

# CopperCo Limited - Background & Strategy

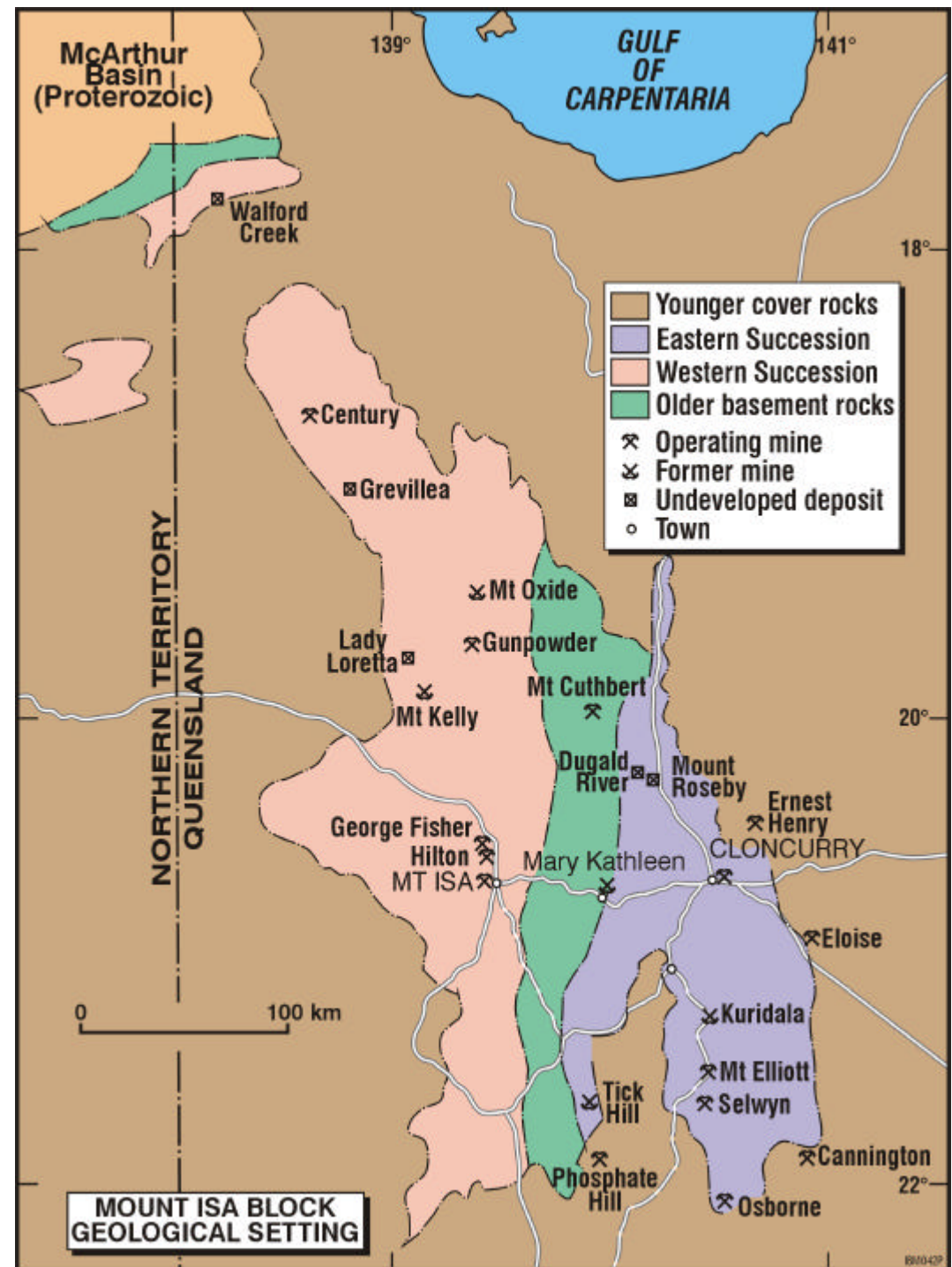


*"West of Mt Isa" by John Borrack (with kind permission of the artist)*

# **The way we were - two budding exploration entrepreneurs**

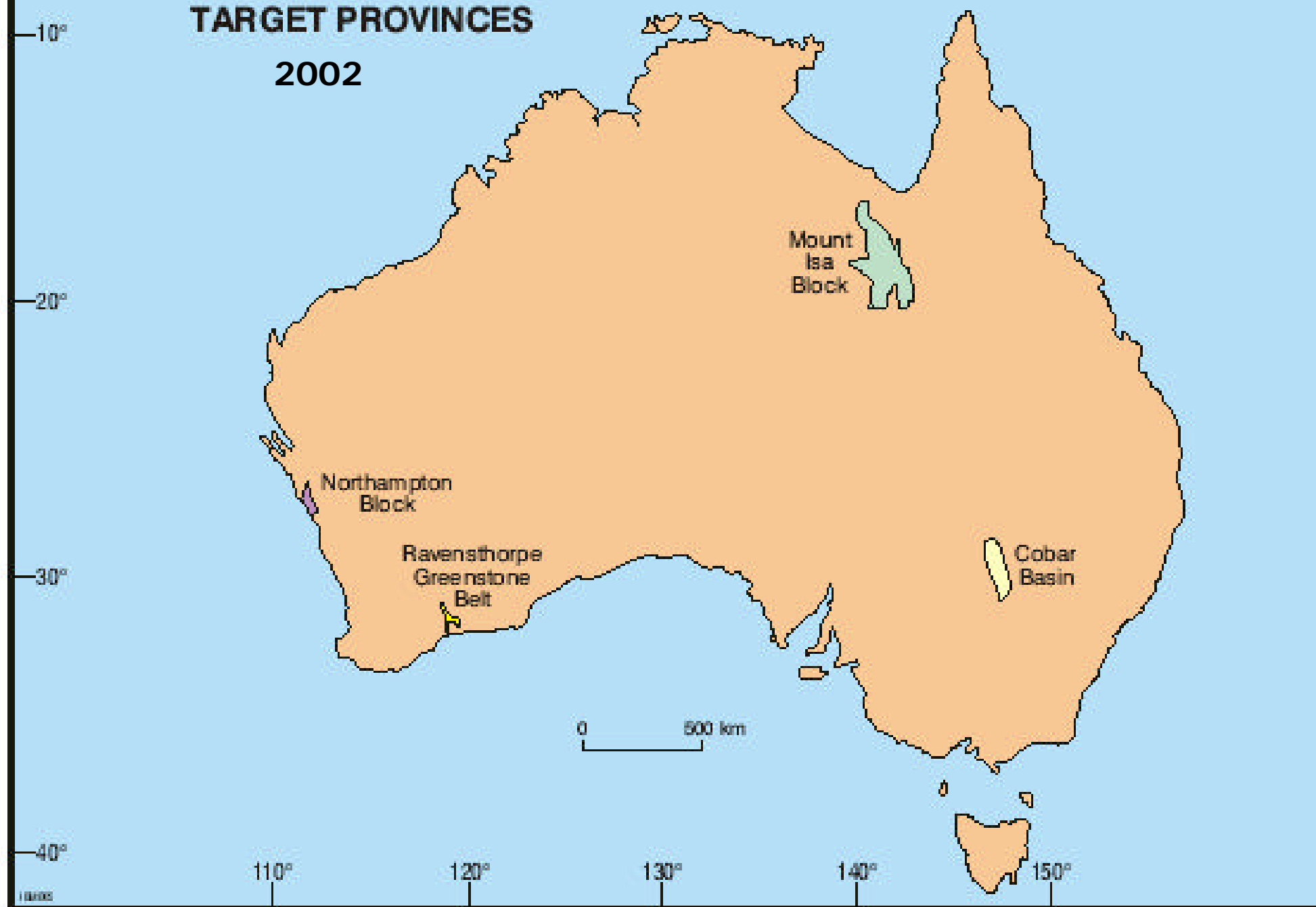


# Mount Isa Province, Queensland



# INTERNATIONAL BASE METALS LIMITED TARGET PROVINCES

2002





# Disaster - mid-2002



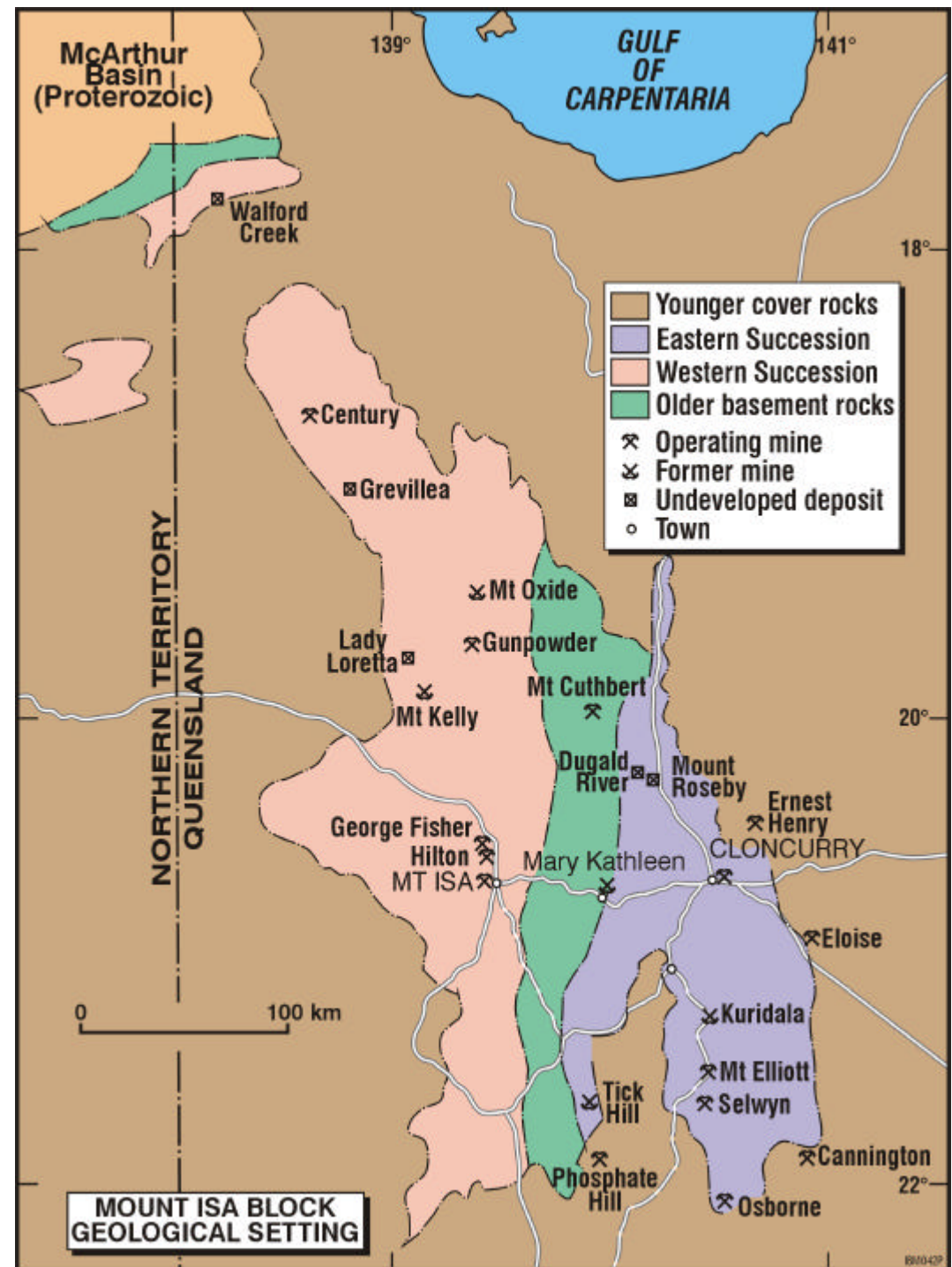
- Ravensthorpe deal changed
- Promised seed evaporated
- Unable to proceed to IPO
- Significant debt
