



MILLENNIUM

MINERALS LIMITED



INVESTOR PRESENTATION
NOVEMBER 2011



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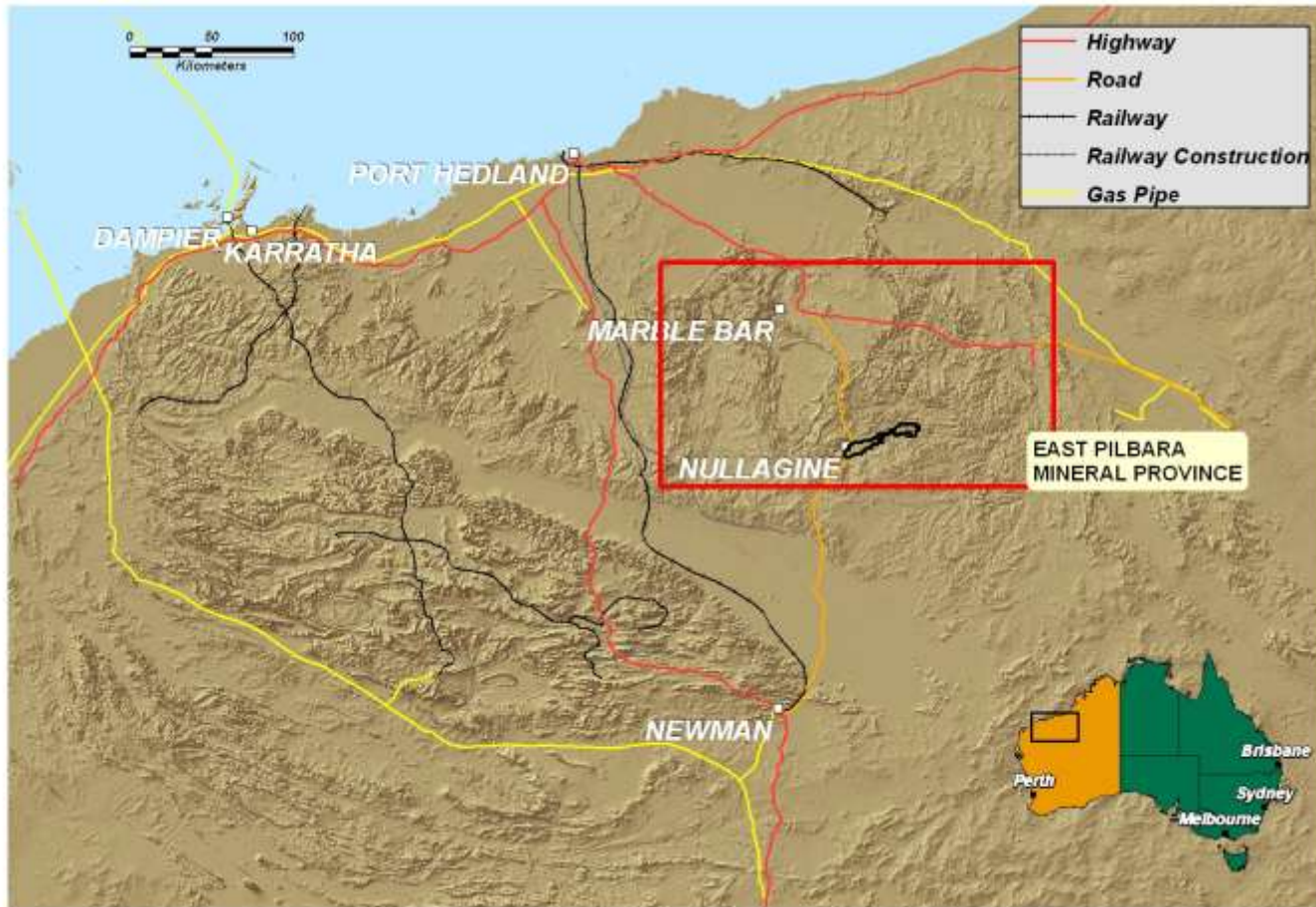
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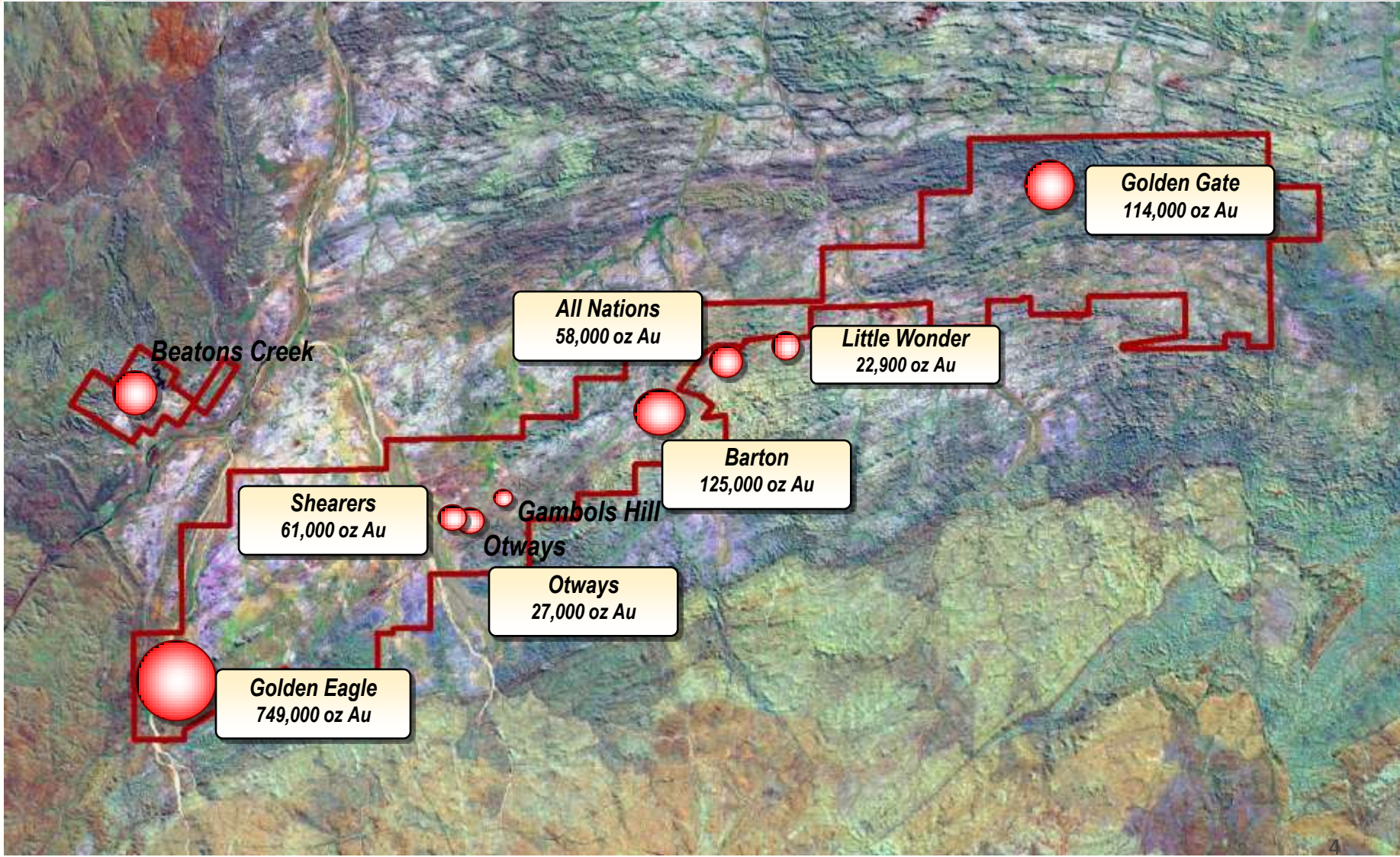


