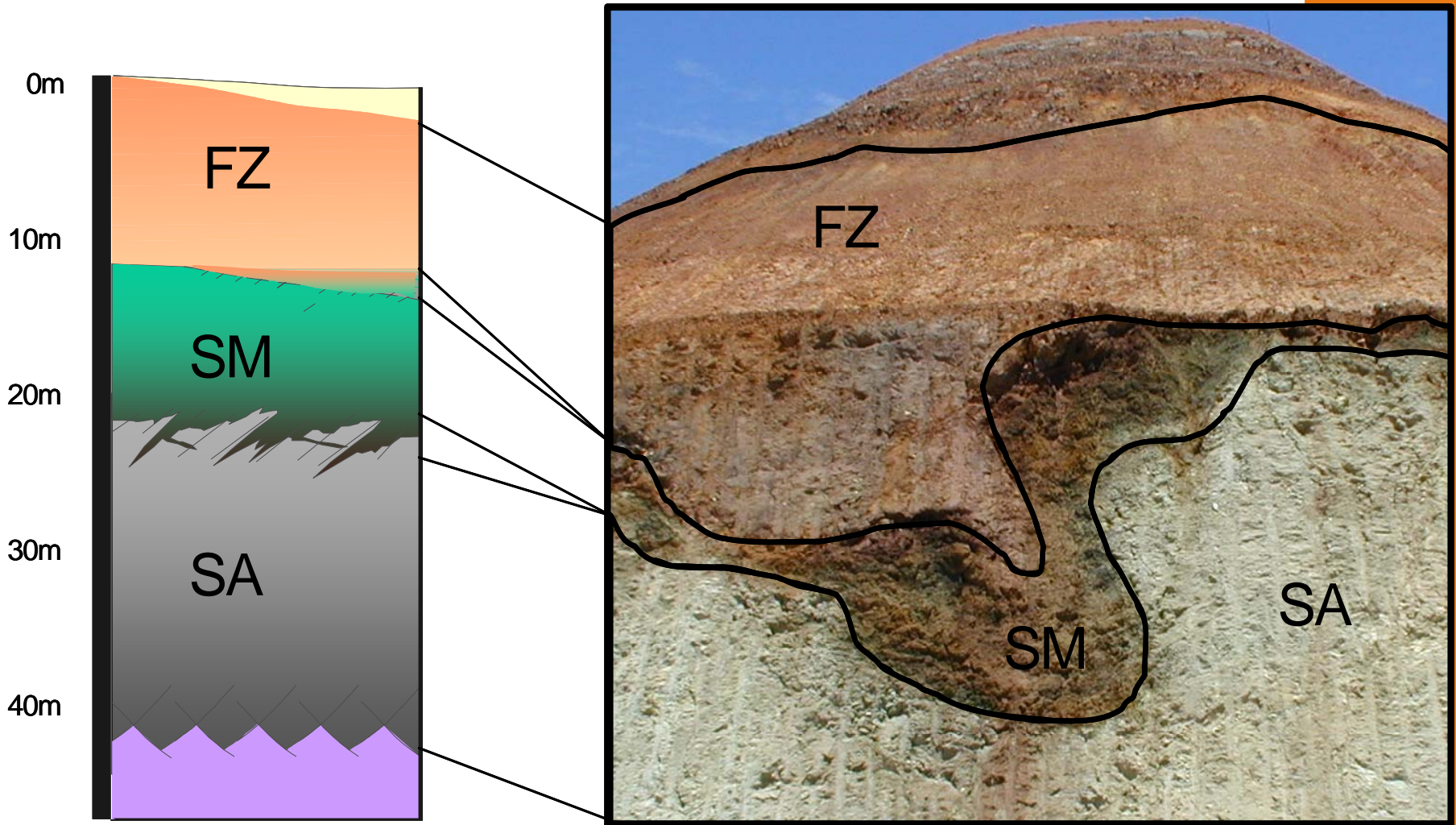
- ◆ 45 km SE
- ◆ 20% of reserves

❖ Calcrete

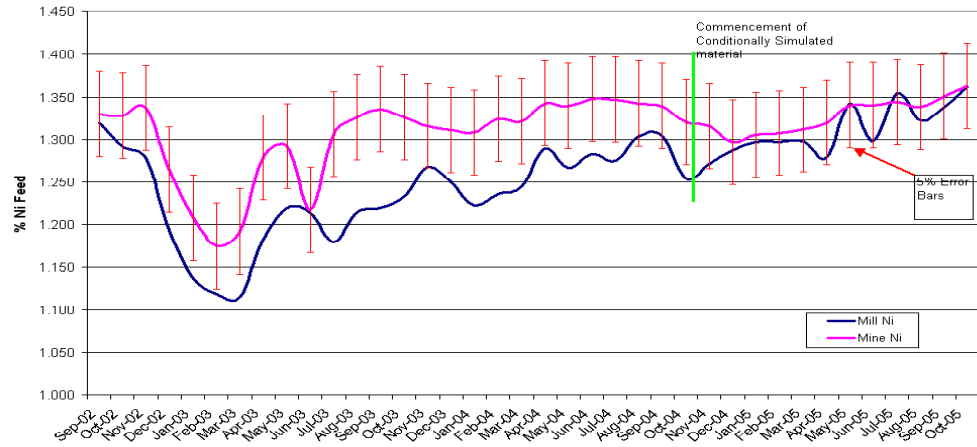
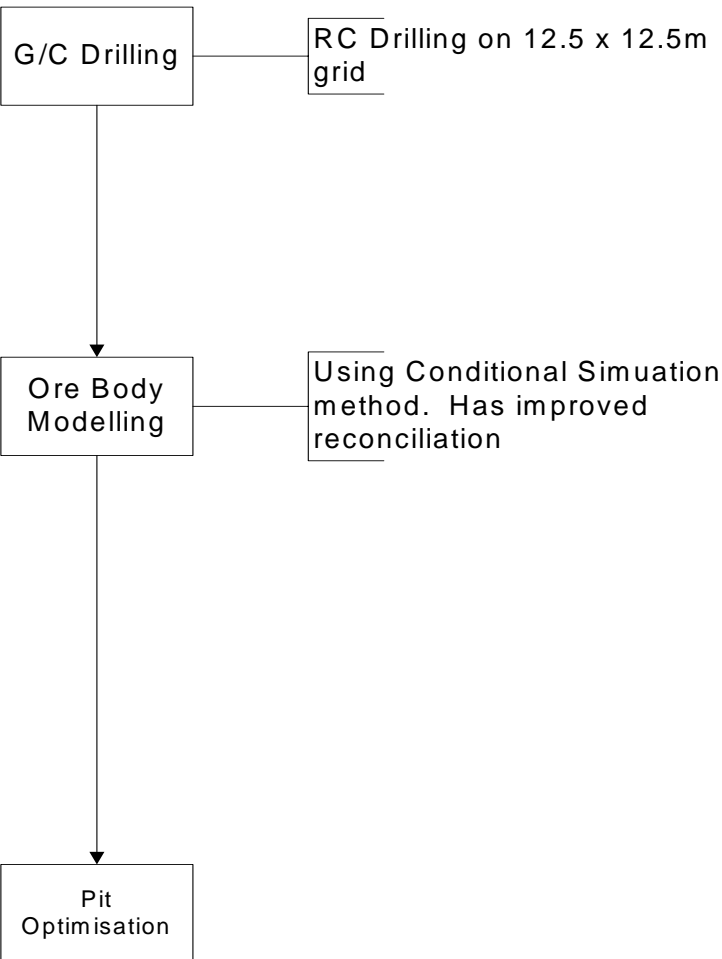
- ◆ 40 km NE



