AusNiCo
New Nickel

2012 Annual General Meeting Presentation

28 November 2012

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Forward Looking Statements

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Competent Persons Statement

The information in this presentation that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as a Director of AusNiCo. Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported 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, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

Exploration Target

The Exploration Target is based upon a historic estimate supported by a pre-feasibility study, that included 33,350m of drilling and bulk sampling and which demonstrated three major zones of mineralisation to a depth 200m and strike length of up to 650m. It is the view of Taronga's Competent Person that the Taronga Tin Project is significantly more advanced than an Exploration Target, but is limited within the framework of the VALMIN Code. Further information can be found on Taronga's website at www.tarongamines.com.au or at http://digsopen.minerals.nsw.gov.au/, Report GS1984/35. There has been insufficient recent exploration to define a Mineral Resource. It remains uncertain if further exploration will result in the determination of a Mineral Resource.

Agenda

Exploration Update 2012

Completion of drilling program at the Black Snake Project

- A 1,287m (12 hole) Reverse Circulation “RC” drilling campaign was completed in the Black Snake Plateau region to test geochemical and geophysical targets at the following prospects:- The Peak, Orion’s Belt, Pembroke, Mt Coora North, Mt Cobalt, Mt Clara North and Silver Valley South.
- A new gold (Ag-Cu) target has been identified from interrogation of all Pembroke drilling data in the NW sector near the contact of Mt Mia Serpentinite and Mt Clara Beds metasediments with PEM7 reporting 4m @ 1.3g/t Au, 1.06% Cu & 12.6g/t Ag from 164m and PEM 14 (125m south) reporting 18m @ 1.3g/t Au from 92m including a significant 2m @ 7.64g/t Au.

Marlborough Project granted in Queensland

- Neighbouring the currently producing Marlborough Nickel Laterite Mine
- Subject to native title clearances

New Nickel-prospective tenement in NW Tasmania

- EL 50/2011 Heazlewood River, Tasmania was granted on 21/5/2012. The tenement is located within the Devonian Meredith Granite and Cambrian Heazlewood Ultramafic complex and has numerous nickel (Avebury style nickel sulphide up to 1.4% Ni at Fenton’s Knob) and platinoid prospects as well as enhanced Cu, Pb, Zn and Au prospectivity.

Acquisition of Taronga Mines

- AusNiCo Limited has made an offer to acquire all the issued shares of the public unlisted tin exploration company Taronga, with Taronga shareholders to be offered 5 AusNiCo shares for every 1 Taronga share.
- The offer implies a value of $0.12 per Taronga share or approximately $6.9 million for all of Taronga's issued capital.
- Taronga has 13,100,000 options on issue each exercisable at $0.20. AusNiCo has offered 5 AusNiCo options exercisable at $0.04 per option exercisable by 30 June 2015 to Taronga Option holders in exchange for the cancellation of every Taronga Option held.
- For Taronga shareholders, the offer represents a premium of 20% to the last capital raising conducted by Taronga in early 2012 at $0.10 per share.
- The transaction will be implemented through an off-market takeover offer for Taronga, which will be subject to certain conditions including ANW shareholder approval.

