



**14 February 2011**

#### **Fast Facts**

Cap Structure	Feb 2011
Issued Shares	428Mil
Market Cap	A\$49Mil

#### **Directors**

Hamish Bohannon	Chairman
Jason Stirbinskis	Managing Dir.
Joe Totaro	Non-Exec Dir.
Andrew Ellison	Non-Exec Dir.
Tony Martin	Non-Exec Dir.

#### **Company Highlights**

- Substantial resource base
- Diversified commodities
- Aggressive exploration
- Proven management



#### **PRP Resource Base**

- 13.9 Mt
- 910,000 oz gold
- 9.9 Moz silver
- 95,200 t copper
- 123,000 t lead
- 74,000 t zinc

#### **Contact Details**

Head Office  
Unit 46/328 Albany Hwy  
VICTORIA PARK  
WA 6100  
T: +61 8 6250 4600  
F: +61 8 6250 4699  
E: [info@tectonic.com.au](mailto:info@tectonic.com.au)

## **BROKER PRESENTATION**

### **Highlights**

- **Broker Presentation available for download from [tectonic.com.au](http://tectonic.com.au)**
- **Highlights recently announced Philips River Project DFS**

Tectonic Resources NL ('Tectonic' or 'The Company', ASX:TTR) wishes to advise that an updated presentation is attached and is available for download at the company's website.

The presentation focuses on the recently announced Philips River Project Definitive Feasibility Study.

**Jason Stirbinskis**  
**Managing Director**  
**Tectonic Resources NL**

Ph: +61 8 6250 4699

Mob: +61 407 417 944



## ABOUT TECTONIC

Tectonic Resources NL has highly prospective and considerable holdings in Western Australia's southern region near Revensthorpe, about 180kms from the sea port of Esperance. Tectonic has an exploration office at the Philips River Project, an 88 room camp established in Ravensthorpe and other infrastructure located at its nearby decommissioned RAV 8 mine and processing facility

Table1: Philips River Project Reserve

Mine	Classification	Mt	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
Trilogy pit	Proved	0.3	2.2	45	0.4	0.2	0.0
Trilogy Pit	Probable	4.04	0.8	57	1.1	2.7	1.6
Trilogy U/G	Probable	0.28	1.0	26	1.3	1.9	1.8
Subtotal Trilogy Ore Reserve		4.63	0.9	55	1.1	2.5	1.5
Flag Pit	Probable	0.21	4.0	3.5	0.50		
Harbour View Pit	Probable	0.20	3.2	1.5	0.38		
Kaolin Pit	Probable	1.27	2.8	1.7	0.18		
Flag U/G	Probable	0.24	5.0	3.5	0.45		
Harbourview U/G	Probable	0.75	3.5	4.0	0.68		
Kaolin U/G	Probable	0.14	4.4	3.2	0.28		
Subtotal Kundip Ore Reserve		2.81	3.4	2.7	0.38	0.00	0.00
Subtotal Proved	Proved	0.30	2.2	45	0.35	0.15	0.01
Subtotal Probable	Probable	7.13	1.8	35	0.82	1.62	0.97
Total PRP Ore Reserve		7.44	1.8	35	0.80	1.56	0.93

Financial Analysis	
Capital cost	~\$133M
Total Revenue	~\$1.05Billion
Life of Mine (LOM)	10 years
Gross operating cost over LOM	\$589M
Cashflow before tax over LOM	\$224M
NPV (8%)	\$72.4M
IRR pretax	26%
IRR after tax and gearing	22.4%
Payback	5 years
Development time	15 months

The Company recently announced the completion of a definitive feasibility study (DFS) for the Philips River Project. The DFS only considers the ores of Trilogy and Kundip and generates a variety of products including gold dore, copper concentrates and bulk sulphide concentrates. The plant is designed such that a wide variety of ores can be processed to extract maximum value. This flexibility of feed and output is critical as it is highly likely that any subsequent gold, copper or base metal discoveries within the Company's substantial holding will be compatible with the plant.

Table 2: Key outputs from PRP

DFS announced 11/2/11

### Competent Person's Statement

The information in this Ore Reserve statement that relates to Mineral Resource estimates defined as part of the June 2010 Mineral Resource are based on information compiled by Mr Bruce Armstrong, who is a Member of The Australasian Institute of Geoscientists. Mr Armstrong is a full time employee of Tectonic, and has sufficient experience which is relevant to the style of mineralisation under consideration 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'.

The information in this Ore Reserve statement that relates to Ore Reserve estimates is based on information compiled by Mr Geoff Davidson, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Davidson is a Principal Consultant and Director of Mining and Cost Engineering Pty Ltd and has sufficient relevant experience 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'.

