Abu Dabbab & Nuweibi

A World-Class Tantalum Resource
Tin & Feldspar

Sydney RIU Resources Roundup Conference 2013

Presentation – May 2013

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About Gippsland Limited

- **Listed on the ASX (GIP)**
  - Head Office in Perth (Australia)

- **Activities focussed on the MENA region**
  - Regional Office in Cairo (Egypt)
  - Offices in Asmara (Eritrea) and Amman (Jordan)
  - Australian & MENA geotechnical staff in Egypt and Eritrea

- **Flagship project**
  - World-class Abu Dabbab Tantalum-Tin-Feldspar Project (Egypt)

- **Other Projects & Investments**
  - Egypt, Nuweibi Tantalum-Tin-Feldspar Project
  - Egypt, Abu Dabbab Tin Placer Deposits (Now in production)
  - Egypt, Wadi Allaqi / Abu Swayel Gold Exploration
  - Eritrea, 2,200km^2 Exploration Licences for copper-gold-base metal VMS in the highly prospective Nubian-Arabian Shield
  - 19% holding in Stellar Resources Ltd (ASX: SRZ)

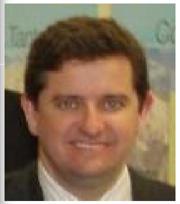
Gippsland Limited Directors & Management

Ian Gandel, Non-Executive Chairman LLB, BEc, FCPA, FAICD

- Successful businessman with extensive experience in retail management and retail property
- Involved in resource industry since 1994
- Substantial holdings in a number of ASX resource companies

Jon Starink, Executive Director BSc (Hons), BChemE(Hons), MApplSc, FAustIMM, FIEAust, FIChemE, MRACI, MTMS

- More than 30 years experience in the mining industry as Executive and Non-Executive Director
- Ten years with Greenbushes during evolution to major tantalum raw material producer, directly involved in establishing tin smelter and tantalum SX process
- Engineering design and project management; mining exploration management; science and engineering research & development and process innovation



John Kenny, Non-Executive Director B Com (Hons), LLB

- More than 25 years experience in the natural resource industry
- A corporate and resources lawyer, with a specialised interest in venture capital, initial public offerings and mergers and acquisitions
- Extensive experience in public equity fundraisings and the pricing of equity, debt and derivative securities

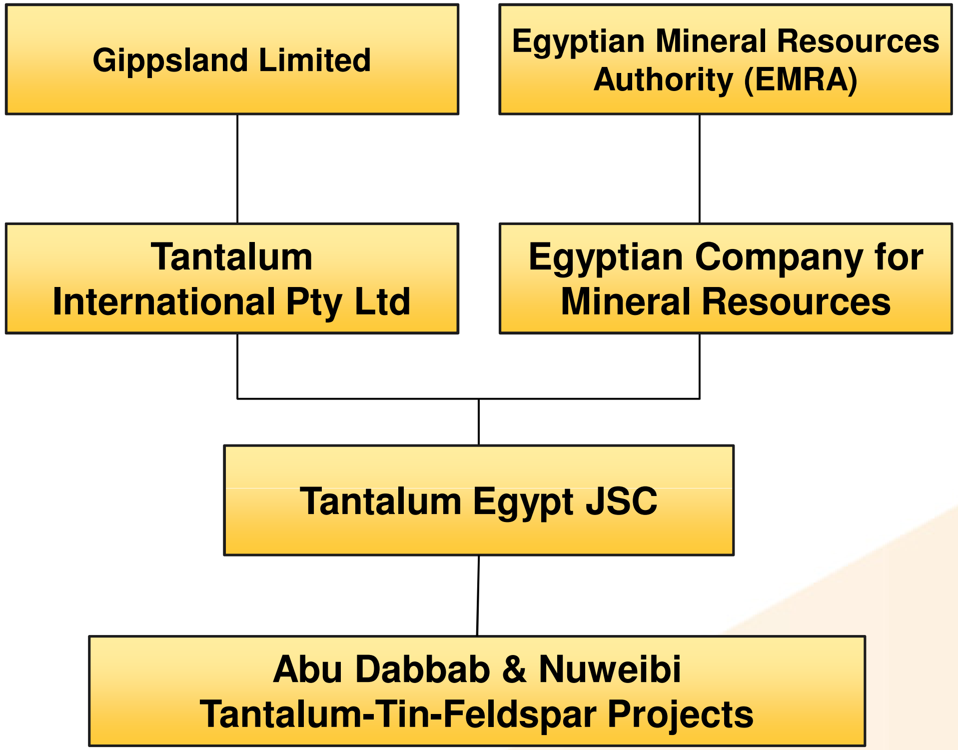
Dr John Chisholm, Chief Geologist BSc (Hons), Phd, FAusIMM, FAIG

- Geologist with wide experience in exploration geology and exploration management
- Worked with various international mining companies
- Fellow of Australian Institute of Geoscientists, Fellow of the Australasian Institute of Mining and Metallurgy with Chartered Practising status in Geology

Ayman Ayyash, Middle East and North Africa Regional Manager BSc CEng (Hon), MEIAust

- 26 years of experience as a professional engineer
- Worked in various parts of the world including the USA, Australia, Gulf Arab states and North Africa
- employed by major international companies including Du Pont and BHP
- served as a Senior Trade Commissioner with the Australian Government in various countries in the Middle East and North Africa

