

# Allied Gold Mining Plc

Pacific Rim gold producer - moving up a gear



Dawn at Gold Ridge, Guadalcanal

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### Competent Persons

The information in this announcement that relates to Mineral Resources, Project Financial modelling, Mining, Exploration and Metallurgical results, together with any related assessments and interpretations, has been approved for release by Mr C R Hastings, MSc, BSc, M.Aus.I.M.M., a qualified geologist and full-time employee of the Company. Mr Hastings has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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”. Mr Hastings consents to the inclusion of the information contained in this ASX release in the form and context in which it appears.

The information in this Presentation that relates to Mineral Resources has been compiled by Mr S Godfrey of Golder Associates who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Godfrey has had sufficient experience in Ore Resource estimation relevant to the style of mineralisation and type of deposit 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”. Mr Godfrey consents to the inclusion of the information contained in this Presentation in the form and context in which it appears.

# Presentation Structure



**Section 1** - Allied Gold Introduction

**Section 2** - Asset Analysis

**Section 3** - Brief Financials

**Section 4** - Summary & Conclusion

**Section 5** - Appendices







# Section 1

## Introduction to Allied Gold

- Vision
- Team
- Corporate Profile



# 1. Allied Gold - An introduction



- ✓ **Fast growth**  
Total production from two mines (PNG + Solomon Islands).  
Output to treble from 70,000 oz to over 200,000 oz gold within a year
- ✓ **Quality assets**  
Open pits. Resource/Reserve life of minimum 10 years  
Simple metallurgy conventional CIL process.
- ✓ **Exploration upside**  
JORC reserves / resource base of 3.4m / 8.6m of gold  
\$15m exploration drilling campaign underway
- ✓ **Management**  
Track record of delivering on time and on budget  
Gold Ridge mine was 6 weeks ahead of schedule
- ✓ **Balance Sheet**  
No gold hedging.  
Modest debt: IFC US\$35m. Equipment Finance \$23m
- ✓ **Corporate Register**  
67% of shares managed out of London.  
Domicile now UK – Allied Gold Mining PLC  
Premium listed on LSE, TSX and ASX . Share tickers ALD

# 1. The Allied Team



## **Mark Caruso - Chairman**

Founder of Allied Gold with over 25 years experience developing and operating mining companies. Director of Mineral Commodities Ltd.

## **Frank Terranova - Managing Director & CEO**

Chartered accountant with over 20 years experience in corporate finance and financial risk management at Normandy Mining and Queensland Cotton.

## **Stephen Kelly - CFO**

A Chartered Accountant with 25 years experience in the areas of external and internal audit, risk management and compliance, treasury and corporate finance.

## **Ross Hastings - GM Resource Development**

Geologist with over 20 years international experience including Ok Tedi copper mine and Misima gold mine in PNG.

## **Phil Davies - Chief Geologist**

25 years gold exploration experience in Australia and West Africa.

Discovery record at all levels from grass roots to near-mine, bringing projects to mine status

# 1. Corporate Profile

High quality global shareholder base



<b>Cash</b> as at 30 June	US <b>\$83M</b>	GBP <b>50 M</b>
<b>Debt</b> as at 30 June	US <b>\$58 M</b>	GBP <b>35 M</b>
<b>MktCap</b> as at 19 Aug	US <b>\$570 M</b>	GBP <b>350 M</b>

12 month share price to August 2011

**Range:** GBP 1.21-2.60    **Current:** GBP 1.75



Shareholders as at 12 July 2011



**Top 10 Holders** **61%**

**Top 20 Holders** **76%**

1. M & G Investment	19.29%
2. Franklin Resources	7.98%
3. Legal & General Investment	7.11%
4. Baker Steel Capital Managers	6.80%
5. Capital Research Global Investors	6.45%
6. JPMorgan Asset Management	4.67%
7. Resource Capital Associates	4.48%
8. BlackRock Inc.	2.85%
9. Libra Advisors	2.84%
10. Asset Value Investors Limited	2.33%

# Section 2



## Asset Analysis

- Pacific Rim - The gold and copper hotspot
- Allied Gold - A Snapshot
- Production Profile - Moving to +200kozpa
- Inventory Profile - Resources 8.6 Moz
- Asset 1. Gold Ridge, Solomon islands
- Asset 2. Simberi, PNG
- Asset 3. Exploration Tatau Tabar PNG