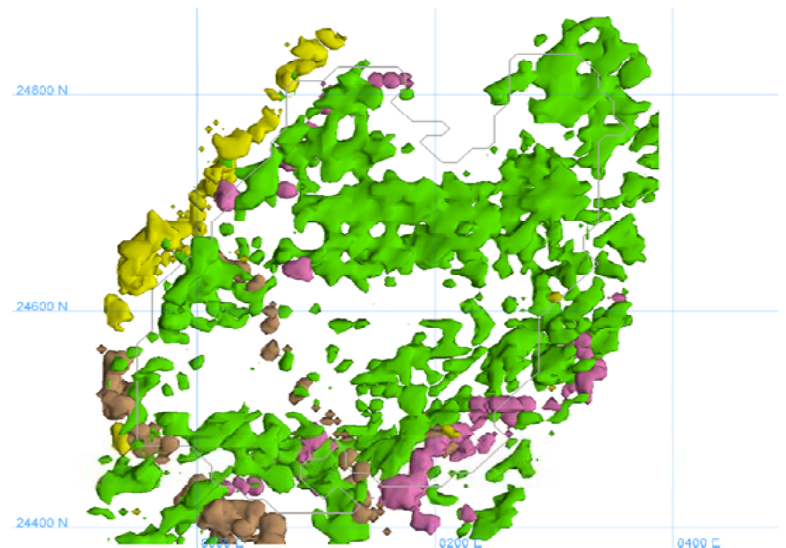
Geology – Typical Murrin Profile



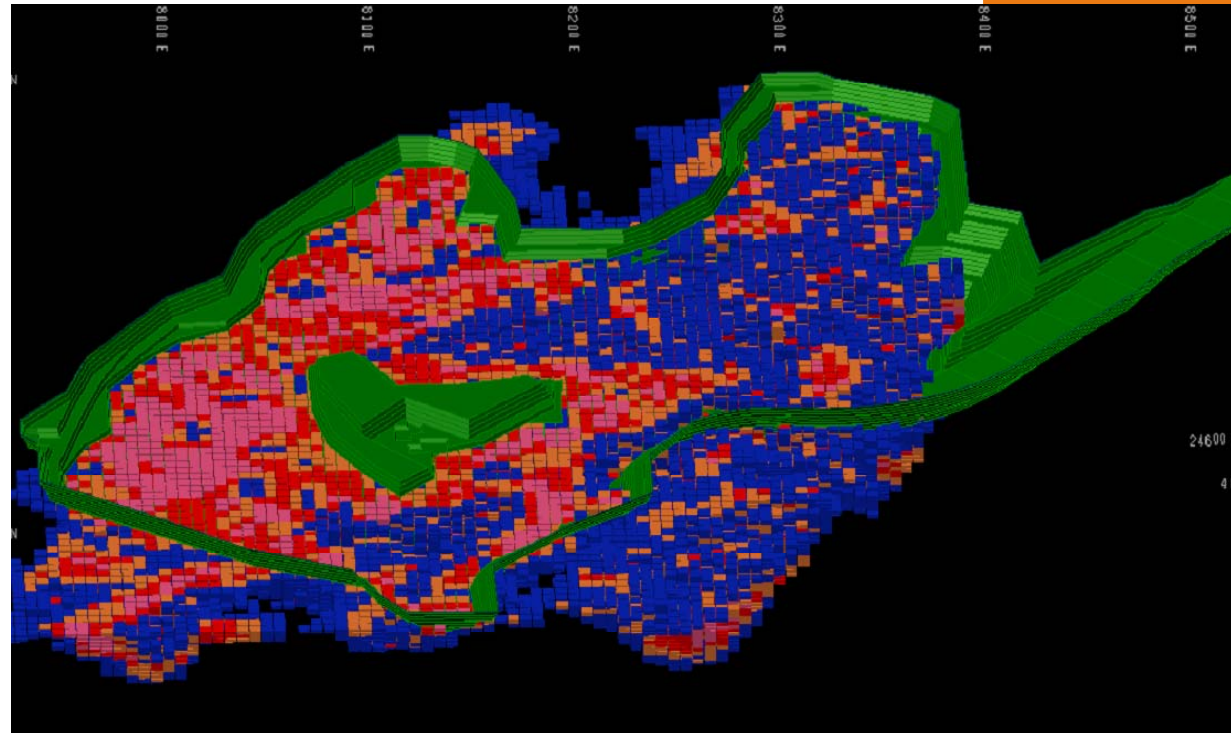
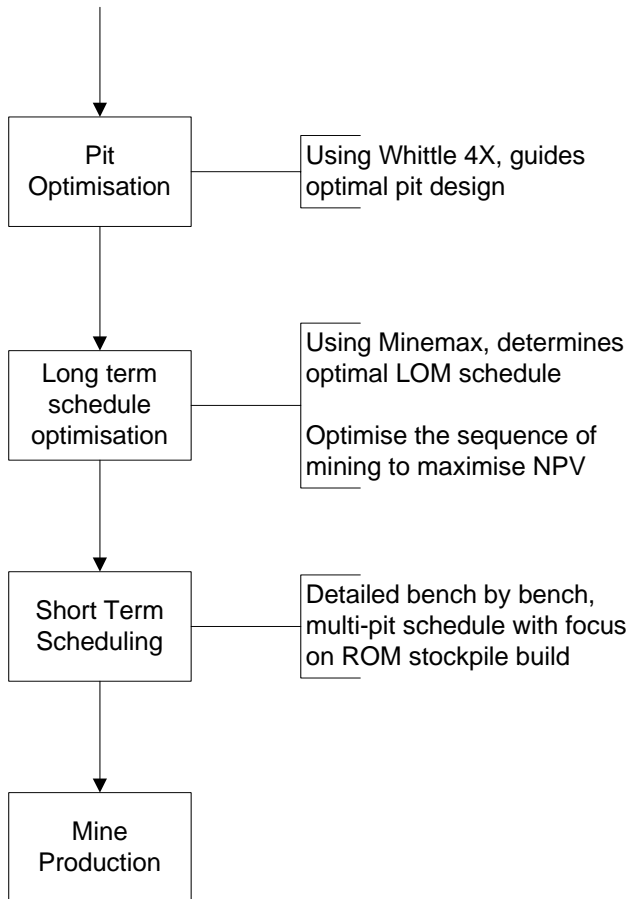
Murrin Mining Process