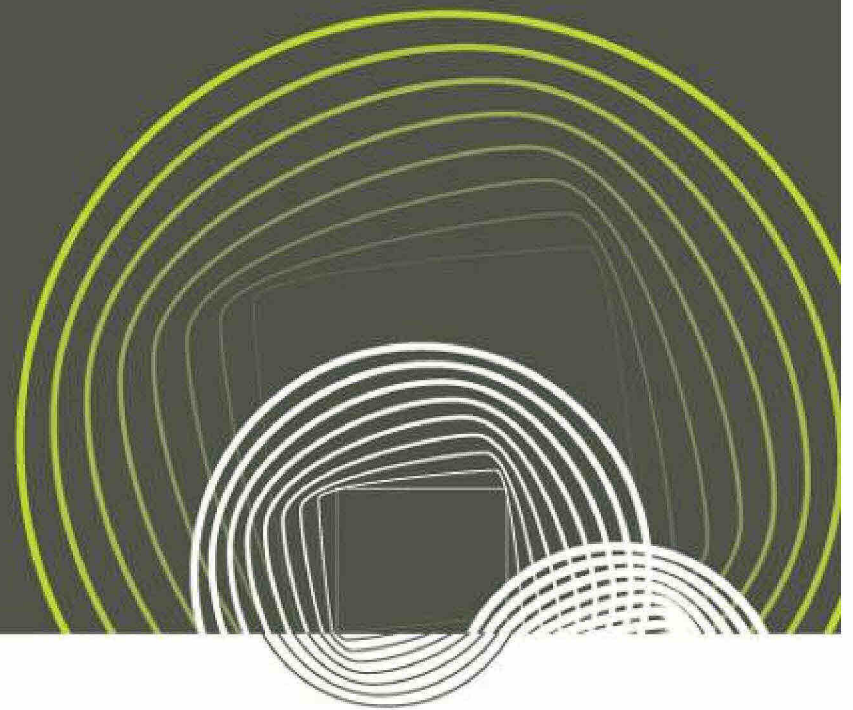
The Competent Persons have consented to the inclusion in the report of the matters based on their information in the form and context in which it appears.

TECTONIC RESOURCES GLOBAL RESOURCE TABLE: FEB 2011						
GOLD AND COPPER RESOURCE TABLE: KUNDIP PROJECT AND OTHERS*						
CATEGORY	Mt	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
MEASURED	0.00	0.00	0.0	0.0		
INDICATED	4.39	3.41	2.5	0.4		
INFERRED	3.26	2.48	2.4	0.5		
<b>SUB TOTAL</b>	<b>7.65</b>	<b>3.01</b>	<b>2.5</b>	<b>0.4</b>		
BASE METAL RESOURCE TABLE: TRILOGY PROJECT**						
MEASURED	0.31	2.4	41	0.3	0.1	0.0
INDICATED	5.75	0.7	48	1.1	2.1	1.3
INFERRED	0.18	0.6	12	0.8	0.2	0.2
<b>SUB TOTAL</b>	<b>6.24</b>	<b>0.82</b>	<b>47</b>	<b>1.0</b>	<b>2.0</b>	<b>1.2</b>
GLOBAL RESOURCE TABLE: GRADE						
MEASURED	0.31	2.4	41.2	0.3	0.1	0.0
INDICATED	10.14	1.9	28.3	0.8	1.2	0.7
INFERRED	3.45	2.4	3.0	0.5	0.0	0.0
<b>GRAND TOTAL</b>	<b>13.90</b>	<b>2.03</b>	<b>22.3</b>	<b>0.7</b>	<b>0.9</b>	<b>0.5</b>
GLOBAL RESOURCE TABLE: CONTAINED METAL						
	Mt	M Oz	M Oz	t (000)	t (000)	t (000)
MEASURED	0.31	0.02	0.41	0.9	0.4	0.0
INDICATED	10.14	0.62	9.21	78.1	122.5	73.9
INFERRED	3.45	0.26	0.33	16.1	0.3	0.3
<b>GRAND TOTAL</b>	<b>13.90</b>	<b>0.91</b>	<b>9.95</b>	<b>95.2</b>	<b>123.3</b>	<b>74.3</b>

New focus. New future.

# Broker Presentation

February 2011



TECTONIC



## **Important Notice and Competent Persons Statement**

This presentation contains certain statements which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward-looking statements.

No representation or warranty, express or implied, is made by Tectonic that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of Tectonic, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. Tectonic accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

The information in this presentation that relates to mineral resources and exploration results are based on information compiled by Mr Bruce Armstrong who is a corporate member of the Australian Institute of Geoscientists. Any statement herein, direct or implied as to a potential deposit is conceptual in nature conceptual in nature and a reference to the potential and not to any JORC compliant Mineral Resource unless specified. Mr Armstrong is a full time employee of the company and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 Edition of the JORC code. Mr Armstrong gives his consent to the inclusion of the matters based on the information in the form and context in which it appears.



## ■ Company Overview

## ■ Phillips River - A robust long life project!

- Gross revenue LOM ~ \$1billion
- Cashflow pretax over LOM ~ \$224M
- IRR ~ 26% pretax, NPV (8%) ~ \$72.5M

## ■ Significant Exploration Upside

## ■ The Plan Ahead



# Company Overview

## Directors

Hamish Bohannan	Chairman
Jason Stirbinskis	MD
Andrew Ellison	Non Exec
Joe Totaro	Non Exec.
Tony Martin	Non Exec.

