



# **2014 AGM Presentation**

**Greg Solomon  
Chairman**





# Corporate Overview

## Mt Thirsty Project, Norseman (Conico 50%)

- Co-Ni Oxide Resource
- Ni Sulphide Exploration

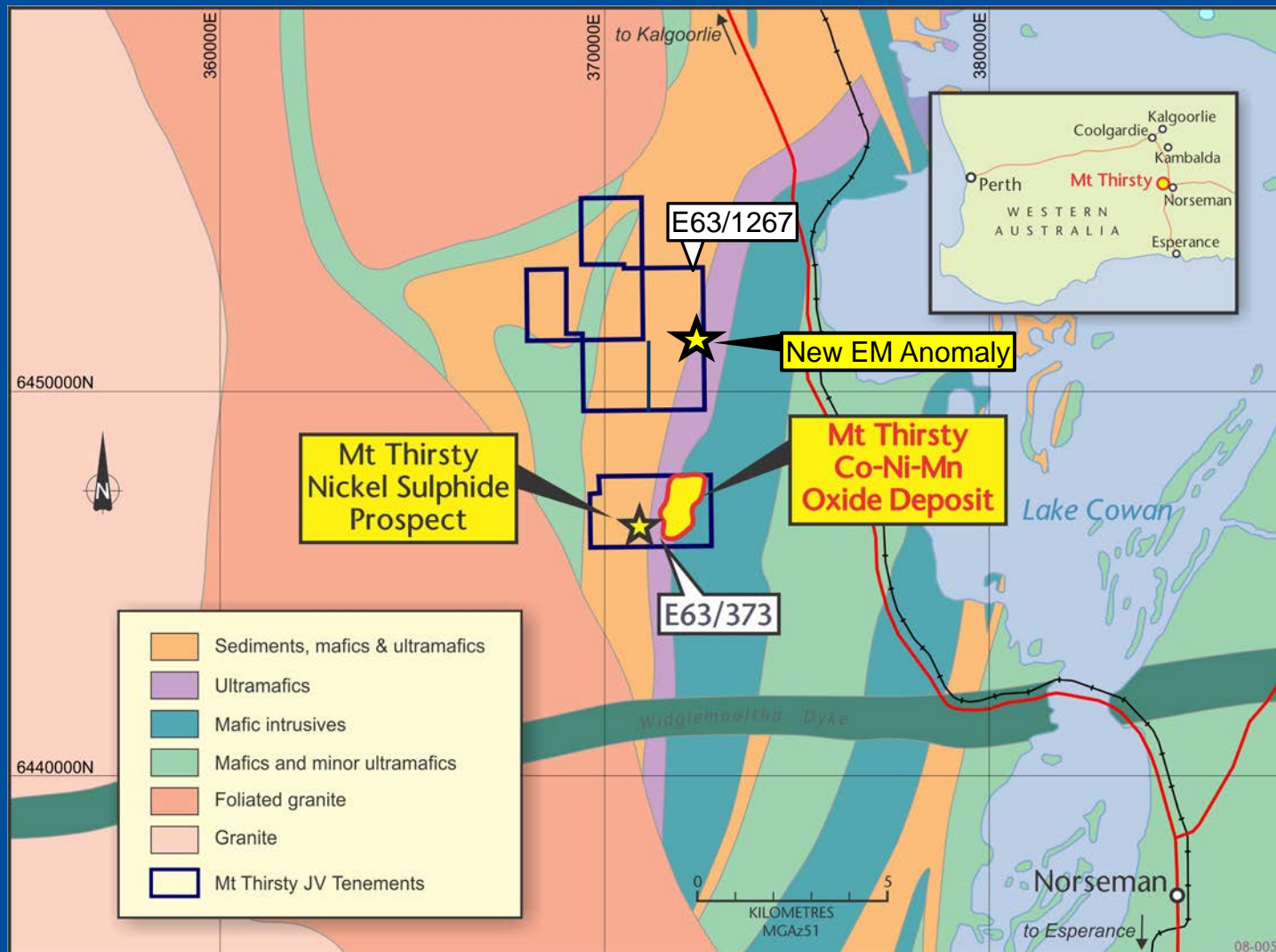
## Conico Capital Structure

- Issued Shares (CNJ) - 132.4m
- Options (3c ex. 31/12/14) - 1m
- Options (8c ex. 31/12/16) - 5.5m
- Market Capitalisation - \$0.8m (26 November 2014)
- Current Share Price - \$0.006 (26 November 2014)



