



ALLIED GOLD LIMITED

## CORPORATE PRESENTATION

MERRILL LYNCH EMERGING GOLD PRODUCERS CONFERENCE

APRIL 2009

Presented by Frank Terranova – Chief Financial Officer



# Cautionary Statement

## Forward-Looking Statements

- *This press release contains forward-looking statements concerning the projects owned by Allied.*
- *Statements concerning mineral reserves and resources may also be deemed to be forward-looking statements in that they involve estimates, based on certain assumptions, of the mineralization that will be found if and when a deposit is developed and mined.*
- *Forward-looking statements are not statements of historical fact, and actual events or results may differ materially from those described in the forward-looking statements, as the result of a variety of risks, uncertainties and other factors, involved in the mining industry generally and the particular properties in which Allied has an interest, such as fluctuation in gold prices; uncertainties involved in interpreting drilling results and other tests; the uncertainty of financial projections and cost estimates; the possibility of cost overruns, accidents, strikes, delays and other problems in development projects, the uncertain availability of financing and uncertainties as to terms of any financings completed; uncertainties relating to environmental risks and government approvals, and possible political instability or changes in government policy in jurisdictions in which properties are located.*
- *Forward-looking statements are based on management's beliefs, opinions and estimates as of the date they are made, and no obligation is assumed to update forward-looking statements if these beliefs, opinions or estimates should change or to reflect other future developments.*

## Not an offer of securities or solicitation of a proxy

- *This communication is not a solicitation of a proxy from any security holder of Allied, nor is this communication an offer to purchase nor a solicitation to sell securities.*
- *Any offer will be made only through an information circular or proxy statement or similar document.*
- *Investors and security holders are strongly advised to read such document regarding the proposed business combination referred to in this communication, if and when such document is filed and becomes available, because it will contain important information.*
- *Any such document would be filed by Allied with the Australian Securities and Investments Commission, the Australian Stock Exchange and with the U.S. Securities and Exchange Commission (SEC).*



# Competent Person's Statement

*The information in this presentation that relates to 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, who is Member of the Australian Institute of Mining and Metallurgy, and 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". This presentation report is a summary and based on Code-compliant Public reports to the ASX, including Company Announcements and Quarterly reports, and Company Annual reports. Mr Hastings consents to the release of the information in this ASX release in the form and context in which it appears.*

*The information in this presentation that relates to Ore Reserves has been compiled by Mr J Battista of Golder Associates who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Battista has had sufficient experience in Ore Reserve 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 Battista 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 Resource Estimates for Sorowar, Pigiput Bekouw and Pigiput 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 Mineral 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 ASX release in the form and context in which it appears.*



## Directors and Key Management

### Directors:

Mark Caruso – Executive Chairman  
 Monty House – Non Executive Director  
 Tony Lowrie – Non Executive Director  
 Greg Steemson – Non Executive Director  
 Frank Terranova – Executive Director

### Key Management:

Peter Torre – Company Secretary  
 Ross Hastings – GM Resource Development  
 Peter Du Plessis – GM Simberi Gold Project  
 Phil Davies – Chief Geologist  
 William Searson - Consultant Community Relations

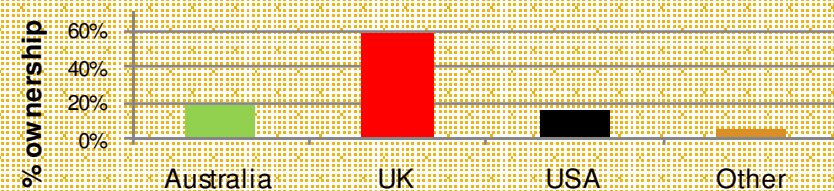
## Shareholders (as at 31 March 2009)

Ordinary shares on issue:	472,643,276
Options (unlisted) on issue:	48,832,688
Market capitalisation:	A\$200,873,392
Top 20 Shareholders (beneficial):	61.36%

### Substantial shareholders:

- M & G Investment Management	19.85%
- Baker Steel Capital Managers	5.92%
- Capital Research Global Investors	5.51%
- Other global institutional investors (<20)	25.5%
- Barrick Gold Corporation	4.07%
- Mineral Commodities Limited	3.29%
- Mark Victor Caruso and associates	1.57%