East Pilbara Mineral Province





Deposits Locations and Gold Resources





World Gold Council commentary

November 2011

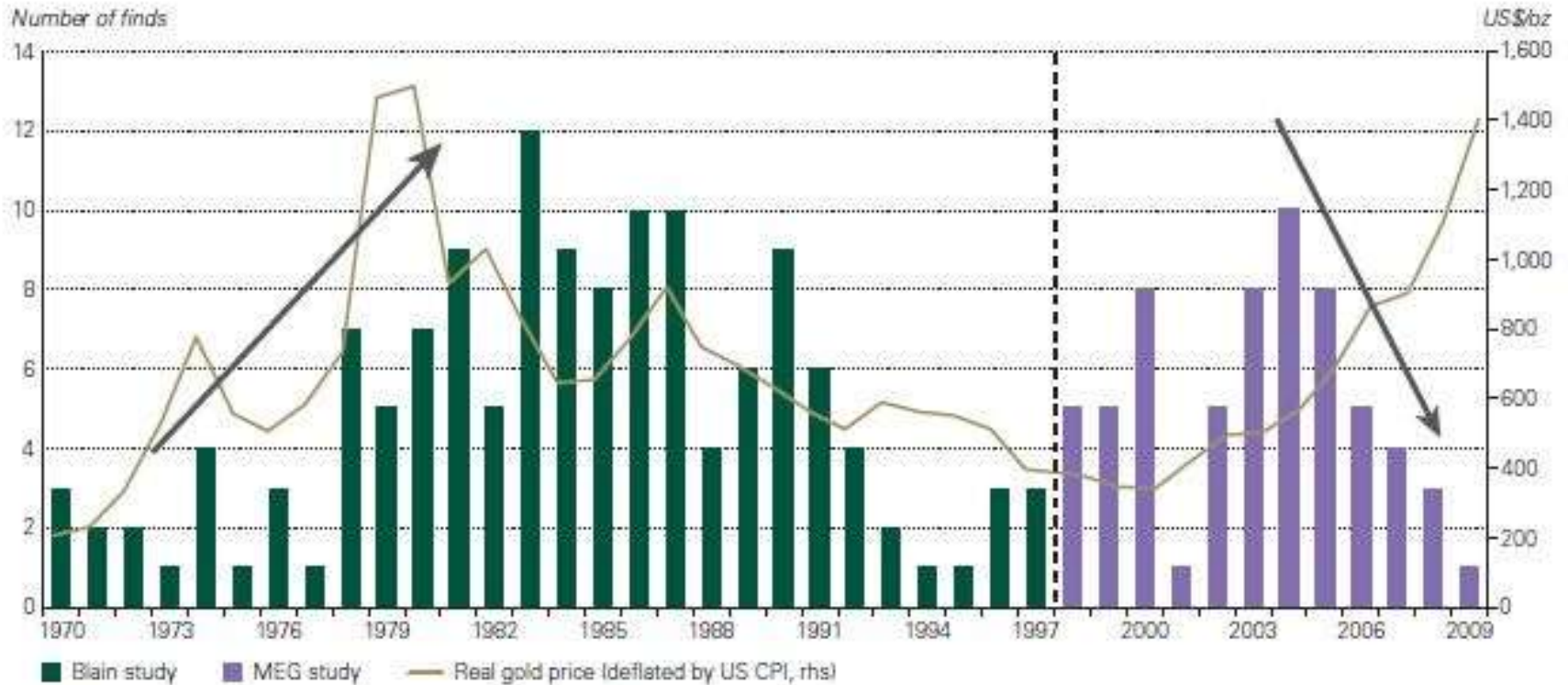
Overview

Third quarter gold demand increased 6% year-on-year to 1,053.9 tonnes, worth a record US\$57.7bn. A strong rise in investment demand drove the growth in overall demand, as investors across the globe sought wealth preservation, portfolio diversification and strong returns. Mine supply increased slightly, with mine production and recycling activity both contributing to the rise. [Read more...](#)