# Mt Thirsty Co-Ni Project

## Conico - 50% JV interest with Barra Resources





# Nickel Sulphide Discovery

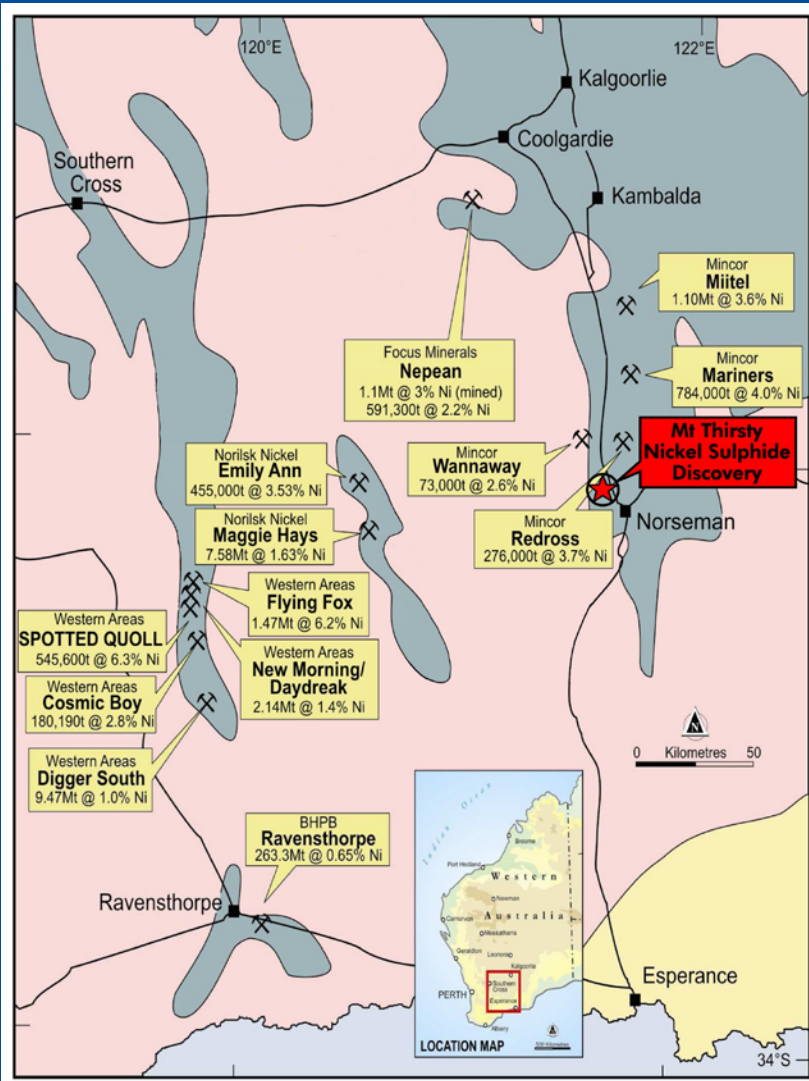
## Mt Thirsty Ni Sulphide Prospect

- Thick favourable sequence of ultramafic rocks
- Well endowed nickel province
- Kambalda style basal embayment type?
- Initial Discovery May 2010:

6 m @ 3.4% Ni in hole MTRC15

- Adjacent to footwall basalt-ultramafic contact
- Follow up RC drilling :
  - 2m @ 5.9% Ni in hole 20
  - 2m @ 3.5% Ni in hole 22

- One deep diamond hole intersected thick pegmatite intrusion cutting off Ni mineralisation at depth
- EM Survey completed over strike extensions to north