## 2. Pacific Rim - A golden address

Two mines and exploration ground in a prolific gold region



# 2. Allied Gold - A snapshot

Two mines in Pacific Rim, 8.6 Moz in Resource, producing 200k ozpa

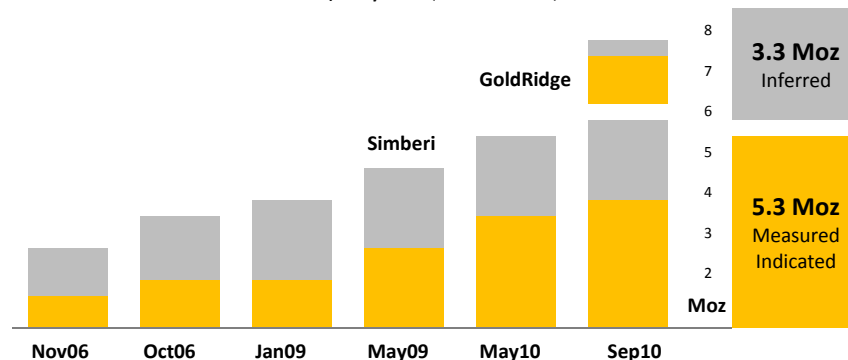


## What we have

3.4 Moz Reserves = US\$160/oz (Ev/Reserves)

8.6 Moz Resources = US\$65/oz (Ev/Resources)

**8.6 Moz\***



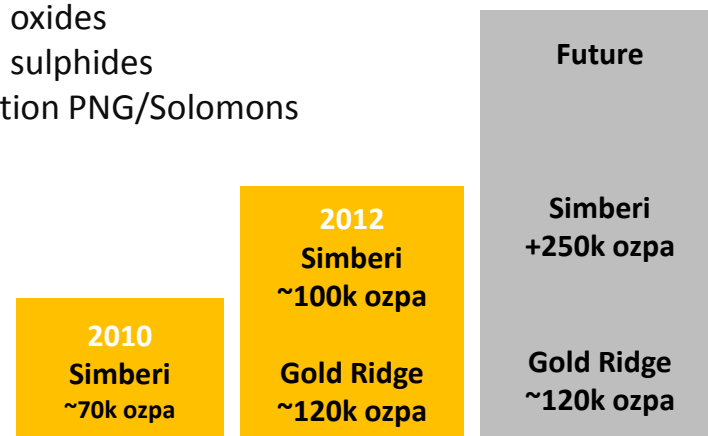
## What we Produce

200k ozpa run rate at ~US750/oz



## Growth Options

- Simberi oxides
- Simberi sulphides
- Exploration PNG/Solomons



\*Resources are inclusive of Reserves. EV/oz based on US\$550m enterprise value



# 2. Group Production Profile

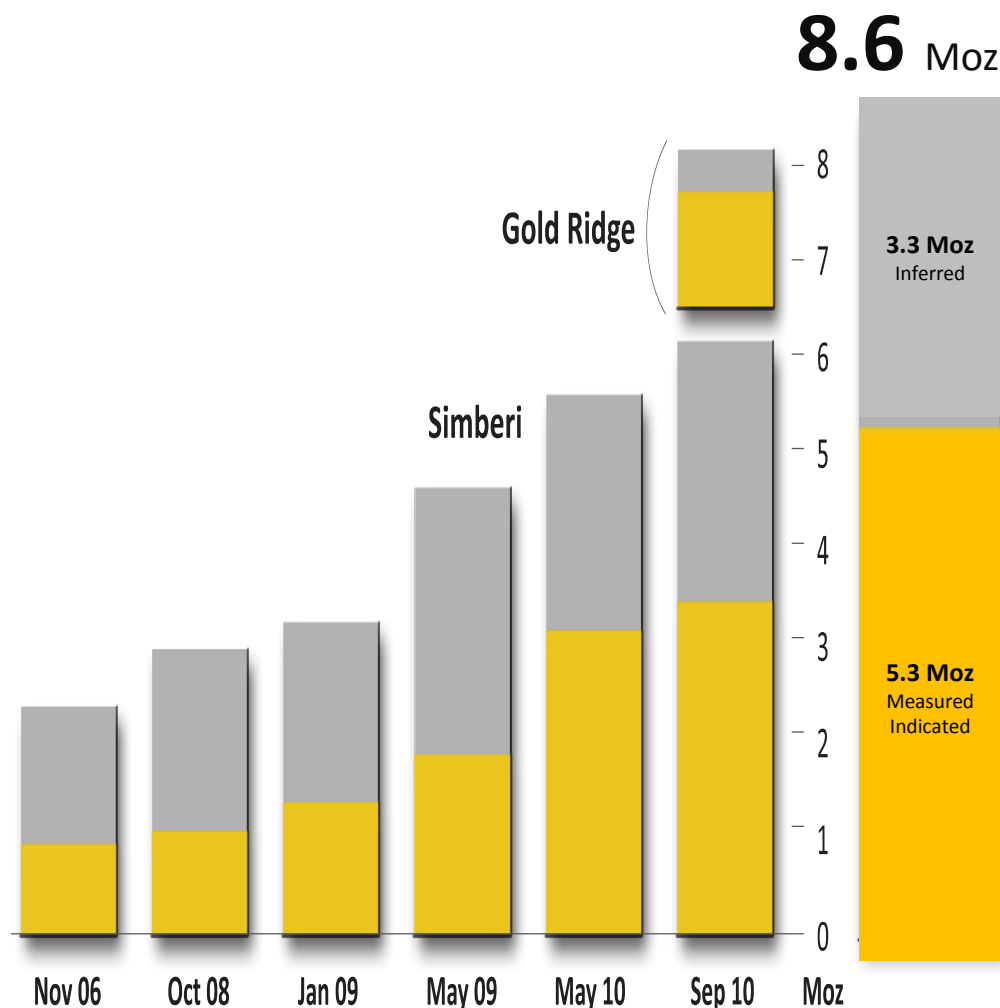
From 2012 at 200k ozpa run rate. Further expansions under review.



\* Forecast subject to BFS and investment decisions

# 2. Growing Inventory Profile

Asset lives of at least a decade



## Enterprise Value Ounce Count

Resources\* **8.60 Moz** = US\$65/oz

Reserves **3.40 Moz** = US\$160/oz

\*Resources inclusive of stated Reserves.  
EV/oz based on US\$550m enterprise value.

Gold Ridge	Mt @ g/t	Moz
1P Reserves	23 Mt @ 1.71 g/t	<b>1.28</b>
MI&I Resources*	64 Mt @ 1.28 g/t	<b>2.63</b>

Simberi	Mt @ g/t	Moz
2P Reserves	45Mt @ 1.46 g/t	<b>2.11</b>
MI&I Resources*	169Mt @ 1.1 g/t	<b>6.01</b>



