

# Reed Resources Ltd

**AGM Presentation  
November 2004**

# OUTLINE

- Corporate information
- Business Strategy
- Exploration projects
  - **Comet Vale**
  - **Mt Finnerty**
  - **Barrambie**
- Strategic Alliance with CSM
- Opportunities



**Drill core from  
Sand George Lode**

# CORPORATE INFORMATION

- Established December 2001
- Floated July 2002 (raised \$6M)

- Directors

David Reed OAM - Executive Chairman  
FCPA

Chris Reed - Executive Director/ Secretary  
BCom, GradCertMinEcon (WASM) ASA

Peter Collins - Non-Executive Director  
BSc(Hons) PhD MAIG

Ian Junk – Non-Executive Director  
B.Eng (Hons) MAusIMM

# CORPORATE INFORMATION

- **Capital Structure**

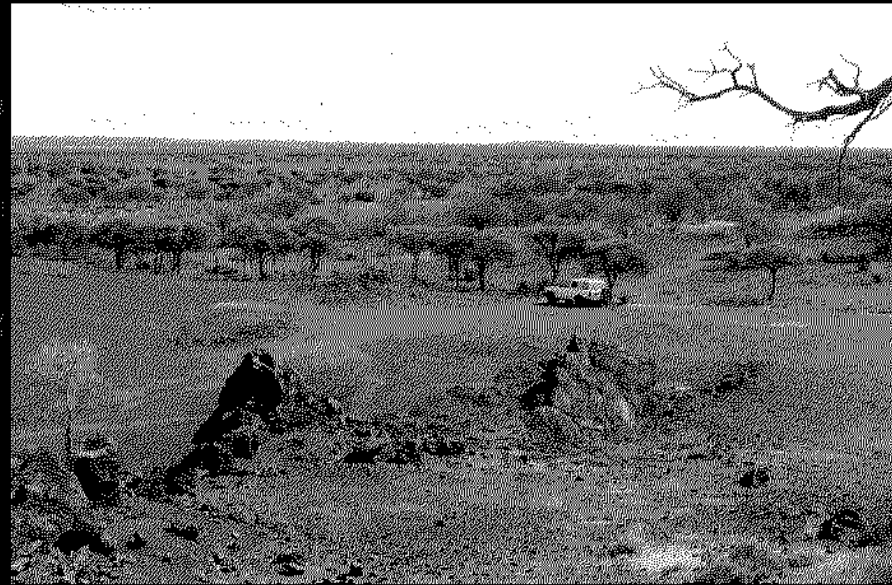
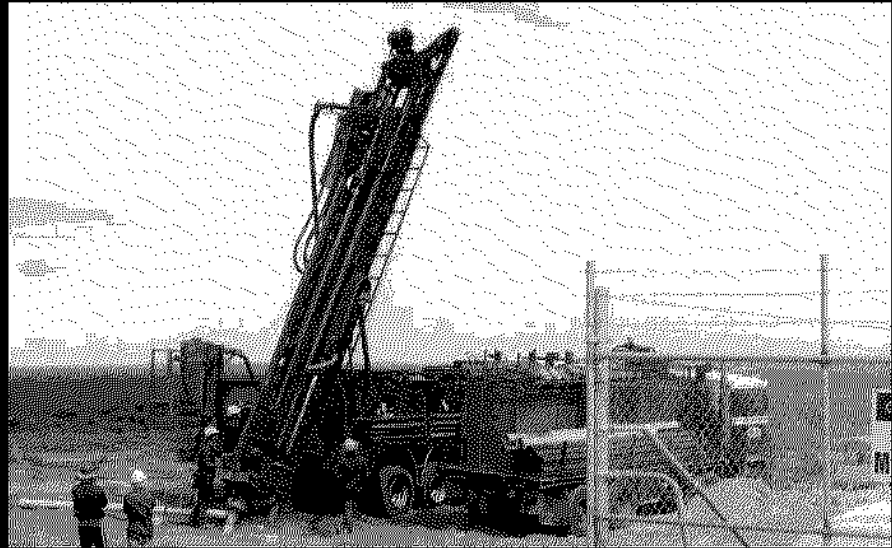
- Vendor shares 15M @ 20c
- Seed capital 4M @ 10c
- Shares issued 30M @ 20c
- Barrambie acquisition 0.75M @ 20c
- Consolidated Minerals 12.3M @ 25c
- **Total issue 62 M shares**

Market Cap (@28c) \$16 M

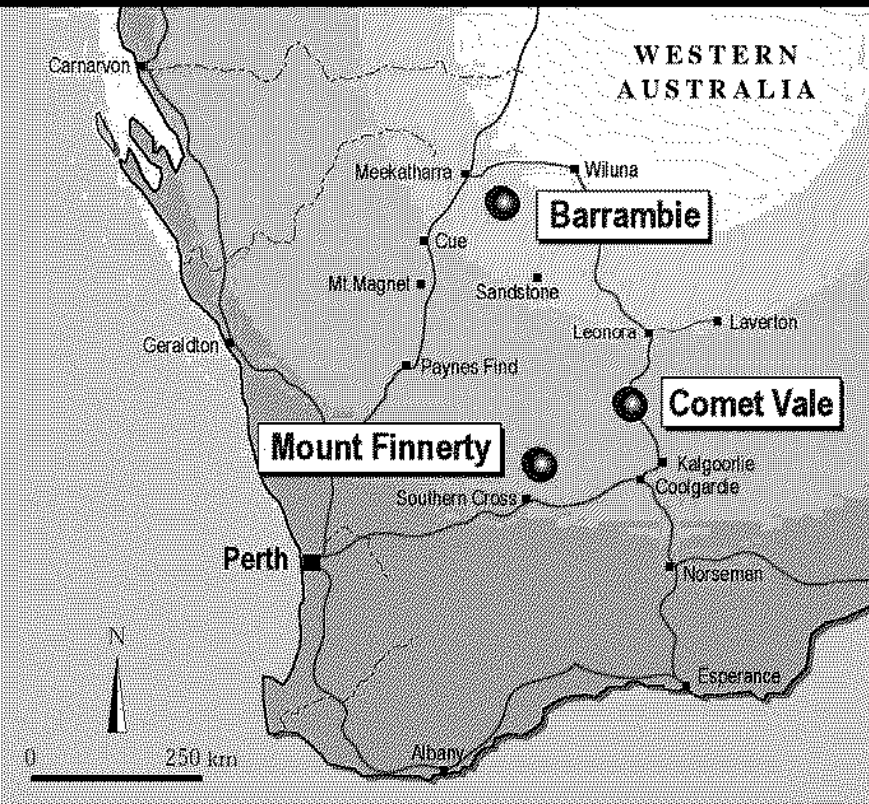
**Cash** (23 November 04) **\$1.3 M**

# BUSINESS STRATEGY

- Develop high-grade gold deposits
- Explore for other metals in existing tenements
- Selective acquisition of new ventures to broaden resource base