- Unable to exercise option on Ravensthorpe tenements
- Funds needed for Mount Kelly

# **A New Start – Late 2002**

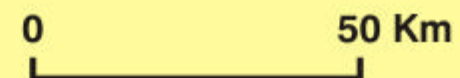
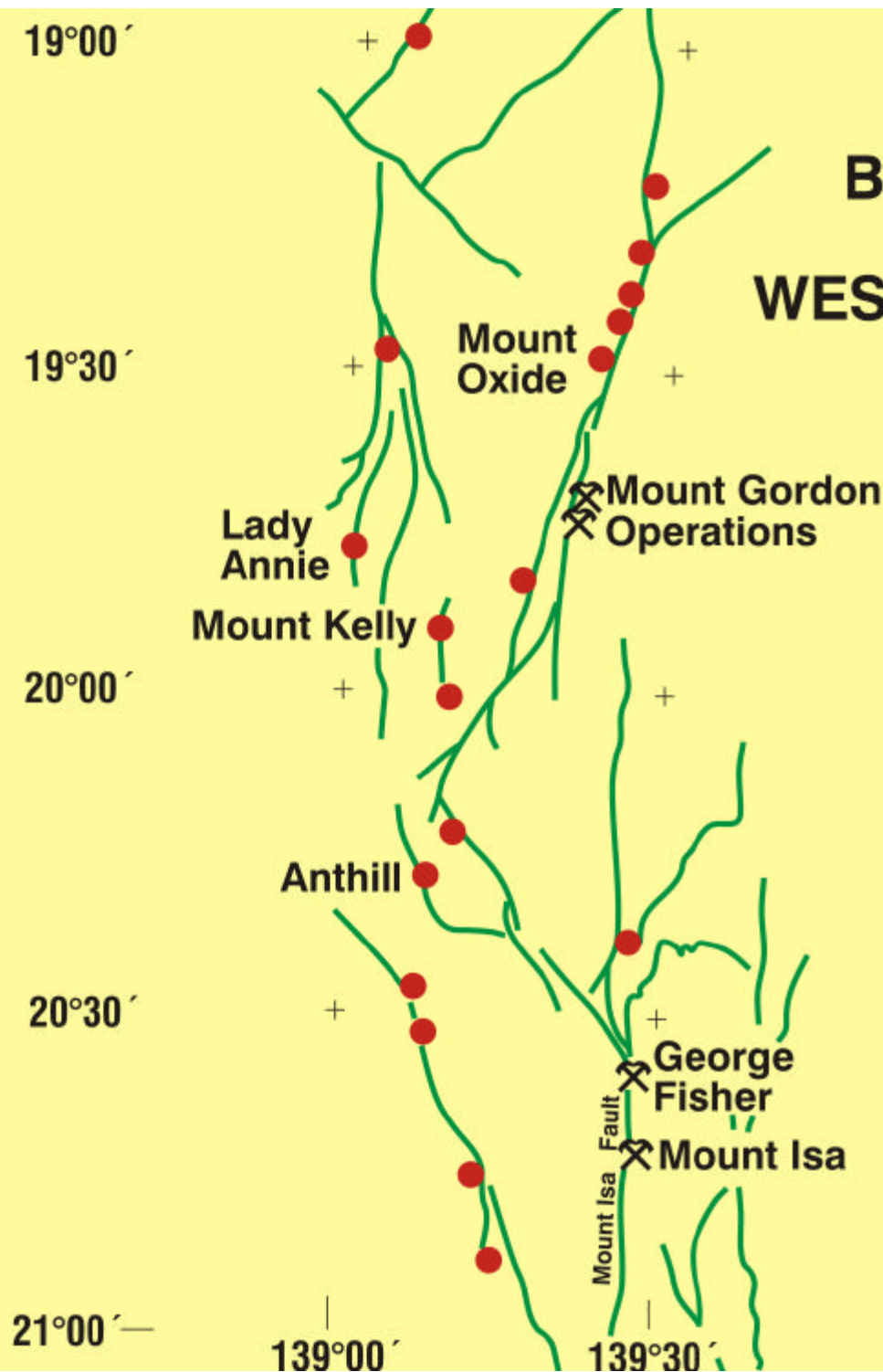
## **The Plan**

- **Need to attract seed capital**
- **→ Target: cash flow within three years**
- **Crucial decision: Focus on oxide copper targets**
- **BUT: Deposits tend to be small**
- **Crucial decision: Plan for central SX-EW plant**
- **BUT: No in-house oxide copper expertise**
- **Crucial decision: Brian Rear joined the Board**