# Asset 1. Gold Ridge, Solomon Islands

US\$150m project - on time and on budget in March 2011

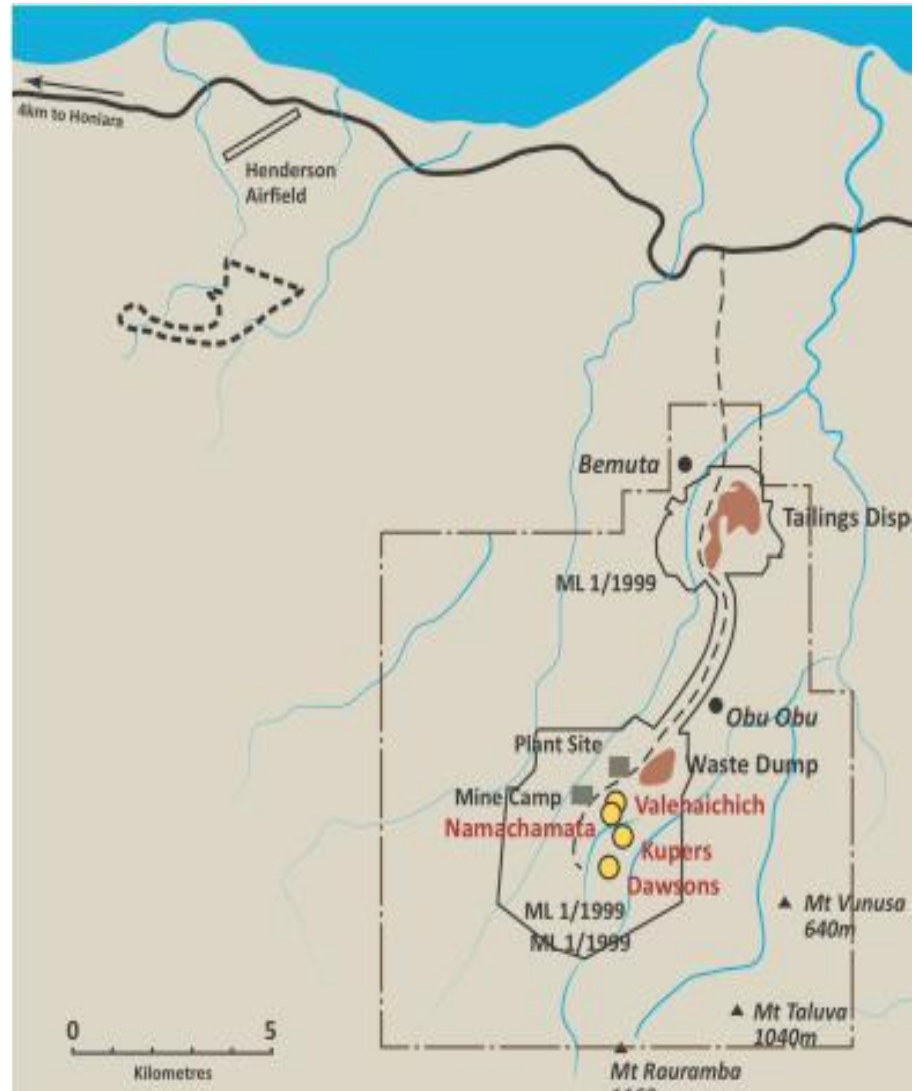
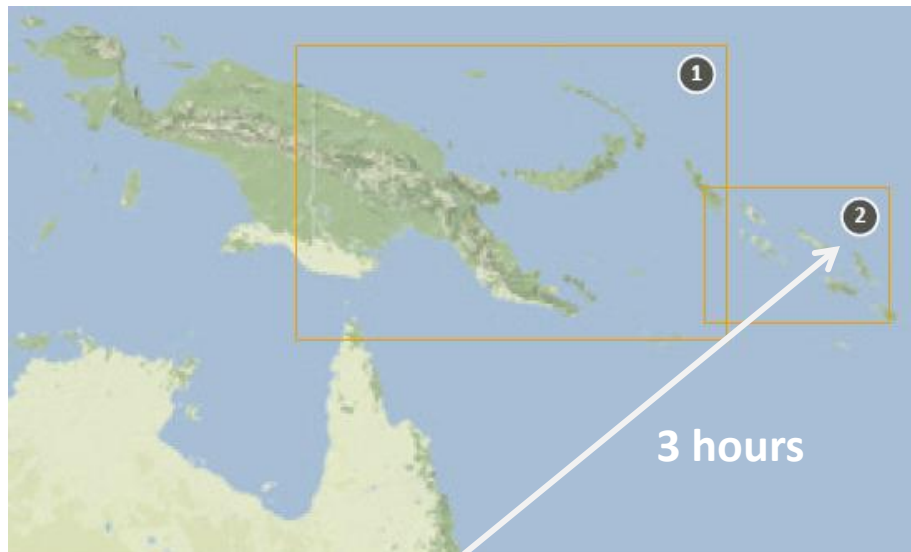


Gold Ridge Solomon Islands



# Asset 1. Solomon Islands - Location

990 Islands with 70 languages and 550,000 people



# Asset 1. Gold Ridge - An Overview

US\$150m capex. 120,000ozpa. First gold poured in March



Ownership	100% Allied Gold
Resources	49 Mt @1.28 for 2.02 Moz
Mine Life	Minimum 9 years ~120k ozpa
Capex	A\$150m on time on budget
Plant	2.5 Mtpa SAG Mill and CIL plant
Mining	Open Pit. Strip Ratio 1.55:1
Production	Commissioned March 2011
Cash Costs	Target US\$750/oz in first 2 years