# EXPLORATION PROJECTS



## Barrambie

Murchison province

Titanium

## Comet Vale

Eastern Goldfields province

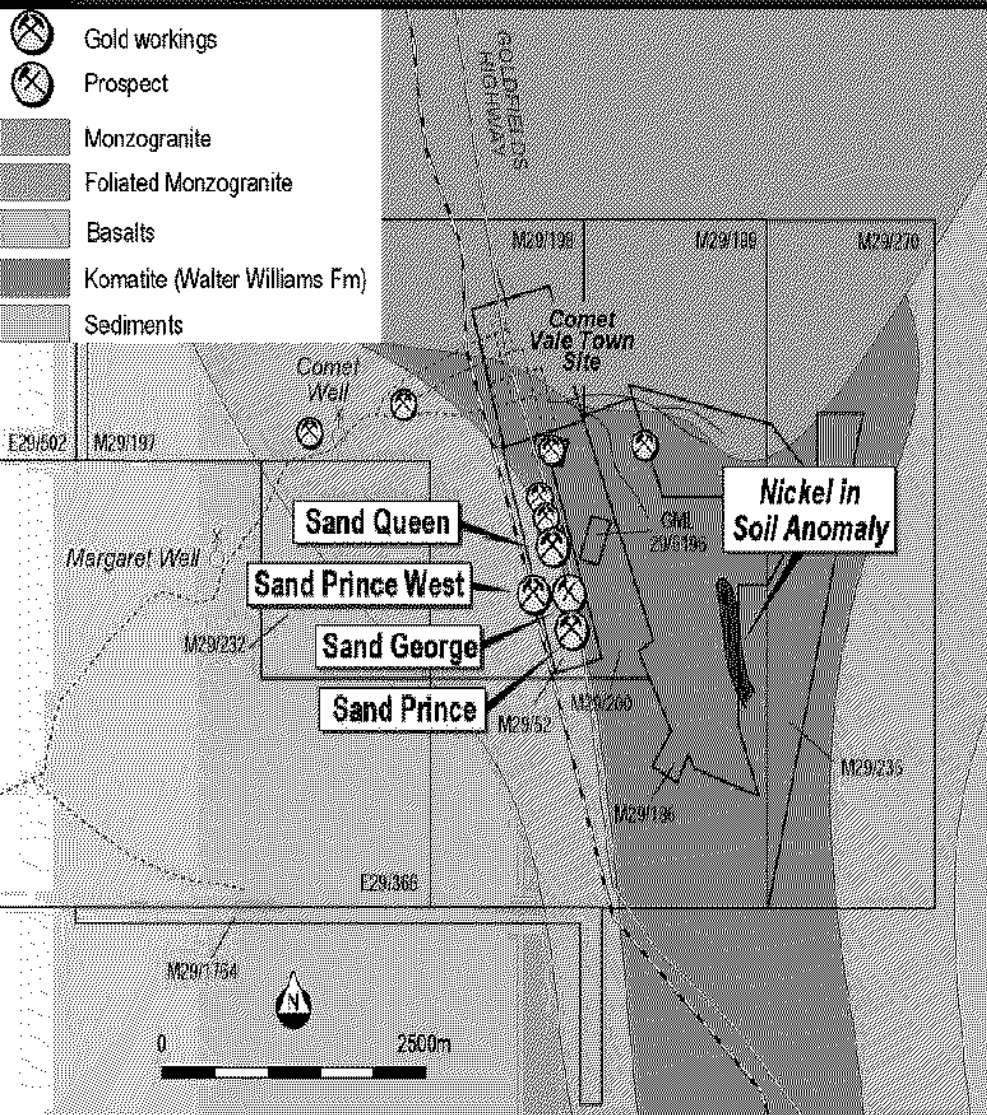
Gold Nickel

## Mt Finnerty

Southern Cross province

Gold Iron Ore Nickel

# COMET VALE PROJECT

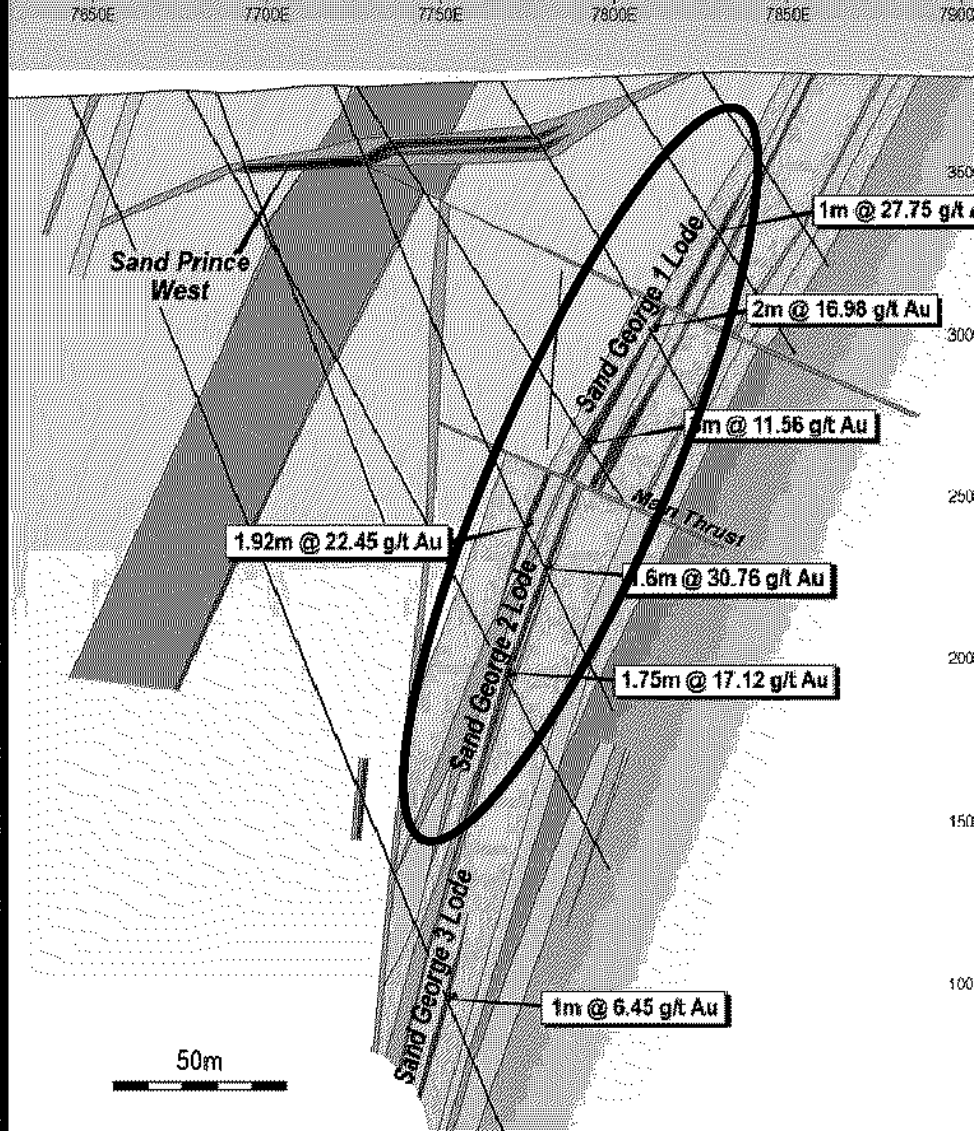
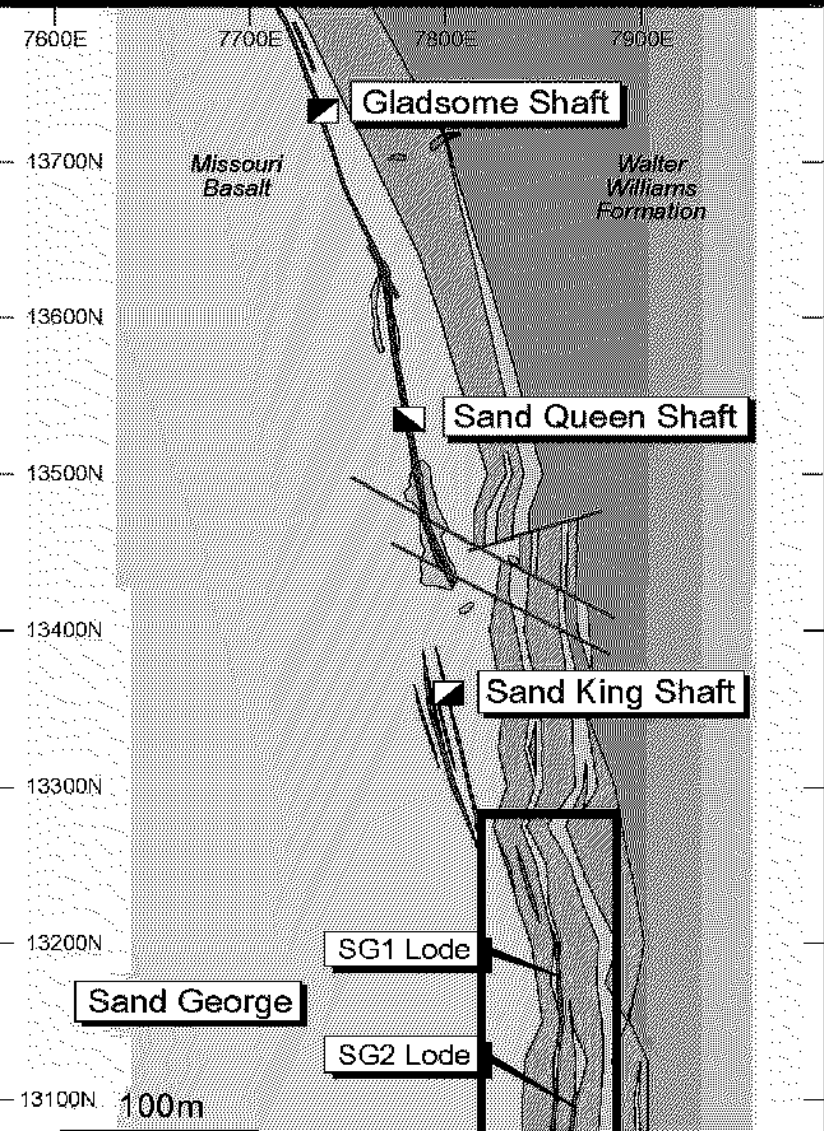


