

# PDAC 2013 Investors Exchange

Toronto, March 3-6



ASX: AKA

[www.ammg.com.au](http://www.ammg.com.au)

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Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the exploration industry, expectations regarding commodity prices, production, cash costs and other operating results, growth prospects and the outlook of Australia Minerals and Mining Group Limited's (AMMG) operations; contain or comprise certain forward-looking statements regarding AMMG's exploration operations, economic performance and financial condition.

Although AMMG believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in commodity prices and exchange rates and business and operational risk management. AMMG undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

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## ***Competent Person Statement***

Technical information in this report is based on information compiled by Mr Ric Dawson, B. App. Sc. (Geol.) EMBA, AMMG Managing Director and a member of the Australasian Institute of Mining and Metallurgy. Mr Dawson has sufficient exploration experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC 2004"). Mr Dawson consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.



# Corporate Snapshot

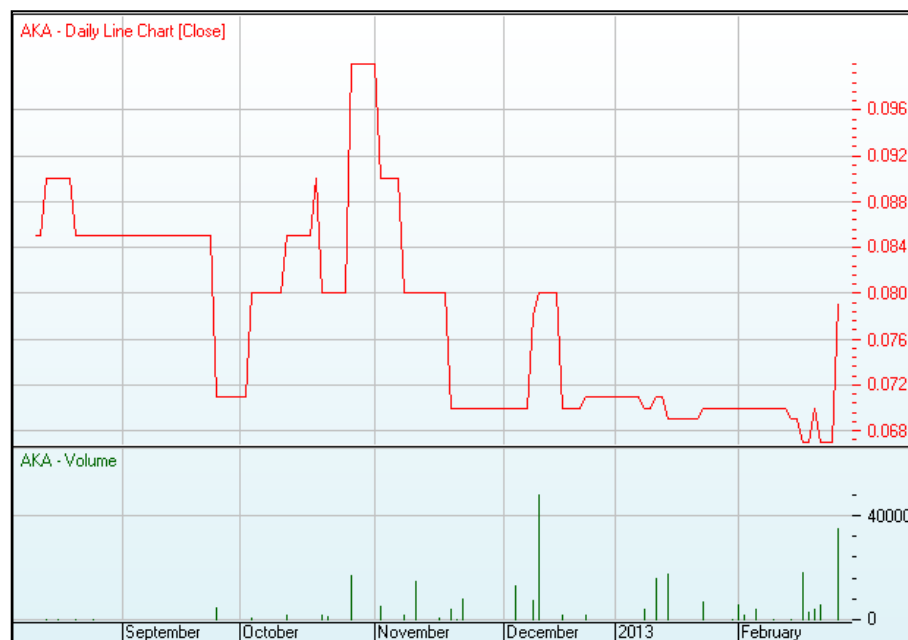
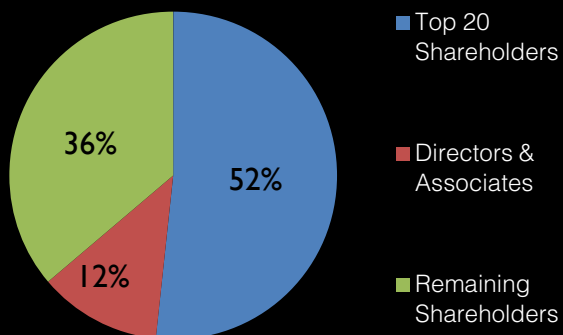
## BOARD OF DIRECTORS

|                     |                                               |
|---------------------|-----------------------------------------------|
| <b>Luke Atkins</b>  | Non-executive Chairman                        |
| <b>Ric Dawson</b>   | Managing Director                             |
| <b>Dan Tenardi</b>  | Non-executive Director                        |
| <b>Peter Bailey</b> | Non-executive Director                        |
| <b>Jamie Coote</b>  | Non-executive Director (Independent)          |
| <b>Piers Lewis</b>  | Company Secretary/<br>Chief Financial Officer |

## ASX: AKA As at 28 Feb 2013

|                                   |        |
|-----------------------------------|--------|
| <b>Share Price (A\$)</b>          | 0.079  |
| <b>Ordinary shares</b>            | 107.6m |
| <b>Unlisted options (various)</b> | 11.5m  |
| <b>Performance Shares</b>         | 8m     |
| <b>Market Cap</b>                 | 8.5m   |
| <b>Cash</b>                       | 3.7m   |
| <b>Debt</b>                       | Nil    |

## Major Shareholders as at 28 Feb 2013





# Low Impurity Kaolin Material



# Low Impurity Kaolin Material

## *Alternate kaolin*

Worldwide kaolin deposits typically transported by water.