Dwindling Gold Discovery



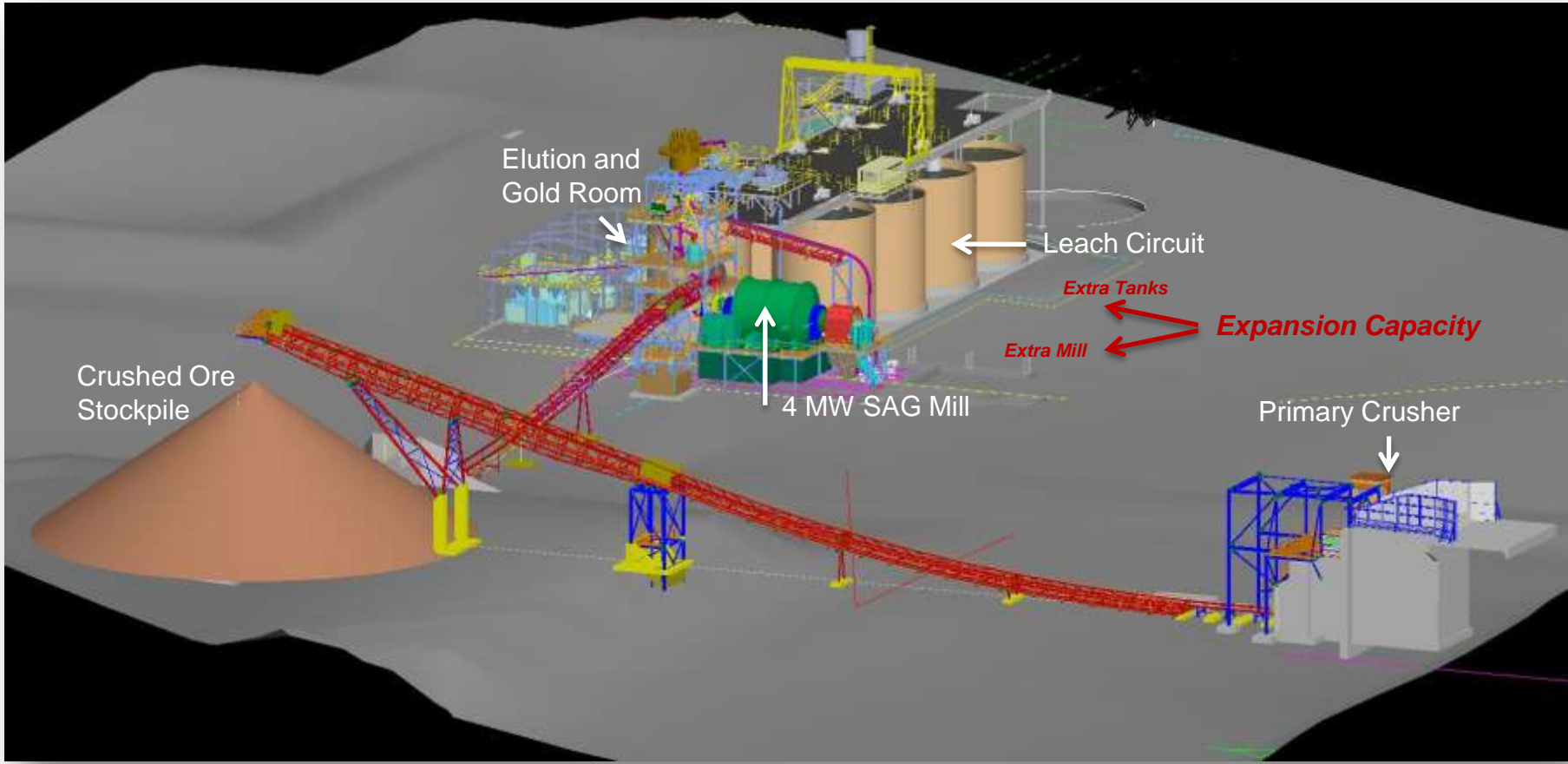
Please note that methodologies for each study may not be comparable.

Source: Chris Blain, Bloomberg, LBMA, Metals Economics Group, World Gold Council

MEG: gold exploration spend: 2000-2003 US\$640M, 2007-2010 US\$2,740M



Process Plant – Construct Final Design





Nullagine Gold Project – Construction Snapshot



CIL tank erection in progress

Long Lead Items Ordered in May 2011

4 MW SAG Mill
145 Man Accommodation Village
EPCM Awarded - Mintrex/BEC Joint Venture

Camp Stage 1 commissioned (72 rooms)

Key contracts in progress for:

- Plant Earthworks
- Concrete
- Tankage erection
- Crushing Equipment
- 85% equipment orders placed



Concrete pour – Primary crusher area

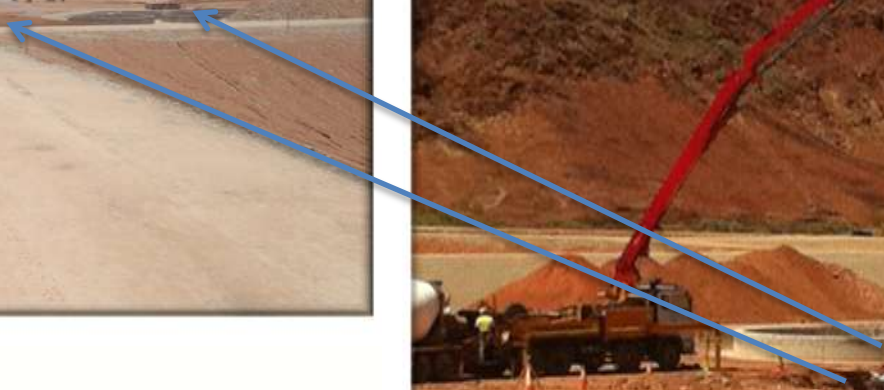


Site Progress

Process Plant site looking west



SAG Mill Foundations – pouring the blinding





Site Progress

**Accommodation Village – Completion of Stage 1 base facilities for 72 personnel
21 October 2011**



Manning levels are currently at about 70 personnel with the earthworks, civil, tank erection and catering contractors currently on site.





