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AVONBANK PROJECT - STAKEHOLDER UPDATE - JUNE 2017

WIM Resource Pty Ltd ('WIM') is pleased to provide an update & forward work plan for the Avonbank Heavy Mineral Sands Project, located near the township of Doon, Victoria - to all stakeholders.

During the past 6 months, WIM has made considerable progress with respect to the Avonbank Pre-Feasibility Study (PFS) and expects to complete the PFS shortly. Results are very positive and indicate that Avonbank Project holds significant technical & commercial merit. Further details of the PFS will be released in due course.

As part of the PFS, WIM has undertaken test work to understand how to best process Avonbank ore. This test work has successfully produced premium quality Zircon, Rare Earth & Titanium products. The successful production of premium quality products represents a major milestone for the project. Detailed community studies, field based environmental surveys and cultural heritage studies have also been completed.

The next stage for WIM will be to commence a Bankable Feasibility Study (BFS) within coming months. This is a very detailed feasibility study - which will cover all aspects of the project, with the primary aim of informing WIM of whether the project has sufficient technical & commercial merit, to support an investment decision.

Over the next 6-12 months, WIM will also commence other key environmental, social & economic related studies. WIM expects the BFS and these other key studies & approvals will likely take at least 2 years to complete.

Discussions with key project stakeholders regarding various aspects of the project, including transport & project-related infrastructure studies will continue. WIM will continue to actively participate in stakeholder engagement with all other stakeholders, as part its stakeholder engagement plan. An example of WIM's commitment to stake holder engagement was the WIM interactive exhibit at the Wimmera Field Days 2017 – where WIM received strong, positive interest in the project & what it may offer Horsham & the region.

Attached is an information leaflet that WIM has produced - providing general information about mineral sands, products derived from heavy minerals and how critical heavy minerals are to everyday living – I hope you find this informative.

Please refer overleaf for a detailed project update & forward work plan.

Kind Regards,

Michael Winternitz
Project Manager & Senior Geologist
WIM Resource Pty Ltd

WIM Resource Pty Ltd ABN 59 159 389 929

Suite 2004, Level 20, 201 Elizabeth Street, Sydney, NSW, 2000 T: (02) 9264 1990 F: (02) 8964 6865

www.wimresource.com.au

AVONBANK PROJECT - STAKEHOLDER UPDATE

WIM Resource Pty Ltd ('WIM') is pleased to provide a general update to all stakeholders for the Avonbank Heavy Mineral Sands Project, located near the township of Doon, Victoria.

PROJECT STATUS

The Avonbank Pre-Feasibility Study (PFS) for the Avonbank Project is near complete – results are positive and indicate that the project has considerable technical & commercial merit. Further details regarding the results of the PFS will be released in due course.

The next stage for WIM will be to commence a Bankable Feasibility Study (BFS) within coming months. This is a very detailed feasibility study - which will cover all aspects of the project, with the primary aim of informing WIM of whether the project has sufficient technical & commercial merit, to support an investment decision.

The completion of a BFS will require a significant investment by WIM and is a testament to the high calibre of the Avonbank project. The transition to a BFS phase also stands to testament - of the strong support for the Avonbank project that has been clear to WIM -- from HRCC, local skilled personnel interested in employment opportunities, local community members and community groups.

It is likely that the BFS & other studies will take WIM at least 2 years to complete and as such, no investment decision for the Avonbank Project will be made until after this time frame. WIM will continue to provide regular project updates to all stakeholders during this time.

WORK COMPLETED IN LAST 6 MONTHS

Work completed by WIM over the last 12 months includes:

- Completion of Pre-Feasibility Study (PFS) – confirming that the Avonbank Project has considerable technical & commercial merit, sufficient to proceed to a full feasibility study;
- Flora & fauna and cultural heritage studies, including field surveys;
- Processing & metallurgical test work that confirmed Avonbank ore is treated easily via conventional equipment (*see pictures overleaf*);
- Production of premium quality final products, including ceramic grade Zircon & Rare Earths (*see pictures overleaf*);
- Updated part of the Avonbank Resource to JORC compliant Measured classification – indicating very strong confidence in geology, deposit geometry, grade & mineralogy
- Continued community engagement – including an exhibit at the Wimmera Field Days – where a mini-pilot scale wet gravity separator (spiral) was operating (*see pictures overleaf*);

WORK PLANNED FOR THE NEXT 12 MONTHS

WIM expects to complete the following:

- WIM still expects a minimum of 2 years will be required for WIM to fully assess the Avonbank Project and undertake environmental, licensing studies & approvals;
- WIM will commence a Bankable Feasibility Study (BFS) – this will aim to increase the level of confidence for all areas of the project to the highest possible level;
- It is expected that an EES (Environmental Effects Statement) will be commenced – this will involve a detailed study for a range of topics pertaining to the project, including: social, environmental, economic & community impacts

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PRIMARY WET GRAVITY SEPARATION STUDIES

WIM engaged world-leading experts Mineral Technologies Ltd to develop a process flow sheet for separating the valuable heavy minerals from a 20 tonne sample of Avonbank ore. This test work was successful in producing Heavy Mineral Concentrate (HMC).