Resulted in secondary kaolin deposits.

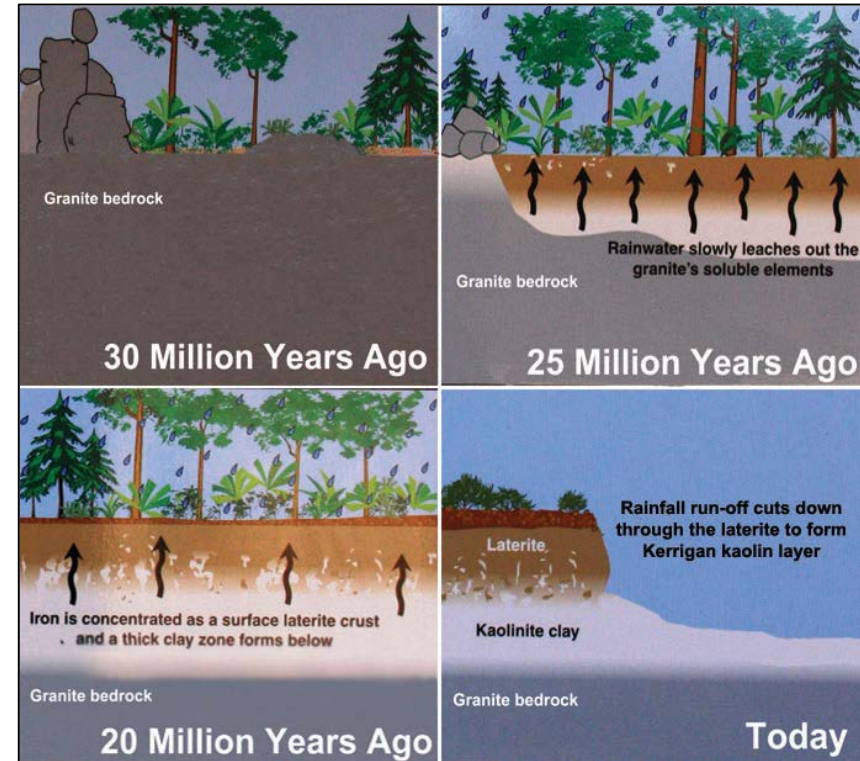
Deposited in narrow lenses.

Ancient weathering process over AMMG's ground.

Resulted in primary, in situ or residual kaolin.  
Also a lack of impurities in the raw kaolin.

Silica and alumina remain in a whitish surface residue with thickness of up to 42m.

This primary kaolin is found at surface under a shallow overburden of clays.