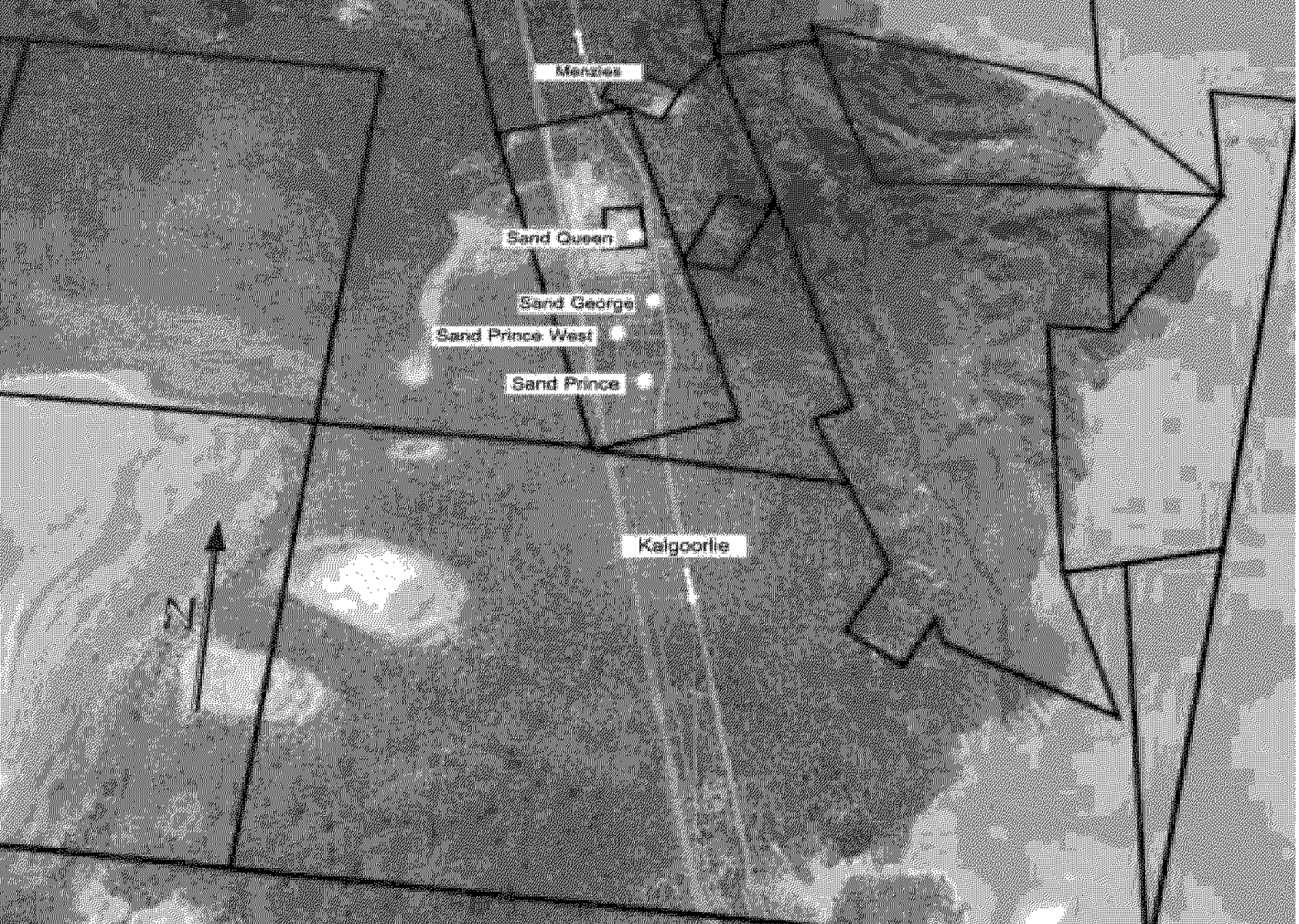
Near-mine gold exploration

## PROJECT STRATEGY:

- Cashflow from initial development of Sand George Deposit
- Extend and upgrade resources below 200m
- Test nickel sulphide potential

# COMET VALE Geology





Menzies

Sand Queen

Sand George

Sand Prince West

Sand Prince

Kalgoorlie

N

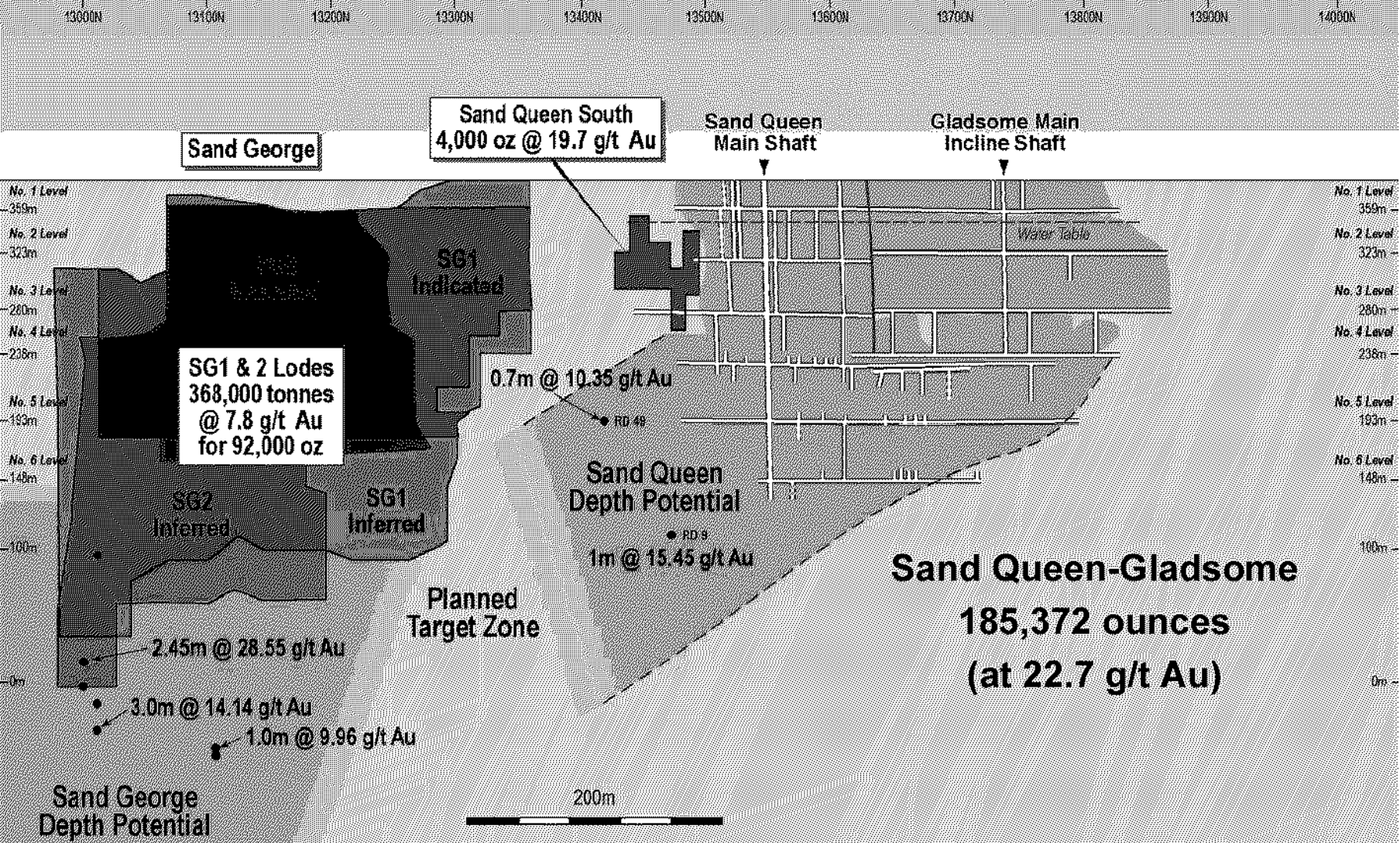
# MINERAL RESOURCES

VEIN	CATEGORY	TONNES	GRADE	OUNCES
<b>SG1</b>	Indicated	136,000	9.6	42,000
<b>SG2</b>	Indicated	131,000	6.5	27,000
	Sub-Total	267,000	8.1	70,000
<b>SG1</b>	Inferred	41,000	6.8	9,000
<b>SG2</b>	Inferred	59,000	7.1	13,000
	Sub-Total	101,000	7.0	22,000
<b>TOTAL</b>		<b>368,000</b>	<b>7.8</b>	<b>92,000</b>

## Sand Prince West Lode

77,000 tonnes @ 3.9 g/t Au (Unclassified, 1 g/t Au lower cut)