# Asset 1. Gold Ridge, Solomon Islands

A quality asset in a country still underexplored



Opening Ceremony - March 2011





# Asset 1. Gold Ridge - Ramping Up

Still in the early months but running to plan

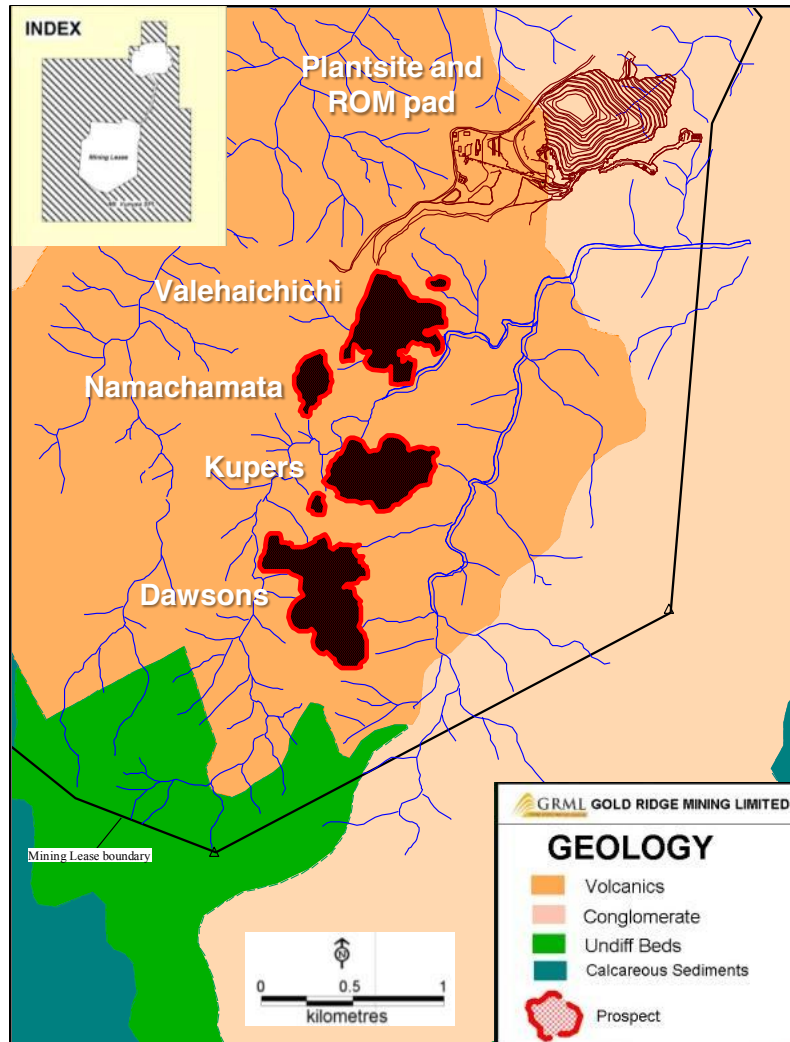


- **Assumptions** - June quarter is a commissioning quarter. Recoveries initially mid 70% increasing towards life of mine average of 82% by year end.
- **Plant** - First gold pour 8 March 2011. Running at circa 70% of nameplate throughput
- **Mining** - Access to and blending of higher grade Namachamata ore is beginning but will be more apparent in September quarter.



# Asset 1. Gold Ridge - Exploration

Low sulphidation epithermal gold deposit - over 1.5km x 2.5km



## Geology

- A typical low sulphidation epithermal gold deposit
- Known mineralisation extends over 1.5km x 2.5km
- Hosted by Gold Ridge Volcanics, structural control
- Open at depth. Potential for Cu-Au porphyry style mineralisation below epithermal deposits
- Additional exploration areas pegged
- No modern exploration for last 10 years

## Extension Drilling

- Diamond rig at 'Charivunga Mineralized Zone' between Namachamata and Kupers to test areas.
- Test up-dip from the previous intercepts, at sufficient density to allow a future resource estimate to be made



# Asset 2. Simberi and Tabar Islands

3 hours from Port Moresby, 30 mins to Lihir



Rope Conveyor



Simberi - Pigiput Bay

# Asset 2. Simberi Production

Owner Operator. Free Dig. Sorowar focus of production



Ownership	100% Allied Gold
Resources	169 Mt @1.1 for 6.01 Moz
Mine Life	Oxides +10 years
Mining	Open Pit. Strip Ratio 1 :1
Production	70kozpa moving to 100kozpa
Oxides Plant	2.4 Mtpa Ball Mill and CIL plant
Sulphides	Study due 2012, 150k ozpa target
Cash Costs	Targeting US\$750/oz



Simberi



Sorowar Pit

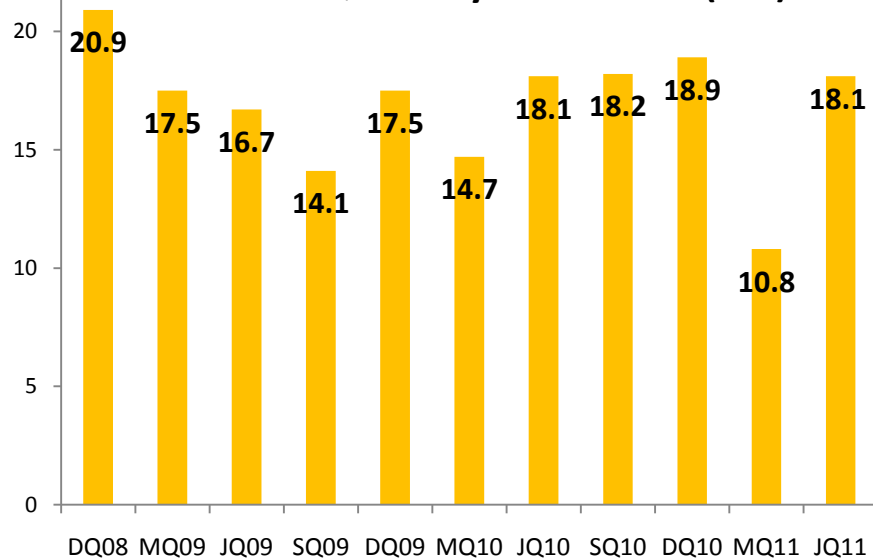


# Asset 2. Simberi Cost & Margins

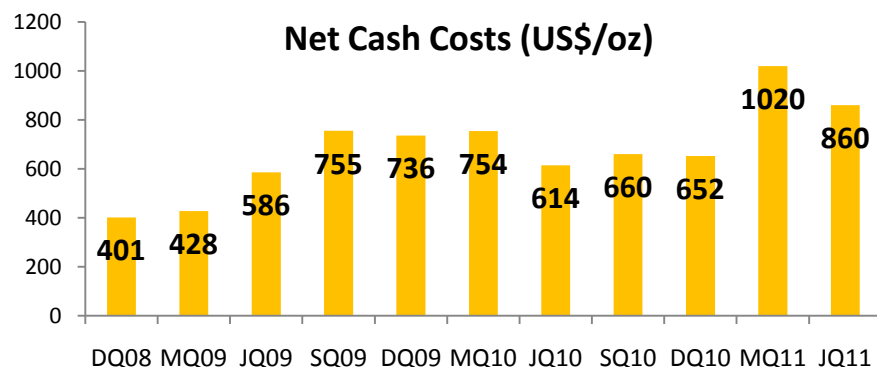


Back on track after 4 weeks lost in March

Simberi Quarterly Production (koz)



Net Cash Costs (US\$/oz)