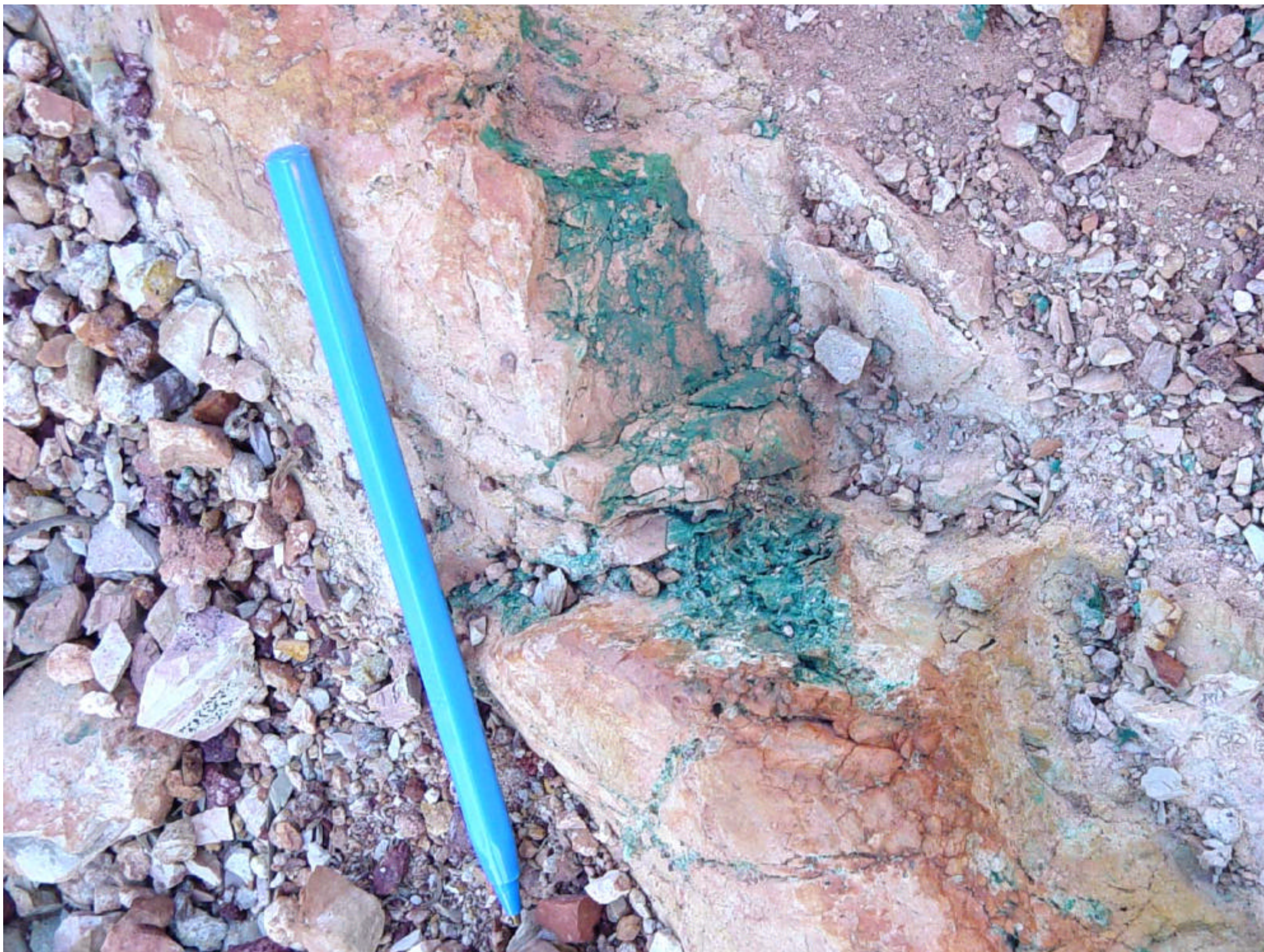
# Mount Isa Province, Queensland



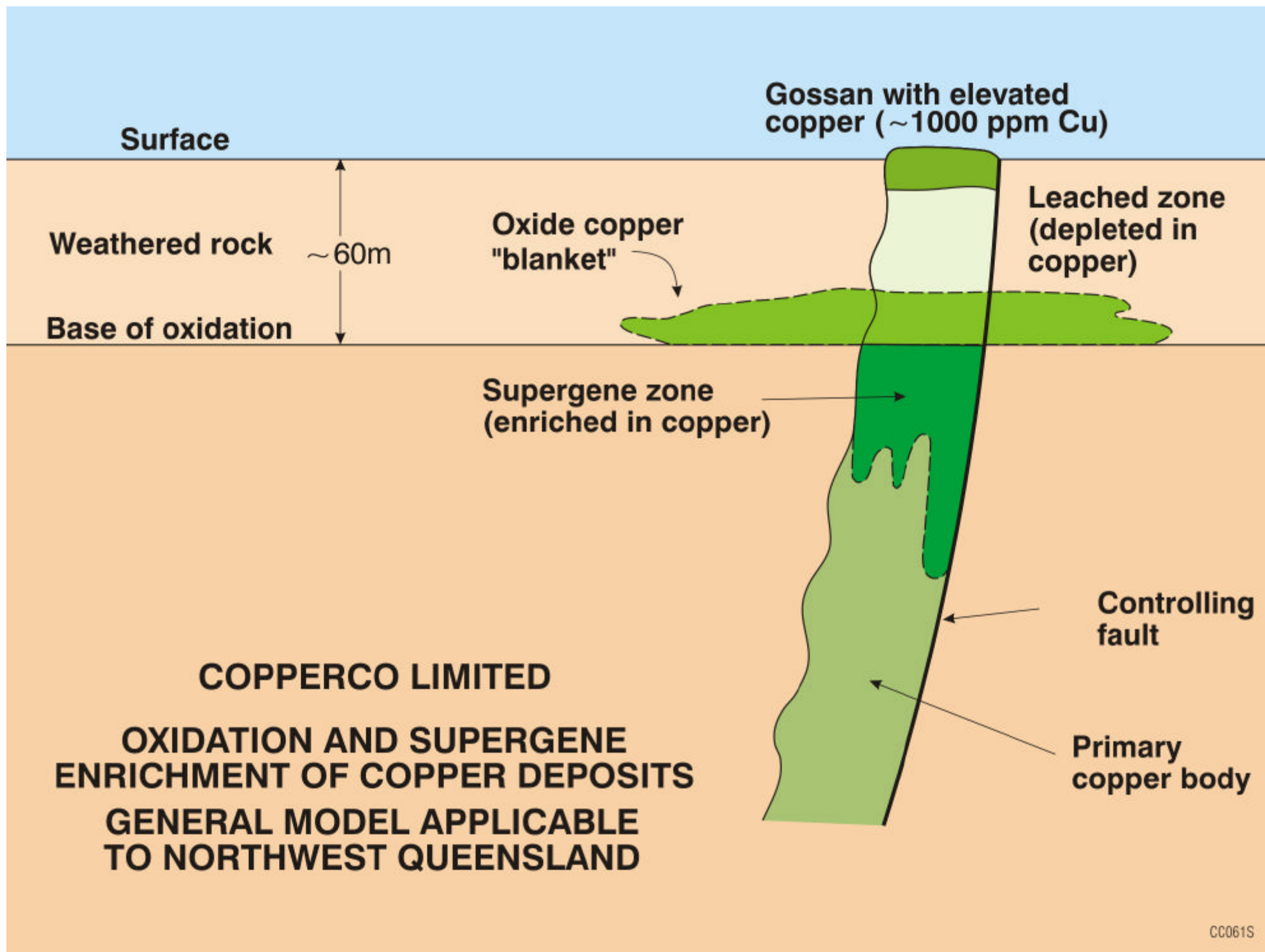
# COPPERCO LIMITED BASE METAL DEPOSITS OF THE WESTERN MOUNT ISA BLOCK





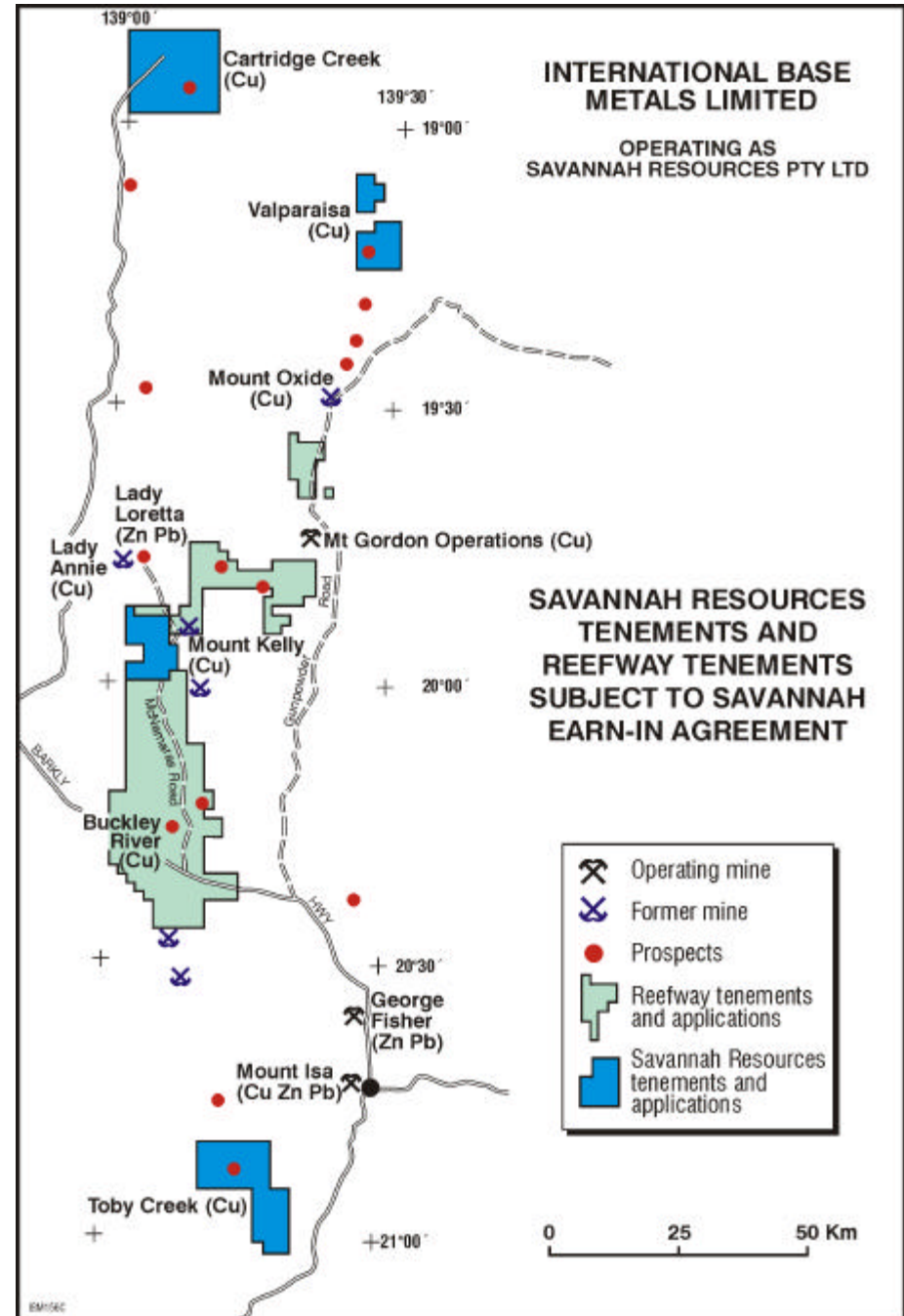






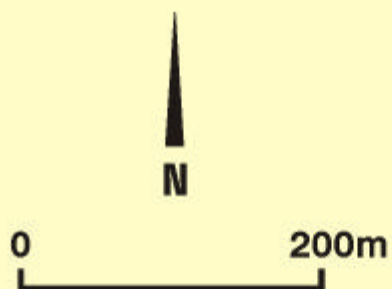
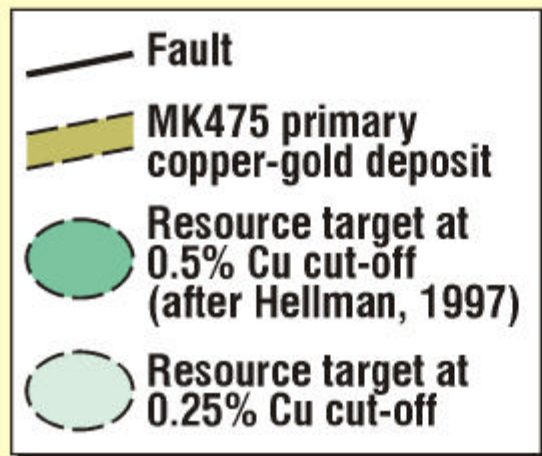
# Oxide Copper Strategy

- Support from Reefway
- Mount Kelly JV in place