Site Progress

Construction Process Water Dam





Millennium Minerals Limited

- An emerging gold producer in the East Pilbara District of Western Australia
- Global **Mineral Resources** of 34.41Mt at 1.13 g/t for **1.24M** contained Au ounces (0.5 g/t Au cut off)
- A Gold Project with **Ore Reserves** of 10.45 Mt at 1.7 g/t Au for **567Koz** ready for construction
- Syndicated Debt Facility for \$35M with BNP Paribas and National Australia Bank
- \$10M finance lease facility with NAB





Gold Project – Banked Mine Parameters

- 7.5 years mine life, multiple, shallow open pits
- Pit optimisations done at A\$1275/oz
- Current LOM gold Reserve ounces 567,000
- Head Grade range across pits 1.5g/t – 3.7g/t
- Peak gold output 82koz/yr
- 1.50 M tpa CIL process plant
- Strip Ratio (W:O) 3.70:1
- Average Recovery 89%
- Site cash cost C1 \$756/oz





Project Metrics

Construction Capital Expenditure**

Process Facilities	\$M	50.7
Indirect	\$M	22.5
Total Cost	\$M	<u>72.7</u>
Owners Costs	\$M	\$7.5

Production

Ore production	Mt	10.45
Ore grade Average	g/t Au	1.7
Processing recovery	%	89
Gold production	koz	505
Mining strip ratio	waste t: ore t	3.7:1
Life of mine	years	7

**Before contingency applied
To cash flow model (varies
between 5% -15%)

Economics*(life of mine) Snapshot 17 August 2011

Revenue	\$M	886
EBITDA	\$M	443
Earnings before tax	\$M	362
IRR (Project)	%	55
NPV (7%)	\$M	169

Operating Costs

Mining	\$/t milled	17.2
Processing	\$/t milled	16.5
Admin	\$/t milled	2.8
Total	\$/t milled	36.5
C1 Cash Cost	A\$/oz	756

Assumptions *

Gold price (spot)	US\$/oz	1,700
FX rate (spot)	US:AU	0.99
Royalty Rate	%	2.5%

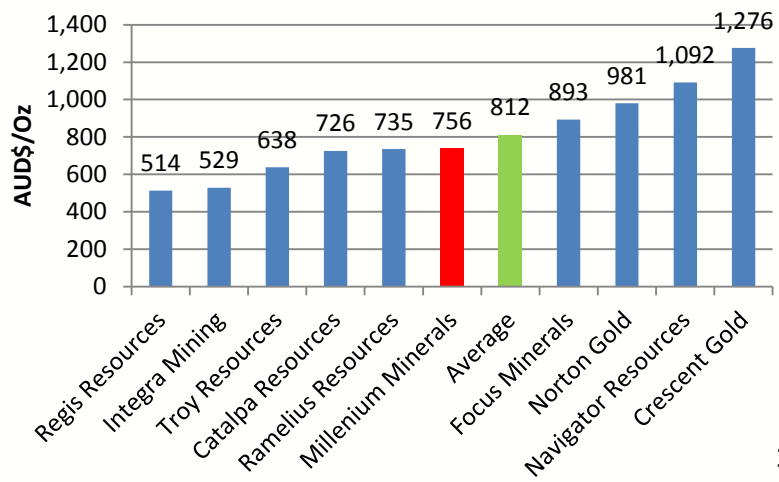
As of 23 November 2011



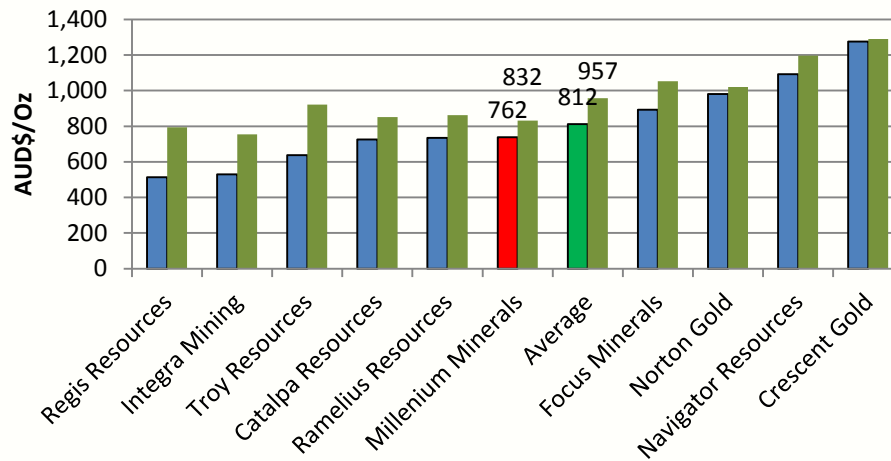
Peer Review – Cash Operating Costs

Western Australian Gold Producers/Developers C1 and C3 Operating Costs(A\$/oz)

C1 Cash Costs



C1 , C3 Cash Costs





Timetable

November 2011

- Finalise detailed engineering
- Complete Village Construction 75% complete
- Complete earthworks for;
 - Camp and access road (underway)
 - Commence steel fabrication

Construction to production timetable – 14 months

- First gold Q3, calendar 2012

Medium term goal

- Expand production to +100koz per annum
- Conversion of Inferred Resource to Indicated