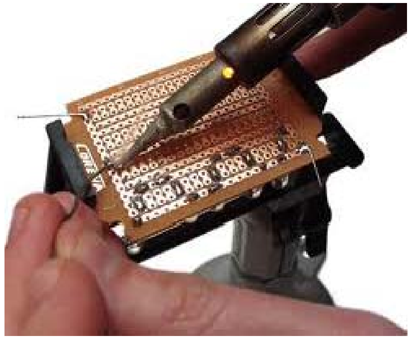
TARONGA MINES LIMITED

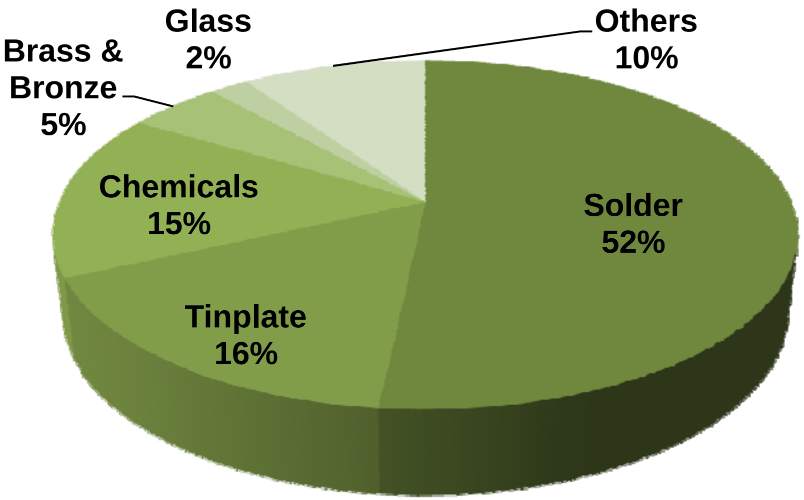
Acquisition Rationale

The Board of AusNiCo considers there to be a compelling strategic rationale for the transaction, including:

- Acquiring an advanced-stage project that can be brought into the development phase following the completion of a scoping study in 2013.
- Exposure to a new suite of commodities including tin. Tin has very attractive fundamentals.
- Brings to AusNiCo a well credentialed management and exploration team lead by Mr Peter Williams.
- Exploration upside from an additional 368km^2 of exploration tenements prospective for tin, tungsten, silver and copper.
- Still provides AusNiCo shareholders with continued exposure to AusNiCo's existing nickel sulphide projects in Queensland and Tasmania.

Tin Consumption





Distribution of Global Consumption

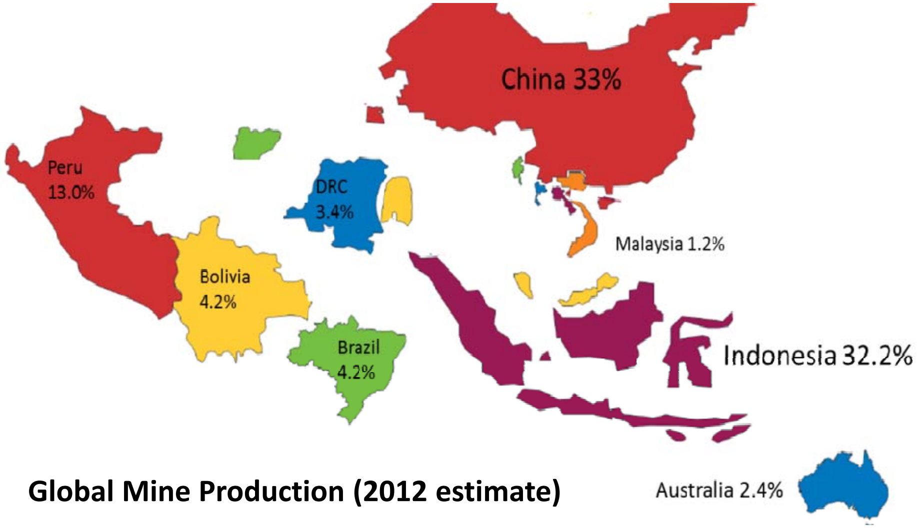
Key Statistics

- Global refined consumption 356kt (2011)
- Global forecast consumption 400kt (2015)
- Forecast growth of 2.8% driven by
  - Demand for electronic goods (transition to lead-free solder alloys has underpinned demand since 2006/07)

Future Uses

- Growth opportunities in Lithium batteries, solar cells, and stainless steel

Tin Supply



Global Mine Production (2012 estimate)

Source: ITRI April 2012

Key Statistics

- Global refined supply 349kt (2011)
- Global forecast production 291kt (2015)
- Supply deficit forecast to continue

Future Trends

- Declining alluvial production from Indonesia
- Increasing artisanal production from DRC – however may be restricted due to push for conflict free tin (CFT)
- Increasing hard-rock production from Australia
  - Increased capital costs
  - Importance of by-products

Tin Price Outlook

CRU Commodity Heat Chart for 2016

Note: 2016 annual average price forecast (nominal $ or benchmark) versus 2012 Q2 average actual prices

- A decline is expected in mined tin from the major global producers, China and Indonesia, with very little in the way of large new projects.
- The CRU (well respected independent commodity forecaster) forecasts a significant rise in tin prices through to 2016.