  - priority target area
- Earning 50% in Buckley River
  - priority target area
- In-principle agreement on other Reefway EPMs
- Discussions with Buka Minerals re Lady Annie

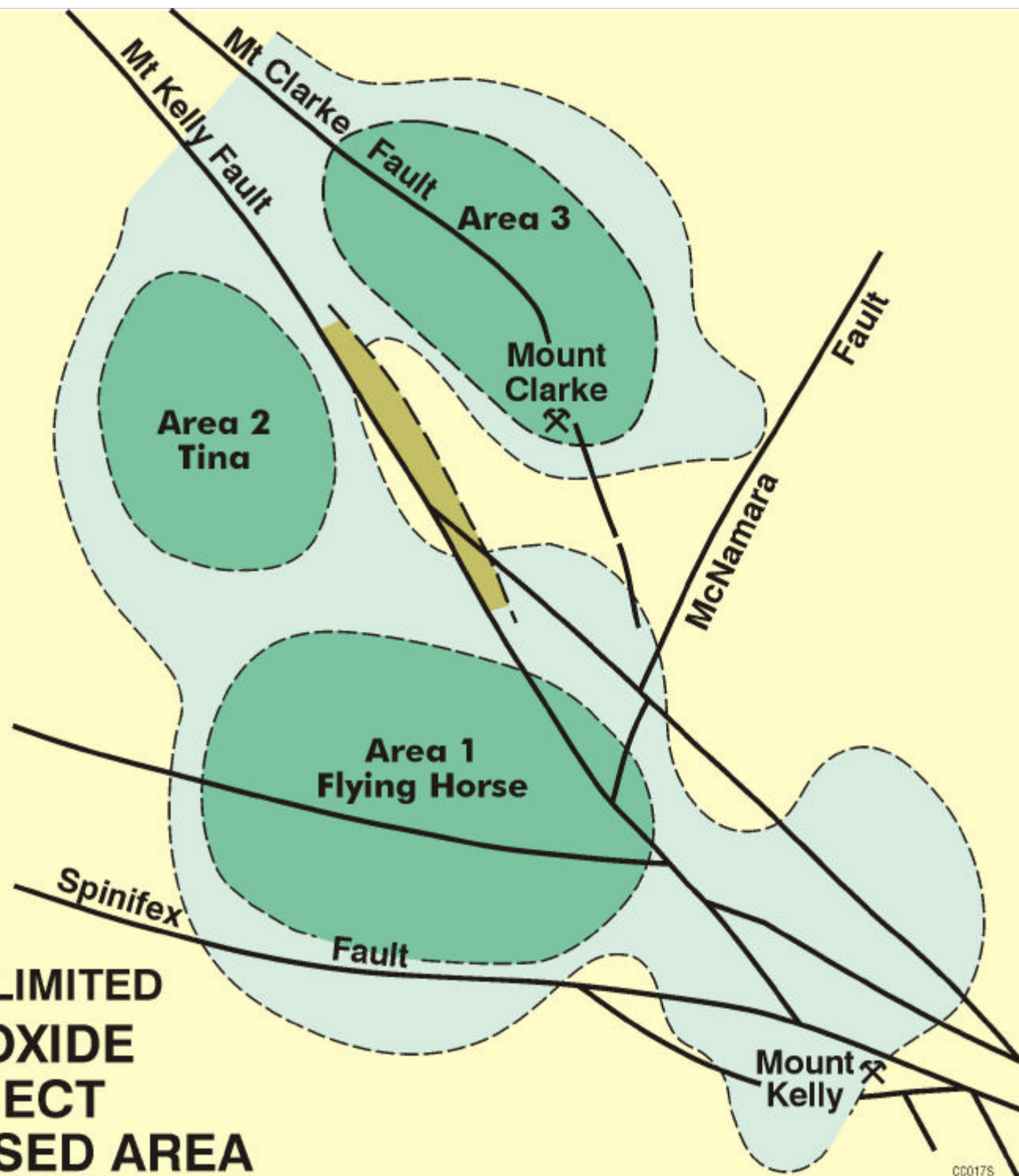


# **Critical Support**

- **Attracted new funding from Europe**
- **Support from Sydney broker, Jeremy Slater**
- **Support from Mineral Securities group - seeking copper opportunities in NWQ**