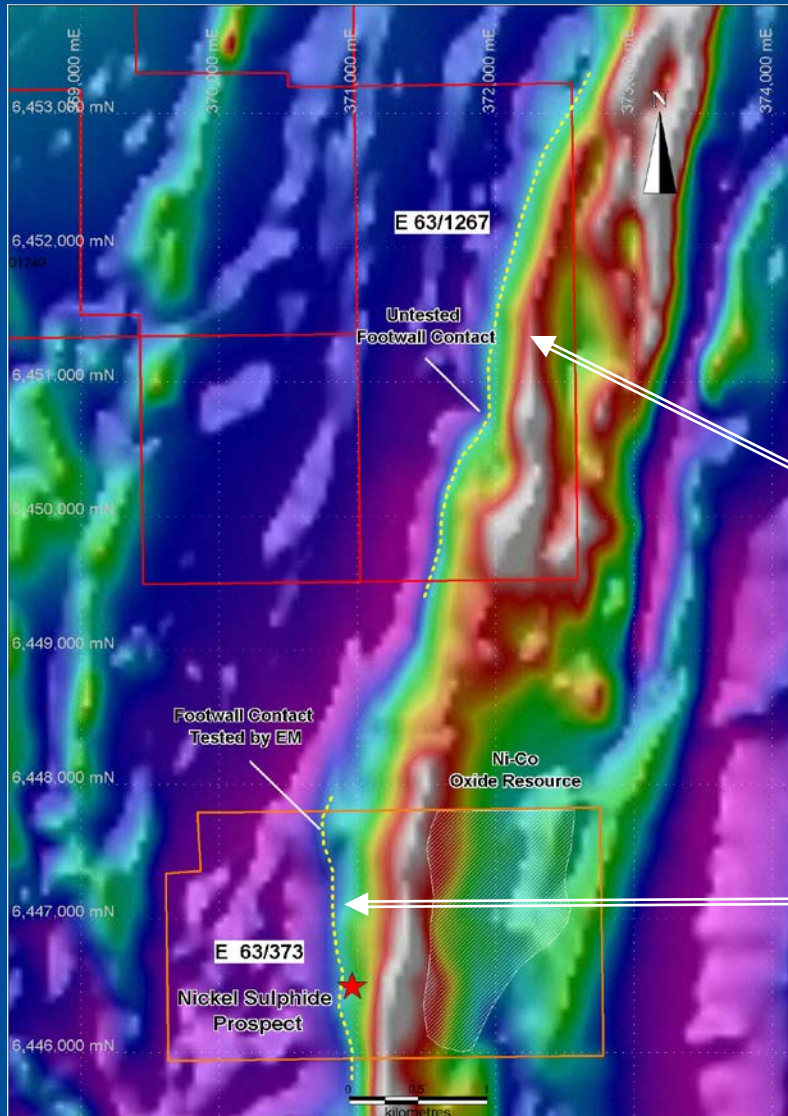
**Showing nickel sulphide intersections and interpreted pegmatite intrusion (red) cutting off Ni mineralisation below 250m depth**

**Hole MTDD028 drilled  
2011 intersected thick  
pegmatite intrusion in  
interpreted Ni sulphide  
position**





# Mt Thirsty Nickel Sulphide Potential



Location of Mt Thirsty JV tenements and nickel sulphide prospect on TMI airborne magnetic image

Interpreted continuation of nickel prospective footwall contact (4km strike) shown in yellow - tested by EM Survey 2013