## Capital Structure

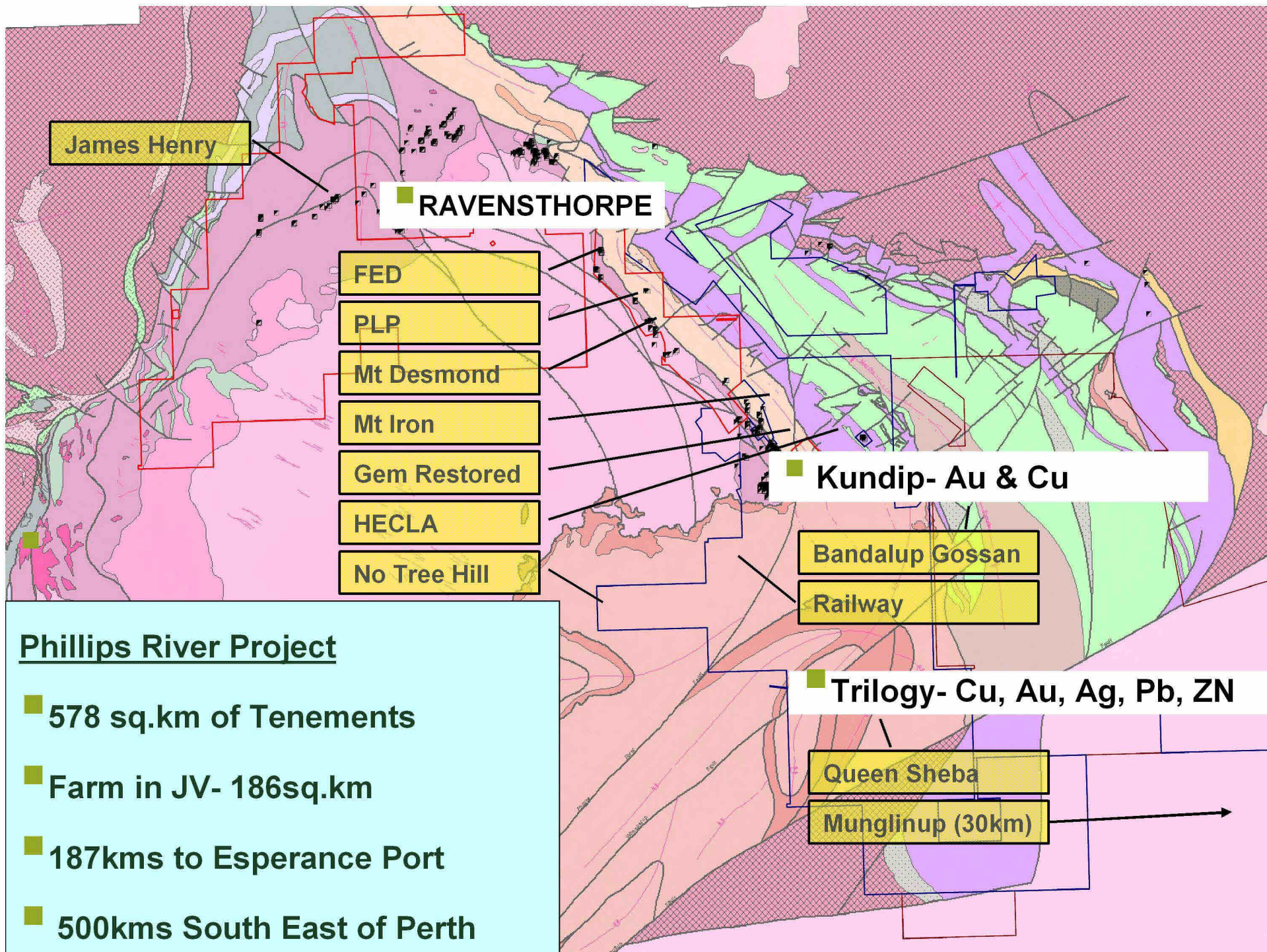
ASX code	TTR
Issued shares	428M
Options	21.5M
Market capitalisation	\$51M

## Key shareholders

Jabiru Metals	7.1%
Royale Blue	5.0%
Sanpoint	4.2%
CTS Funds	4.0%
Merrill Lynch Nom	2.4%









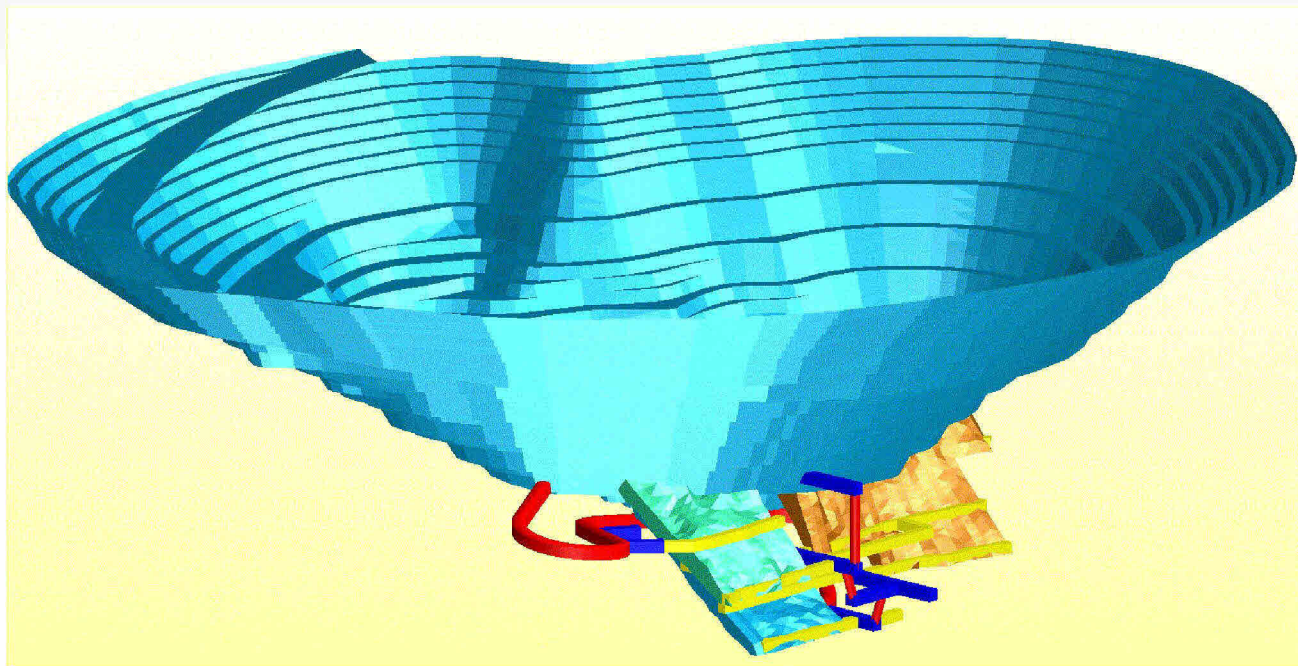
## The DFS is built on Reserves of Trilogy and Kundip only.