MM09.01 Pit
Grade Control Model



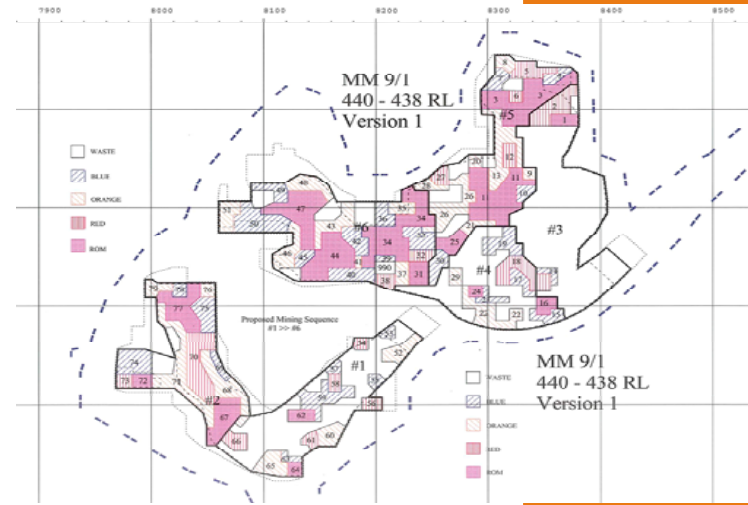
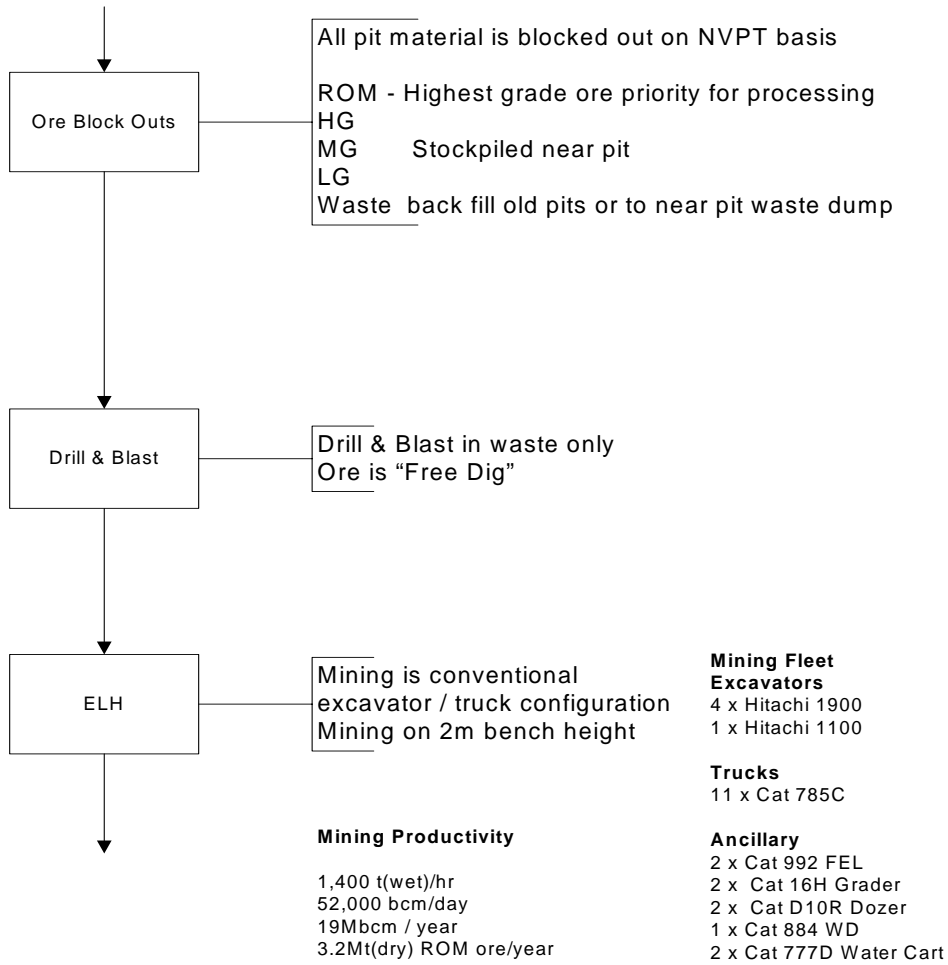
Murrin Mining Process – Mine Production



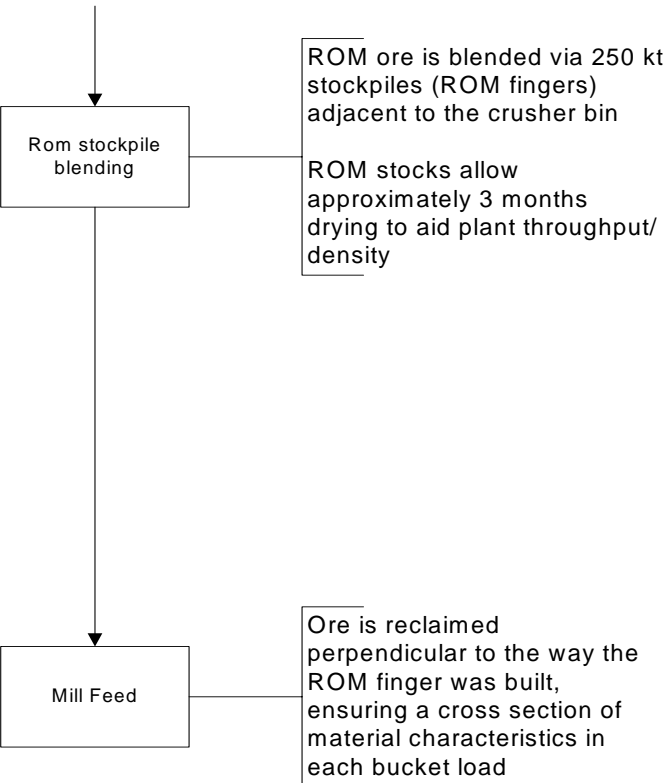
MM09.01 Pit
Grade Control Block Model within optimised pit design