Joint Venture Structure



- Operates under **GAFI Free Zone** thus no other taxes, duties or royalties apply, however GAFI receives 1% of revenue under the GAFI Free Zone

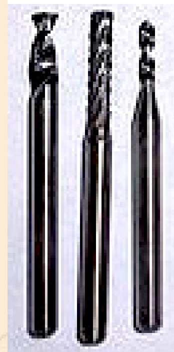
- Tantalum International's 50% interest is a controlling interest in TE and the Project
- Gippsland provides executive management and project expertise for TE
- Gippsland to procure 100% of the finance required for the Project's development
- Project Finance (debt and shareholder loans) repaid before shareholder distributions.
- Tantalum International receives 45% share of shareholder distributions

About Tantalum

Tantalum is a very scarce and strategic raw material, essential for electronics and super-alloys because of its unique chemical and physical properties

- The major use of the metal powder is in electronics, mainly capacitors
- Tantalum electrolytic capacitors exploit stable protective tantalum oxide surface layer as the dielectric. As the dielectric layer is very thin, a high capacitance can be achieved in a small volume.

- Size, stability and weight advantages make tantalum capacitors essential for portable telephones, personal computers and automotive electronics
- Other uses include high temperature super-alloys in aerospace, nuclear reactors and as orthopaedic implant material



- The carbide is used in high-speed cutting tools
    - Toughness & torsional strength twice that of High Speed Steel

Tantalum Market Demand & Price

Demand

- Total demand estimated at 5 to 7 million pounds Ta_2O_5 per annum (in the order of 2,200 to 3,100 tonnes)

Price

- Tantalum does not trade as a commodity on recognised metal markets, but instead trades via longer term contracts.
- In the 12 months to March 2011 the quoted 'spot' price for tantalum oxide rose from less than US$50 per pound Ta_2O_5 to in excess of US$130 per pound Ta_2O_5.
- **Since March 2011, the 'spot' price has traded between US$100 and $130 per pound (currently US$129/lb)**
- **One recent report (MetalMiner) has the price at $160 per pound**

(Extracted from MetalMiner 3 April 2013)

Market Analysis

Why US Tantalum Imports – And Prices – Are Skyrocketing

by Chelsea Craven on April 3, 2013

Style: Market Analysis   Category: Metal Prices, Minor Metals, Supply & Demand

MetalMiner welcomes guest contributor Chelsea Craven of Zepol Corporation, a Minneapolis-based trade intelligence company.

If you're in the tantalum supply business, I'd like to be your friend.

The rare, shiny transition metal (one of the so-called Conflict Minerals) is – yes, you guessed it – explodi with demand in the United States.

Just as tablets and smartphones are the latest and greatest fad in the consumer world, tantalum is the m craze in the metal world. For those of you in the business, that may not come as a surprise at all. The c resistant metal is actually a component in many electronic gadgets, including the computer, smartpho tablet you're likely reading this article from. (Article continues)

Tantalum Industry Structure

Supply		Processors		End Users
Primary Mine Production Brazil China Australia Structural upheaval in 2008 as GFC dampens demand and mines close	**60%**	**Raw Material Processors** Few Participants		**Many Participants** Manufacture of capacitors, super alloys and products for speciality industries.
'Conflicts Minerals' Bill cuts DRC supply		**Ningxia** China	**Market Share 80%**	Main end user is the electronics industry (75%)
Secondary Supply Malaysia Thailand Tailings, slag, recycling	**20%**	**HC Starck** Germany		**Capacitor Manufacture** KEMET Electronics AVX Corporation Vishay Intertechnology
Recycle	**20%**	**Global Advanced Metals** USA and Japan		**Super Alloy use by:** Boeing EADS (Airbus)

Primary Mine Production Ta_2O_5 Pre & Post GFC

Pre GFC

Australia, Brazil, Canada,
Mozambique, Ethiopia & DRC

- **Australia - Greenbushes & Wodgina**
  Produced more than 50% of the world's tantalum minerals (2004 est. 2 million lbs/year)
  - **Wodgina** (AMG) ~1.4 million lbs/year
    Restarted briefly 2011 at 0.7 million lbs,
    Operations currently suspended
  - **Greenbushes** (AMG) ~1.0 million lbs/year
    Operations suspended indefinitely
- **Canada - Tanco** (AMG) ~0.15 million lbs/year
  Operations suspended indefinitely
- **DRC (Congo)**
  Conflict minerals revenue supported rebels in Congo. US Conflict Minerals Bill has had major impact on supply from Congo

Post GFC

Brazil, Ethiopia, China,
Russia & Southeast Asia

- **Brazil's Mibra** (AMG)
  ~ 300,000 lbs/year. Pre-GFC this represents 7% to 10% of global primary production
- **Ethiopia Kenticha** (Government)
  ~ 140,000 lbs/year (Weathered pegmatite and alluvial ore)
- **Mozambique Marropino** (Noventa)
  Target ~350,000 lbs/year (weathered material) (Now closed)
- **Central China Yichun**
  ~ 120,000 lbs/year. Other minor production from Limu tin mine; Ma Ar Kan lithium mine and Keketuohai project
- **Other minor sources**
  Lovozero (Russia) & Artisanal production

No new mine startups !