Footwall contact tested by EM survey and limited drilling



# EM Surveys

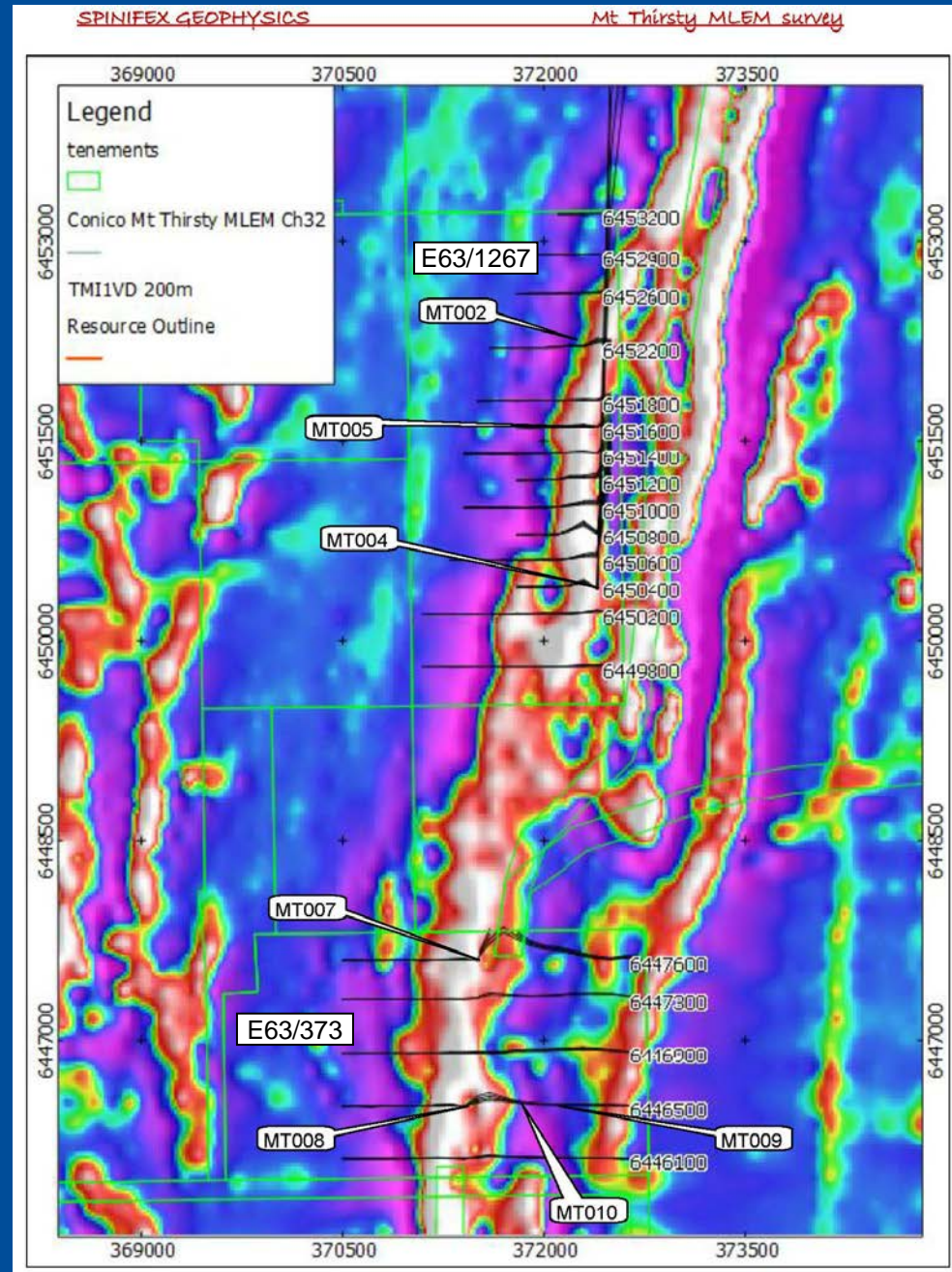
- 23.6 line km - moving loop EM - ELs 63/373 and 63/1267.
- Targeted conductors due to nickel sulphides associated with interpreted mafic- ultramafic contacts.
- Seven EM conductors identified and modelled by consultant :
  - three rated Category-1,
  - three rated Category-2, and
  - one rated Category-4 .
- All Category-1 conductors have potential for Ni sulphides and have been recommended by the consultant for drill testing.
- Most of area is under cover and future drill testing planned.



# EM Survey Results

Stacked in-loop MLEM profiles and conductor locations over TMI-1VD aeromagnetic image.