Murrin Mining Process



Murrin Mining Process

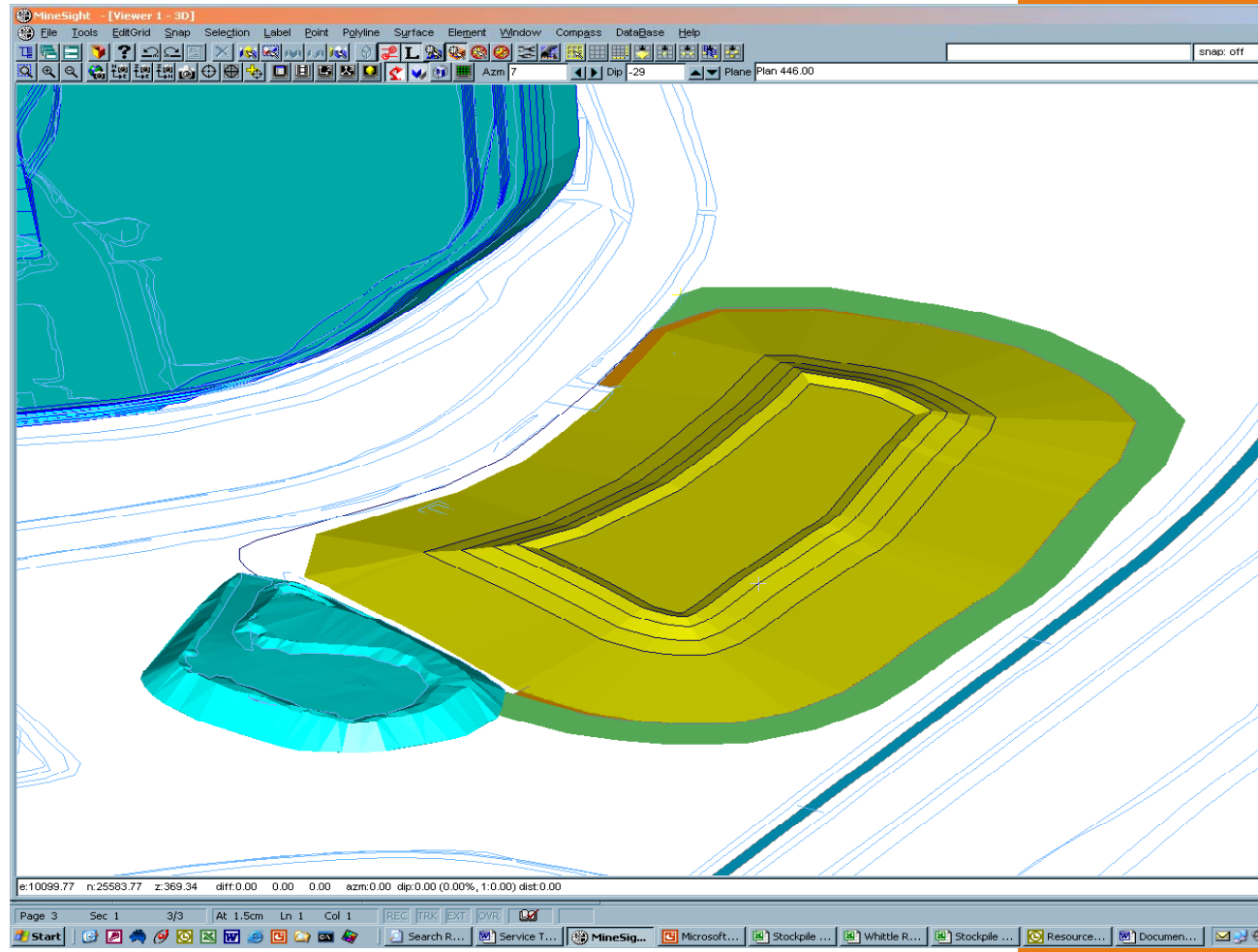


Murrin Mining Process

Rehabilitation

Waste dump and haul road rehabilitation occurs as dumps are constructed and roads made redundant

Presently trialing concave dump rehabilitation at 10%, 20%, & 30% slopes



Mining

❖ Questions?