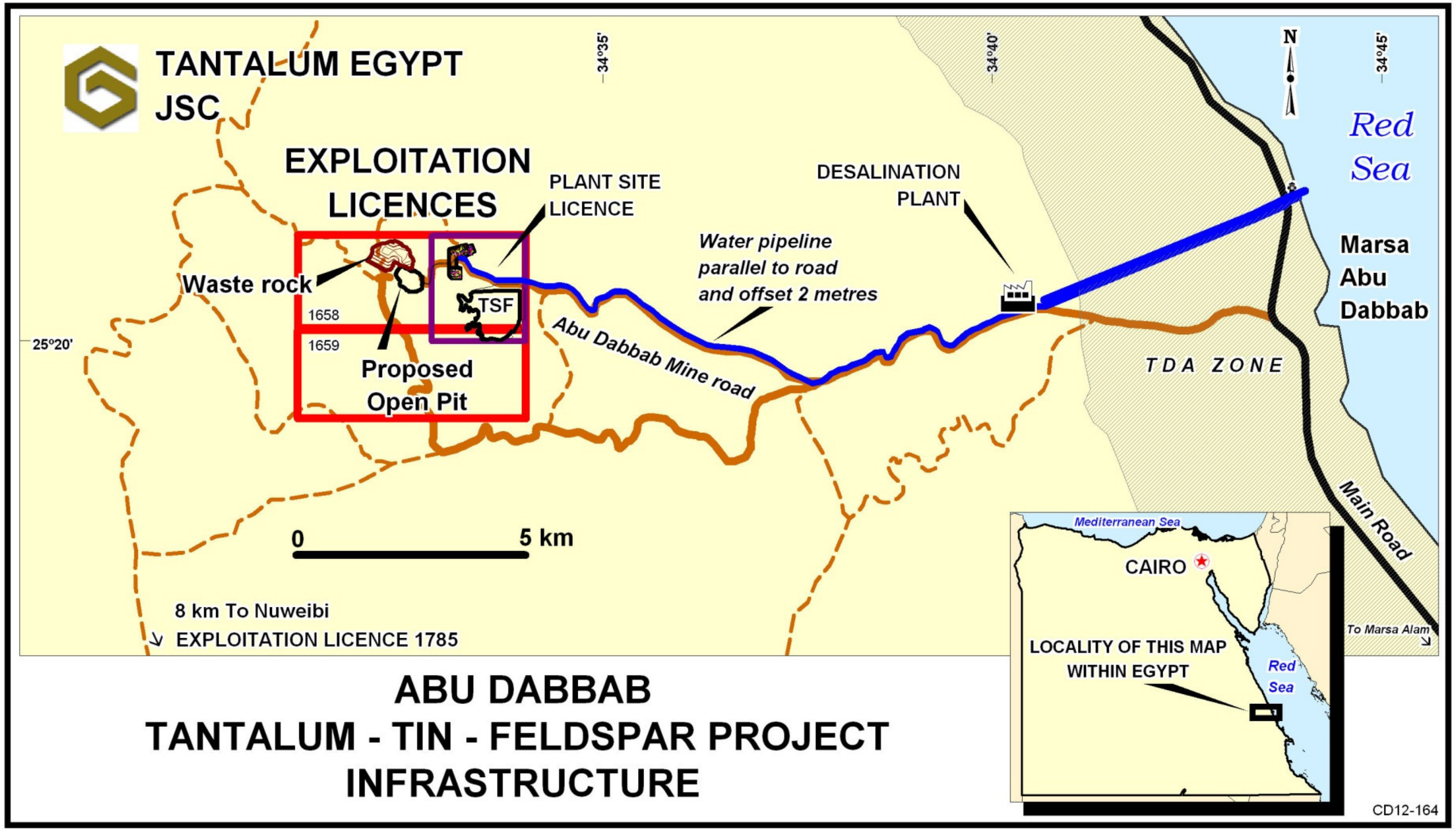
Supply shortfall of at least 2 million lbs/year ??

Abu Dabbab & Nuweibi Project Location

- Approximately 25 km from Red Sea and major national highway
- 30km south of Marsa Alam international airport
- Good support infrastructure and work force in Marsa Alam
- Excellent transportation infrastructure

Strategic location for export of feldspar into Europe and MENA

Abu Dabbab Tenement Location & Infrastructure



Tenement 20km^2 area

Project Status

- Bankable Feasibility Study complete (2 Million TPA)
- Environmental and Social Impact Assessment
  - completed to World Bank standards
- Licence tenure 30 years with option to extend 30 years
- 18 month construction timetable
- Offtake Agreement for 600,000 lbs Ta_2O_5 per annum for 10 years
- Financing under way
  - Financing discussions underway for Stage 1 (US$225 million)
  - Indicative draft terms sheet received from four Egyptian banks
  - Waiting list formed of banks expressing interest
  - Financial Advisor appointed (Canada)
  - Banks Independent Technical Expert draft report received & under review
  - Highly respected Egyptian Investment Bank engaged
  - Discussions commenced with potential Equity investors

A world-class source of Tantalum

- Abu Dabbab & Nuweibi Projects
  - poised to become the **world's largest single producer** of primary tantalum feedstock
  - providing up to **25% of the world's primary supply**
  - will provide a stable, long term and conflict free supply of this vital strategic raw material