# Project Locations

5 projects  
(100% owned)  
covering 3,500km<sup>2</sup>



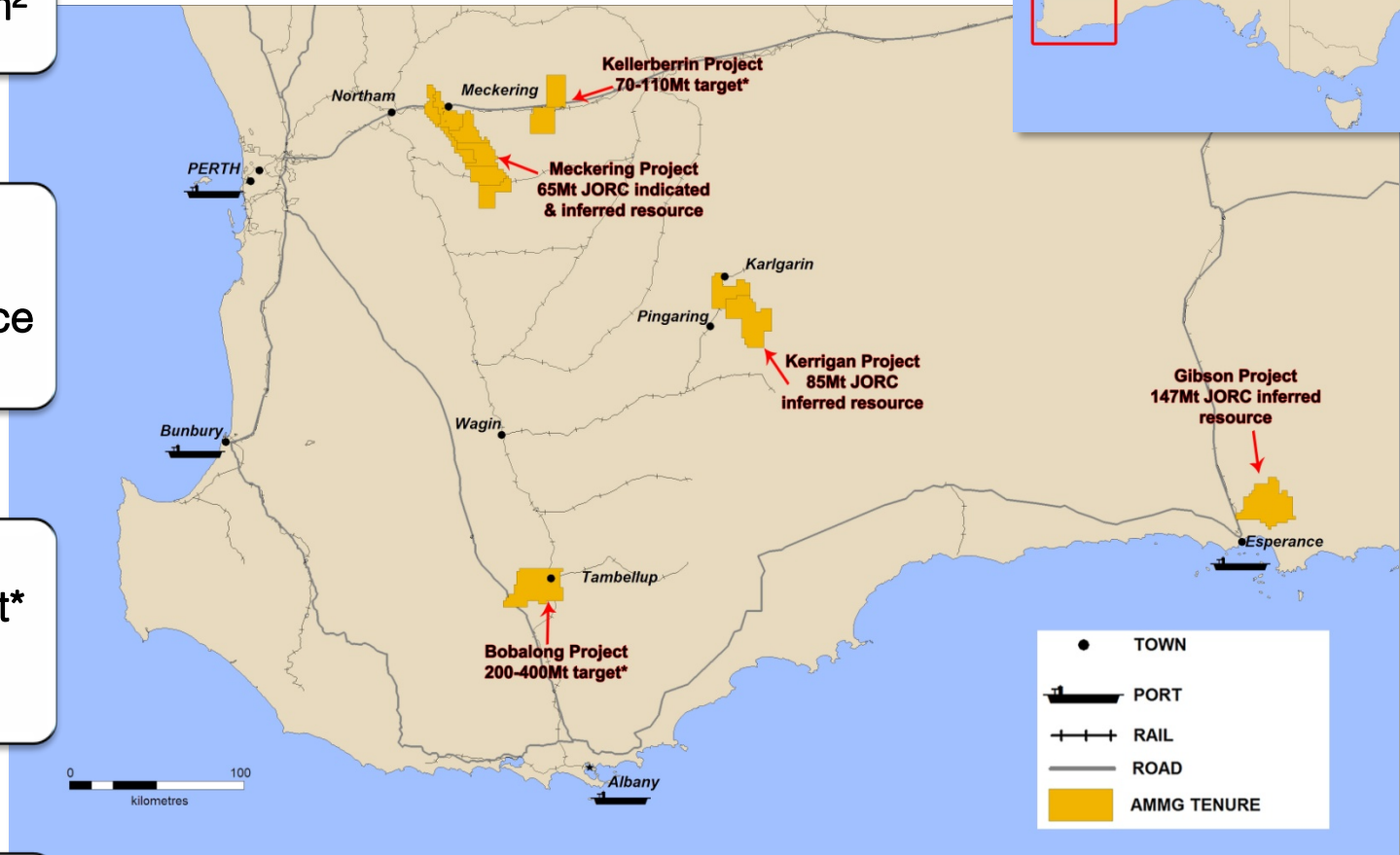
297Mt JORC  
combined resource



Exploration target\*  
2.5Bt – 3.9Bt



Close to existing  
port and rail  
networks



\*The term target should not be misunderstood nor misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004), and therefore the term has not been used in this context. It is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Mining Reserve.

| Project      | Indicated (Mt) | Inferred (Mt) | -45 Micron (%) <sup>1</sup> | Brightness (%) <sup>2</sup> | Alumina (%) <sup>3</sup> | Exploration Target* (Mt) | Land Holding (km <sup>2</sup> ) |
|--------------|----------------|---------------|-----------------------------|-----------------------------|--------------------------|--------------------------|---------------------------------|
| Meckering    | 16.77          | 48.28         | 42.3                        | 83.2%                       | -                        | 1,100-1,700              | 966                             |
| Kerrigan     | -              | 85            | 41.8                        | 83.5%                       | -                        | 140-190                  | 736                             |
| Gibson       | -              | 147           | -                           | -                           | 37%                      | 1,000-1,500              | 568                             |
| Kellerberrin | -              | -             | 52                          | 80-85%                      | -                        | 70-110                   | 445                             |
| Bobalong     | -              | -             | -                           | 80-85%                      | -                        | 200-400                  | 600                             |
| <b>TOTAL</b> | <b>16.77</b>   | <b>280.28</b> | <b>-</b>                    | <b>-</b>                    | <b>-</b>                 | <b>2,510-3,900</b>       | <b>3,315</b>                    |



1. The % minus 45 micron was measured by wet screening.
2. Brightness is the ISO brightness of the minus 45 micron kaolin.
3. The % minus 2 micron was measured by dry screening.



# Project Accessibility

Private  
freehold  
land

Native Title  
extinguished

Key private  
landowner  
agreements  
signed

Moderate  
to dry  
climate

Year round  
accessibility

Low average  
rainfall (~341mm)  
Kaolin sits above  
water table.

Cleared  
broad  
acre farms

Gently undulating  
flat terrain

Surface deposit  
(low stripping  
ratio)