Murrin Murrin Heap Leach Project

David Readett

Group Manager – Project Development



MMO Heap Leach Project

- ❖ Introduction
- ❖ Ni Heap Leach Review
- ❖ MMO Operation
- ❖ R&D Laboratory Testwork
- ❖ Heap Leach Demonstration Plant
- ❖ Project Status



Introduction

- ❖ Heap Leaching is a process with a long history
- ❖ Most recent developments have been as a result of breakthrough technologies (Au and Cu)
- ❖ Development in Cu has been dramatic in the past 35 years



Ni Heap Leach Review

- ❖ Greek Laterites tested in mid 1990's (Agatzinin-Leonardou and Demaki)
- ❖ Acid leach column tests 80% recovery in 80 days
- ❖ More recently European Nickel, Yunnan Yuanjiang Nickel, Metallica Minerals, Heron Resources
- ❖ Two have constructed test heaps of >20,000t
- ❖ Generic flow sheets utilise iron precipitation followed by Ni and Co precipitation



MMO Operation

Scats

- ❖ Existing by product
- ❖ Feed is wet screened to – 17.7mm
- ❖ Scats is +1.7mm reject which is stockpiled
- ❖ Currently >1 million tonnes @ 1.04% Ni



MMO Operation

Two Targets

1. Initially Scats – prove the process and develop on full scale
 - ◆ Stand alone economically attractive project at existing production rates
2. Ultimate Target – Ore
 - ◆ Provide a second production stream to HPAL



R&D Laboratory Testwork

Aims

- ❖ Establish leach chemistry and its optimisation
- ❖ Establish heap leach physical, geotechnical and hydrological characteristics
- ❖ Explore integration of heap leaching process into the existing HPAL/Refinery circuit
- ❖ Define the Heap Leach design criteria