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Trilogy pit	Proved	0.3	2.2	45	0.4	0.2	0.0
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<b>Subtotal Trilogy Ore Reserve</b>		<b>4.63</b>	<b>0.9</b>	<b>55</b>	<b>1.1</b>	<b>2.5</b>	<b>1.5</b>
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Kaolin U/G	Probable	0.14	4.4	3.2	0.28		
<b>Subtotal Kundip Ore Reserve</b>		<b>2.81</b>	<b>3.4</b>	<b>2.7</b>	<b>0.38</b>	<b>0.00</b>	<b>0.00</b>
<b>Subtotal Proved</b>	<b>Proved</b>	<b>0.30</b>	<b>2.2</b>	<b>45</b>	<b>0.35</b>	<b>0.15</b>	<b>0.01</b>
<b>Subtotal Probable</b>	<b>Probable</b>	<b>7.13</b>	<b>1.8</b>	<b>35</b>	<b>0.82</b>	<b>1.62</b>	<b>0.97</b>
<b>Total PRP Ore Reserve</b>		<b>7.44</b>	<b>1.8</b>	<b>35</b>	<b>0.80</b>	<b>1.56</b>	<b>0.93</b>

■ Both Trilogy and Kundip remain open at depth



# Phillips River Project- Trilogy

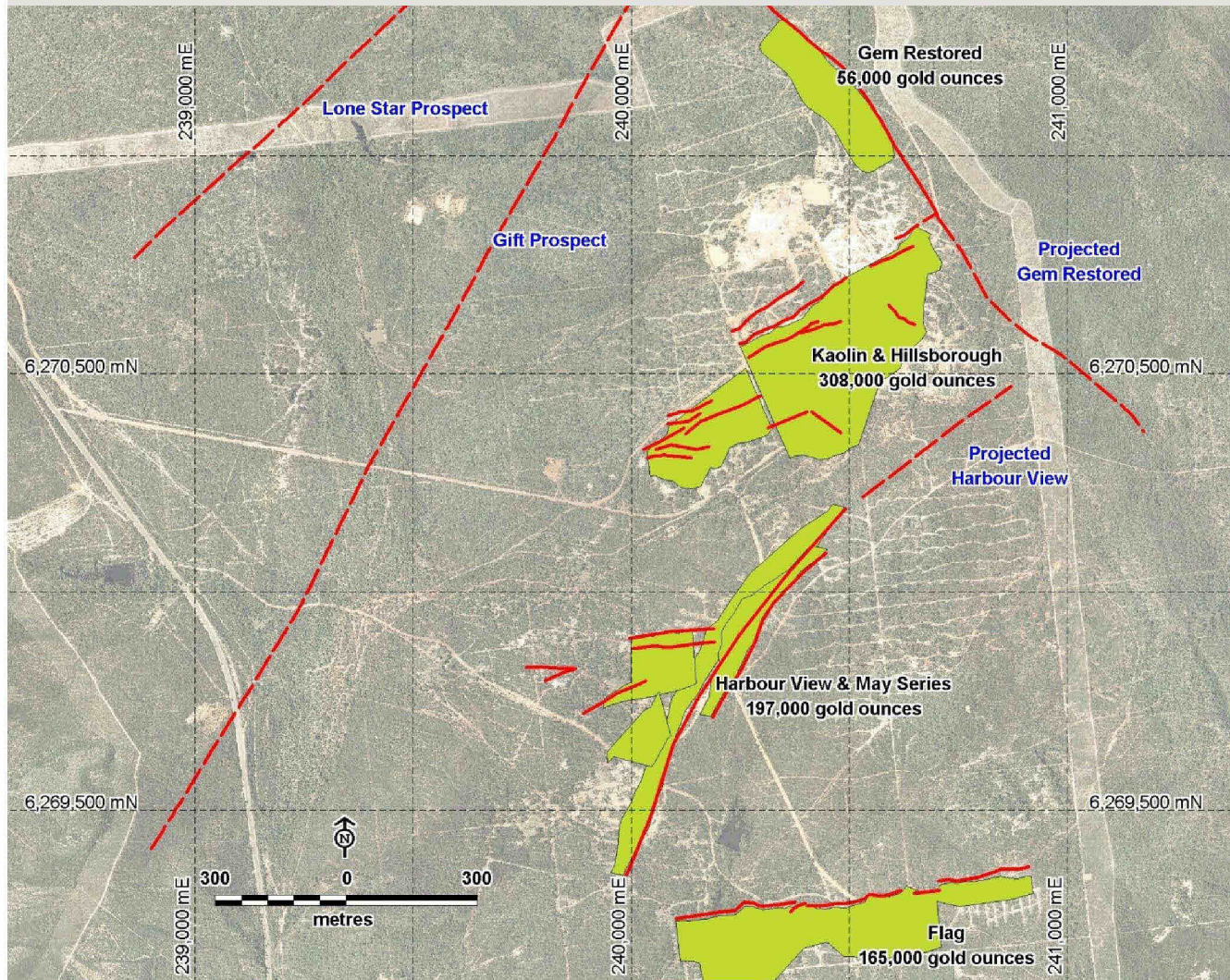


- Polymetallic deposit producing -
  - Gold silver
  - Copper cons
  - Bulk base metal cons
- On company owned freehold farmland
- Owner operator open pit, contracted U/G
- L.O.M ~ 5.5yrs on current Reserve
- Open at depth





# Phillips River Project- Kundip



■ 10kms from proposed Trilogy plant

■ Gold, Silver, Copper deposit producing

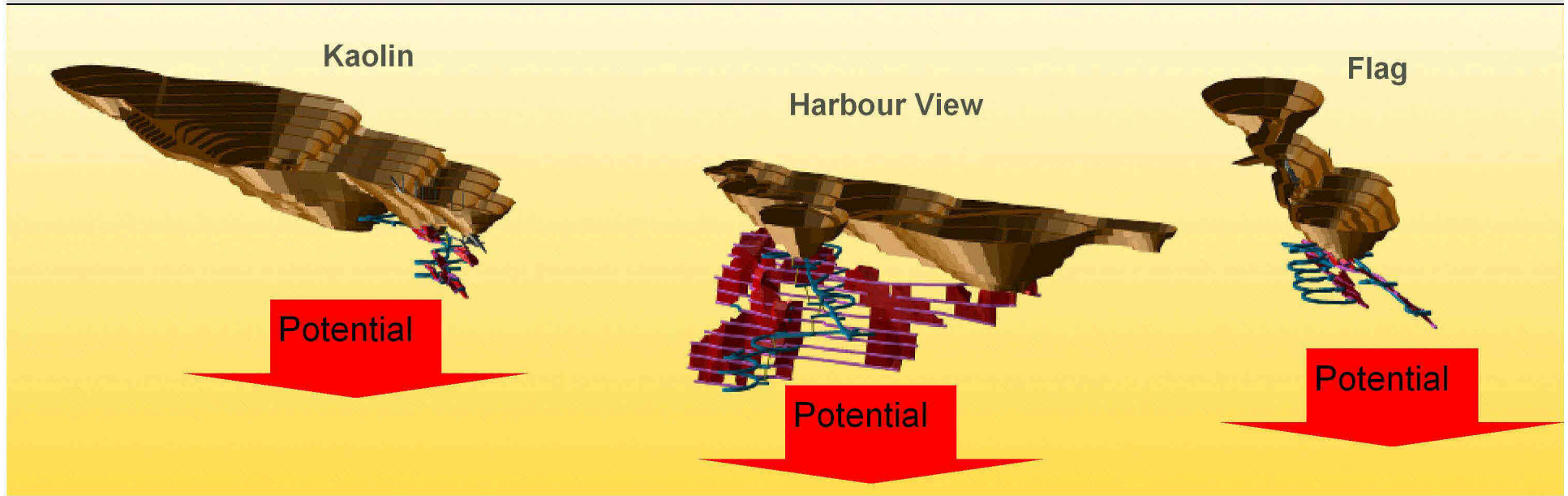
- Gold / silver dore
- Copper conc
- Copper precipitate