### Geographic breakdown:

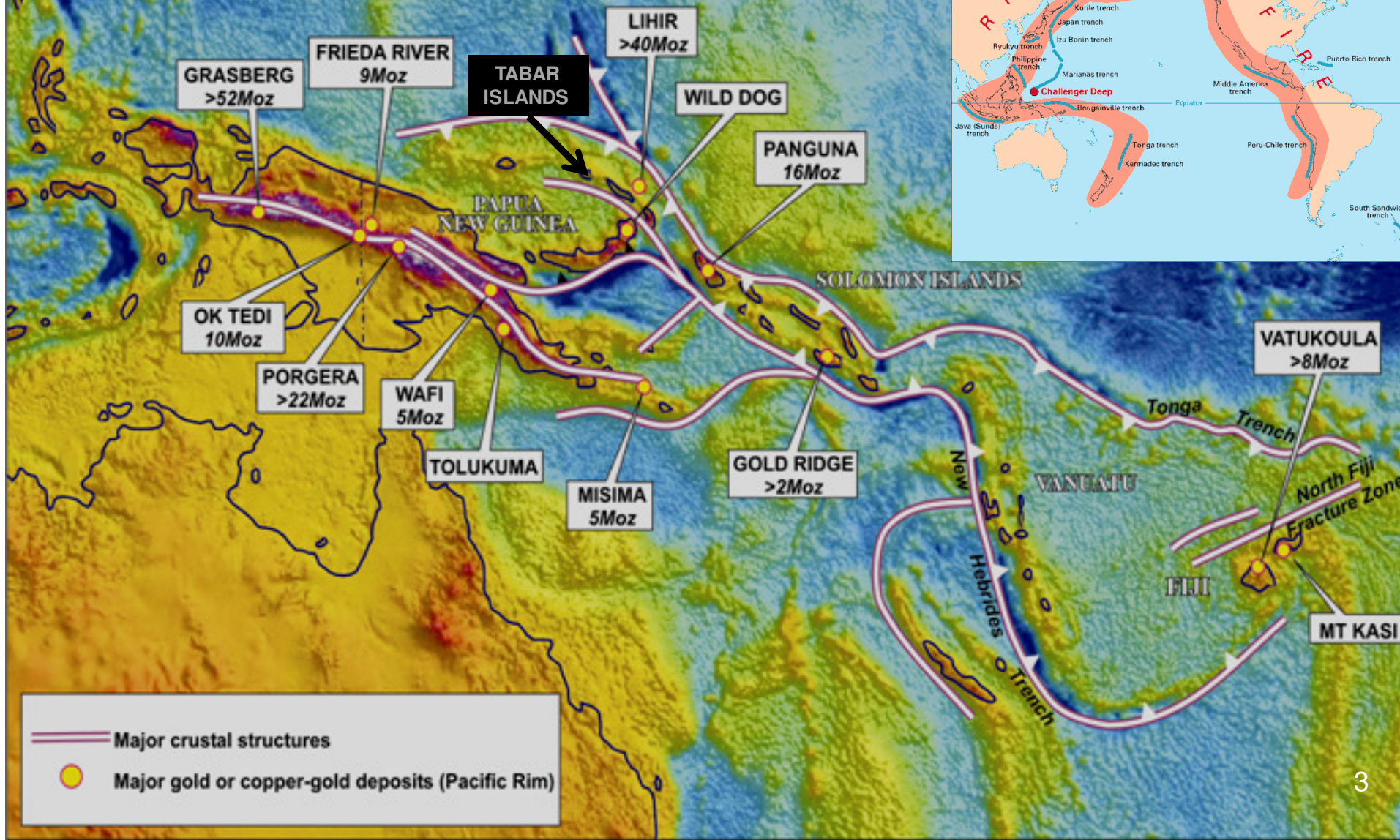
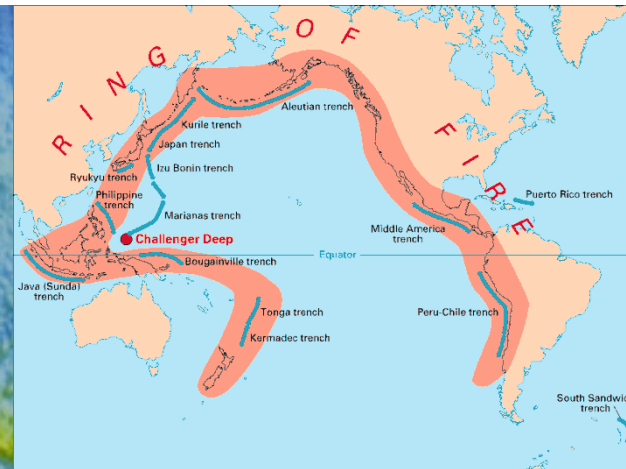