**AVON RESOURCES LIMITED  
MOUNT KELLY OXIDE  
COPPER PROJECT  
CENTRAL MINERALISED AREA**

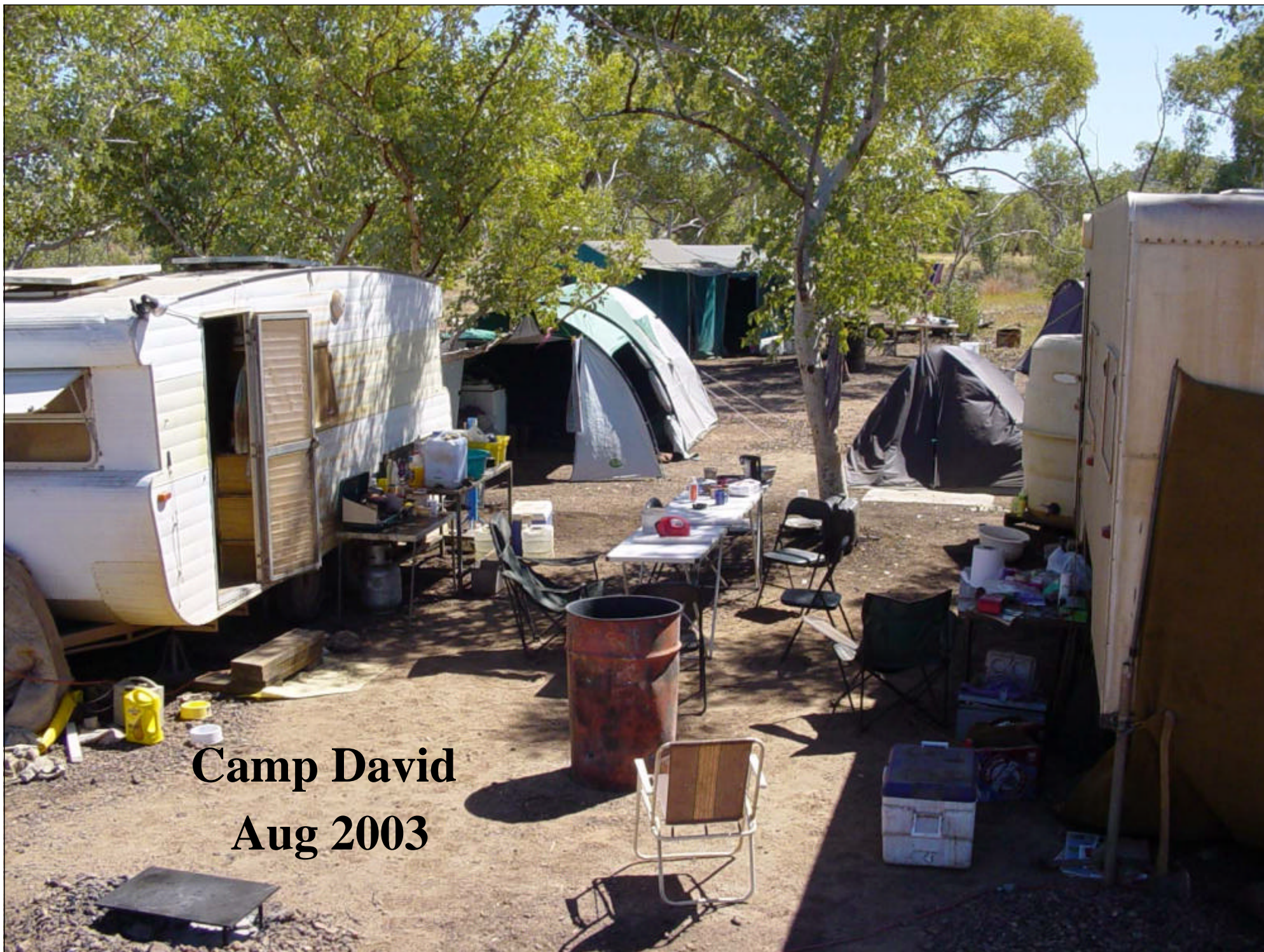




# Mount Clarke Prospect







**Camp David**  
**Aug 2003**



# Drilling at Mount Clarke, Aug 2003







# **Mount Clarke Drilling, August 2003**

<b>Hole</b>	<b>Interval (m)</b>	<b>Intersections</b>
<b>MK538</b>	<b>3-13</b>	<b>10m at 1.07% Cu</b>
<b>MK547</b>	<b>42-68</b>	<b>24m at 1.20% Cu</b>
<b>MK548</b>	<b>16-45</b>	<b>29m at 1.52% Cu</b>
<b>MK549</b>	<b>0-32</b>	<b>32m at 1.07% Cu</b>