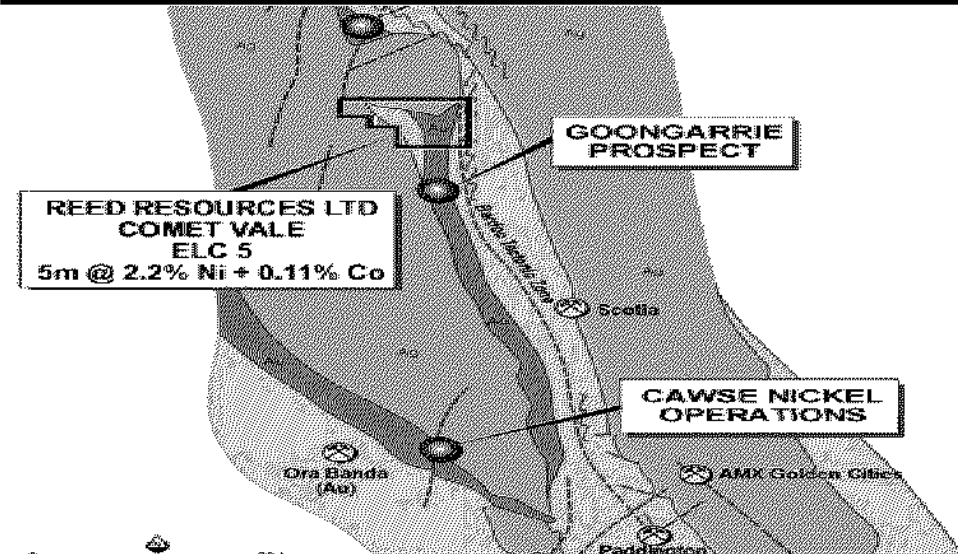
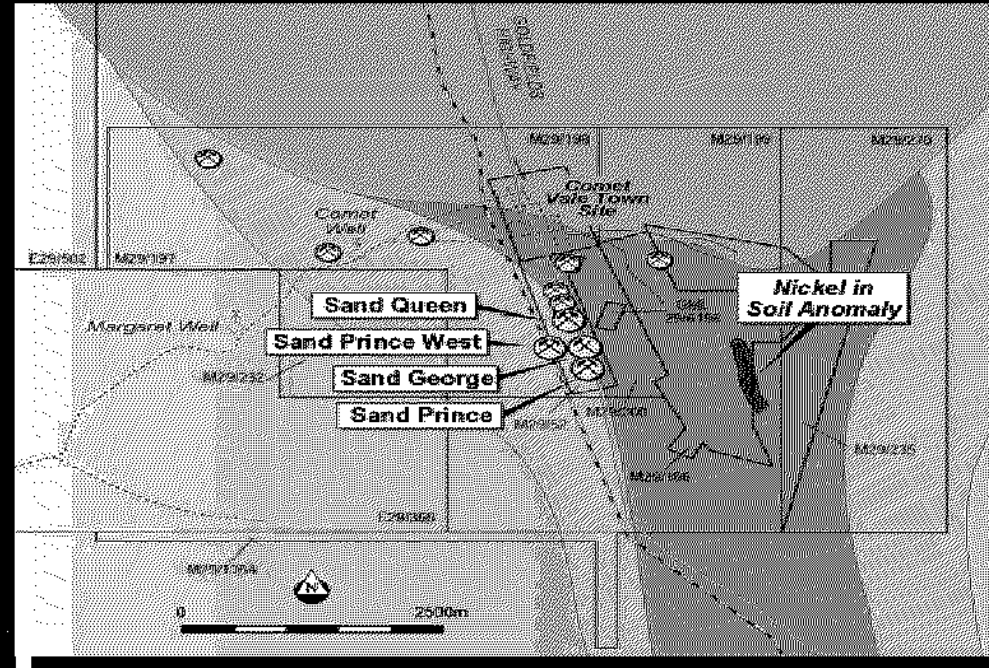
# COMET VALE – Depth Potential