Taronga Location & History

Taronga Location (Emmaville, NSW)

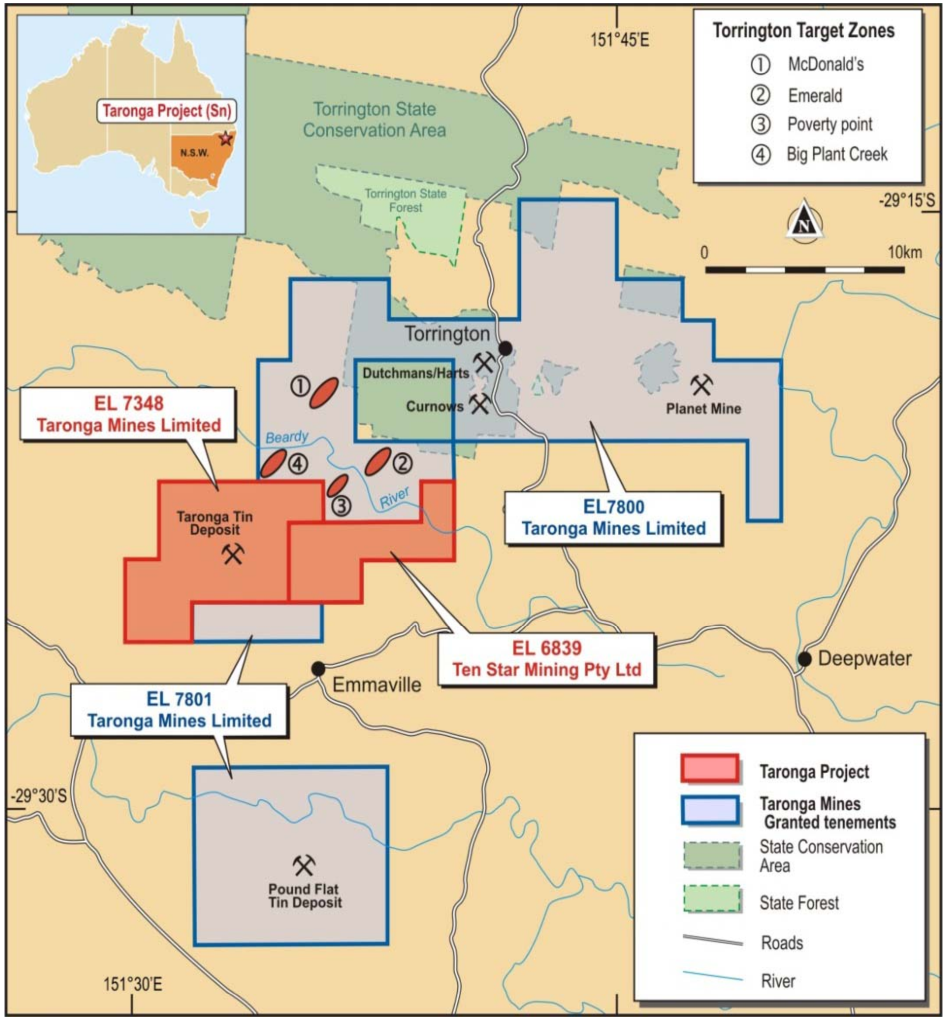
- New England Tablelands
- Local population @ 550 people and mainly rural (wheat/sheep)
- Taronga situated on freehold farming property

Taronga History

- Discovery date unknown but tin mining at Emmaville since 1870s
- Newmont and JV partners (1980s) completed a Pre-Feasibility Study (PFS)
- Exploration Target of 30Mt – 50Mt grading 0.15% to 0.25% Sn (1)
- Taronga (2008) acquired project and subsequently secured adjacent Exploration Licenses

Note: (1) Refer Exploration Target note on slide 2.