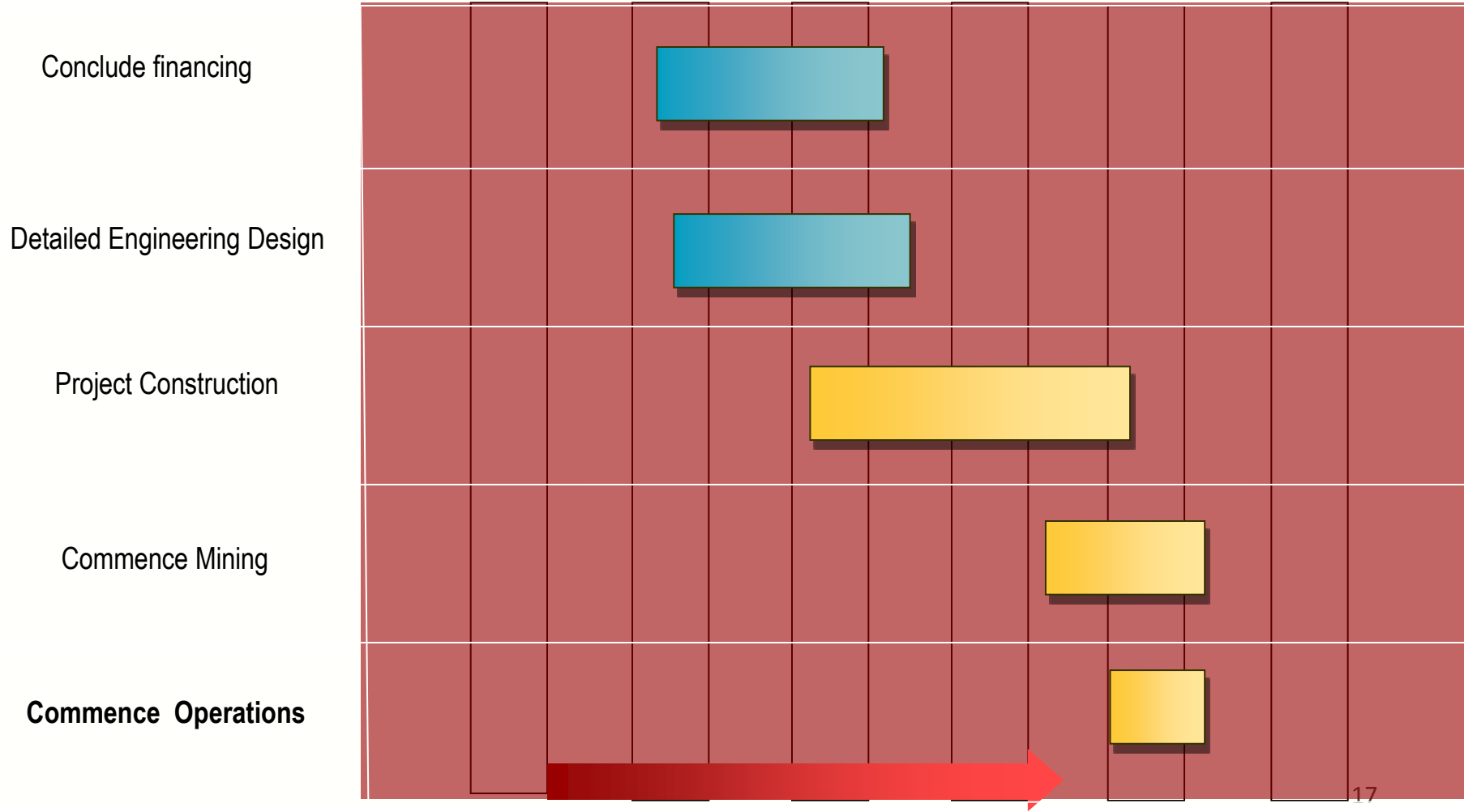
RC Rig at Golden Eagle



Development Schedule

Development schedule

2010 2011 2012
Jun Sep Dec Mar Jun Sep Dec Mar Jun Sep





Short Term Potential for Organic Growth

- Objective: Ore Reserve base to support 100,000 oz/year at start up
 - Upgrade Mineral Resources, re-design pits, third party deals
- Down dip & on strike extension potential exists on all deposits
 - Drilling at Golden Eagle, Otways, Shearers, All Nations, Little Wonder shows good strike extent potential
 - Mineral Resource and Ore Reserve Estimation underway
 - Further drilling warranted to test on strike and at depth potential at all deposits