Long Projection Looking West

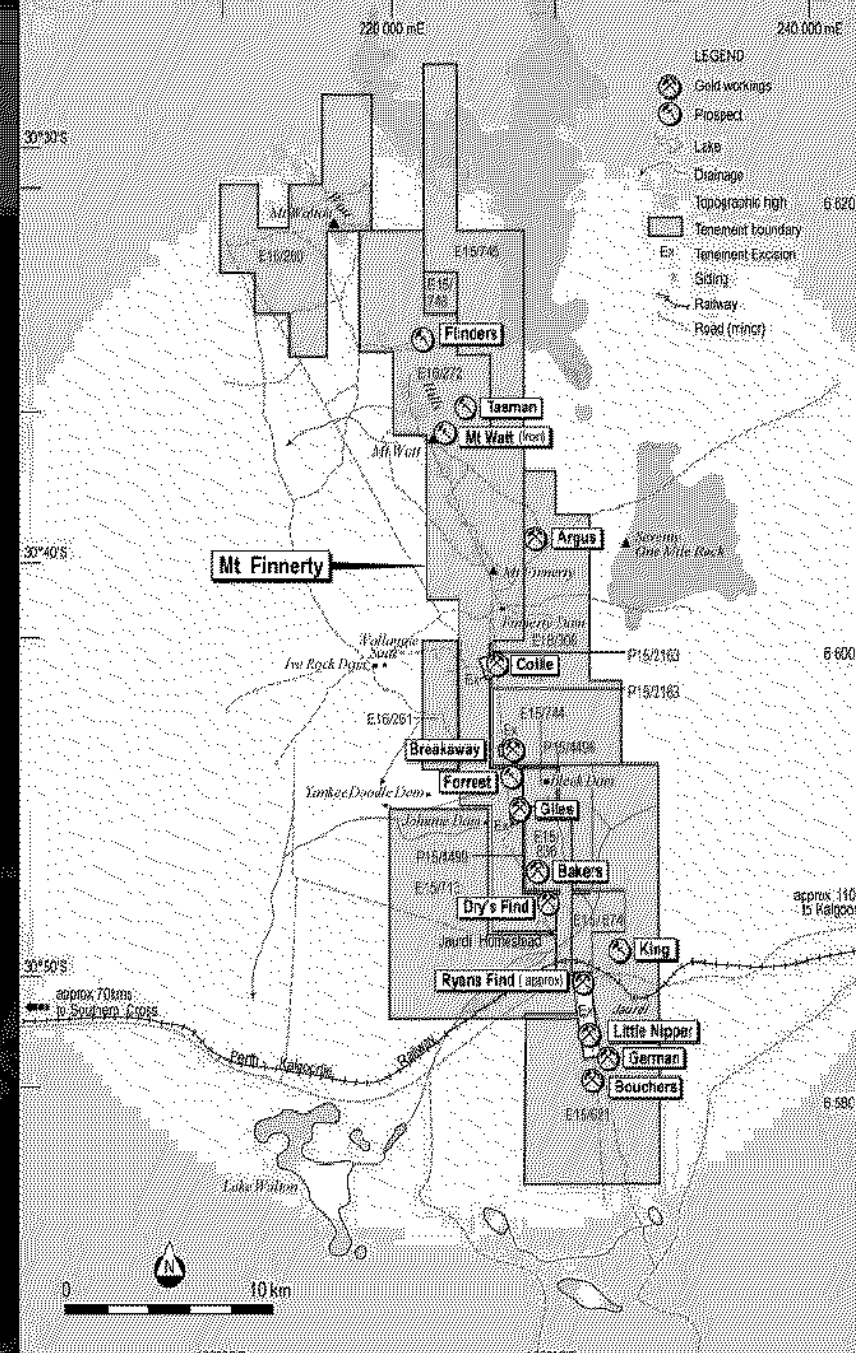
# COMET VALE – Nickel

- Target – komatiite-hosted massive nickel sulphides
- Tenements host extensive sequence of ultramafic lithologies over 5km strike.
    - Siberia Komatiite
    - Walter Williams Form
  - Potential high-grade Ni Laterite resource in well-developed lateritic profile
  - Limited previous exploration
    - 8m @ 1.48 % Ni (RC drill hole ELC5)
    - inc. 5m @ 2.2 % Ni



# MT FINNERTY PROJECT

- Brown-fields exploration project
- 45 km of Watt Hills G/B
- Known high-grade gold and BIF-hosted Fe ore (hematite)
- 20 km of prospective Ni-sulphide hosting Ultramafic
- **Exploration Targets:**
  - Archaean lode gold
  - BIF-hosted iron ore
  - Ni Sulphides



# MT FINNERTY - Exploration

- **Airborne geophysical survey**

- 8,248 line km at 100 m line spacing, 30 m sensor height

- **Preliminary results:**

- Extensive ultramafic sequence, along strike from nickel sulphide occurrences.
- Several gold targets (shear zones, jogs, dislocations)