Significant Exploration Potential



Historic Production

- 89kt contained tin mined since 1872
- Region hosts >500 known tin occurrences

TML has four Exploration Licenses

- 368km² total area
- Regional Geology
- Projects situated in the New England Fold Belt hosting granitoids intruded into volcanics & sediments, the Mole Granite being the most notable
- Significant potential for tin, silver, copper, tungsten & gold

Key Targets

- McDonalds
- Emerald

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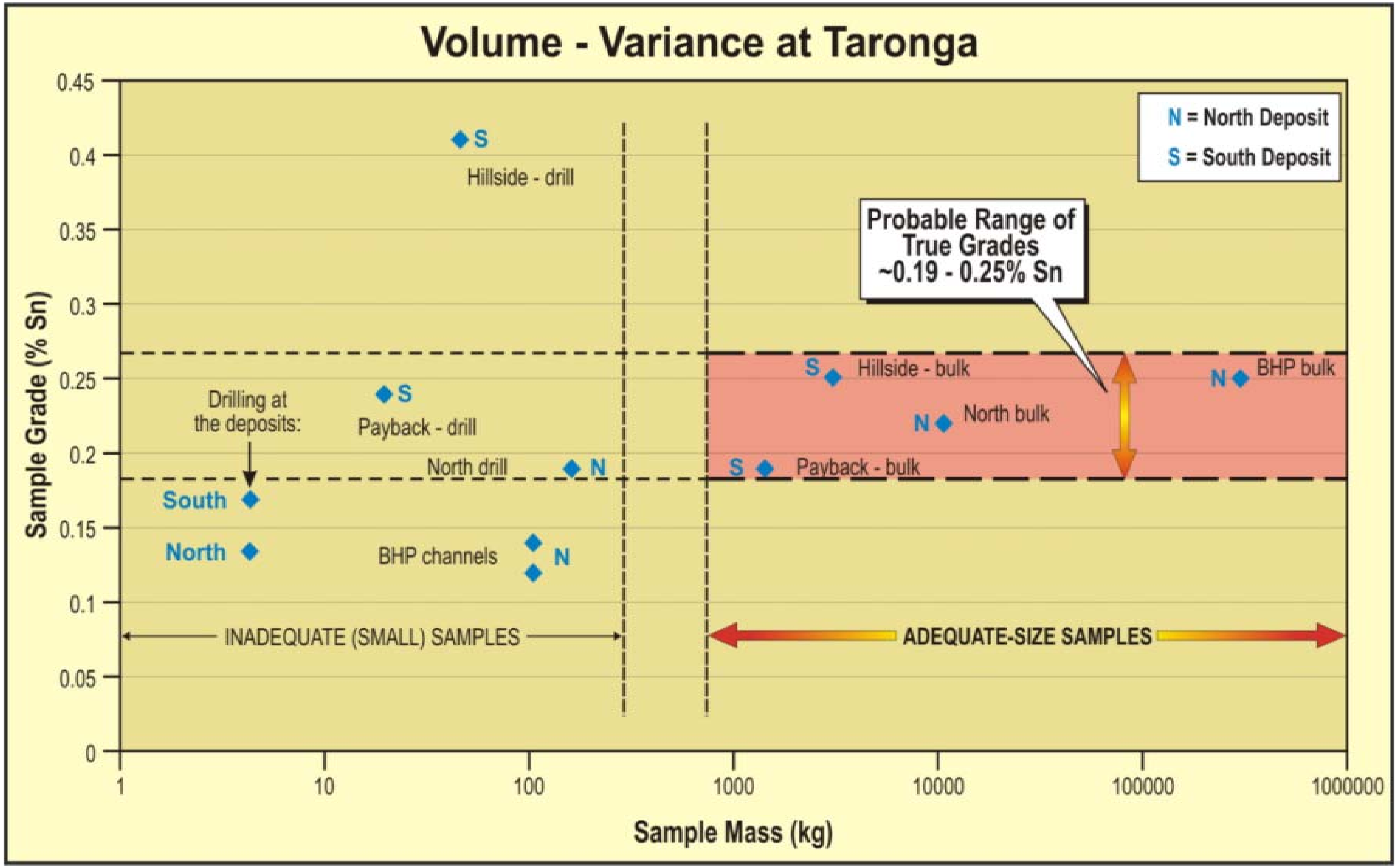
Grade Potential – Volume / Variance