- 3 conductors rated Category-1\*: MT002, MT004 & MT009
- 3 rated Category-2: MT005, MT007 & MT008
- 1 rated Category-4: MT010
- Conductors rated Category 1 and 2 warrant immediate consideration for drill testing.







# Mt Thirsty Co-Ni Oxide Project

## JORC (2004) Ore Resource

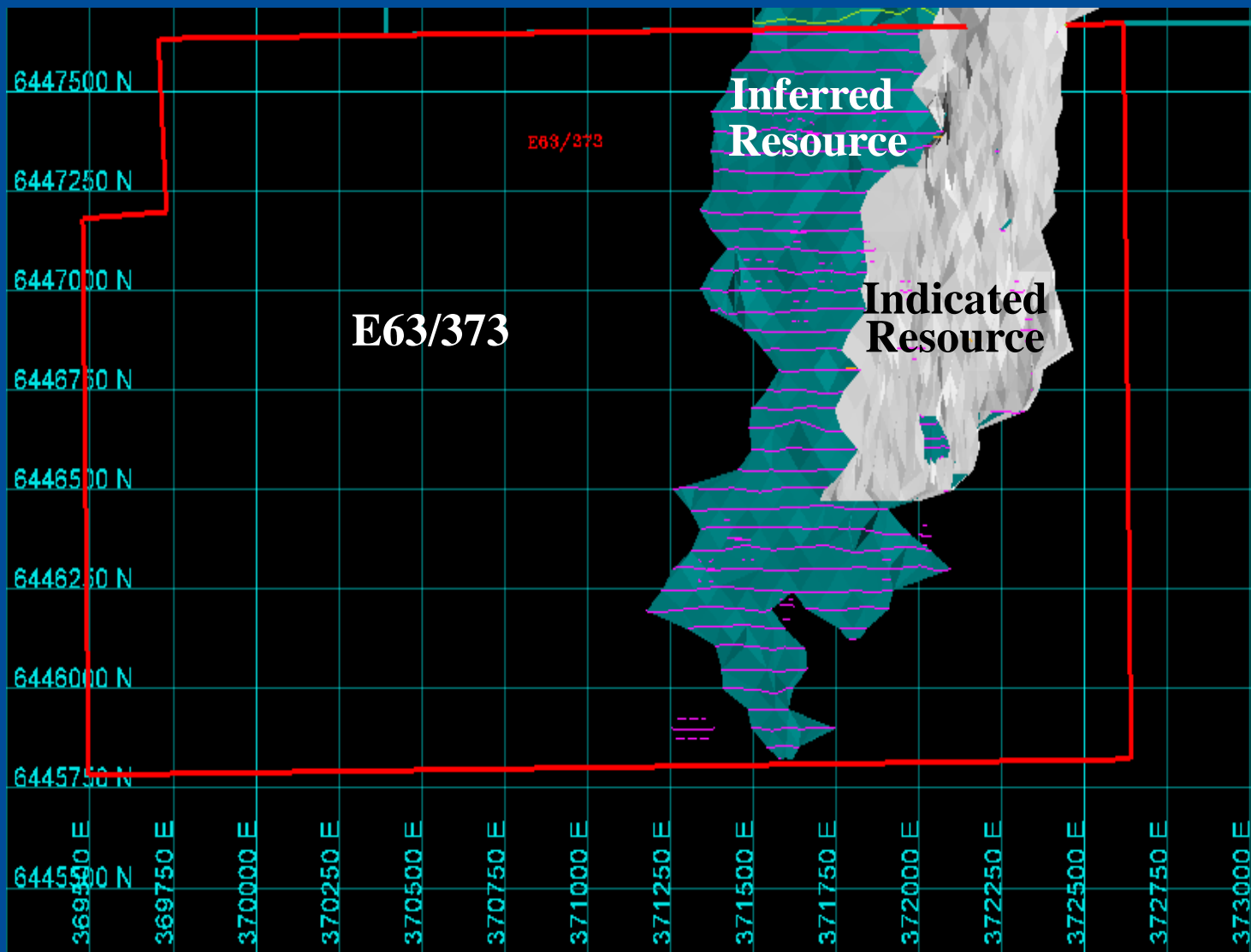
Category	Tonnes	Co%	Ni%	Mn%
Indicated	16,600,000	0.14	0.60	0.98
Inferred	15,340,000	0.11	0.51	0.73
<b>Total</b>	<b>31,940,000</b>	<b>0.13</b>	<b>0.55</b>	<b>0.86</b>

This resource information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, refer ASX Announcement 8<sup>th</sup> March 2011: “Resource Upgrade”, available to view on [www.conico.com.au](http://www.conico.com.au).