- **Rock Chip Sampling (Dec 03)**

0.53% Ni, 11 ppm Cu, 0.31% Cr

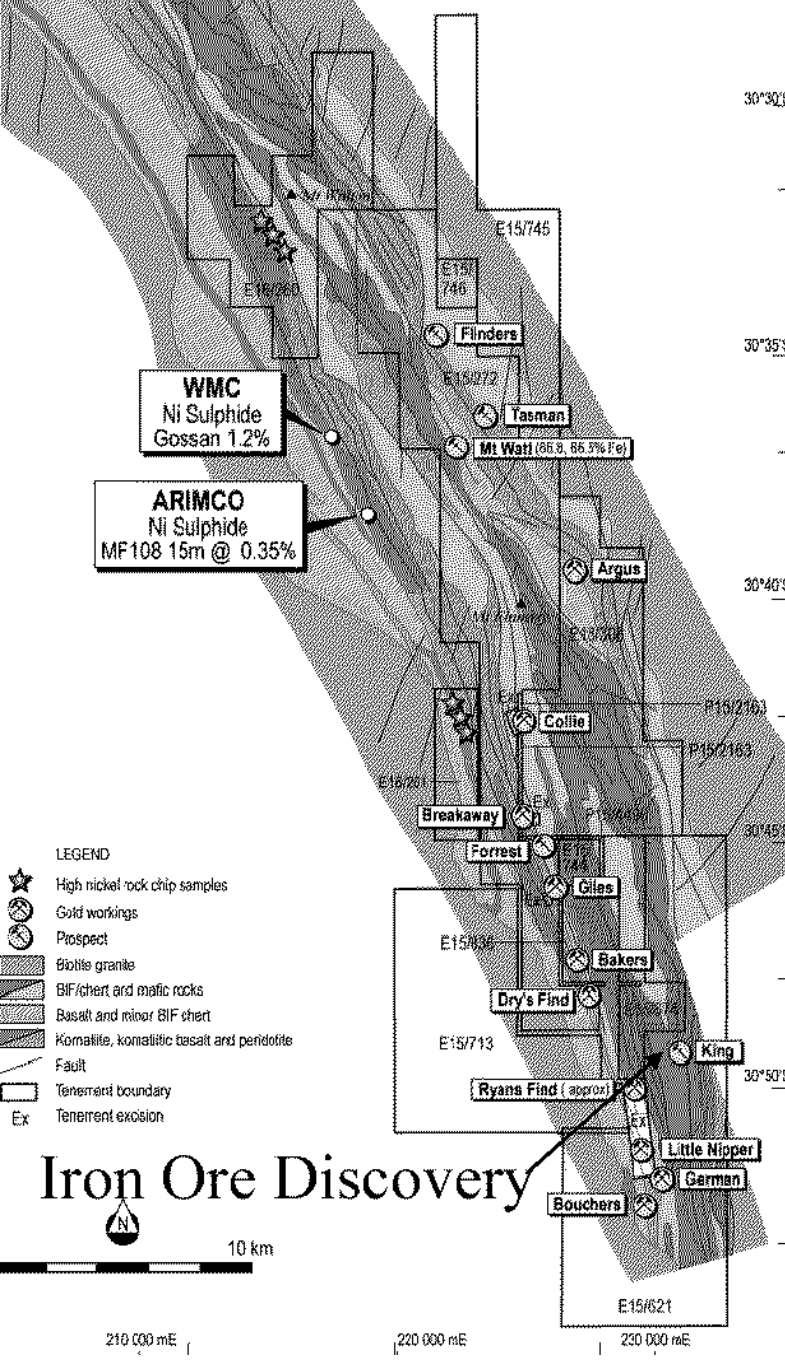
0.61% Ni, 11 ppm Cu, 0.37% Cr

0.41% Ni, 5 ppm, 0.26% Cr

0.19% Ni, 71 ppm Cu, 0.41% Cr

0.26% Ni, 181 ppm Cu, 0.5% Cr

0.21% Ni, 119 ppm Cu, 0.45% Cr



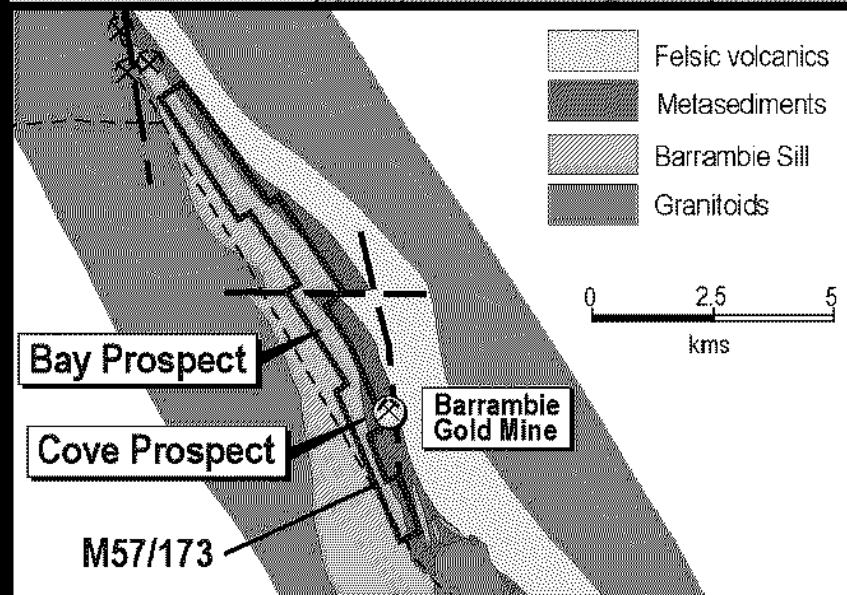
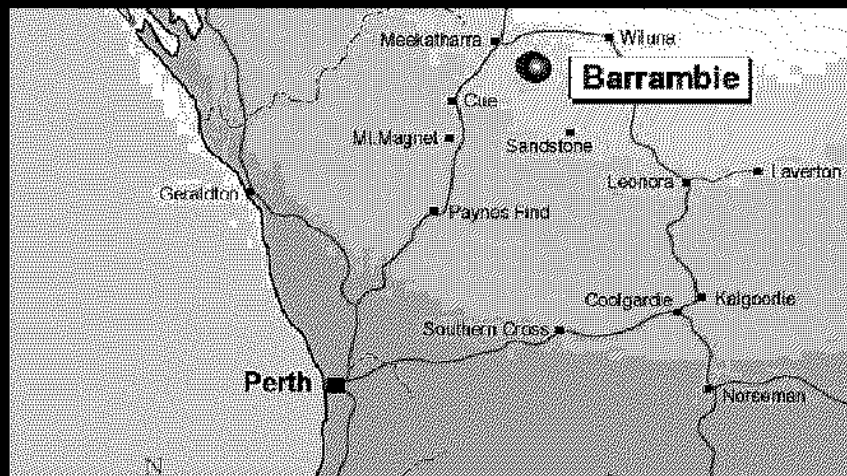
Iron Ore Discovery

210 000 mE

220 000 mE