Low rural  
population  
density

Lower  
environmental  
impact





# Meckering Project – Trial Test Pit

**65Mt aluminous clay  
resource**

**(16.77Mt indicated;  
48.28Mt inferred)**

**Exploration target\*  
1.1Bt – 1.7Bt**



**Potential available infrastructure  
(rail, electricity, water)**



**Test pit located at Meckering project, WA**



**Inside the test pit**

# Mineral Analysis

| PROJECT                                                                | SiO <sub>2</sub><br>% | Al <sub>2</sub> O <sub>3</sub><br>% | Fe <sub>2</sub> O <sub>3</sub><br>% | TiO <sub>2</sub><br>% | CaO<br>% | MgO<br>% | SO <sub>3</sub><br>% | Na <sub>2</sub> O<br>% | K <sub>2</sub> O<br>% | MnO<br>% | P <sub>2</sub> O <sub>5</sub><br>% | lg. loss<br>% | Total         |
|------------------------------------------------------------------------|-----------------------|-------------------------------------|-------------------------------------|-----------------------|----------|----------|----------------------|------------------------|-----------------------|----------|------------------------------------|---------------|---------------|
| <b>Meckering<br/>-45µm</b>                                             | 45.86                 | <b>38.32</b>                        | 0.43                                | 0.56                  | 0.05     | 0.17     | -                    | 0.45                   | 0.27                  | 0.00     | 0.05                               | 13.83         | <b>100.00</b> |
| <b>Meckering calcined grade</b>                                        | 53.22                 | <b>44.47</b>                        | 0.5                                 | 0.65                  | 0.06     | 0.26     | -                    | 0.52                   | 0.31                  | 0        | 0.06                               | -             | <b>100.00</b> |
| <b>Meckering theoretical<br/>further separation of SiO<sub>2</sub></b> | -                     | <b>95.06</b>                        | 1.07                                | 1.39                  | 0.13     | 0.42     | -                    | 1.13                   | 0.67                  | -        | 0.13                               | -             | <b>100.00</b> |

| PROJECT                                                               | SiO <sub>2</sub><br>% | Al <sub>2</sub> O <sub>3</sub><br>% | Fe <sub>2</sub> O <sub>3</sub><br>% | TiO <sub>2</sub><br>% | CaO<br>% | MgO<br>% | SO <sub>3</sub><br>% | Na <sub>2</sub> O<br>% | K <sub>2</sub> O<br>% | MnO<br>% | P <sub>2</sub> O <sub>5</sub><br>% | lg. loss<br>% | Total         |
|-----------------------------------------------------------------------|-----------------------|-------------------------------------|-------------------------------------|-----------------------|----------|----------|----------------------|------------------------|-----------------------|----------|------------------------------------|---------------|---------------|
| <b>Kerrigan<br/>-2µm</b>                                              | 46.0                  | <b>38.3</b>                         | 0.3                                 | 0.1                   | -        | 0.1      | 0.1                  | 0.4                    | 0.7                   | -        | 0.3                                | 13.6          | <b>100.00</b> |
| <b>Kerrigan<br/>calcined grade</b>                                    | 53.3                  | <b>44.4</b>                         | 0.3                                 | 0.1                   | -        | 0.1      | 0.1                  | 0.5                    | 0.8                   | -        | 0.3                                | -             | <b>100.00</b> |
| <b>Kerrigan theoretical further<br/>separation of SiO<sub>2</sub></b> | -                     | <b>95.1</b>                         | 0.7                                 | 0.2                   | -        | 0.2      | 0.2                  | 1.0                    | 1.5                   | -        | 0.7                                | -             | <b>100.00</b> |

| PROJECT                                                             | SiO <sub>2</sub><br>% | Al <sub>2</sub> O <sub>3</sub><br>% | Fe <sub>2</sub> O <sub>3</sub><br>% | TiO <sub>2</sub><br>% | CaO<br>% | MgO<br>% | SO <sub>3</sub><br>% | Na <sub>2</sub> O<br>% | K <sub>2</sub> O<br>% | MnO<br>% | P <sub>2</sub> O <sub>5</sub><br>% | lg. loss<br>% | Total         |
|---------------------------------------------------------------------|-----------------------|-------------------------------------|-------------------------------------|-----------------------|----------|----------|----------------------|------------------------|-----------------------|----------|------------------------------------|---------------|---------------|
| <b>Gibson<br/>-2µm</b>                                              | 44.5                  | <b>36.9</b>                         | 0.3                                 | 0.5                   | -        | -        | -                    | 0.2                    | 0.5                   | 0.1      | -                                  | 16.9          | <b>100.00</b> |
| <b>Gibson<br/>calcined grade</b>                                    | 53.6                  | <b>44.4</b>                         | 0.3                                 | 0.6                   | -        | -        | -                    | 0.3                    | 0.6                   | 0.1      | -                                  | -             | <b>100.00</b> |
| <b>Gibson theoretical further<br/>separation of SiO<sub>2</sub></b> | -                     | <b>95.9</b>                         | 0.7                                 | 1.3                   | -        | -        | -                    | 0.6                    | 1.3                   | 0.1      | -                                  | -             | <b>100.00</b> |