SW

NE

MK563

MK548 MK588

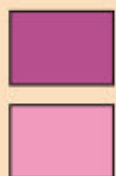
MK587

MK553

MK603

MK564

0 40m

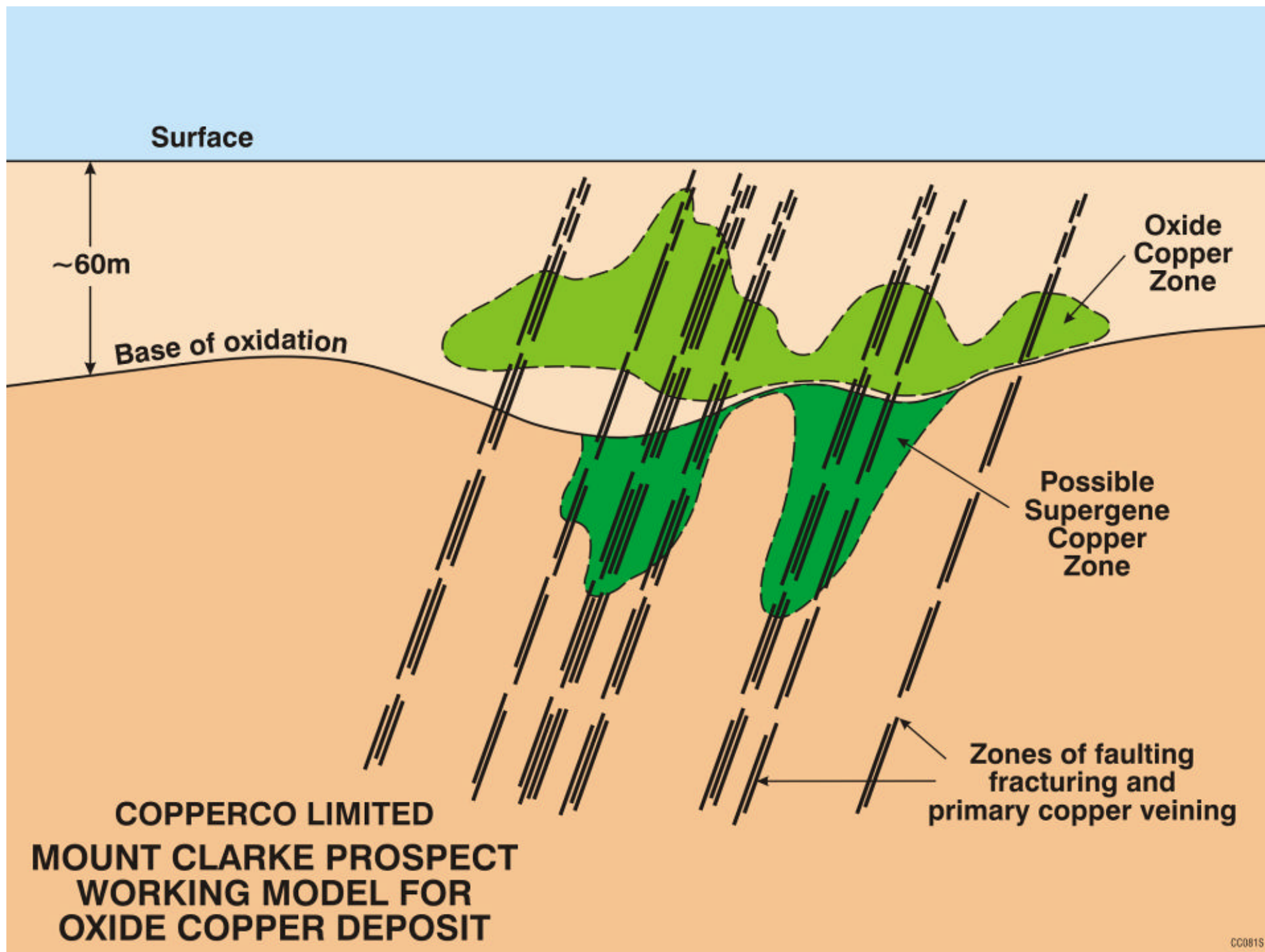


> 0.5% Cu

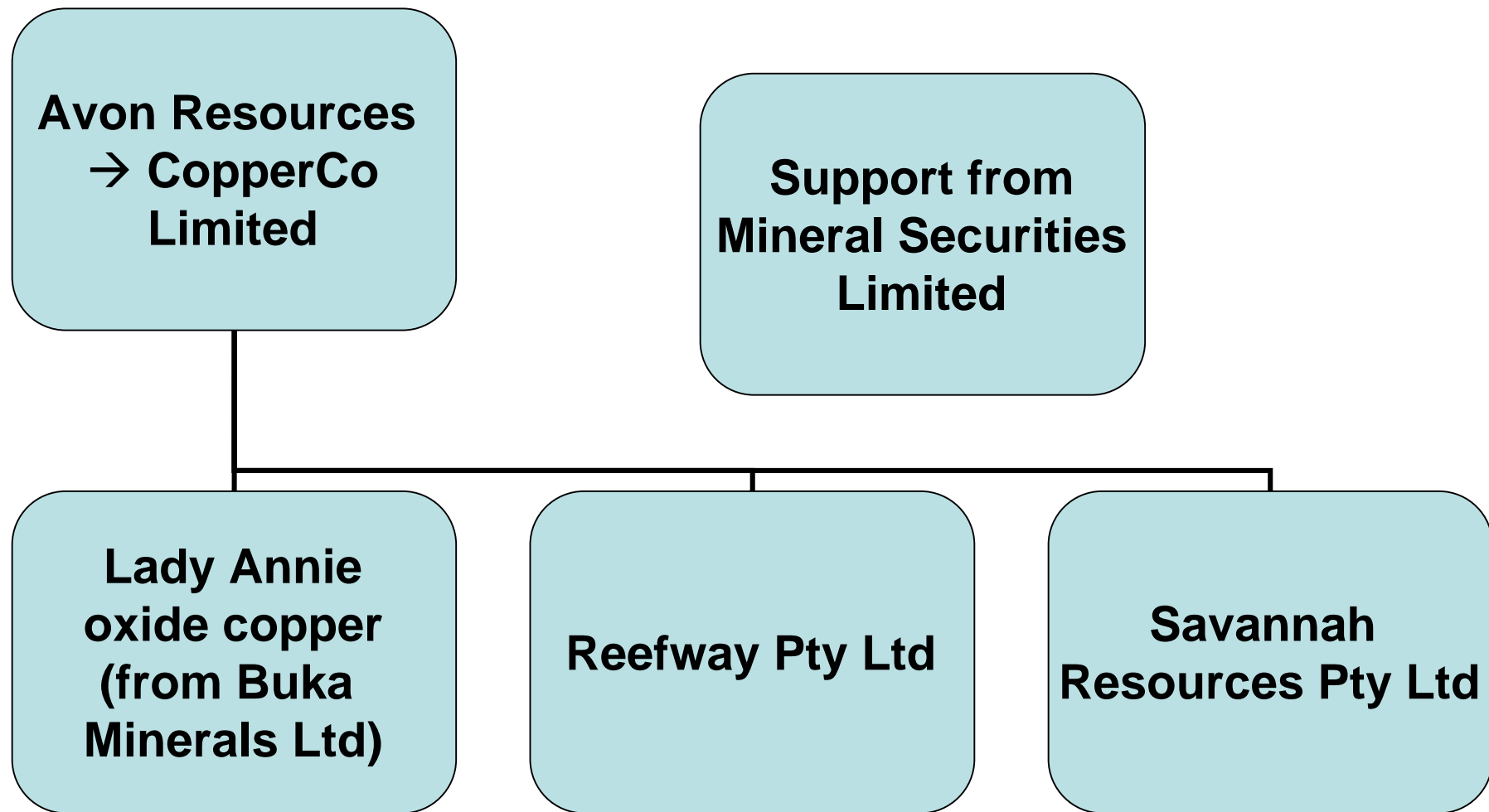
> 0.25% Cu

**SAVANNAH RESOURCES PTY LTD  
MOUNT CLARKE PROSPECT  
SCHEMATIC SECTION SHOWING  
GRADE DISTRIBUTION**





# Creating a New Company





# **Consolidation Provides**

- **A coherent tenement package over 150km of prospective ground**
- **Key elements for a sustainable oxide copper mining operation**
- **Multi-project development pipeline**

# CopperCo Shareholders



## Major Shareholders

- Buka Minerals Ltd - 21.9%
- Mineral Securities Ltd - 8.6% + options

## Issued Capital

- 1,369,361,874 fully paid ordinary shares
- 80,000,000 unlisted options
- 73,000,000 unlisted executive options