■ Resource of 727,000oz gold and considerable copper



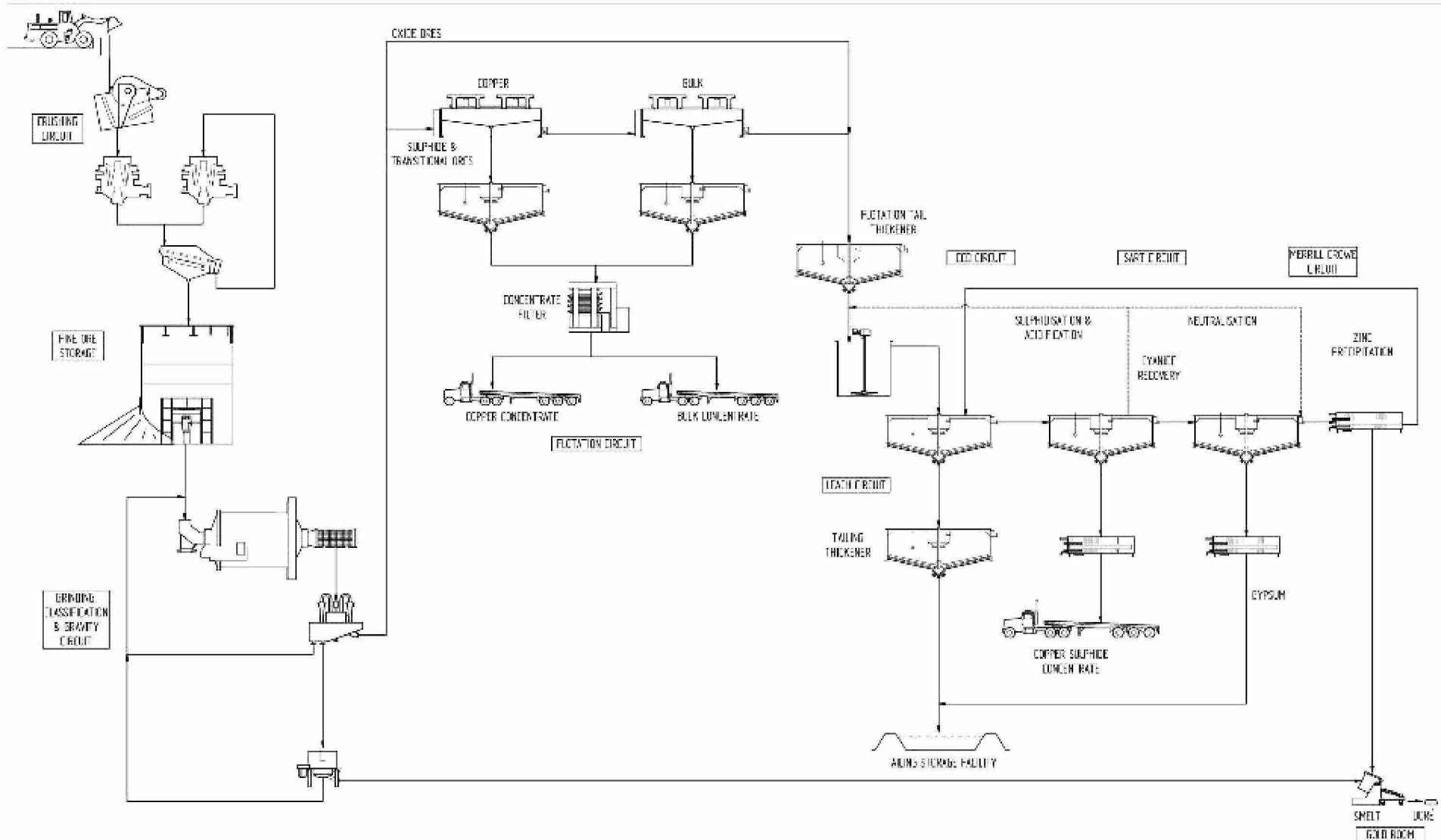


# Kundip – Mining



- Owner operator open pit and U/G
- L.O.M ~ 4.5yrs on current Reserve
- Excellent near mine prospectivity
- Underground mines limited in depth to -200m vertical, further drilling will extend deeper





- Robust Flow Sheet allows multiple products to be produced-, precious metal concentrates, copper and bulk lead zinc concentrates, precious metal dore and high value copper precipitate