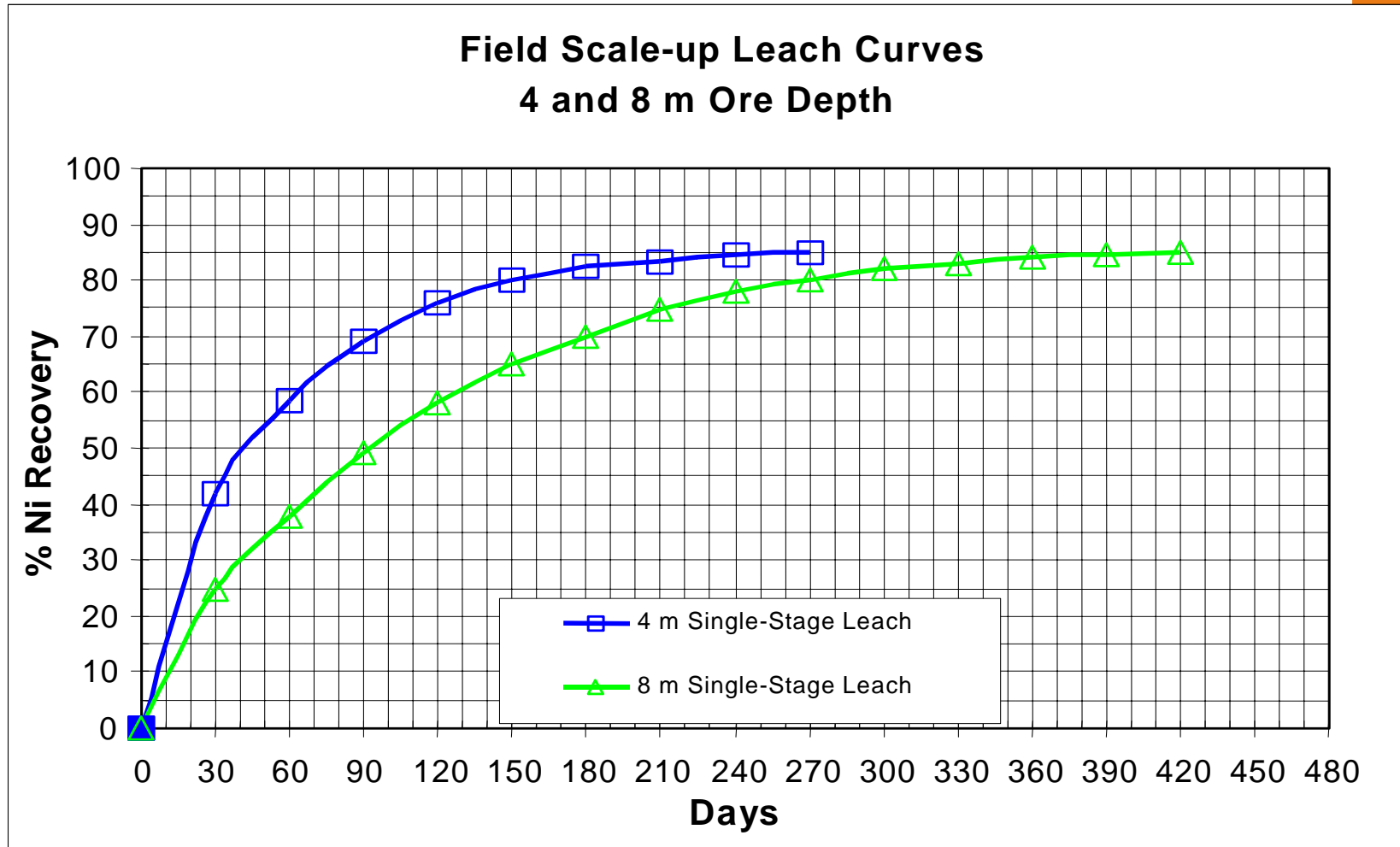


R&D Laboratory Testwork – Heap Leach

- ❖ Conducted bottle roll, 1m, 2m, 4m and 8m column tests
- ❖ These tests have all confirmed Ni and Co recoveries of >80%
- ❖ Optimised leach conditions to optimise metal recovery



R&D Laboratory Testwork – Heap Leach



R&D Laboratory Testwork – Heap Leach

- ❖ Despite all of the R&D effort still necessary to finally prove the process on a full scale prior to ongoing substantial investment
- ❖ R&D effort now focussed on ore



R&D Laboratory Testwork - Integration

- ❖ Existing MMO circuit can treat heap leach solution and generate finished Ni and Co product
- ❖ Only requirement is steam injection to replace heat loss in heap leach
- ❖ This is the basis of the Demonstration Plant