# The Allied Gold Approach

- Identify under developed assets with embedded long term value
  - Risk management focus
  - Project delivery focus
- Self sustaining approach
  - Ownership of drill rigs and ocean vessel
  - Mix of owner operated and contractor equipment
  - Aircraft charter (Implementation in progress)
- Experience in landowner and stakeholder relationships
- Outcomes focused culture
- Encourage innovation

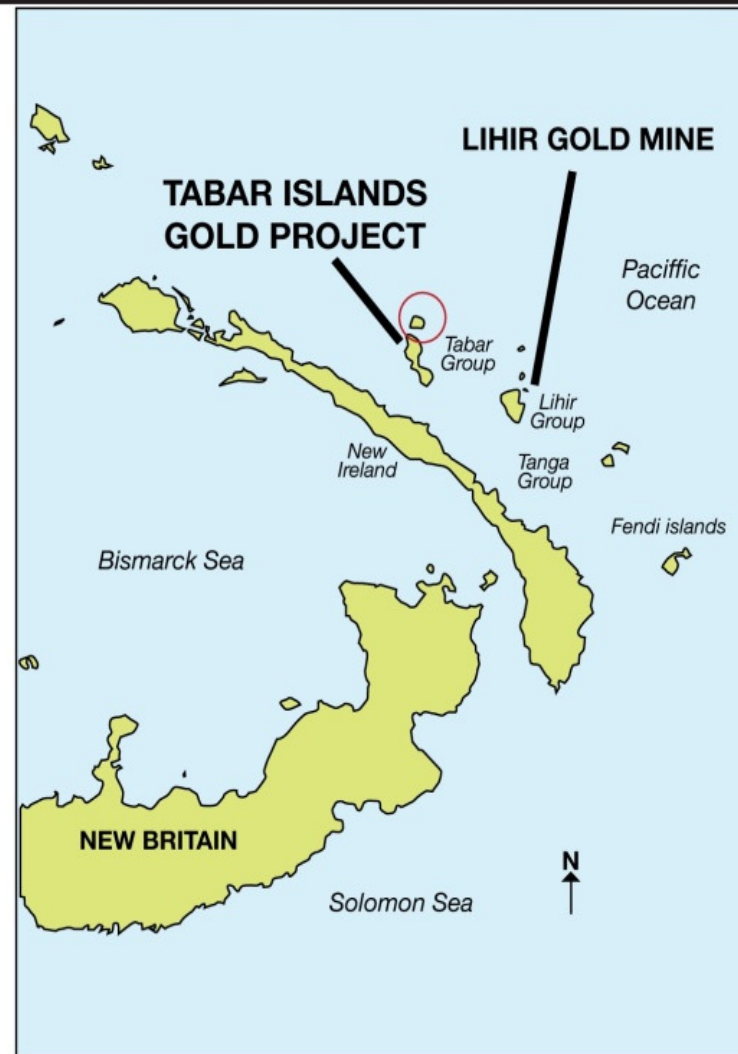
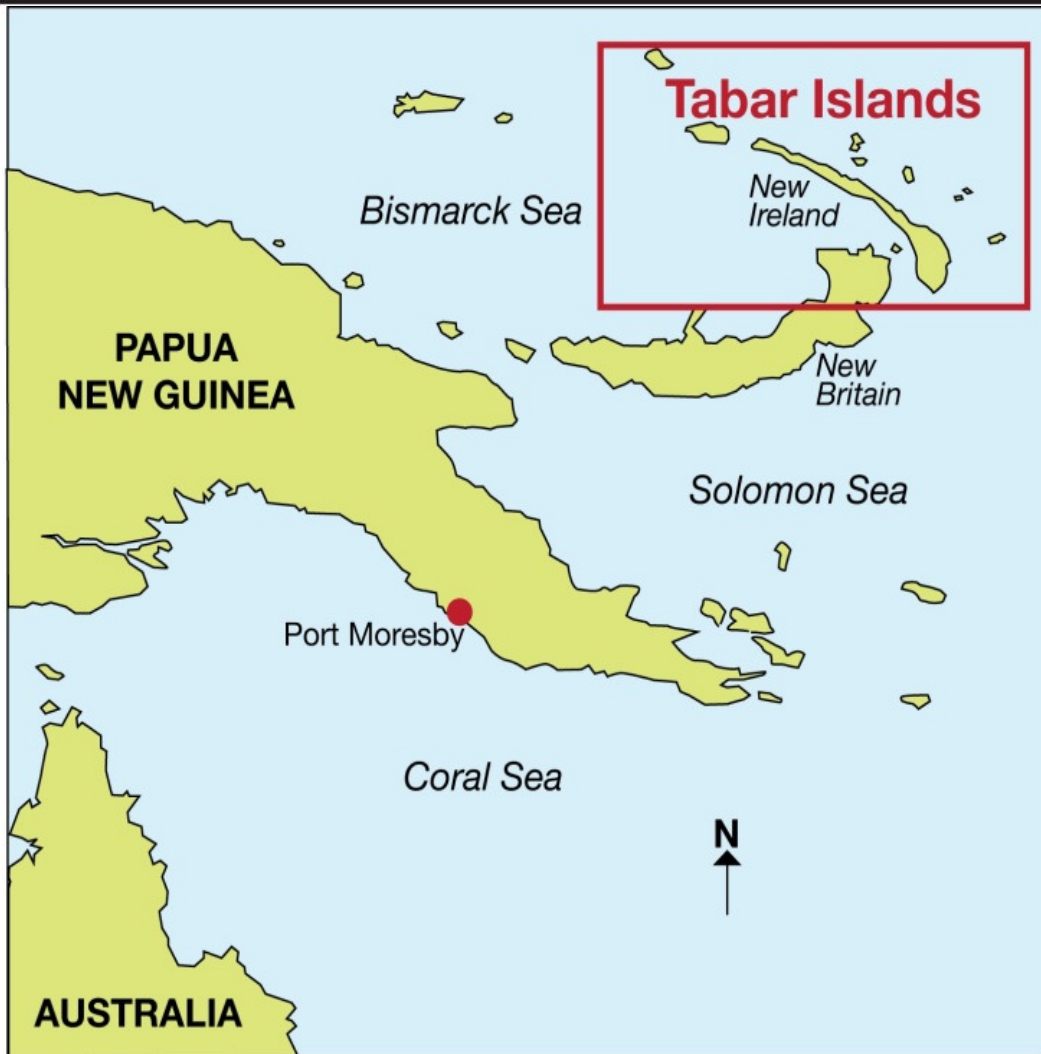