# Phillips River Project- DFS Summary

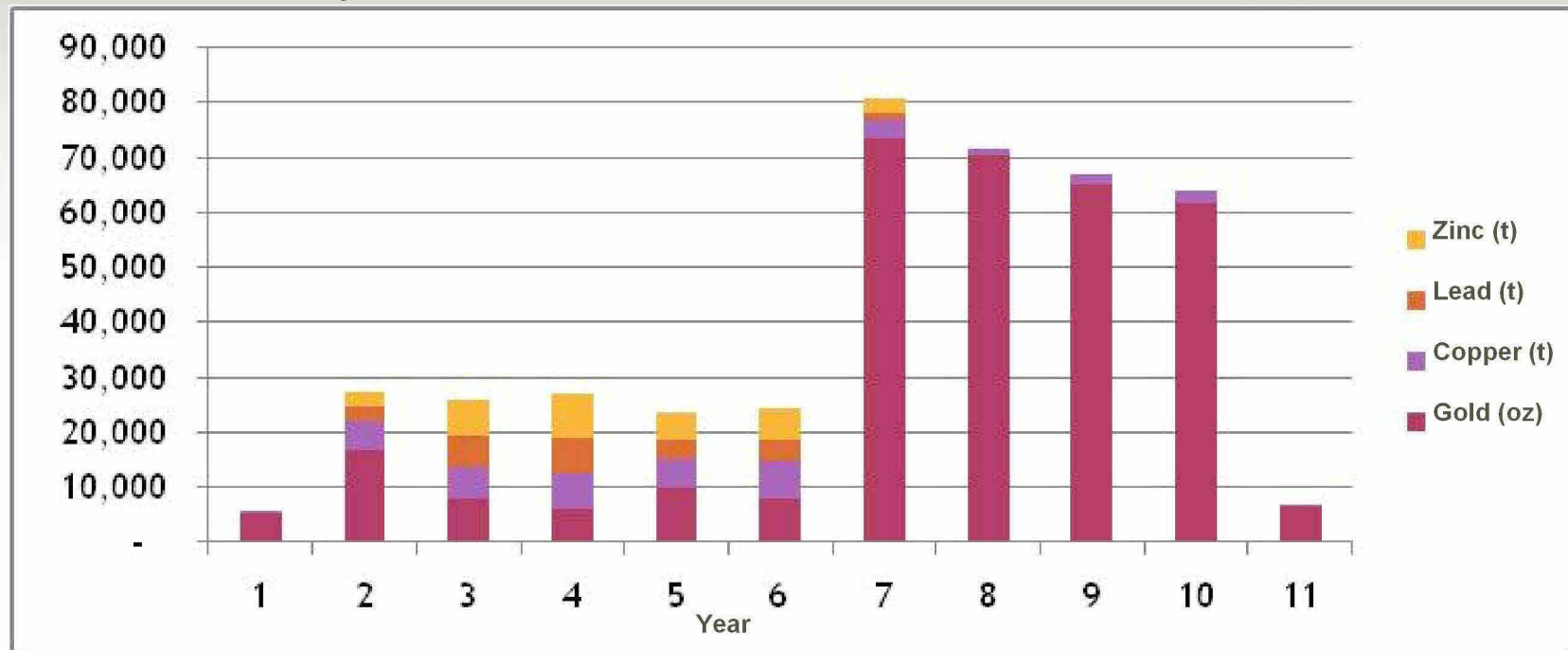
Financial Analysis	
Capital cost	~\$133M
Total Revenue	~\$1.05Billion
Life of Mine (LOM)	10 years
Gross operating cost over LOM	\$589M
Cashflow before tax over LOM	\$224M
NPV (8%)	\$72.4M
IRR pretax	26%
IRR after tax and gearing	22.4%
Payback	5 years
Development time	15 months
Operating cost /t ore (open & ug)	\$92