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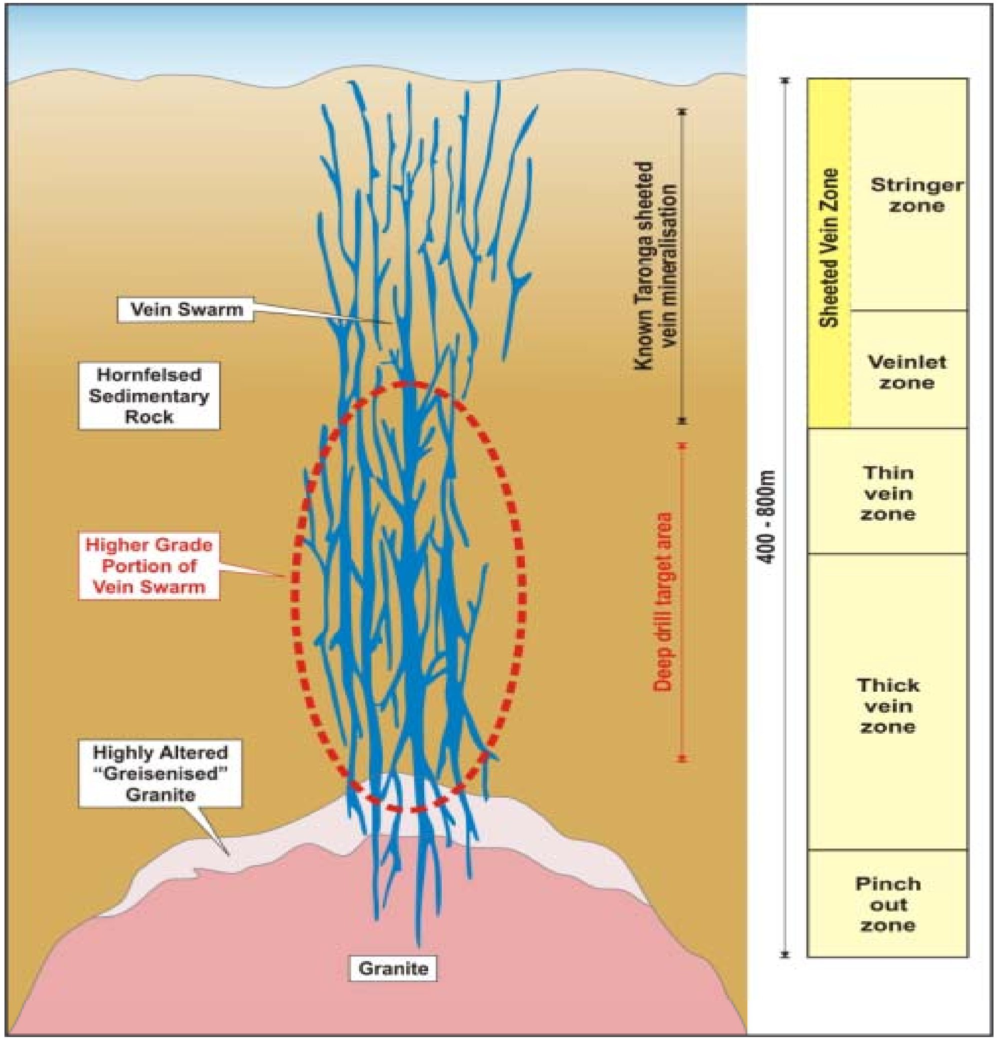
Grade Potential – Higher Grades at Depth