# ALLIED GOLD PRECINCT



 Major crustal structures  
 Major gold or copper-gold deposits (Pacific Rim)

# ALLIED GOLD PRECINCT

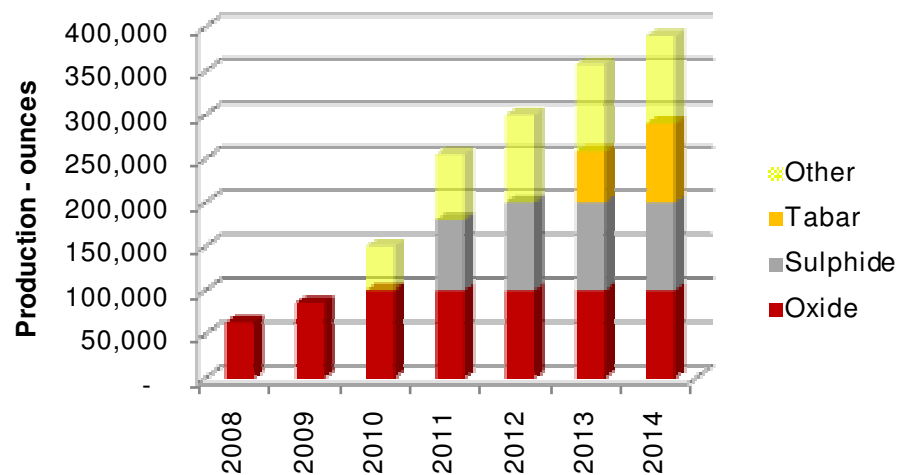


# Allied Gold Portfolio

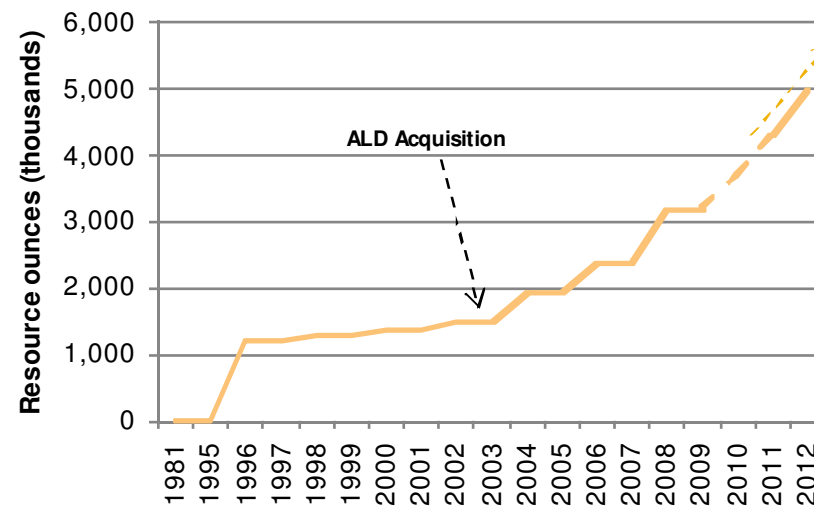
<p>GOLD PRODUCTION</p>	<ul style="list-style-type: none"> <li>• Simberi Oxides current production of 80,000 to 100,000 ounces per annum</li> <li>• Current mine life of 8.2 years +</li> <li>• Target cash costs &lt; US\$375 per ounce</li> </ul>
<p>DEVELOPMENT PORTFOLIO</p>	<ul style="list-style-type: none"> <li>• Simberi Sulphides 70,000 to 100,000 ounces per annum</li> <li>• BFS to be completed by December 2009</li> </ul>
<p>EXPLORATION PORTFOLIO</p>	<ul style="list-style-type: none"> <li>• Simberi oxide and sulphide mineralisation not yet fully defined</li> <li>• Barrick Farm-In agreement</li> <li>• Mapimi (Mexico)</li> </ul>
<p>INDUSTRY CONSOLIDATION</p>	<ul style="list-style-type: none"> <li>• Assessing opportunities to acquire projects with embedded long term value</li> <li>• Well placed to participate in global industry consolidation</li> </ul>
<p>TARGETED PRODUCTION</p>	<ul style="list-style-type: none"> <li>• Target production by 2012 of approximately 300,000 ounces per annum through organic and acquisition growth</li> </ul>



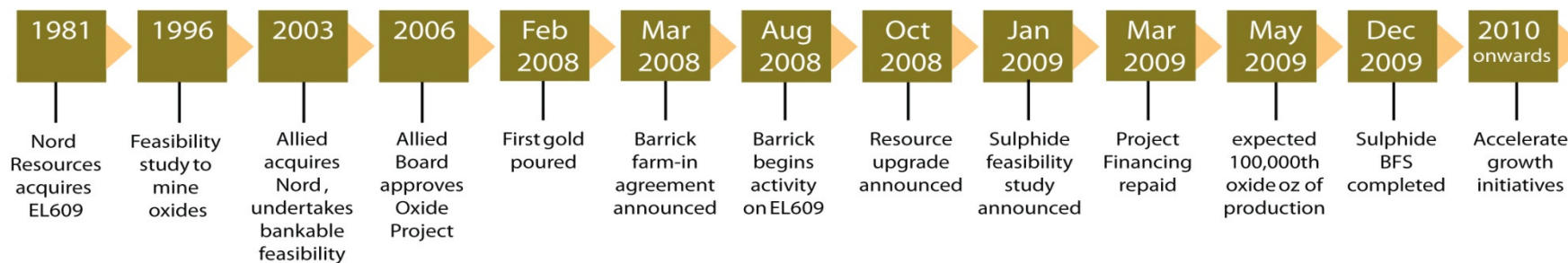
## Production Profile



## Resource Profile



## MILESTONES



# Project Synopsis – Oxide Plant

## Original Project Synopsis – Life of Mine

Parameter	Unit of Measure	Result
Ore processed	Millions of tons	17.8
Gold produced	Ounces	692,000
Average grade	Grams / ton	1.37
Average recovery	%	84
Mining rate	Millions of tons p.a.	2.2
Mine life	Years	8.2
Average annual gold production	Ounces	84,000