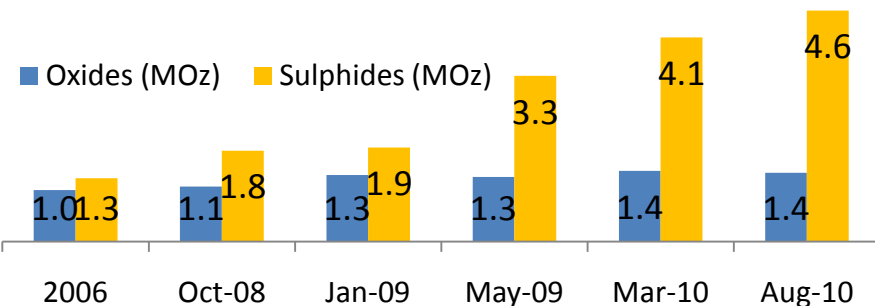
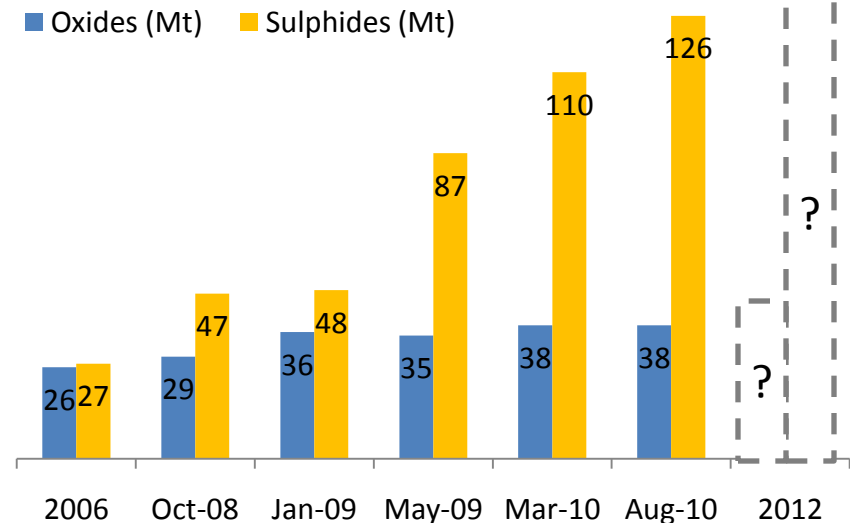


# Asset 2. Simberi Oxides/Sulphides

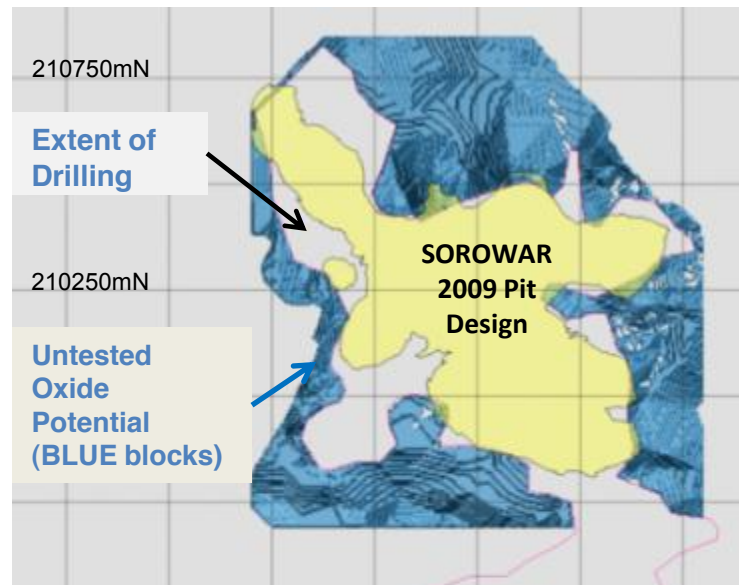
Inventory options for Oxides (3.5-5mtpa) and Sulphides (1.5-2.5mtpa)



Simberi Measured, Indicated Inferred Resources



Having focused predominantly on sulphides at Pigibo and Pigiput, Allied turning attention to untested oxide potential



At Pigibo,  
Recent assays of 32m @ 2.68 g/t from 21m in oxide  
confirmed the down dip continuity