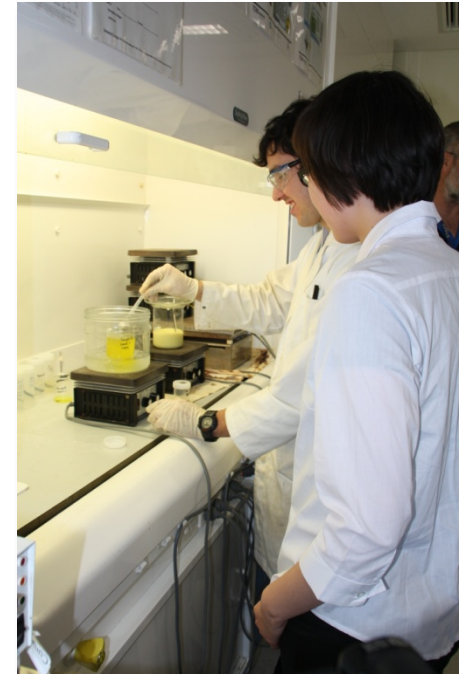
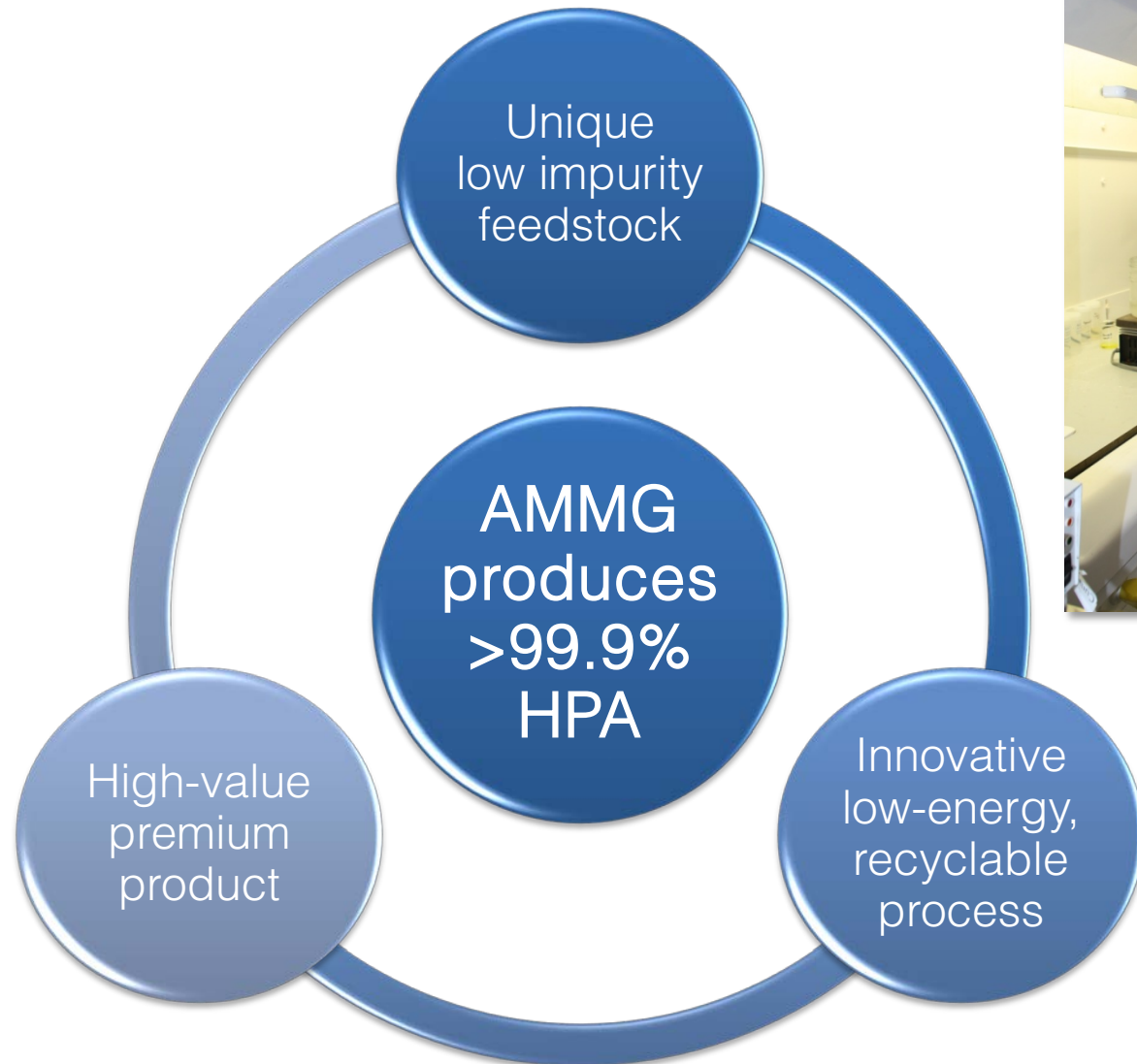