## Project Synopsis – Key Features

- Innovative ore delivery system (aerial rope conveyor)
- Scalable to accommodate oxide expansion or leverage sulphide circuit (potential)
- Self sustaining approach to logistics and support infrastructure
- Actual capex of AUD94 million compared to initial forecast of AUD 80 million
- First gold pour February 2008 compared to initial forecast of December 2007

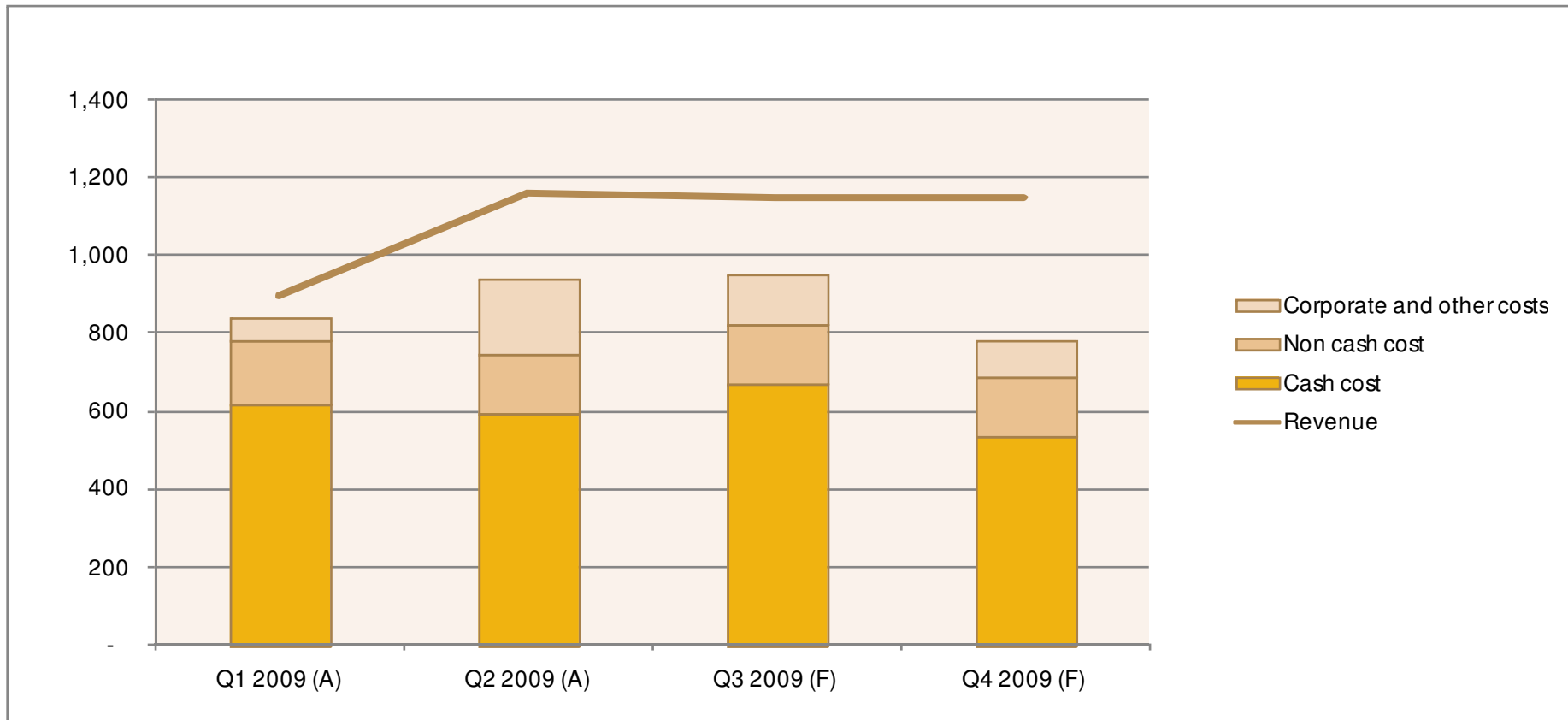


# Project Performance – Key Metrics

Parameter	Unit of measure	Feb to Dec 2008 Actual	Jan to June 2009 Estimated	July to Dec2009 Estimated
Waste mined	tonnes	187,209	176,675	262,000
Ore mined	tonnes	1,261,581	946,435	1,197,000
Ore processed	tonnes	1,179,323	971,976	1,026,000
Grade	g/t gold	2.28	1.57	1.55
Recovery	%	83	81	86
Gold produced	ounces	71,699	39,630	44,006
Average cash cost	AUD / oz	593	650	556
Average cash cost	USD / oz	424	455	389
Gold sold	ounces	59,425	41,369	44,006
Average sale price	AUD / oz	1,053	1,150	1,150
Average sale price	USD / oz	753	805	805