# Equity Raising

September 2004

**\$11 million**

## Application of Funds

Acquisition costs

**6,000,000**

Feasibility study

**2,375,000**

Working Capital

**2,625,000**

**11,000,000**





# Existing Resources

## **Lady Annie oxide copper**

8.9 Mt at 1.17% Cu (at 0.3% Cu cut-off)

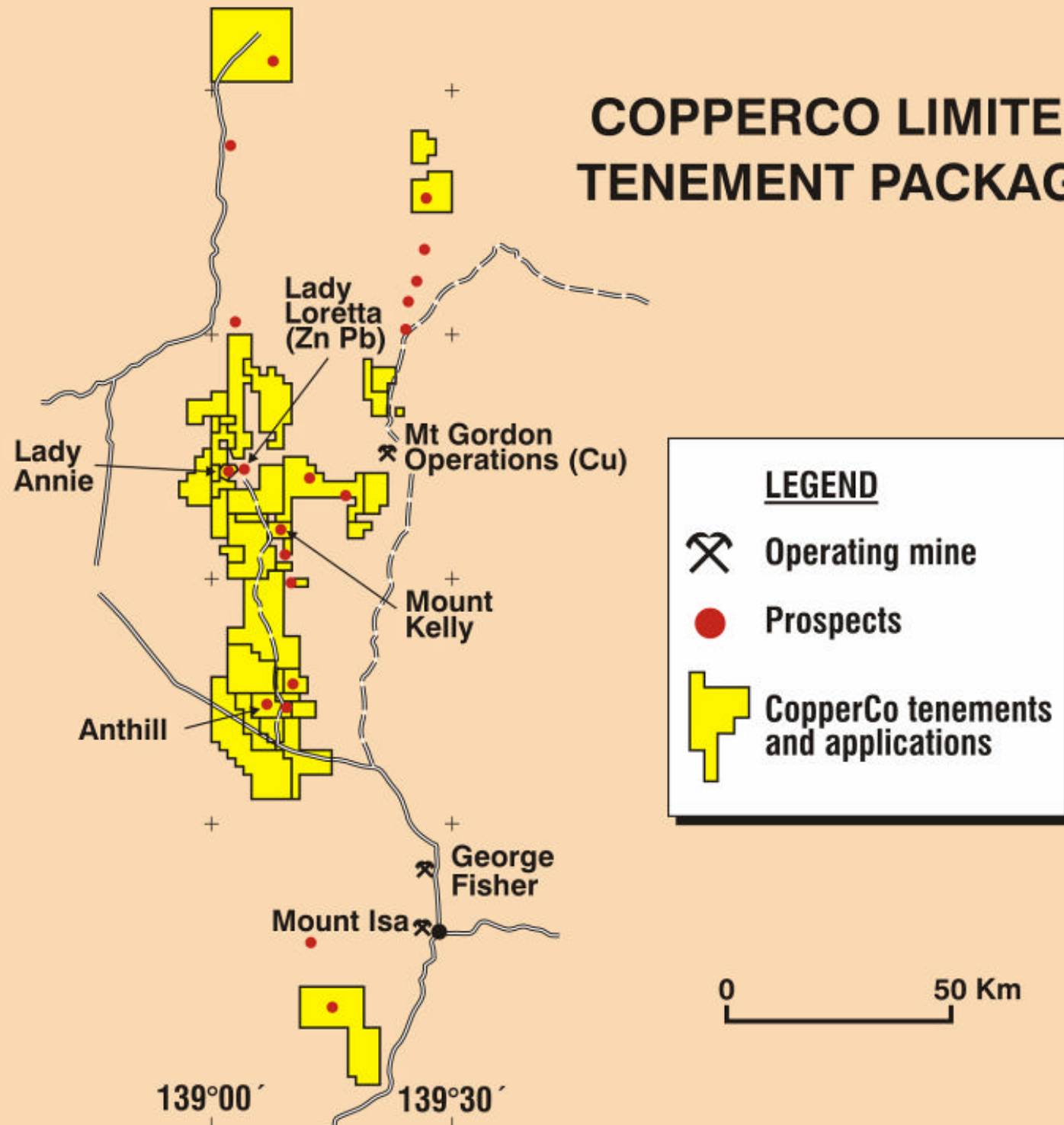
## **Mount Clarke oxide copper**

1.6 Mt at 0.9% Cu (at 0.5% Cu cut-off)

## **Lady Annie transition & sulphide copper**

6.5 Mt at 1.16% Cu above 174 m RL

# COPPERCO LIMITED TENEMENT PACKAGE



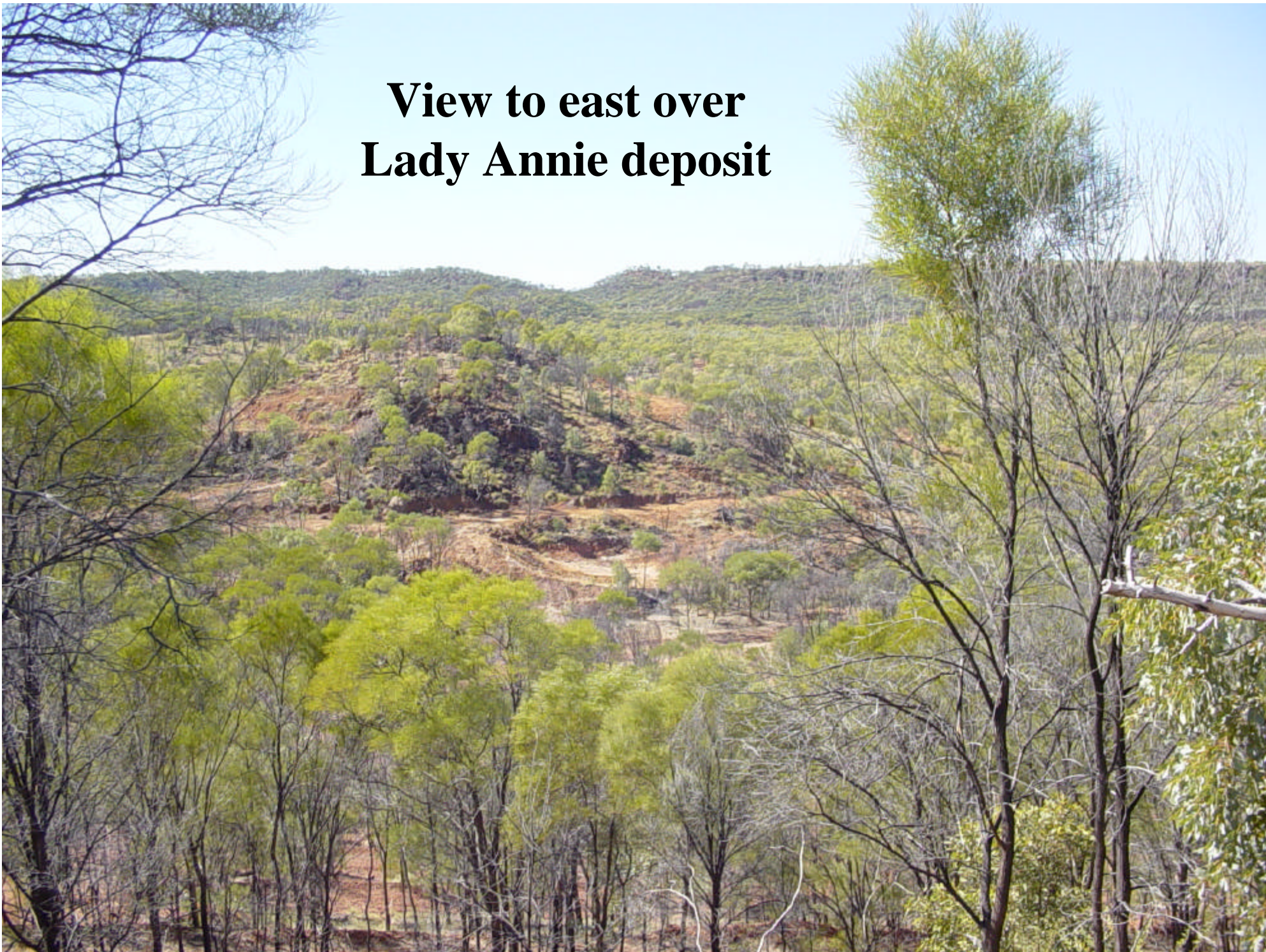




**Malachite in breccia, Lady Annie**



**View to east over  
Lady Annie deposit**





## LEGEND

- Pre-existing drill holes
- 21• Buka - 2002 RC drill holes (with hole number)
- Core  
Core