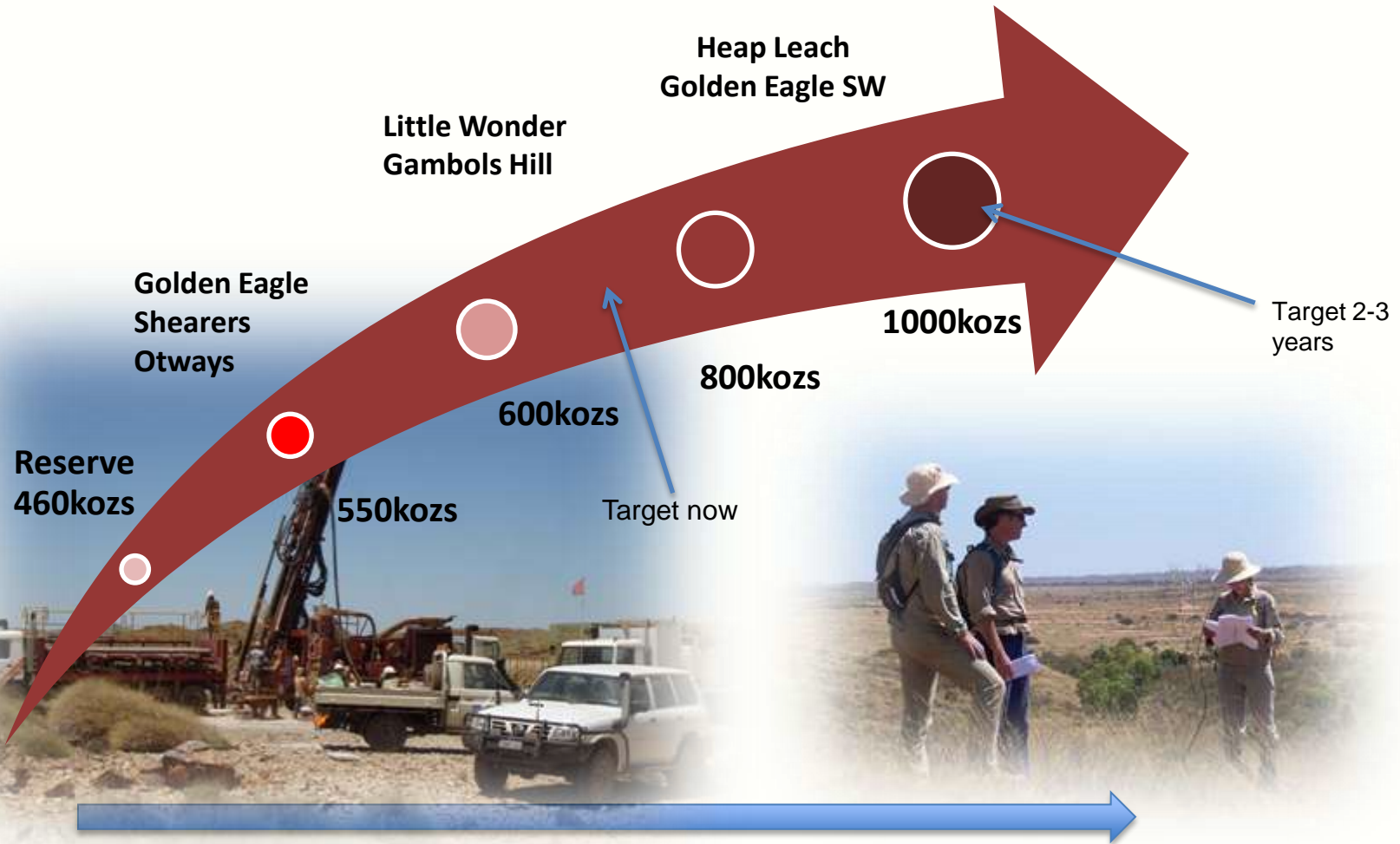
Short Term Potential to Lift Gold Production

- Revisit pit optimisation and ore reserve definition
 - Current mine plan based on A\$1275/oz
 - Sensitivity analysis indicates at A\$1500 gold price an additional 100,000 oz produced
- 3rd Party Resource Acquisition
 - Millennium will have “first mover” advantage in the Nullagine region
 - Joint Venture deals concluded with Galliard, Creasy Group, NorthWest Resources
 - Continuing discussion/due diligence with several parties to acquire local gold assets





EXPLORATION – OUR ORGANIC GROWTH PATH



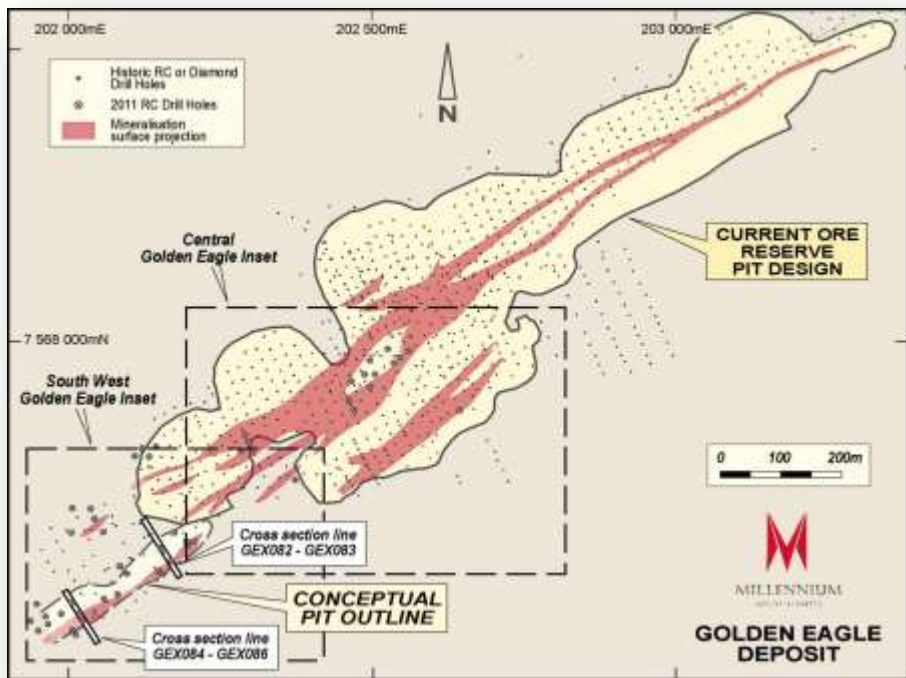
Ore Reserve Target Range Increase Through Aggressive Exploration

The information relating to the terms "Target range" and "target grade" should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves as defined by the JORC code (2004) and therefore the terms have not been used in this context. It is uncertain whether further exploration or feasibility study will result in the determination of a Mineral Resource or Ore Reserve.