Annual production :	**Projected Revenues ***
• **over 925,000lbs per annum of Ta_2O_5**	**(+/- $90 million pa)**
• **2,300t per annum of LME grade tin metal**	**($46 million pa)**
• **2.4mtpa of ceramic-grade feldspar (Phase 2)**	**($72 million pa)**

- TE seeking financing of US$225 million to fund the total Project capital and development costs for Phase 1

- *** Tantalum revenues approximate, as offtake price is confidential,**
- *** Tin @ $20,000/tonne, Feldspar @ $30/tonne**

Project Key Financial Statistics

	Stage 1 (USD million)	Stage 2 (USD million)	Project Total (USD million)
CAPEX	225	60	285
LOM Cash Operating Margin	990	663	1,653

NPV (Project)	$ 593
IRR	39%

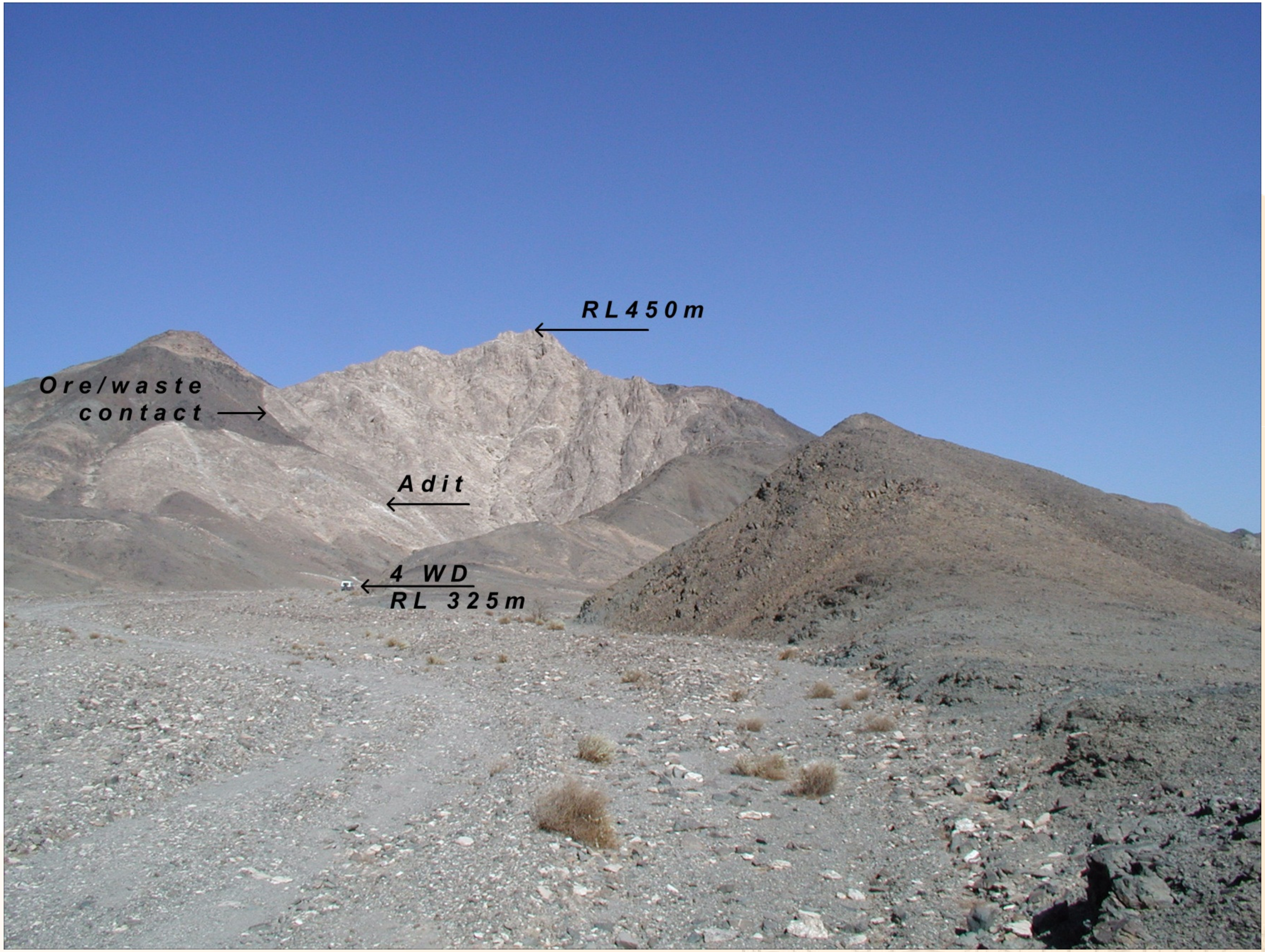
- Note: Financial evaluation assumes market price for diesel fuel, notwithstanding current fuel price subsidies