# AMMG's Own Processing Technology



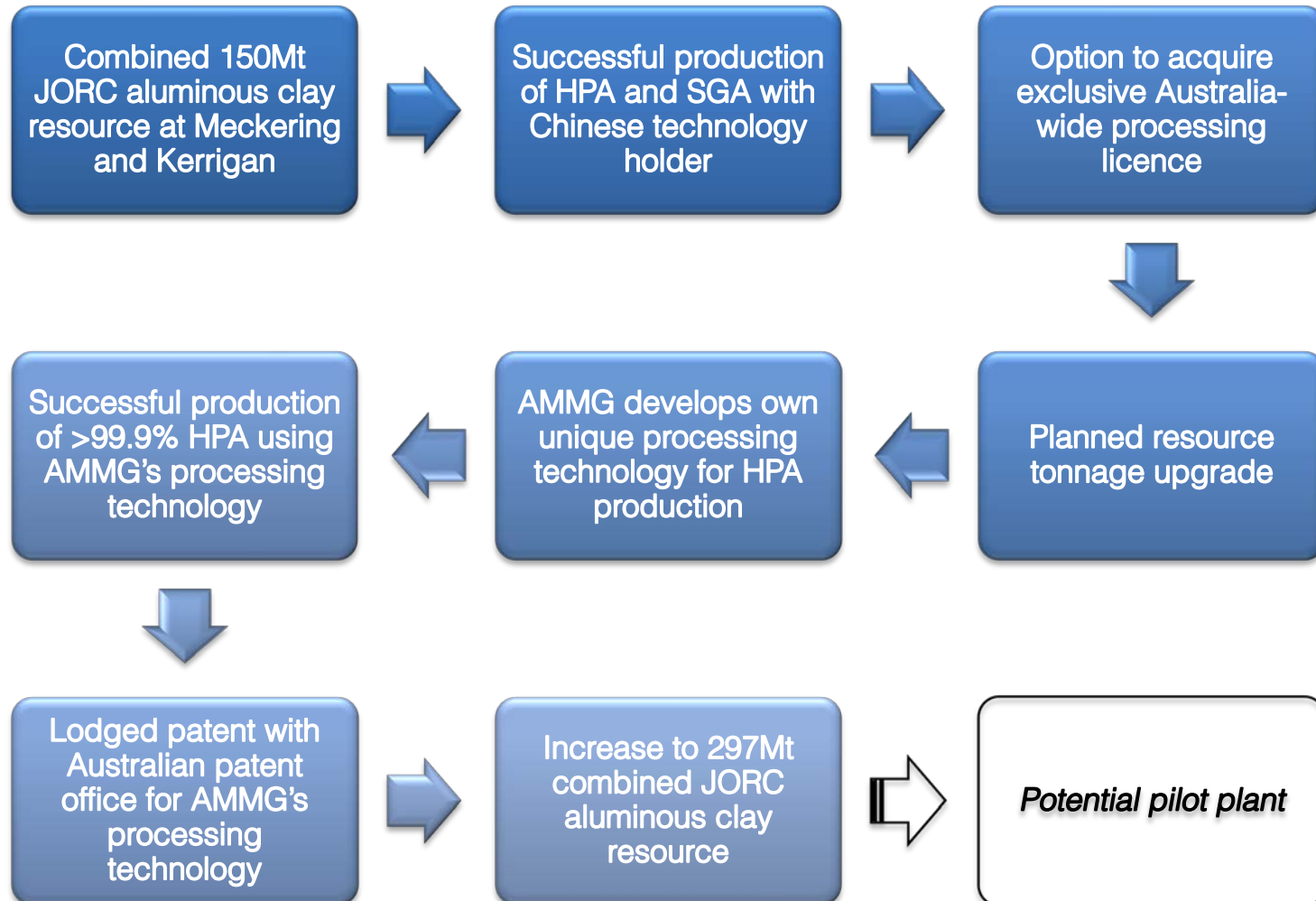
*AMMG has developed its own unique acid-based processing technology for high purity alumina (HPA) production*