Revenue Split	\$AUD	%
Silver	\$99,007,989	9.39%
Gold	\$446,813,299	42.39%
Copper	\$382,475,610	36.29%
Lead	\$56,085,249	5.32%
Zinc	\$69,580,228	6.60%
<b>TOTAL</b>	<b>\$1,053,962,375</b>	<b>100.00%</b>

Key Assumptions	
Gold price over LOM	1350/oz
Silver price over LOM	25/oz
Copper price over LOM	9800/t
Zinc price over LOM	2400/t
Lead price over LOM	2300/t
Assumed debt	\$40M
Assumed equity / hedging	\$100M
Diesel power generation	
Shipping of cons via Esperance port to Asian/Chinese smelters	



## Annual Payable Metal



- Substantial copper production early years
- Substantial gold production later years
- Bulk con not produced for entire LOM



# Phillips River Project- DFS Summary

Period Ending - Dec xx		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
<b>Payable Metal</b>														
Silver	oz	-	106,403	1,171,633	791,072	572,978	559,699	329,834	299,430	37,335	39,446	50,389	2,101	<b>3,960,320</b>
Gold	oz	-	5,465	16,893	7,968	6,109	10,004	7,759	73,367	70,349	65,043	61,524	6,491	<b>330,973</b>
Copper	t	-	5	5,158	5,768	6,488	5,193	6,978	3,478	1,370	2,095	2,448	46	<b>39,028</b>
Lead	t	-	-	2,734	5,817	6,293	3,579	3,827	1,119	-	-	-	-	<b>23,369</b>
Zinc	t	-	-	2,601	6,309	8,277	4,636	5,766	2,663	-	-	-	-	<b>30,252</b>
<b>Revenue</b>														
Revenue	A\$M	-	10	115	116	120	98	110	149	109	109	108	9	1,054
Royalties and TC & RC	A\$M	-	0	11	16	17	12	15	9	4	5	5	0	94
Total Project Revenue	A\$M	-	<b>10</b>	<b>104</b>	<b>100</b>	<b>104</b>	<b>86</b>	<b>95</b>	<b>140</b>	<b>105</b>	<b>104</b>	<b>103</b>	<b>9</b>	<b>960</b>
<b>Costs</b>														
Total Operating Costs	A\$M	-	13	53	53	52	56	79	77	70	70	60	7	589
Capital Expenditure	A\$M	27	98	1	-	1	0	4	1	0	0	0	0	133
Total Project Costs	A\$M	<b>27</b>	<b>110</b>	<b>54</b>	<b>53</b>	<b>53</b>	<b>56</b>	<b>82</b>	<b>78</b>	<b>70</b>	<b>70</b>	<b>60</b>	<b>8</b>	<b>721</b>
Project Cash Flow Before Tax	A\$M	(27)	(102)	49	46	49	28	11	61	34	33	41	0	224
Tax	A\$M	-	-	-	9	11	4	-	10	6	6	9	-	55
Net Cash Flow Before Debt and E	A\$M	(27)	(102)	49	37	38	24	11	52	28	27	32	0	169
Cummulative Cash Flow	A\$M	(27)	(129)	(80)	(43)	(5)	19	31	82	110	137	169	169	169

- Payback year 6
- Relatively uniform revenue generation
- Large +ve cashflow early years to offset upfront capital