GIP ASX Announcement dated 8 July 2011

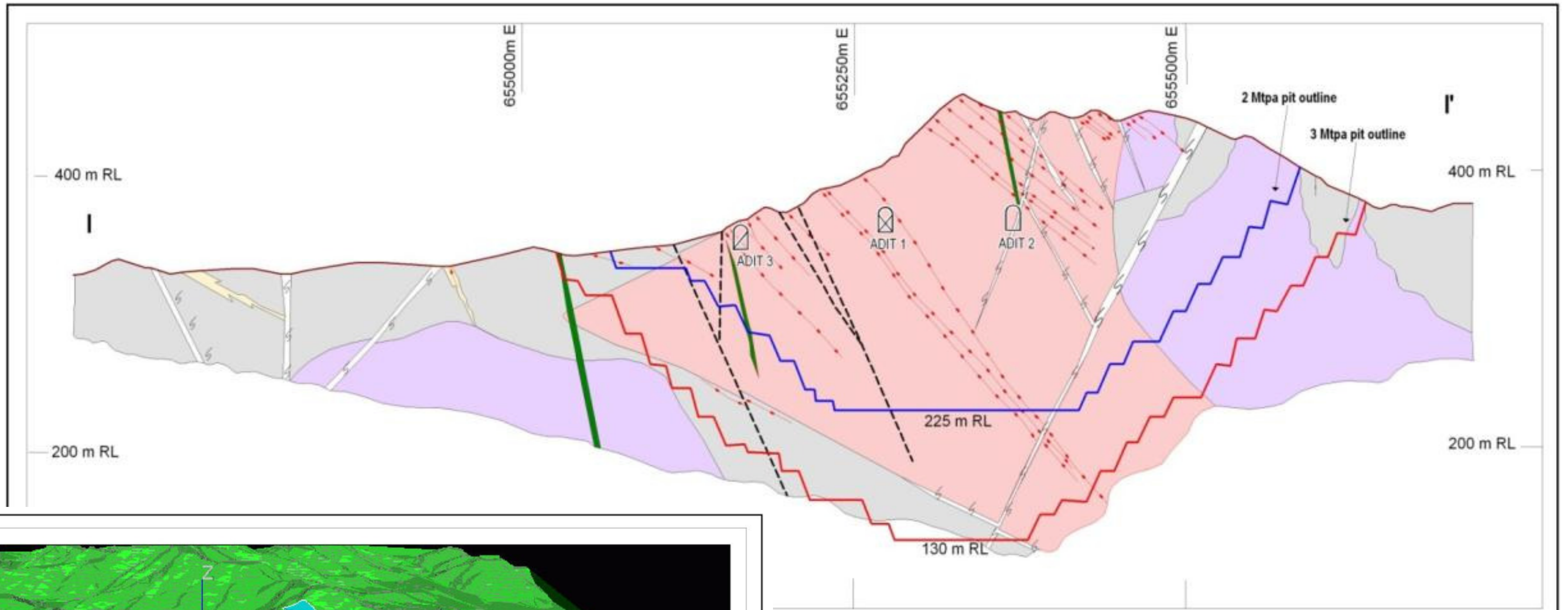
Project Risk and Risk Mitigation

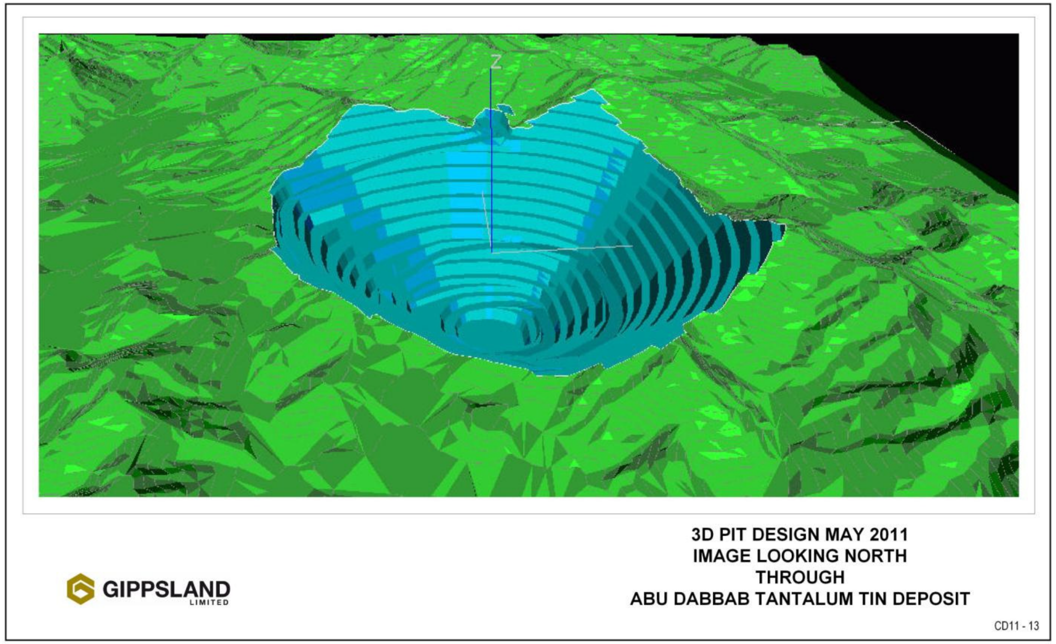
Low Technical Risk	Simple geology, simple bulk quarry-style mining, very low strip ratio and conventional gravity processing
OPEX Cost Escalation Risk	Revenue from Ta_2O_5 Offtake Agreement covers > 80% of Stage 1 OPEX & provides for OPEX escalation
Future Commodity Price Risk Mitigation	Potential Tin Price hedging / Tin Offtake Agreement Tantalum & Feldspar Offtake agreements
Prudent Balance of Downside Risk and Price Upside	Downside underpinned by Tantalum Offtake/Tin hedging - upside participation in the current high spot markets (for excess tantalum and tin)
Sovereign Risk	Joint venture is with EMRA, the Mines Department of the Egyptian Government. Gippsland Ltd provides the technical IP, know-how and specialty metal marketing skills