Conceptual pit outline  
at 0.3% Copper cut-off

100 metres

Little Audrey

Lady Edith

Lady Annie Sth

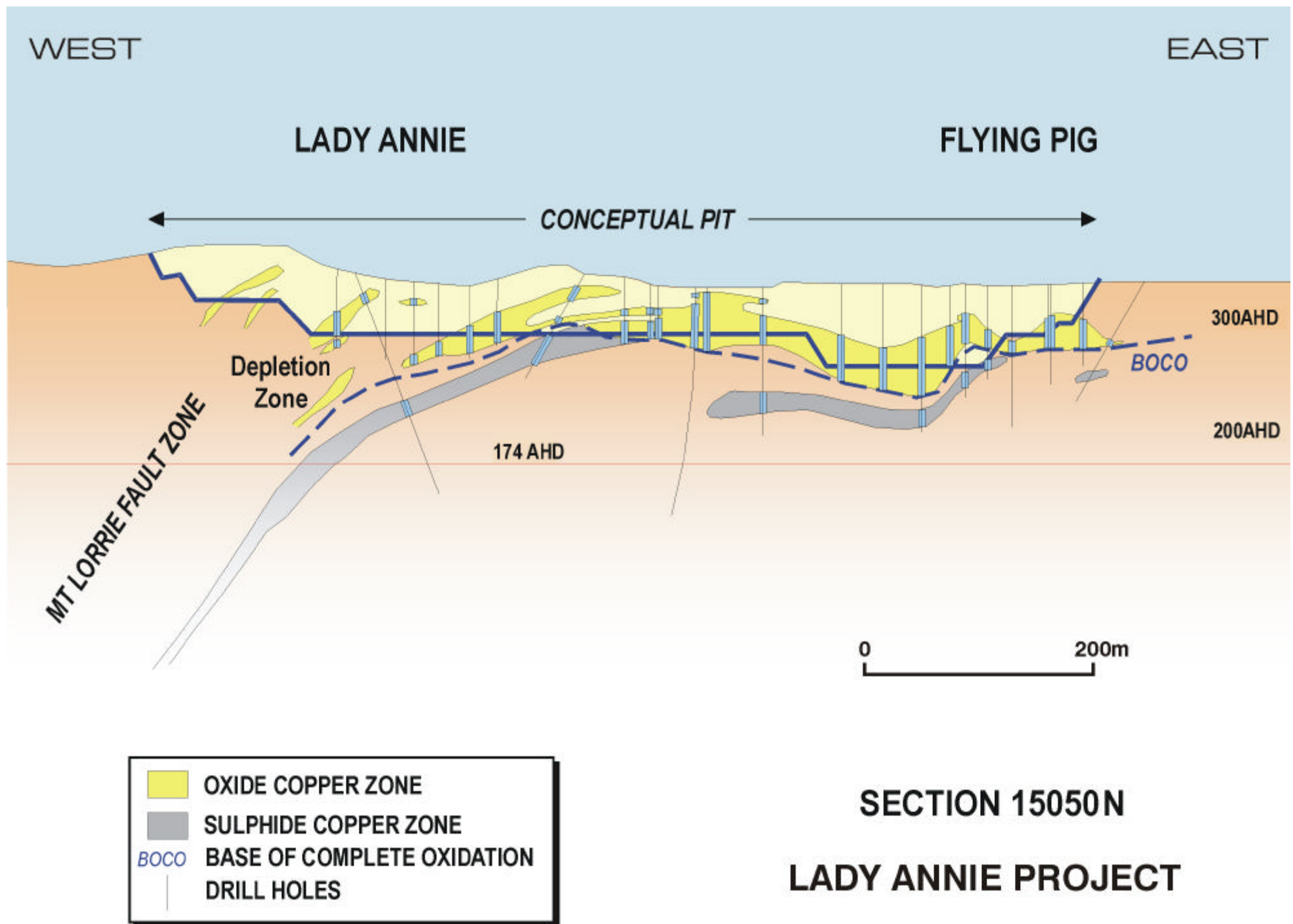
Flying Pig Sth

FLYING PIG

Zones of high  
of copper in re

LIMITED  
PROJECT  
ATTEN

CC0065





# Lady Annie Project



## Capital Costs Targets

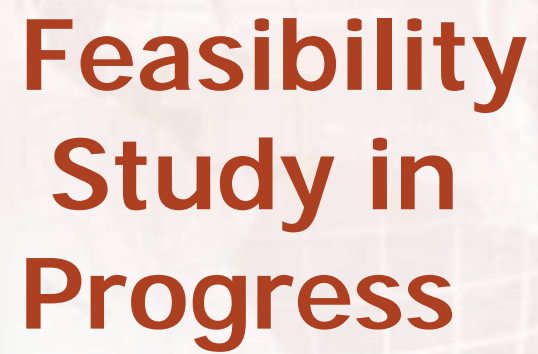
- A\$30-\$35 million (including working capital)
- Contract mining, crushing and stacking
- Grid power

## Operating Costs Target

- Cash costs of US\$0.50/lb - US\$0.60/lb

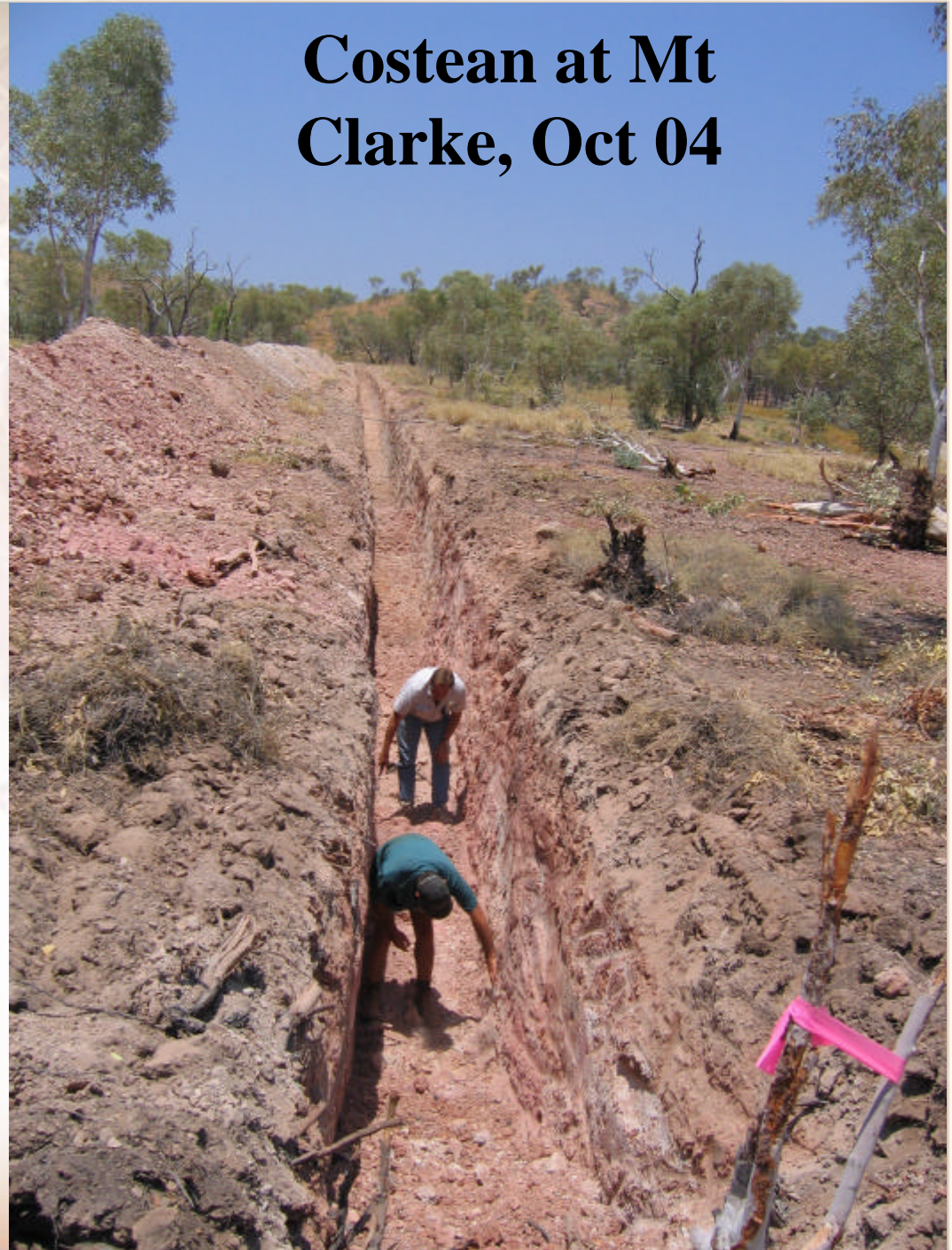
## Production Targets

- 15,000 - 20,000 tpa copper cathode
- Pre-tax cash flows of US\$20-27 million pa



# Feasibility Study in Progress

**Costean at Mt  
Clarke, Oct 04**





**CopperCo is an  
environment-  
friendly company**





# Looking Ahead



- **Exploration Targets**
  - Lady Annie & Mount Kelly project areas
  - Buckley River project area
  - other known deposits & targets
- **Growth Strategy**
  - Joint ventures & alliances
  - Mergers & acquisitions

● Copper prospects



# COPPERCO LIMITED OXIDE COPPER PROSPECTS LOCATION MAP



# Anthill Prospect



Hole	Intersection (m)	Grade (% Cu)
BR008	14	2.19
BR009	22	1.25
BR010	34	3.74
BR012	8	1.09
BR031	8	1.02
BR032	14	0.95
BR036	23	1.85





# CopperCo Summary

- **A new independent copper company**
- **Early cash flow from identified resources**
- **A clear growth strategy**
- **Identified project pipeline**
- **Strongly backed by major shareholders -  
Buka Minerals and Mineral Securities**

# Production Planned for 2006







**Building an Australian  
Copper Company**