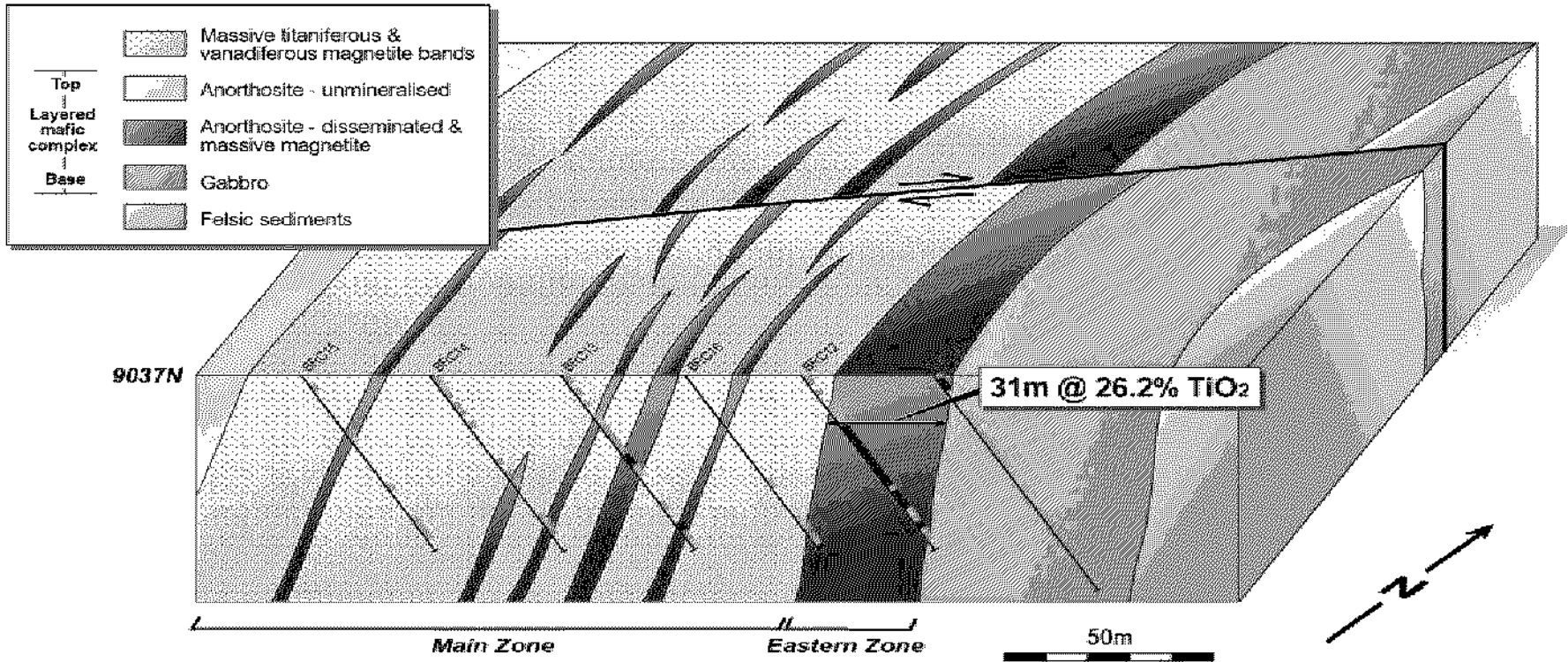
230 000 mE

# BARRAMBIE PROJECT



- Advanced exploration project acquired April 2003
- Magmatic Ti-Fe±V oxide deposit in anorthosite-gabbro
- Previous evaluation bias toward vanadium
- **Titanium** potential not fully tested and evaluated
- PGMs, gold & nickel potential
- 11 km strike length within mining lease M57/173
- **LOW COST ENTRY INTO HUGE TITANIUM MARKET**