Abu Dabbab Tantalum-Tin-Feldspar Deposit



Abu Dabbab Cross Section & Pit Outline





Abu Dabbab Resources & Reserves

JORC Compliant Ore Reserves (included in Resources) @ 29 May 2010

	Ta_2O_5	Tin (%)
Proven	15.2 Mt @ 260 g/t	0.170
Probable	18.0 Mt @ 245 g/t	0.099
Total	**33.2 Mt @ 253 g/t**	**0.131**
Mineable Inferred	8.2 Mt @ 210 g/t	0.040

JORC Compliant Resources @ 9 October 2009

	Ta_2O_5	Tin (%)
Measured	15.2 Mt @ 290 g/t	0.143
Indicated	17.3 Mt @ 250 g/t	0.078
Inferred	12.0 Mt @ 200 g/t	0.030
Total	**44.5 Mt @ 250 g/t**	**0.090**

Abu Dabbab Mine Statistics

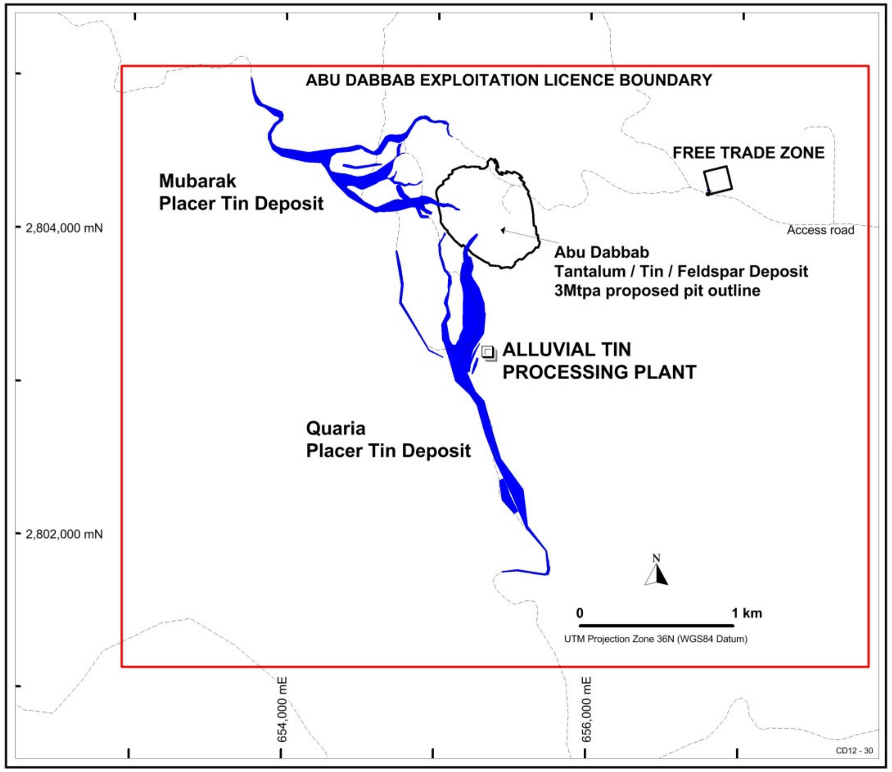
In-Situ Mineable Ore		**38.7**	**Mt**
Dilution		**5**	**%**
Thru-put		**3**	**Mtpa**
LOM		**13.5**	**years**
Average In-Situ Grade	**Ta_2O_5**	**0.026**	**%**
	SnO_2	**0.12**	**%**
Recovered to Product	**Ta_2O_5**	**11.7**	**Million lbs**
	Sn	**24,000**	**Tonnes**
LOM Waste : Ore		**1.4**	
Mass conversion resource to ore		**87**	**%**

Assumptions
- Inferred Resources (all of the current resource below RL 230) will convert to ore reserves as mining proceed
- nil contribution to net cash flow revenue from the co-production of feldspar

Basis
- Bankable Feasibility Study overall recoveries from ROM to product
- Resource inventory as at September 2010

Placer Tin Mining at Abu Dabbab

Small project first !



Opportunities exist to use the fully demountable modular plant for the exploitation of other placer tin deposits

- In production, treatment capacity to increase to 50 tph through Spiral Plant (30,000 tonnes/month)
- Production of tin contained in cassiterite concentrate from Spiral Plant to increase up to 60 tonnes of tin per month (depending on feed grade)
- Project life at increased throughput capacity approximately 8 months
- Directly employing 50 people onsite, with another 50 people engaged in miming and contracting services
- Concentrate shipped to date is 80 tonnes of high grade Tin concentrate

Placer Tin Mining at Abu Dabbab (May 2013)