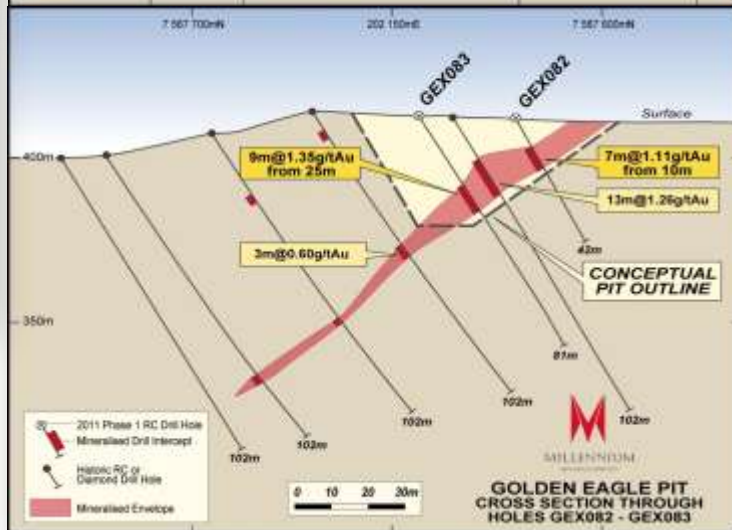
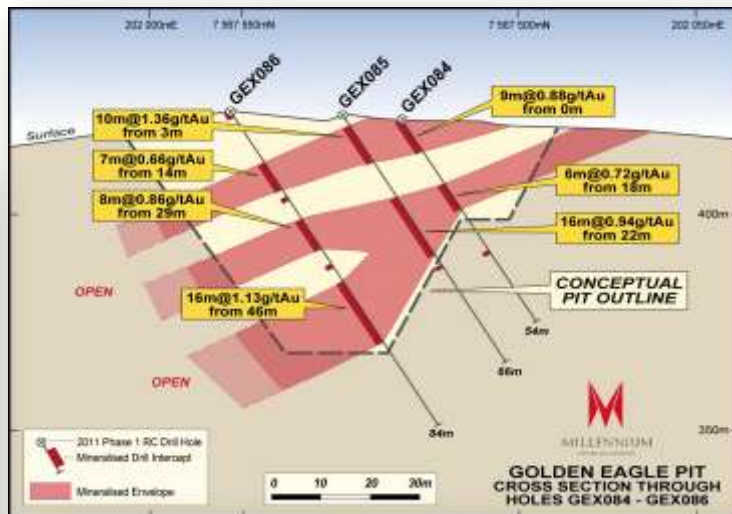


Golden Eagle – SW Extension 2011 Drilling

Golden Eagle SW - Plan

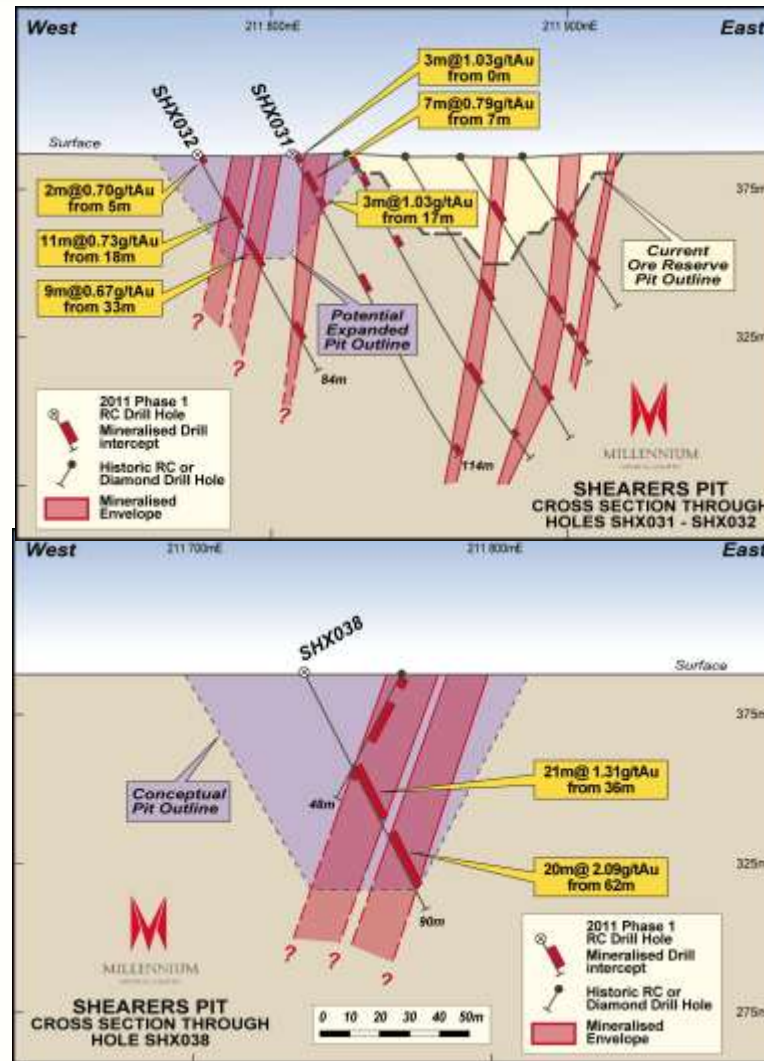
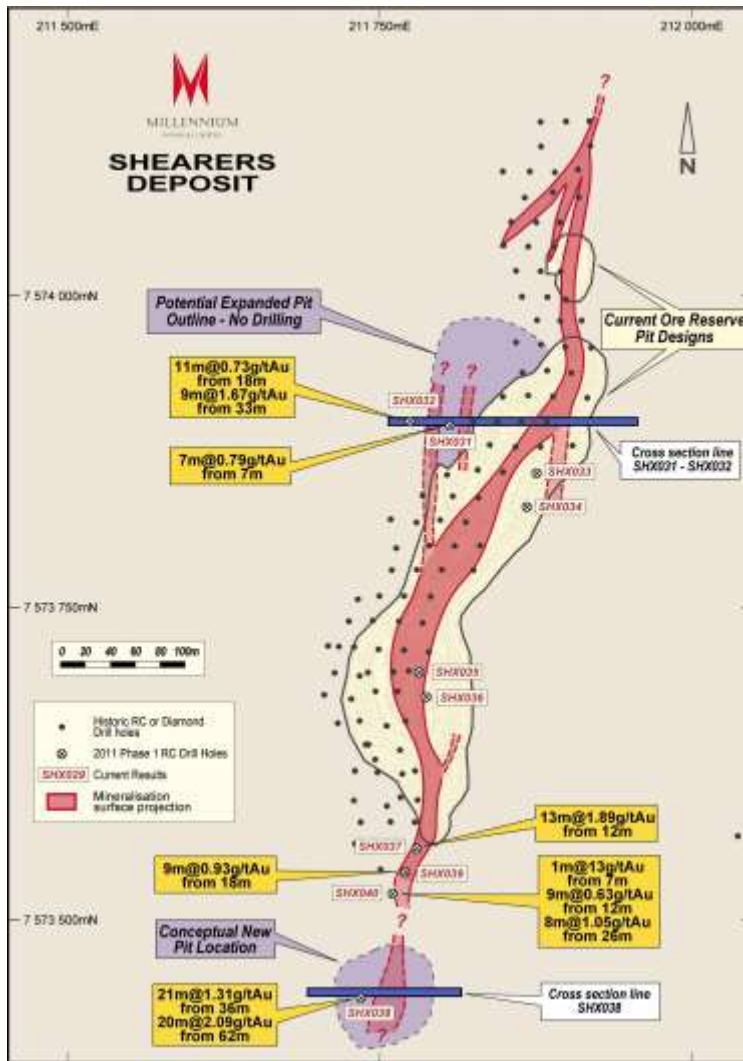