# Asset 2 - Simberi Oxide Expansions

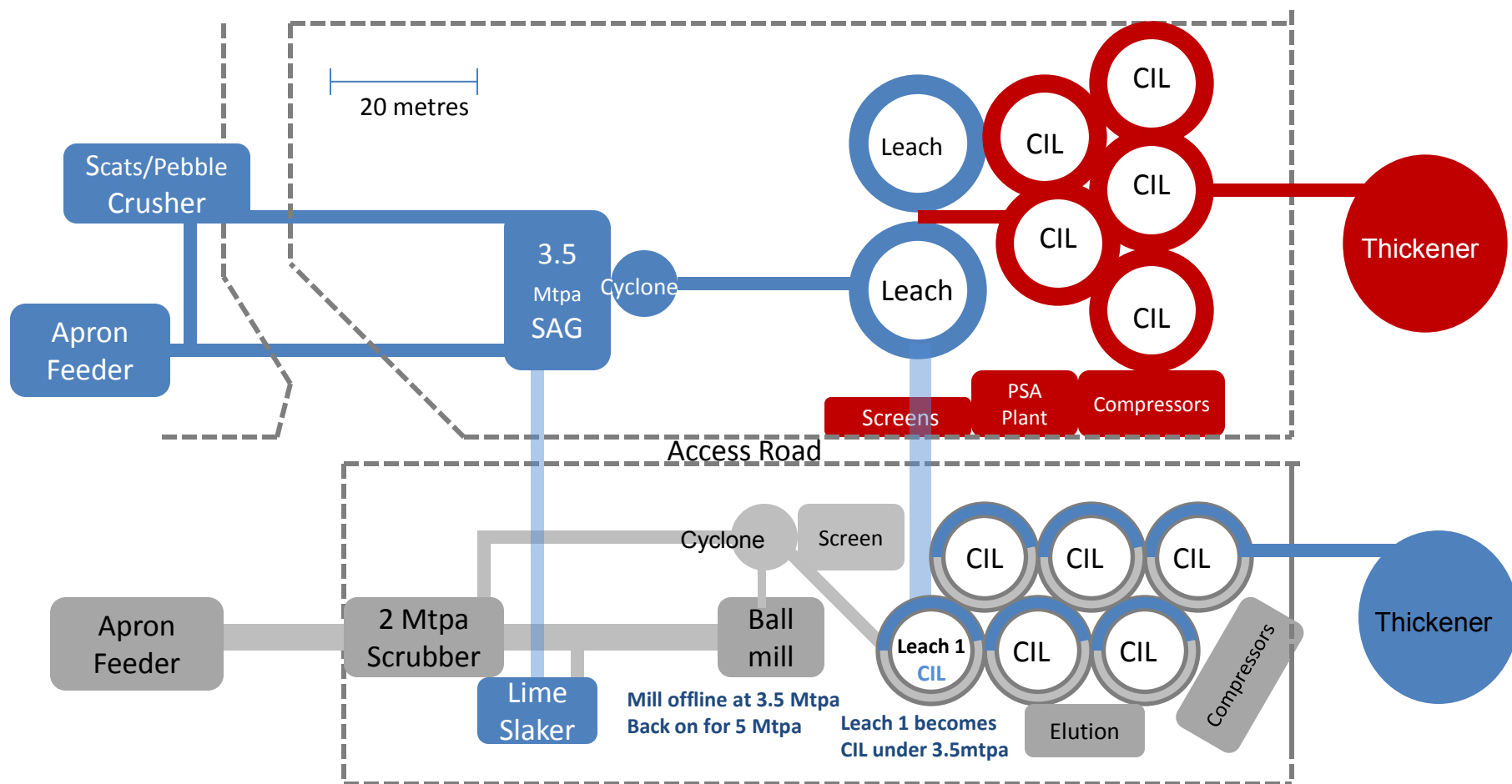


3.5Mtpa complete by end 2011. Optionality to go to 5 Mtpa

2.4 Mtpa in Place  
1Ball, 1 Leach, 5 CIL

Moving 3.5 Mtpa  
1 SAG, 2 Leach, 6 CIL

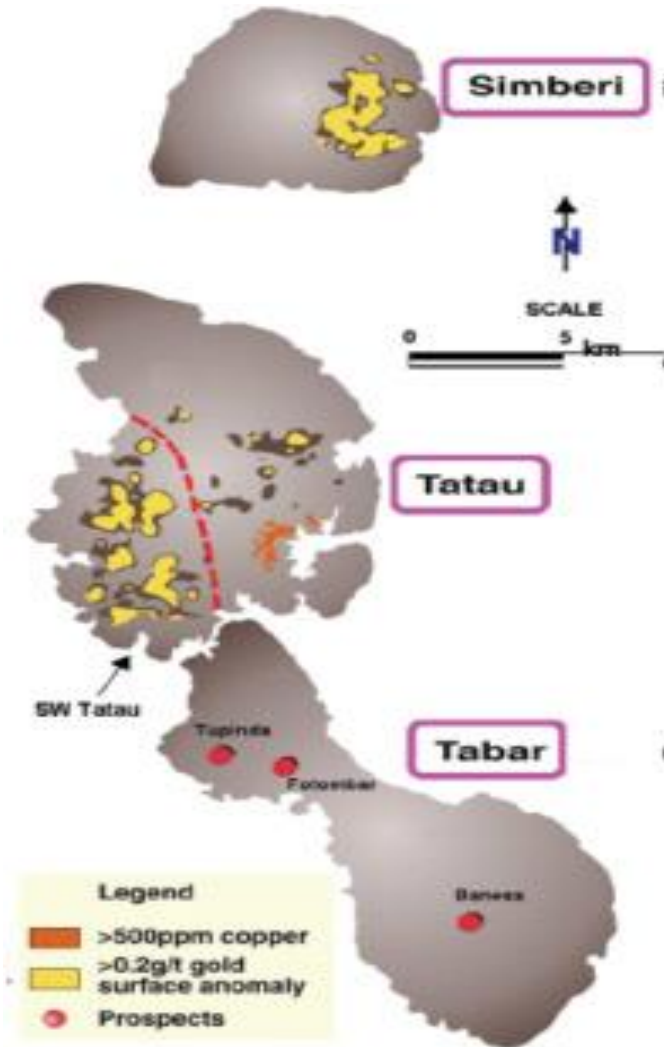
Potential expansion to 5 Mtpa oxide circuit  
Run both circuits - 1 Ball, 1 SAG, 2 Leach, 11 CIL





# Asset 3 - Tatau & Tabar Islands

Exploration - Multiple targets, attention turns to Mt Tiro



## Results in December quarter

Six core holes (1171m) at Mt Letam and Talik prospects. Possible source of the geophysical anomaly identified but no assays of significance to date.

## Focus in coming quarters

*Tatau* - Move core drilling from Mt Letam/Talik to Mt Tiro, Pepewo and Seraro prospects.

*Tabar* - Line cutting and soil sampling for IP survey at Banesa prospect.