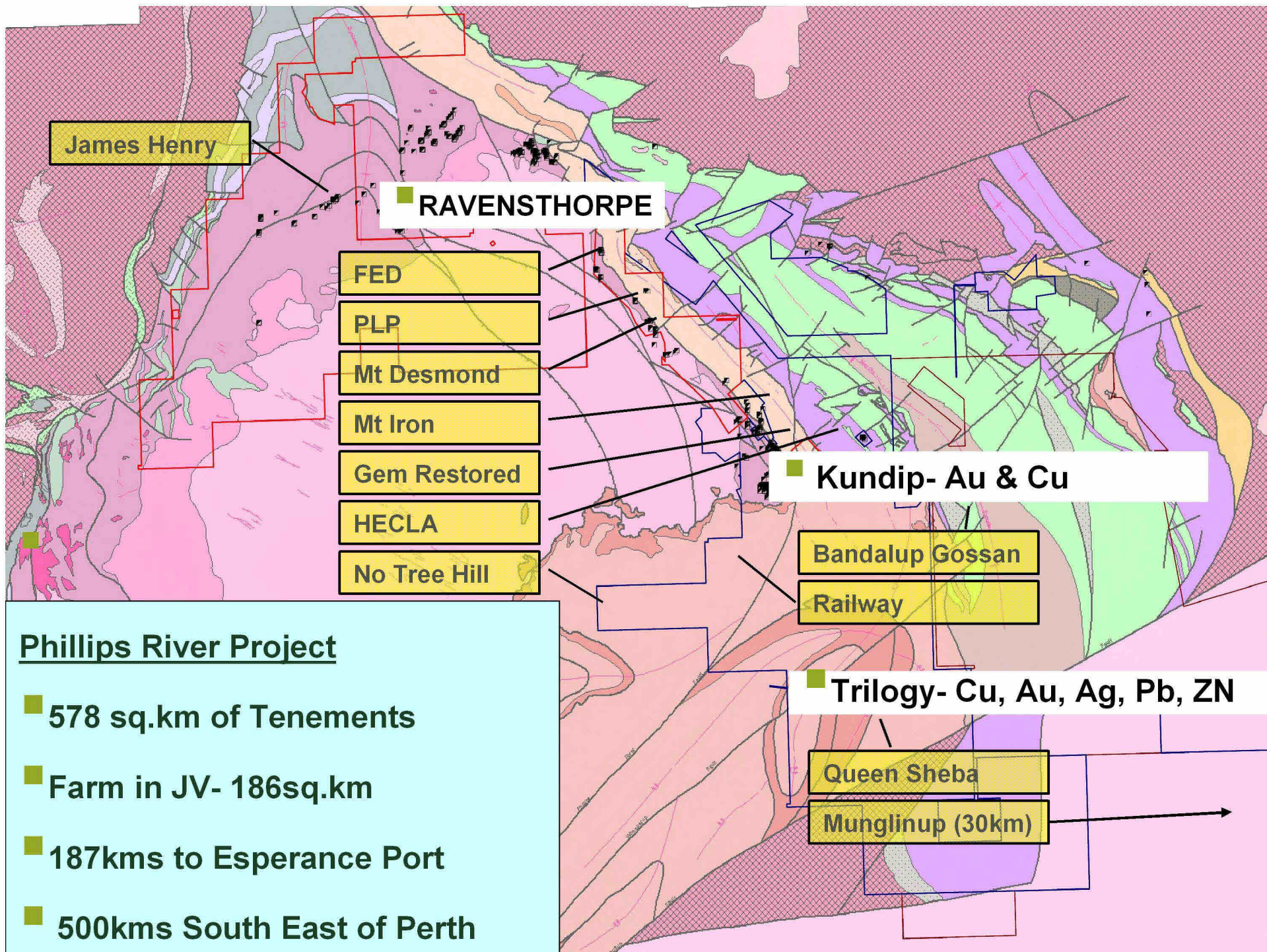


# Exploration – Spoilt for choice!

	Deposit	Tonnes (000)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Comments
NON DFS RESOURCES	Gem Restored	331	5.3	5.0	0.5			100% Tectonic
	Queen Sheeba	451	1.7	3.0	0.0			100% Tectonic
	Mt Desmond	324	0.9	2.2	2.1			100% Tectonic
	<b>Subtotal</b>	<b>1105</b>	<b>2.5</b>	<b>3.3</b>	<b>0.8</b>			
TECTONIC EXPLORATION TARGETS	James Henry	Potential copper , gold mineralisation						100% Tectonic
	Mt Iron	Potential Kundip (Kaolin deposit) type copper, gold mineralisation						Binding H of A in place
	Bandalup Gossan	Potential Gold, zinc, lead mineralisation						Farm in to 70%
	PLP / FED	Potential copper, gold mineralisation						100% Tectonic
	Gift	Potential copper, gold mineralisation						100% Tectonic
	Railway Deepes	Potential copper, gold mineralisation						100% Tectonic
	No Tree hill	Potential Trilogy type polymetallic mineralisation						100% Tectonic
	Hecla	Potential copper mineralisation						100% Tectonic
	Munglinup	Regional geochem survey planned in search of tropicana style mineralisation						Application with Authorities









## Summary and Next Steps

- Robust , long life project defined to DFS standard AND secured substantial and highly prospective areas to further grow Reserves.

- Flexible plant able to accept numerous ore types and produce multiple commercial products

***Tectonic has built a strategic position in the region that will ensure the Trilogy Plant will become a central hub for both Tectonic owned ores and the ores of others active in the region***

### Next Steps

- Off take dialogue
- Debt funding
- Community consultation
- Completion of EPA approvals.



Thank you.

[www.tectonic.com.au](http://www.tectonic.com.au)

**Suite 46/328 Albany Highway Victoria Park WA 6100**

**T: 08 6250 4600**

**F: 08 6250 4699**