**The total Indicated and Inferred Resource above contains 177,000 tonnes of nickel, 40,000 tonnes of cobalt and 274,000 tonnes of manganese.**

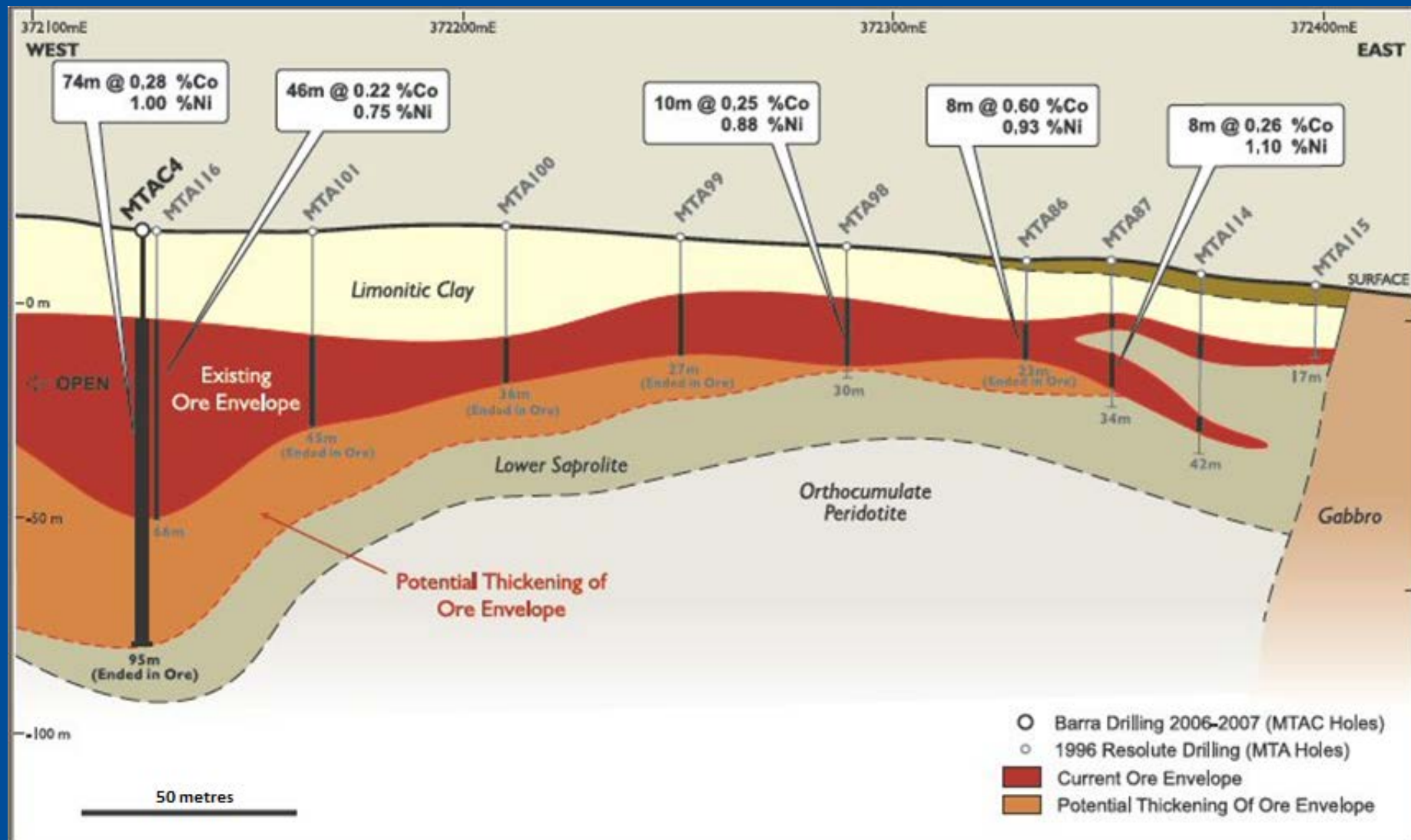


# Mt Thirsty Co-Ni Oxide Resource





# Oxide Project - Geology







# **Oxide Project - Advantages**

- ✓ **Located in a developed country with low sovereign risk**
- ✓ **Located in a mining friendly state, skilled local labour force**
- ✓ **Large proportion of revenue from cobalt**
- ✓ **Good infrastructure – close to Norseman townsite, highway, railway, gas, Esperance Port**
- ✓ **Suitable water source available locally**
- ✓ **Favourable metallurgy - no autoclaves required for high recoveries, low acid consumptions**
- ✓ **Low rainfall area enables low cost tailings disposal and use of evaporation ponds**



# **Oxide Project**

## **Summary of Recent Developments**

- **Major breakthrough for Mt Thirsty Oxide project.**
- **Two new conceptual flowsheets developed**
- **They are each different, low cost methods for processing cobalt-nickel oxide ores compared to previous capital intensive flowsheets that aimed at maximising both nickel and cobalt recoveries**
- **Excellent potential for Mt Thirsty to become a low cost cobalt-nickel producer.**



## **Oxide Project - Recent Test Work Results**

- Agitated leach tests proved the ability of SO<sub>2</sub> alone to extract ~80% Co and >20% Ni from Mt Thirsty ore in 4 to 5 hours with low Fe extraction and low acid consumption (25-50kg/t).
- Revised Capex estimate of \$66.7 - \$68.5m for two 3000 tpd processing options including \$20m for site infrastructure.
- Opex estimated at \$5.53 to \$5.75/lb Co.
- Value adding by production of Ni-Co oxide chemicals could have a premium of 15-20% above LME metal values.