Slime Decant Ponds

Private Free Zone

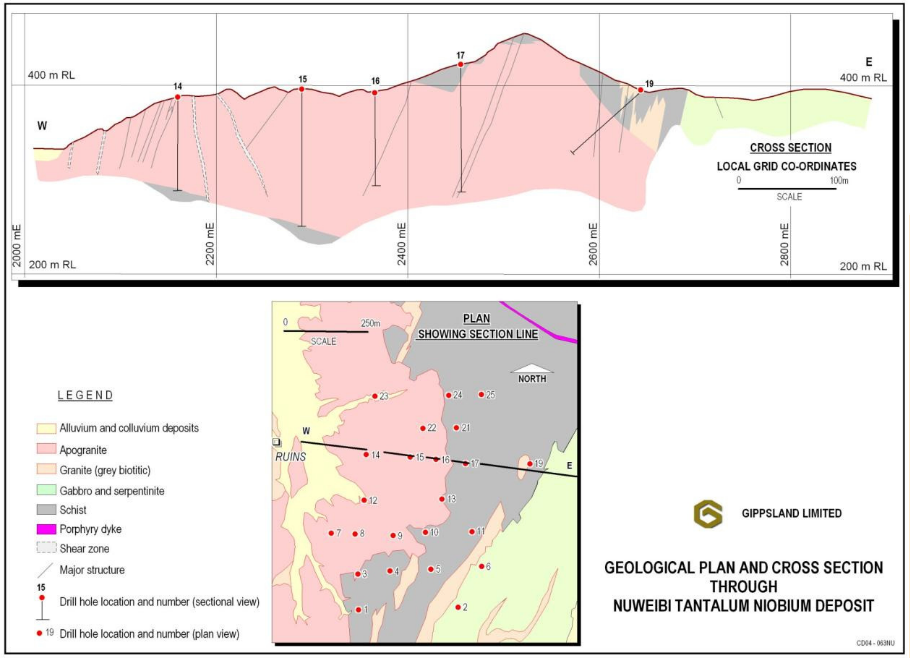
Mining in operation

Spiral Plant

Project Upside – Nuweibi Tantalum

Considerable potential to expand and leverage the Abu Dabbab process plant for several decades beyond the initial project 13.8 year Abu Dabbab life-of-mine

- Located 16 km south of Abu Dabbab
- Owned by TE JSC
- Licence tenure of 30 years with option to extend for 30 years
- Resource open to the east, to the west and at depth



JORC Resources	Ta_2O_5
Indicated	48 Mt @ 147 g/t
Inferred	50 Mt @ 138 g/t
Total	**98 Mt @ 143 g/t**

Tin Production and Price

- China is world's leading tin producer from both mine and smelter sources
- Indonesia second leading tin producer from both mine and smelter sources
- Total consumption 320,000 to 350,000 tonnes tin per annum and growing
- Technology driving demand

Very few new producers and decreasing production from existing sources

Tin price is currently $20,900 per tonne

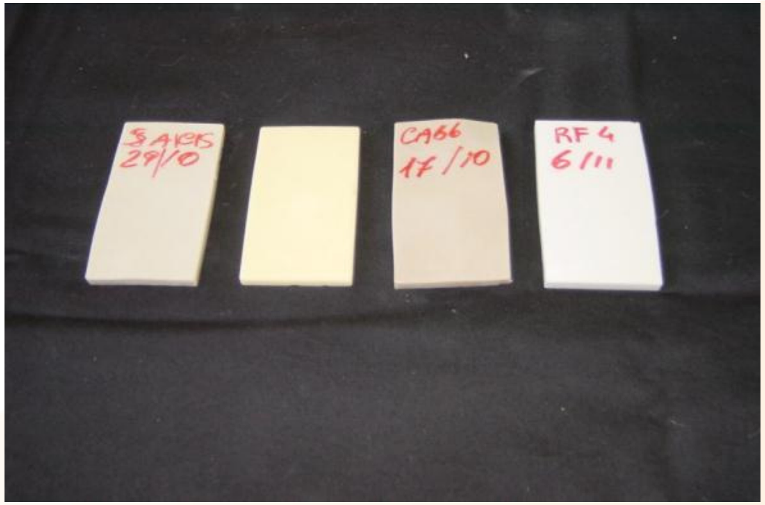
Feldspar

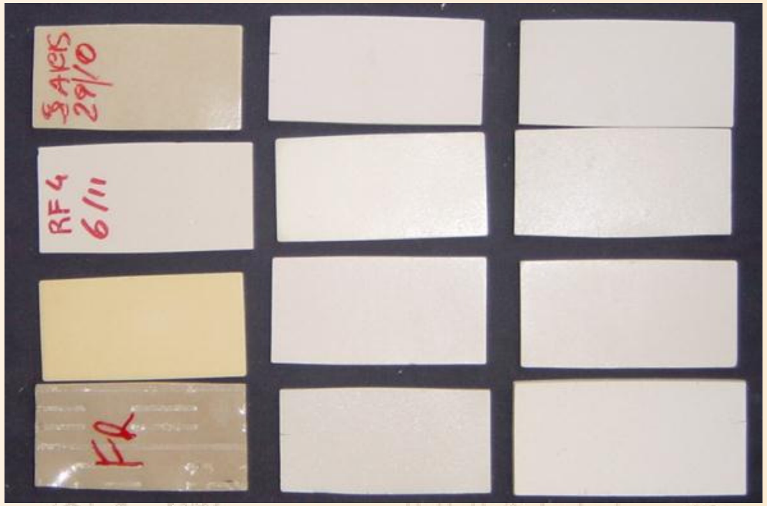
- **Used in ceramic tile production**
- **Potential sale of ~80% of material mined**
- **Substantial potential feldspar revenue**
- **Simple flotation of de-slimed gravity circuit tailings - 75 to 80% recovery**