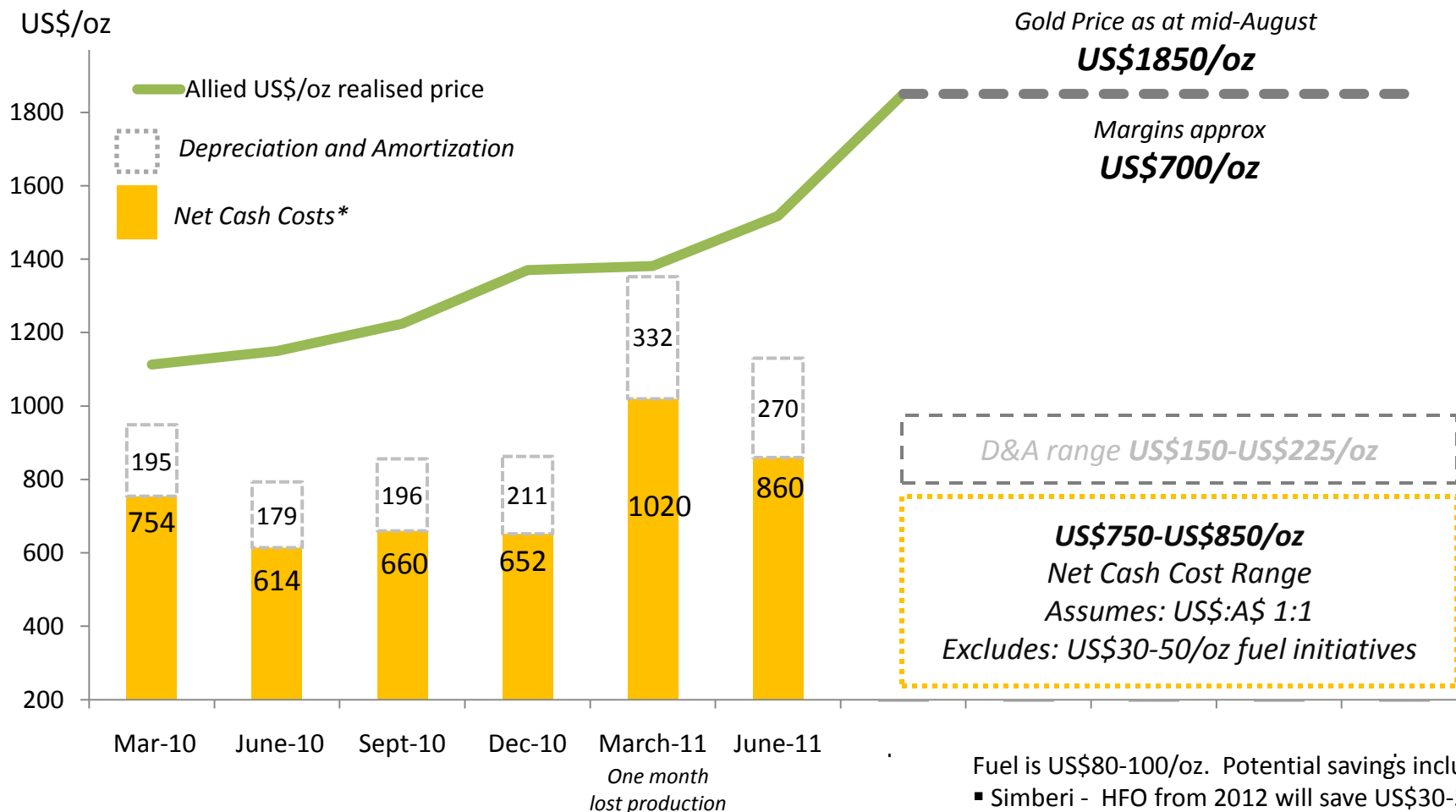
# Section 3

## Financials



# 3. Allied Financial Profile

Unhedged +200kozpa, moderate cost, current margins +US\$700/oz



\*Net Cash Cost is C1 cash cost plus royalties and after inventory adjustment

Fuel is US\$80-100/oz. Potential savings include:

- Simberi - HFO from 2012 will save US\$30-50/oz
- Gold Ridge - Possible Hydro mid decade

# 3. Summary on Financials



## FIRST HALF - ACTUAL - Allied Gold Mining Plc for six months to 30 June 2011

### Balance Sheet

As at 30 June

Gold Hedging - nil

Cash - US\$ 83 million (GBP 50 million)

Debt - US\$ 58 million (GBP 35 million)

### Debt

As at 30 June

US\$ 37m - IFC Loan due to be restructured/repaid in November

US\$ 21 m - Fleet Leasing (Banks South Pacific and Caterpillar)

### P&L

As at 30 June

June Quarter - US\$4.6m loss

June Half- US\$3.1m loss.

## SECOND HALF - OUTLOOK

### Gold Sales and Costs

Gold Price - currently US\$1850 /oz

Simberi Cash Costs - US\$750-850/oz. D&A \$150-250/oz

Gold Ridge Cash Costs - First numbers in September quarter.

### Exploration + Corporate

Exploration - US\$15m pa

FY Corporate - US\$8m pa (however June 2011 reflect cost of LSE listing)

### Capex 2H CY11

Gold Ridge - Minimal. Sustaining capex US\$2-3m

Simberi - US\$15-25 m for oxide expansion, wharf, HFO etc.

# Section 4

## Conclusion





# Conclusion - Allied Gold

Moving up a gear



## ✓ Fast growth

Output to treble from 70,000 oz to over 200,000 oz gold within a year

## ✓ Quality assets

Open pits.  
Resource base of at least 10 years

## ✓ Prospective

Gold and copper rich Pacific Rim  
\$15m exploration drilling campaign underway

## ✓ Management

Track record on time and on budget

## ✓ Balance Sheet

Cash generative  
No gold hedging.  
Modest debt.

## ✓ Register

Investible and fungible shares.  
Premium listed on LSE, TSX and ASX .

# Section 5

## Appendices



# 5. Research



Research Firm	Analyst
RBC	Steuart McIntyre, Geoff Breen
Wilson HTM	Keith Williams, James Brennan-Chong
Casimir	James Crosby
Stifel Nicolaus	Josh Wolfson
Mirabaud Securities	Nick Chalmers
Oriel Securities	Kate Craig, Charles Cooper

# 5. *The New Allied Gold*

Corporate re-incorporation in the UK and moving to LSE Main Market



## The 'old' Allied Gold Limited

As at 12 April 2011

AIM Ticker	AGLD
TSX Ticker	ALG
ASX Ticker	ALD
Shares	1,198 M
Options	59 million
Warrants	nil
<b>Cash</b> as at 12 April	US\$ 100 M
<b>Debt</b> as at 12 April	US\$ 55 M
<b>Market Cap</b> at \$A0.60c-a-share	US\$ 720 M
<b>Market Cap</b> at 38.5p a-share	GBP 450 M

## The 'new' Allied Gold Mining Plc

As at 19 August 2011

LSE Ticker	ALD
TSX Ticker	ALD
ASX Ticker	ALD
Shares	~200 million
Options	~10 million
Warrants	nil
<b>Cash</b> as at 30 June 2011	US\$ 83 M
<b>Debt</b> as at 30 June 2011	US\$ 58 M
<b>Market Cap</b> at \$A2.80c-a-share	US\$ 560 M
<b>Market Cap</b> at GBP 1.80-a-share	GBP 360 M

**Potential to move to FTSE 250 Index  
at September review**



# 5. Simberi - Mineral Resources

As at 1 Jan 2011. Resources inclusive of Reserves. Based on US\$850/oz. Cut off 0.5 g/t.