# AMMG's Own Processing Technology





# Project Pathway

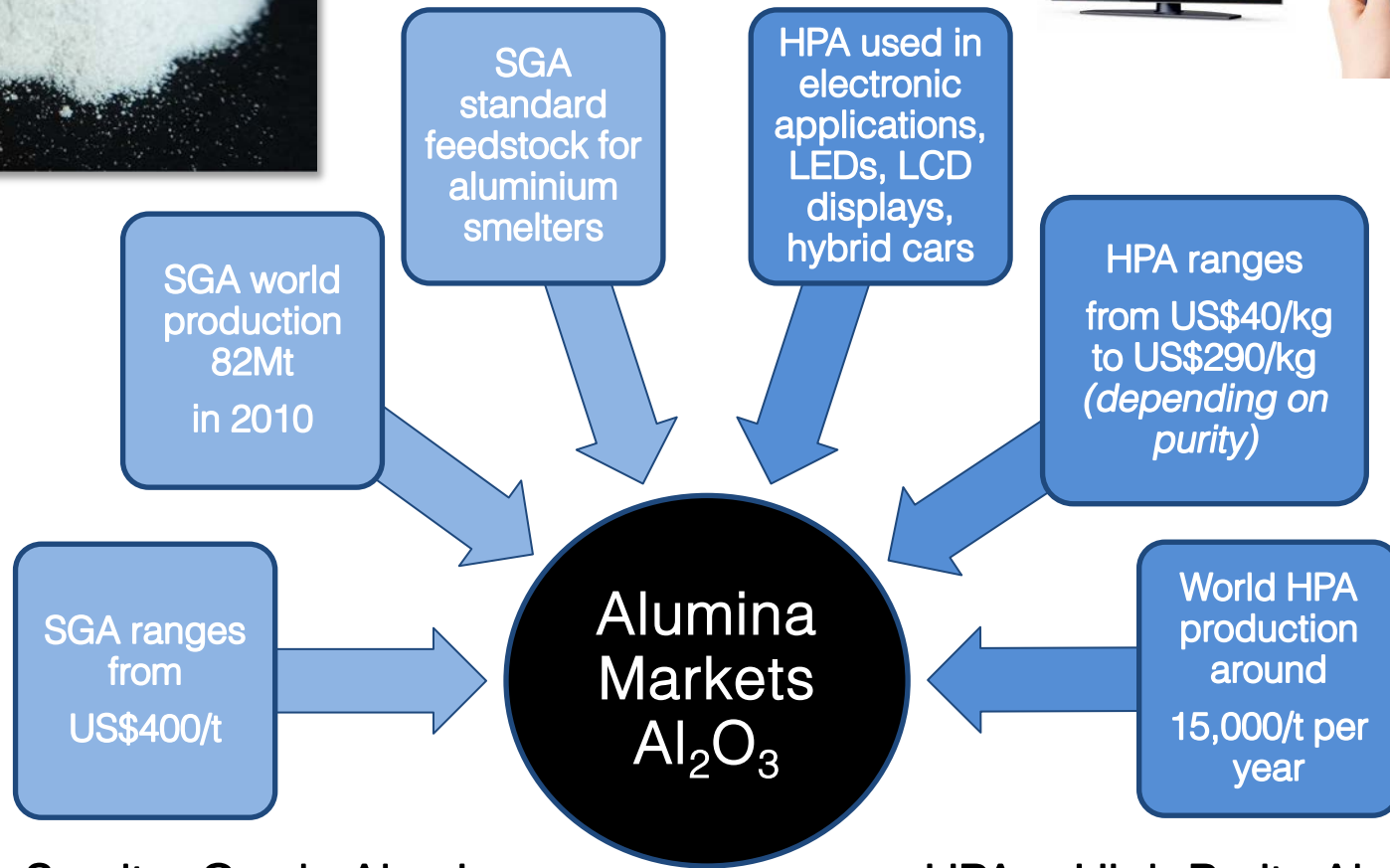


# 'Structural Change'

|                                                    | <i>Bayer Process<br/>Traditional<br/>Technology</i>    | Acid-Based Processing<br>Technology<br>(SGA)  | Acid-Based Processing<br>Technology<br>(HPA)  |
|----------------------------------------------------|--------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| PLANT CAPITAL COST<br>(current estimate for 1Mtpa) | \$2 - \$3 billion                                      | \$300 - \$500 million                         | \$20 million                                  |
| OPERATING EXPENSE<br>(Indicative average)          | \$230 per tonne                                        | \$180 per tonne<br>(potential to lower)       | \$1000 per tonne                              |
| ALUMINA FEEDSTOCK                                  | <i>Bauxite</i>                                         | Aluminous Clay (kaolin)                       | Aluminous Clay (kaolin)                       |
| MAIN REAGENT                                       | <i>Caustic Soda</i>                                    | Acid (HCl or H <sub>2</sub> SO <sub>4</sub> ) | Acid (HCl or H <sub>2</sub> SO <sub>4</sub> ) |
| RESOURCES WORLDWIDE                                | <i>Tropical, high rainfall,<br/>'red mud' tailings</i> | Arid, low rainfall<br>No 'red mud' tailings   | Arid, low rainfall<br>No 'red mud' tailings   |