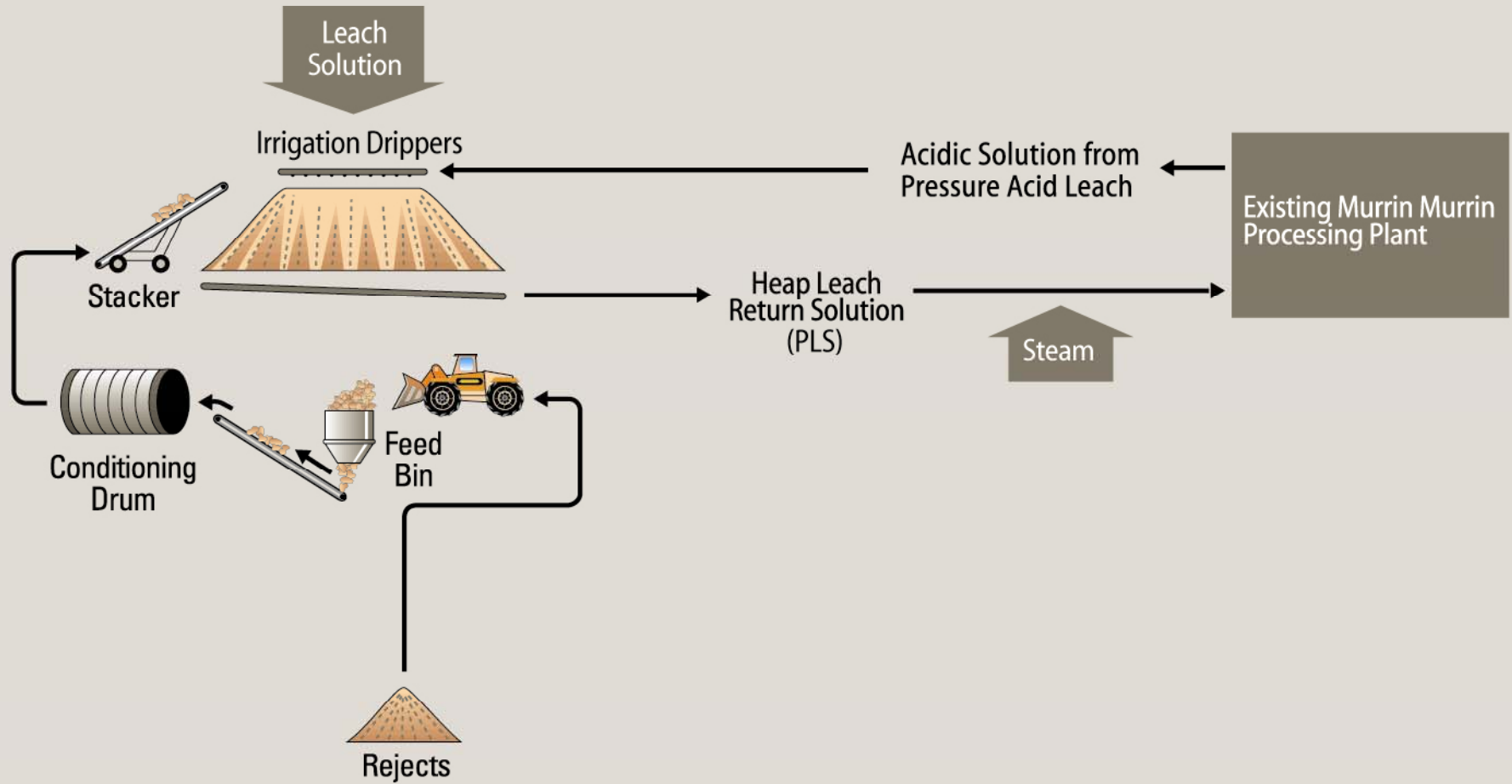


Heap Leach Demonstration Plant

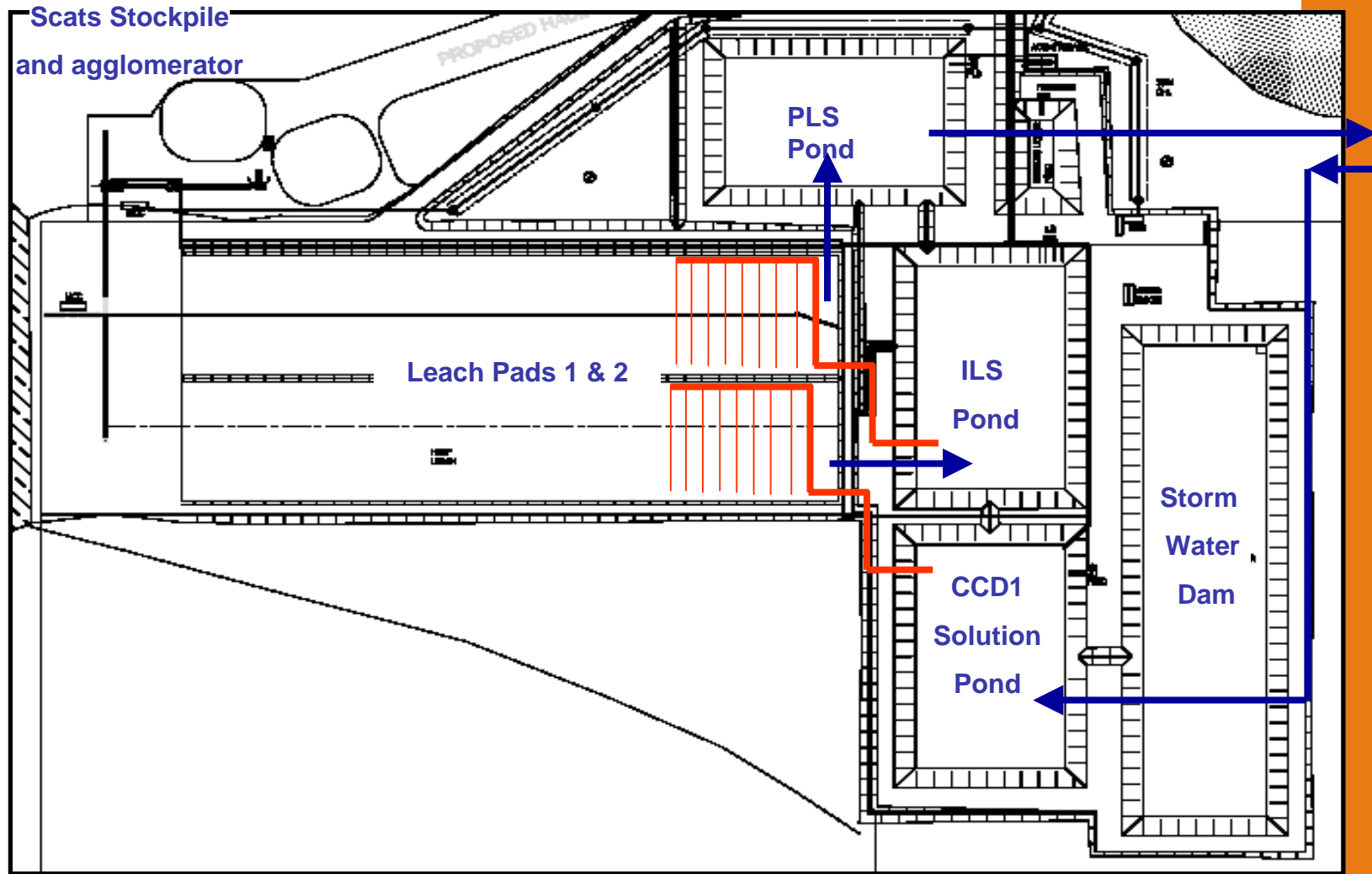
- ❖ R&D Results and process modelling used to define a Design Criteria
- ❖ In 2005 Ausenco completed a Feasibility Study
- ❖ In December 2005 MMJV gave approval to proceed with a 200,000tpa Heap Leach Demonstration Plant capable of treating of Scats and Ore



Heap Leach Demonstration Plant



Leach Pads and Ponds



Conclusion

- ❖ Heap Leach Project is the culmination of 5 years of R&D
- ❖ Focus remains on proving the viability of Heap Leaching on a full commercial scale for scats
- ❖ The ultimate target is ore
- ❖ Project remains on target to commence late 2006