Above: 20 tonne bulk sample - Avonbank



Above: Full scale-spirals



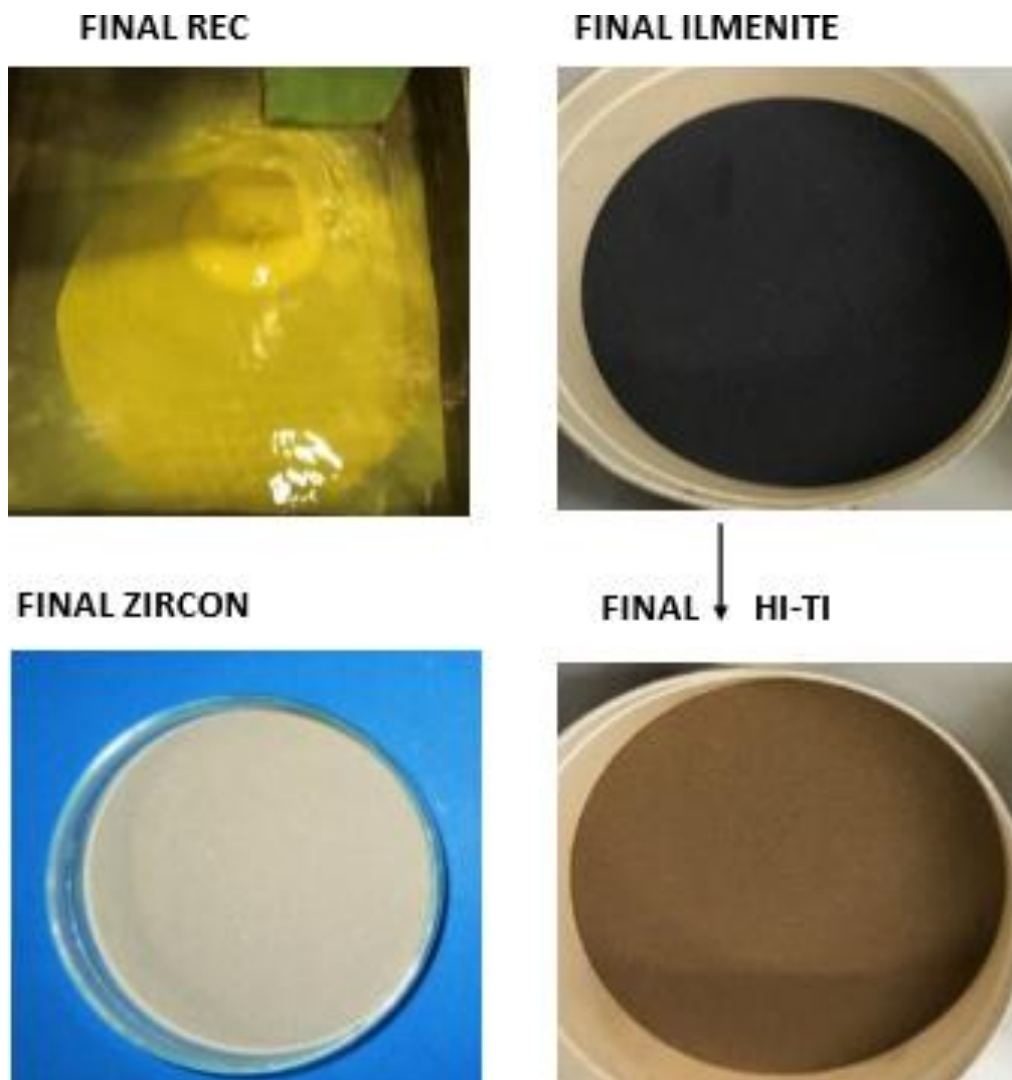
Above: Wet gravity (spiral) separation



RHS: Final Product for export (HMC)

MINERAL SEPARATION STUDIES

The HMC that was produced from the primary wet gravity circuit (refer *previous page*) was successfully processed using standard equipment to produce final Zircon, Rare Earths & Titania products. The Zircon is of premium quality & is suited to the ceramics market. The Rare Earths are of premium quality and will be suitable to produce final products, for input into medical hardware & treatments, wind turbines, solar panels and vehicles – as well as a diverse range of other critical everyday products.



Above: Final Product Streams for Avonbank Project

STAKEHOLDER ENGAGEMENT

WIM Resource had an information & interactive exhibit at the Wimmera Field Days. The WIM exhibit had a mini-pilot scale spiral which was operating – to demonstrate the simple & low risk nature of wet concentration (see pictures below).

WIM was pleased to see such a high level of genuine interest in mineral sands, mining & processing. The level of interest & familiarity with mineral sands mining from members of the community and in the economic and employment opportunities that Avonbank will bring to the region.

WIM is committed to engaging with the local community and all stakeholders. WIM recommends that any interested parties register for updates, via the WIM website (www.wimresource.com.au). As part of WIM's stakeholder engagement policy – WIM is open to any feedback regarding exploration undertaken and any questions regarding future work or plans.

Please feel free to contact Project Manager Mr Michael Winternitz directly on 0467 515 100 should you wish to discuss any matter or email via mwinternitz@wimresource.com.au



Above: WIM Resource interactive exhibit at WFD 2017

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