Markets

- **Turkey is main supplier to Europe, MENA and Gulf states**
  - **3Mt to Italy**
- **Expressions of interest for feldspar production**
  - **Gulf states – 0.7 to 1.3Mt**
  - **Italy – successful ceramic testwork**
  - **Recent enquiry for 100% of feldspar output**

Feldspar and Ceramic Tile Comparison



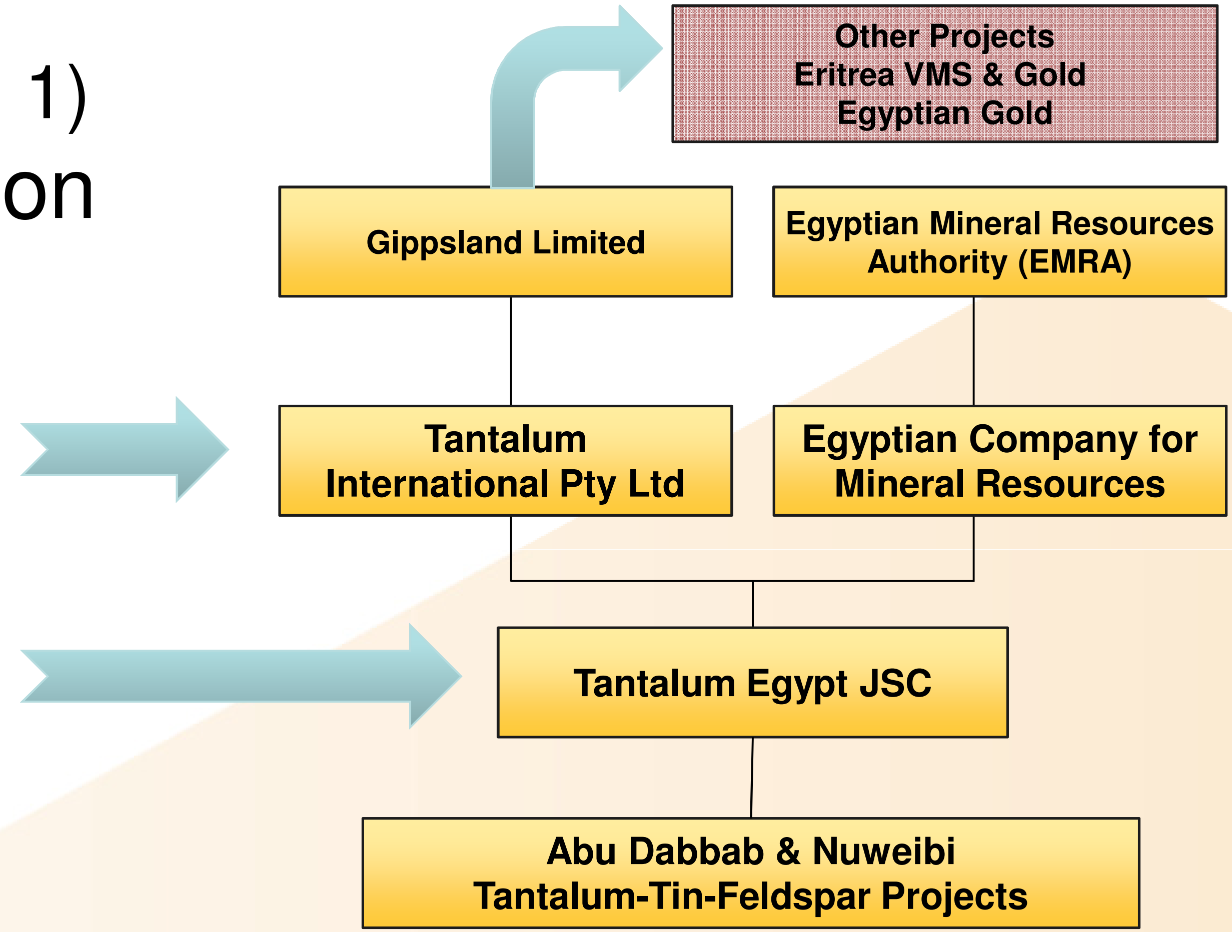


Financing Methodology

Capex (Phase 1)
US$225 million

X% Equity

Y% Debt



Aim:
To finance Abu Dabbab with equity injection at project level, preserving value in other projects for Gippsland shareholders

SUMMARY: ABU DABBAB and NUWEIBI

- REASONS TO INVEST – GIPPSLAND LTD

- Abu Dabbab Tantalum-Tin-Feldspar Financing Underway
- Upside in Nuweibi Tantalum Project
- Currently operating Alluvial Tin in Egypt
- Support of partner, the Egyptian Government
- Support of Egyptian Banks – Draft Terms Sheet
- Substantial interest from Middle East Equity investors
- Tantalum Offtake Agreement - upside from extra production
- Upside in looming world shortage of Tin
- Expressions of interest in Feldspar
- Excellent financial returns projected
- Innovative finance structuring

Thank You!

Competent Person Statement

In accordance with Listing Rule 5.6 of the Australian Stock Exchange Limited, the geological information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on data compiled by Dr John Chisholm, a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Chisholm has sufficient experience which is relevant to the style of mineralisation and type 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'. Dr Chisholm consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.