Golden Eagle SW - Sections





Shearers Deposit – Plan View



Drilling shows potential to combine southern pits, design depth extensions below pit floor and open up new pit to the North 22





Project Strengths

- Construction underway, SAG mill ordered
- Syndicated Debt Finance facility (\$35M) signed with BNP and NAB
- \$10M Finance Lease facility arranged with National Australia Bank
- \$41 million equity post rights issue
- Approvals in place for construction of plant
- Native Title concluded
- Robust project with exploration upside
- MOY undervalued relative to Peer Group



Golden Eagle Deposit



Corporate Information

Capital Structure:

- *Shares on issue – 2,999,828,232*
- *Options – 1,567,417,686*
- *Fully Diluted – 4,567,245,918*

Market Capitalisation:

- *Undiluted – \$60 m*
- *Fully Diluted – \$91 m*

Major Shareholders:

- *Merrill Lynch Nominees 24.6%*
- *LinQ Resources Fund 19.7%*
- *JP Morgan Nominees 9.1%*
- *Nefco Nominees 3.3%*

Cash:

- *At 30 September, 2011 \$26.8M*

Board of Directors:

- **Peter Rowe**
Chairman
- **Richard Procter**
Director
- **Ross Gillon**
Director
- **Simon Durack**
Director

Management:

- **Brian Rear**
Chief Executive Officer
- **Simon Pooley**
GM Operations
- **Paul O'Connor**
Site General Manager
- **Pierre Malherbe**
Company Secretary



Millennium Management Team

Brian Rear – Chief Executive Officer

Mr Rear is a graduate of the Western Australian School of Mines (AWASM Metallurgy), The Royal School of Mines (MSc London, Mineral Process Design, DIC) and holds a Masters Degree in Business Leadership from the Business School of the University of South Africa.

He is a member of the Australian Institute of Company Directors. He has extensive international experience in process engineering, project development and company management having successfully developed three green-field projects and the turnaround of a fourth covering base metals and thermal coal.

His career includes stints with Rio Tinto, Anglo Vaal Limited, Straits Resources (founding director and CEO) and CopperCo Limited covering commodities as diverse as thermal coal, gold, uranium, base metals and industrial minerals. Mr Rear has accumulated significant experience in the development and in the operation of copper heap leach SX-EW projects, feasibility studies and project finance.

Simon Pooley – General Manager Operations

Mr Pooley is a geologist with over 25 years broad international experience encompassing roles in the corporate, operations, exploration and mine development areas.

He has held senior industry positions that have demonstrated leadership and management of base and precious metal exploration and mining operations; development of project assessment types including definitive/bankable feasibility studies and their conversion into mining operations and managed teams undertaking exploration evaluations and valuations.

He is a member of the Australasian Institute of Mining and Metallurgy as well as the Australian Institute of Geoscientists. His career includes stints with Dominion Mining, Ashton Mining and Rio Tinto covering commodities as diverse as gold, base metals, diamonds and industrial minerals. He has been involved in a number of mining operation start-ups from exploration through to construction and production.

Paul O'Connor – General Manager – Nullagine Gold Project

Mr O'Connor is an experienced project operations manager with a career spanning 32 years both as an owner operator and contract miner. He has managed numerous mining and construction green fields start ups and brown field expansions in mines throughout South America, Asia and Australia both in operational and senior management roles.

This includes companies such as Mt Isa Mines at the Alumbreira Copper Gold Project in Argentina, southern Boliva for Apex Silver Mines, as a Mining Contractor to BHP Billiton at the Escondida Copper Mine in Chile and various other companies in isolated high altitude environments throughout the Andes region of South America.

In Asia he managed and expanded the Myanmar Ivanhoe Copper Project in the difficult location of northern Burma on behalf of the joint venture involving Ivanhoe Mines Ltd. In Australia his diverse experience involves numerous mine start ups and expansions for gold, iron ore and other minerals both as a contractor and owner miner in remote areas.

He is a member of the Institute of Quarrying of Australia, holds a Management Diploma with OH&S Certification from the Mt Elisa Business School and is a qualified Restricted Quarry Manager with mining law studies.





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