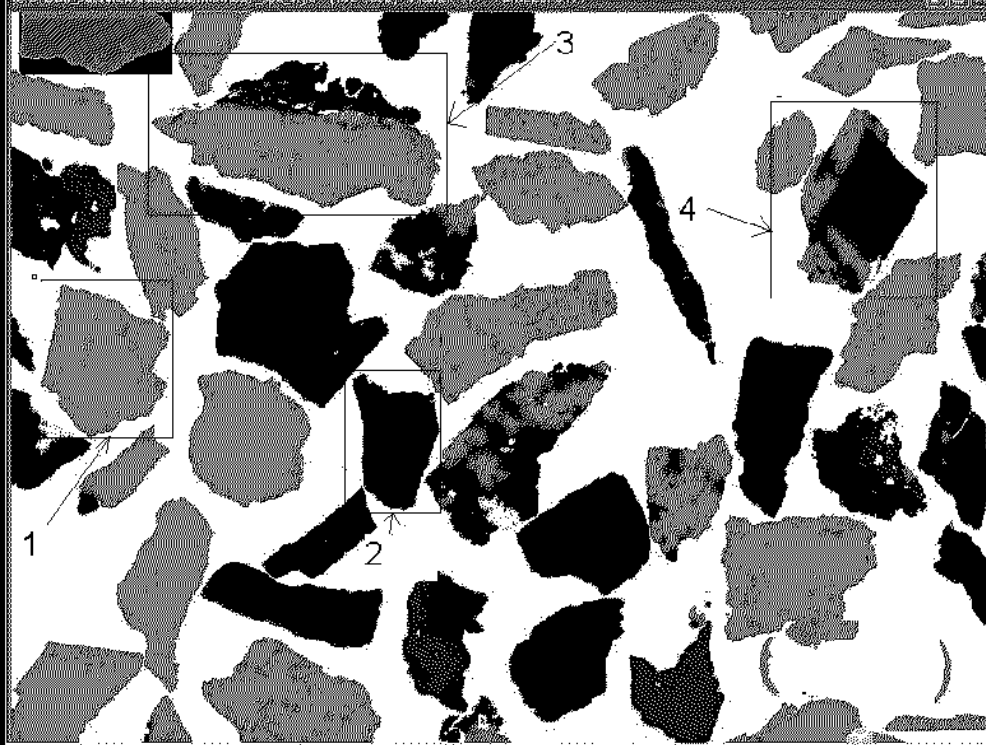
# BARRAMBIE – Geology (Block diagram)



## Eastern Band Mineral Resource

Indicated	7,160,000 t @ 22.9% TiO <sub>2</sub>
Inferred	<u>16,600,000 t @ 22.3% TiO<sub>2</sub></u>
<b>TOTAL</b>	<b>23,760,000 t @ 22.4% TiO<sub>2</sub></b>

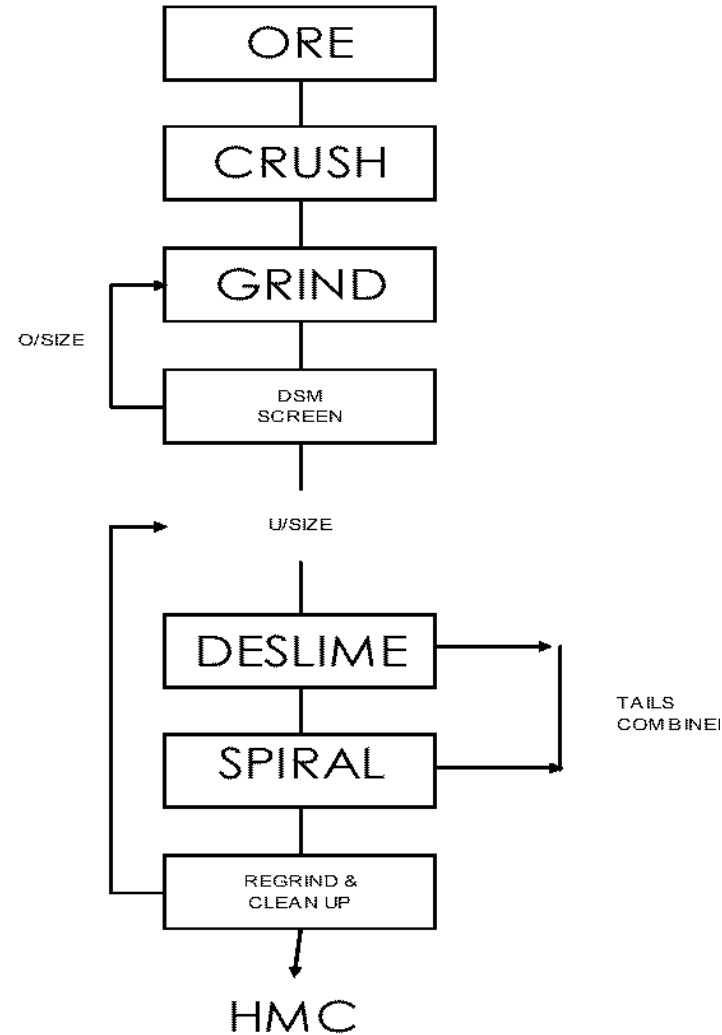
# BARRAMBIE - Metallurgy



False Colour AutoGeoSEM Image

1. Liberated Ilmenite
2. Liberated Titanomagnetite

## BARRAMBIE BENEFICIATION PLANT FLOWSHEET



# STRATEGIC ALLIANCE

## MOU with Consolidated Minerals Limited

Option to form JV over:

- Mt.Finnerty (Iron Ore)
- Barrambie (Titanium)

### Consideration

- 2 million shares @ 25c
- 5.45 million shares @ 25 c
- Underwrite \$4 million dollar Convertible Note Issue

### Evaluation

- Mount Finnerty exploration programme commenced
- Advanced Metallurgical Testwork/Flowsheet nearing completion

# SUMMARY

## **Mt Finnerty (nickel, gold, iron ore)**

- Follow-up RAB drilling of ultramafic units – Dec/Jan
- CSM to drill New Iron Ore Discovery – November 04

## **Barrambie (titanium, iron)**

- Major hard rock titanium resource (23mt @ 22% TiO<sub>2</sub>)
- Initial Metallurgical Testwork produces high-quality feedstock (55% TiO<sub>2</sub>)
- Cost & Capital Estimation in progress

## **Comet Vale (nickel)**

- Untested Ni-laterite and Ni-sulphide potential at Comet Vale

# SUMMARY

## Comet Vale (gold)

### Indicated Mineral Resource (at 2 g/t Au cut off)

- Sand George prospect: 267,000 tonnes @ 8.1 g/t Au (70,000 ounces gold)
- Sand Queen South: 6,500 tonnes @ 19.7 g/t Au (4,100 ounces gold)

### Exploration Potential

- Upgrading Inferred Resource of 101,000 tonnes @ 7.0 g/t Au (22,000 oz)
- Sand George deep lodes (SG 3, 4 & 5 Lodes)
- Extension of Sand Queen lode at depth
- Sand Prince West Lode (77,600 tonnes at 3.9 g/t Au)
- Repetition of Comet Vale Lodes along strike

# OPPORTUNITIES

- **Cashflow from development of Sand George deposit**
- **Exploration success**
- **Diversified commodity base**
- **Alliances with key partner with experience in mining and development of world-class bulk mineral operations**