# Alumina Markets



SGA = Smelter Grade Alumina  
>98% purity

HPA = High Purity Alumina  
>99.9% purity

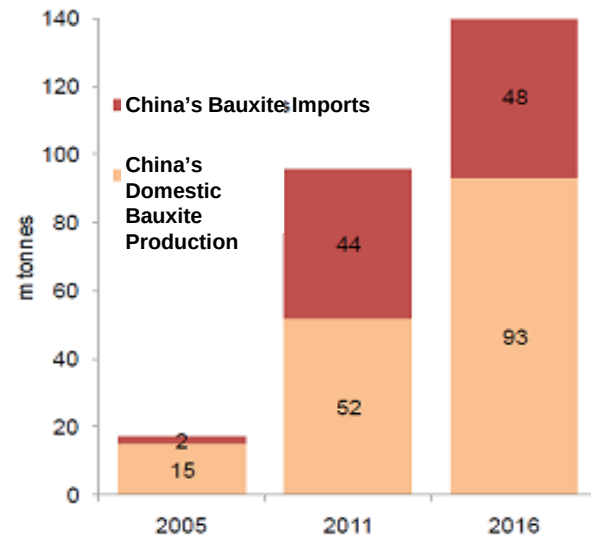
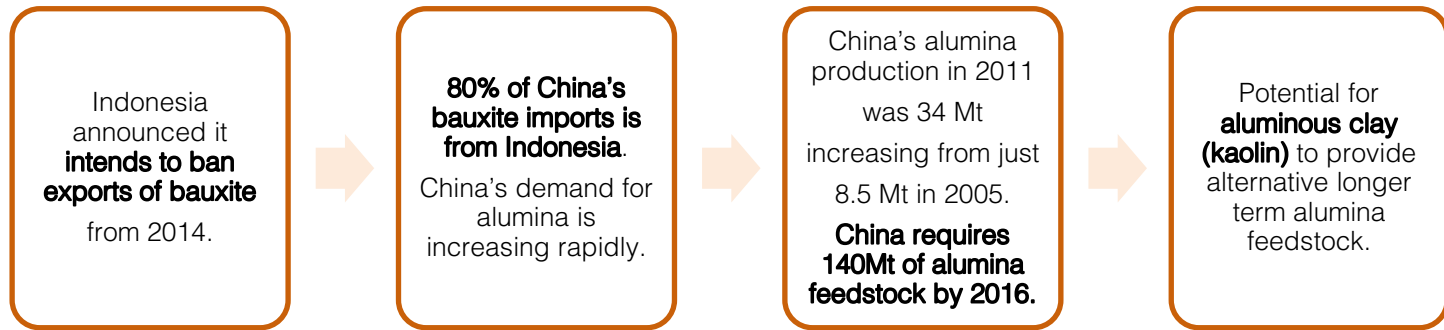


# Major World Kaolin Markets

| Reported Resources (Mt) | Company                                                                                                                    | Kaolin Deposit                 | Country   |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------|
| 1000                    | Orbite Aluminae                                                                                                            | Grande-Vallee (argillite)      | Canada    |
| 167                     | Popular Minerals                                                                                                           | Chittorgarth                   | India     |
| 297                     |  AUSTRALIA MINERALS<br>& MINING GROUP LTD | Meckering, Kerrigan,<br>Gibson | Australia |
| 99.8                    | Beihei Hanhe Kaolin Clay Ltd                                                                                               | Hepu, Guangxi                  | China     |
| 55.3                    | Daleco Resources Corp                                                                                                      | Sierra                         | USA       |
| 47                      | Minotaur Exploration Ltd                                                                                                   | Poochera                       | Australia |
| 38.4                    | I-Minerals Inc.                                                                                                            | Bovill                         | Canada    |
| 25.5                    | Advanced Primary Minerals Corp                                                                                             | Dearing, Georgia               | USA       |
| 19.6                    | Golden Eagle Mining Ltd                                                                                                    | Cadoux                         | Australia |
| 11.6                    | Gulf Mines Ltd                                                                                                             | Skardon River                  | Australia |
| 3                       | 20 Microns Ltd                                                                                                             | Bhuj                           | India     |
| not specified           | English India Clays Ltd                                                                                                    | Veli, Kerala                   | India     |
| not specified           | WA Kaolin Holdings Pty Ltd                                                                                                 | Wickepin                       | Australia |

Source: Industrial Minerals

# China's Demand for Alumina Feedstock



China's requirement for alumina feedstock to supply its aluminium industry will continue to rise



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**Contact:**

Mr Ric Dawson

*Managing Director*