RESERVES	Mt	Au g/t	Koz
Proven	11.64	1.06	395
Probable	33.20	1.61	1,716
<b>Total Reserves</b>	<b>44.84</b>	<b>1.46</b>	<b>2,112</b>

RESOURCES	Mt	Au g/t	Koz
Measured	11.56	1.13	418
Indicated	70.17	1.28	2,891
<b>M &amp; I</b>	<b>81.73</b>	<b>1.26</b>	<b>3,309</b>
Inferred	87.44	0.96	2,701

Tables drawn from Allied Gold's June 2011 UK prospectus i.e pages 2, 3, 304 and 305.  
Ore Reserves completed by IMC in June 2010.

# 5. Simberi - Mineral Resources



As at 1 Jan 2011. Cut off grade 0.5 g/t. Based on US\$850/oz

For more detail on reserves and resources and split of oxides, sulphides, trans ores read Allied Gold's prospectus and tables including:

Table 1.1 (pg 304)  
Table 1.2 (pg 305)  
Table 17-2 (pg 374)  
Table 17-64 (pg 429)  
Table 17-65 (pg 430)

RESOURCES BY DEPOSIT	Measured			Indicated			Inferred		
	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
Bekou	-	-	-	0.07	1.71	4	1.03	1.36	45
Botlu	1.22	1.14	44	0.45	1.23	18	1.76	1.70	95
Pigibo	-	-	-	9.01	1.13	327	7.33	0.93	220
Pigicow	-	-	-	0.15	1.65	8	2.4	1.27	97
Pigiput	2.89	0.86	80	39.11	1.41	1776	35.03	0.98	1114
Samat East	-	-	-	-	-	-	3.98	0.82	104
Samat Nth A	-	-	-	0.51	0.84	14	1.2	0.86	33
Samat Nth B	-	-	-	2.07	1.24	82	1.19	0.73	29
Samat Sth A	-	-	-	0.05	1.38	2	1.9	1	61
Samath Sth B	-	-	-	1.8	1.8	104	3.55	1.09	124
Sorowar	7.45	1.23	294	16.95	1.02	556	21.72	0.92	641
Sorowar South	-	-	-	-	-	-	6.35	0.68	138
<b>Total</b>	<b>11.5</b>	<b>1.13</b>	<b>418</b>	<b>70.17</b>	<b>1.28</b>	<b>2891</b>	<b>87.44</b>	<b>0.96</b>	<b>2701</b>

# 5. Gold Ridge - Mineral Resources



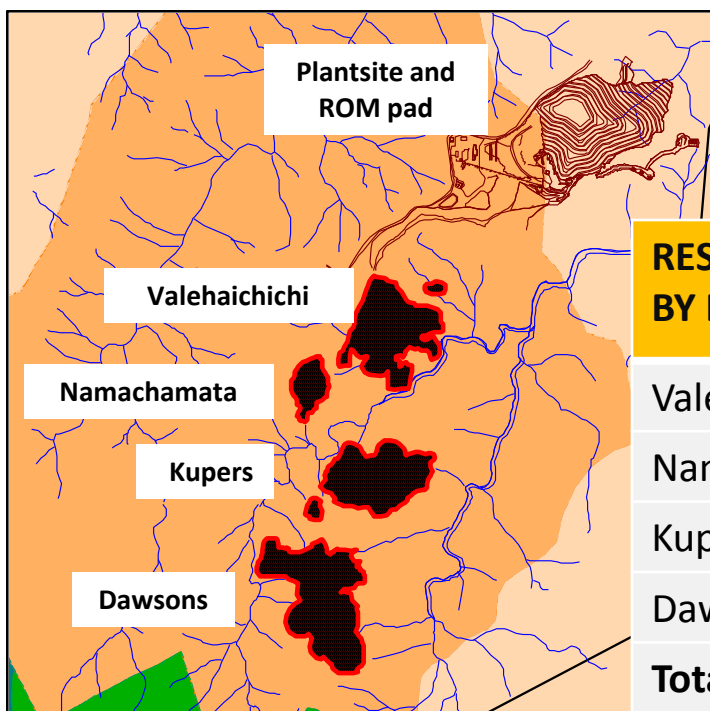
As at 1 Jan 2011

Tables drawn from Allied Gold's prospectus ie. pages 3, 485, 486.

Ore Reserves completed by IMC in June 2010. Based on US\$850/oz.

Resources inclusive of Reserves.

Cut off 0.5 g/t.



RESERVES	Mt	Au g/t	Koz
Probable	23.2	1.71	1,275
<b>Total Reserves</b>	<b>23.2</b>	<b>1.71</b>	<b>1,275</b>

RESOURCES	Mt	Au g/t	Koz
Measured	8.24	1.53	405
Indicated	40.89	1.23	1,617
<b>Measured &amp; Indicated</b>	<b>49.13</b>	<b>1.28</b>	<b>2,022</b>
Inferred	15.03	1.27	613

RESOURCES BY DEPOSIT	Measured		Indicated		Inferred	
	Mt	g/t	Mt	g/t	Mt	g/t
Valehaichichi	2.04	1.38	10.56	1.14	4.83	1.21
Namachamata	1.15	1.92	1.46	1.43	0.43	1.28
Kupers	3.95	1.54	10.97	1.23	4.30	1.26
Dawson	1.09	1.40	17.91	1.27	5.47	1.34
<b>Total</b>	<b>8.24</b>	<b>1.53</b>	<b>40.89</b>	<b>1.23</b>	<b>15.03</b>	<b>1.27</b>



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