The geological model

- Hypothesis of increasing vein width at depth based on morphology of other deposits globally

Limited drilling at depth

- Majority of holes shallow
  - Northern Zone to 200m
  - Southern Zone to 150m
- One hole drilled to granite (1m @1.67% Sn)

Grade Potential – Test Work Results

Positives

- Extensive Bench scale testing
- Pilot scale testing, including 8 tonne composite for heavy medium separation
- Crushing & grindability testing undertaken
- Cassiterite coarse (0.1 to 3mm) and suited to recovery by gravity concentration
- Final concentrate up to 74% Sn produced

"Comprehensive and thorough" & "work done on a scale rarely encountered in current practices" – Peter Munro (Mineralurgy 2012)

But….

- Significant losses of fine tin (~8.9% of total tin)
- Copper recovery to bulk sulphide was low (lead to abandonment of further testing)

Recommended Program (Mineralurgy)

- Preconcentration - Examine ore sorting (for application prior to HMC)
- Comminution - High Pressure Grinding Rolls (as alternative to rod milling)
- Gravity Concentration – Centrifugal separators for improved recovery of fine tin

Grade Potential – Test Work Results

Results from 8 tonne pilot plant trial	Grade	*Au_{eq} (g/t)*
Assayed Head for Heavy Medium Feed - %Sn - %Cu - Ag g/t	 0.21 0.11 6.27	*1.29*
Calculated Concentrator Feed - %Sn - %Cu - Ag g/t	 0.46 0.18 10.89	*2.72*

Gold Equivalent provided for comparison purposes only, Taronga contains no notable gold.
(Au_{eq} calculated at US$25,000/t Sn, US$7,300/t Cu & US$29/oz Ag

Roadmap to Creating Value

Taronga is already a World Class deposit and historic PFS provides road map for creating value

Stage 1: Updated Scoping Study

- JORC Compliant Resource
- Preliminary metallurgical test work
- Grade enhancement

Stage 2: Expanded Life of Mine

- Regional exploration
- Evaluation for depth extension at Taronga

Stage 3: Updated Pre-feasibility study

- Evaluate increased production rate
- Incorporation of supplementary ore sources
- Metallurgical test work for copper & silver recovery

Independent Expert's Report

- BDO Corporate Finance (QLD) Limited ('**BDO**') were engaged by the directors of AusNiCo to prepare an independent expert's report to the shareholders of AusNiCo in relation to the proposed takeover of Taronga Mines Limited by AusNiCo.
- BDO concluded that the proposed transaction is both **fair and reasonable**.
- The independent geologist, Xstract Mining Consultants Pty Ltd, valued Taronga Mines with a mid point value of **$8.1 million** and a high point value of **$14.5 million**.
- **AusNiCo is paying an implied value of $6.9 million for Taronga Mines**, assuming a AusNiCo share price of 2.4 cents.

Valuation Method	Preferred ($ million)
Comparable Market	**8.5**
Taronga Mine (EL7348)	5.4
Exploration (EL7800, 7801 & 6839)	3.1
Geoscientific Rating	**7.7**
Total	**8.1**

Conclusion

- AusNiCo to acquire Taronga Mines Limited subject to certain conditions
- Taronga Tin Project is a world class tin deposit and 100% owned
- Exploration target of 30Mt – 50Mt at 0.15% - 0.25% Sn (1)
- Exploration upside from 368km^2 of granted exploration licences prospective for tin, tungsten, silver, copper
- Strong tin market fundamentals with the supply deficit expected from slowing production and continued demand
- Maintained exposure to existing grass roots exploration projects in Queensland and Tasmania
- Clear road map to creating shareholder value

Note: (1) Refer Exploration Target note on page 2.