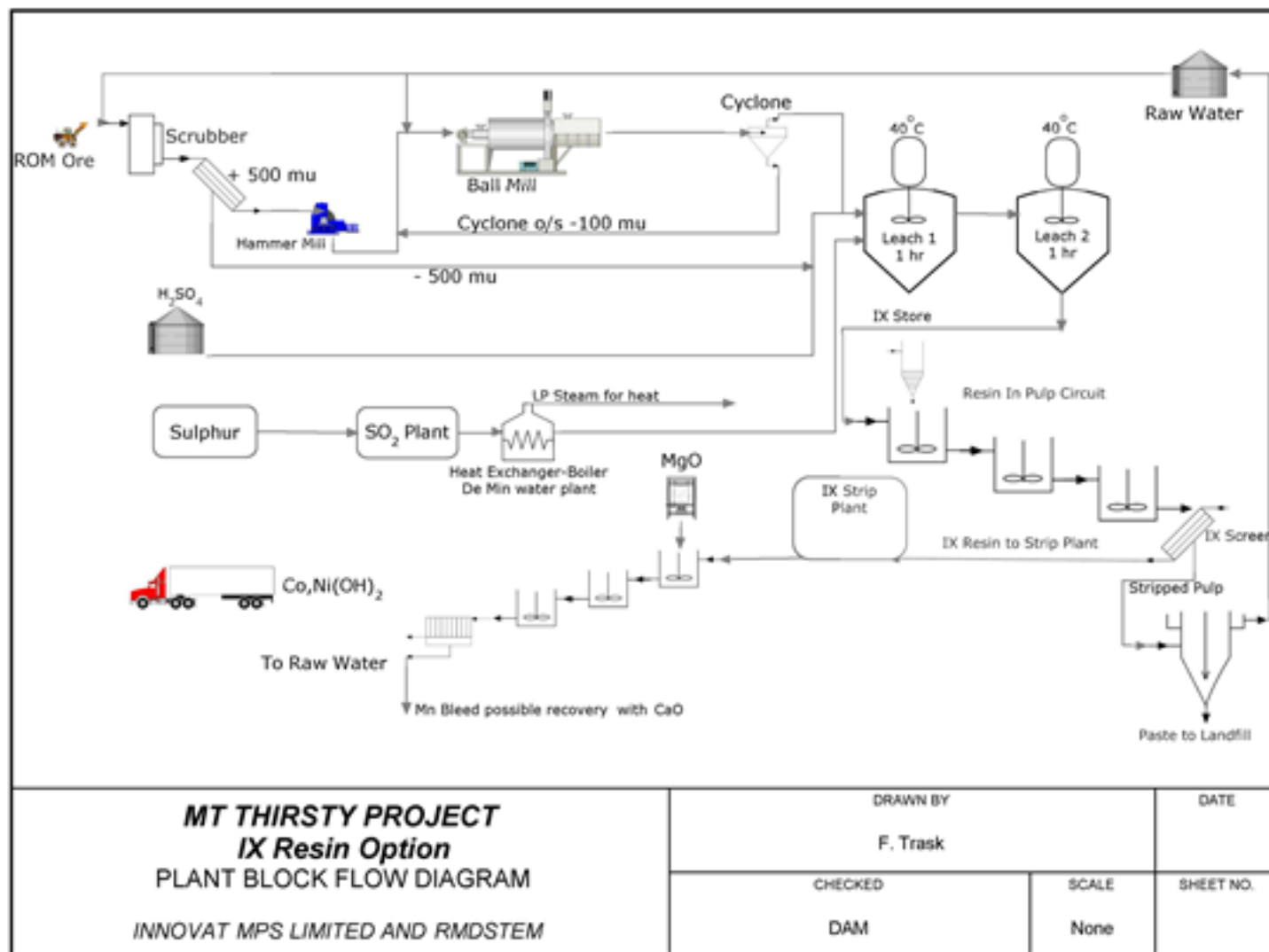
## Oxide Project - Paste Thickener Option

- Flowsheet designed for 900,000 tpa.
- Agitated leaching with  $\text{SO}_2$  in closed tanks.
- Leach pulp and solution transferred to either a single large or several smaller INNOVAT Paste Thickeners, mixed with flocculent and a paste formed.
- Overflow PLS contains 86% of leached metals. Wash with clean process water and thickening in a second INNOVAT paste thickener recovers a further 11% of the soluble metals.
- Soluble Co and Ni can be recovered as hydroxide.



# Oxide Project - New Conceptual Flow Sheet

## Resin in Pulp Option







## Oxide Project - Resin in Pulp Option

- Leached slurry is contacted with a broad spectrum Ion Exchange resin (large beads).
- Beads recovered by screening and handled the same as carbon in a CIP gold plant.
- Initial resins studied appear able to recover + 99% of the combined Co and Ni in solution.
- Loaded resin forwarded to Ion Exchange strip plant producing strong solution of Co and Ni sulphate.
- Solution precipitated as combined Co-Ni hydroxide and shipped to refineries.
- Capital cost marginally lower, but high cost of the resin charge makes the two process options similar.



## Competent Person's Statement

*The information in this presentation that relates to Exploration Targets, Exploration Results and Mineral Resources is based on and fairly represents information compiled by Michael J Glasson and Robert N Smith, Competent Persons who are members of the Australian Institute of Geoscientists.*

*Mr Glasson and Mr Smith are full time employees of Tasman Resources Ltd and in this capacity act as part time consultants to Conico Ltd. Mr Glasson and Mr Smith hold shares in Conico Ltd.*

*Mr Glasson and Mr Smith have sufficient experience which is relevant to the style of mineralisation and type of the deposits under consideration and to the activity being undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Glasson and Mr Smith consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

*The information concerning exploration results was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported,.*



## Disclaimer

The interpretations and conclusions reached in this presentation are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.