# AUD\$ revenue and costs per ounce



# Cash Cost Initiatives

- Workforce optimisation
  - Roster optimisation in progress
  - FIFO Travel - charter expected to commence April 2009
  - Focus on local workforce training programs
- Further Plant Optimisation
  - thickener scoping study in progress
  - In pit crushing capability
- Reagent consumption
  - freshwater initiatives commenced with positive results
- Fuel
  - natural reduction in global fuel price but partially offset by FX
  - HFO scoping study in progress



# Capital and Exploration Expenditure

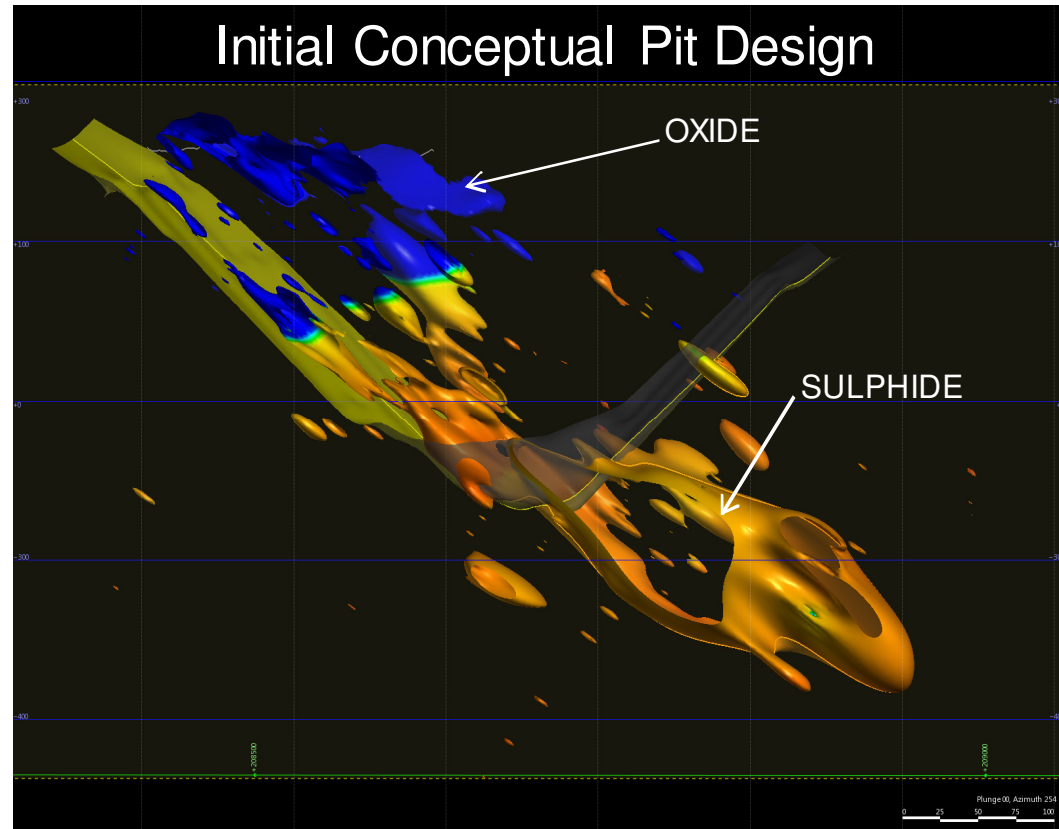
- Exploration budget  $\approx$  A\$ 6 million p.a.
- Sustaining capital expenditure  $\approx$  A\$ 4 million p.a.
- Improving capital expenditure  $\approx$  A\$ 4 million for 2009/10.
- Sulphide BFS between A\$ 5 million and A\$ 10 million.

Allied Gold continuing reinvestment into the project.

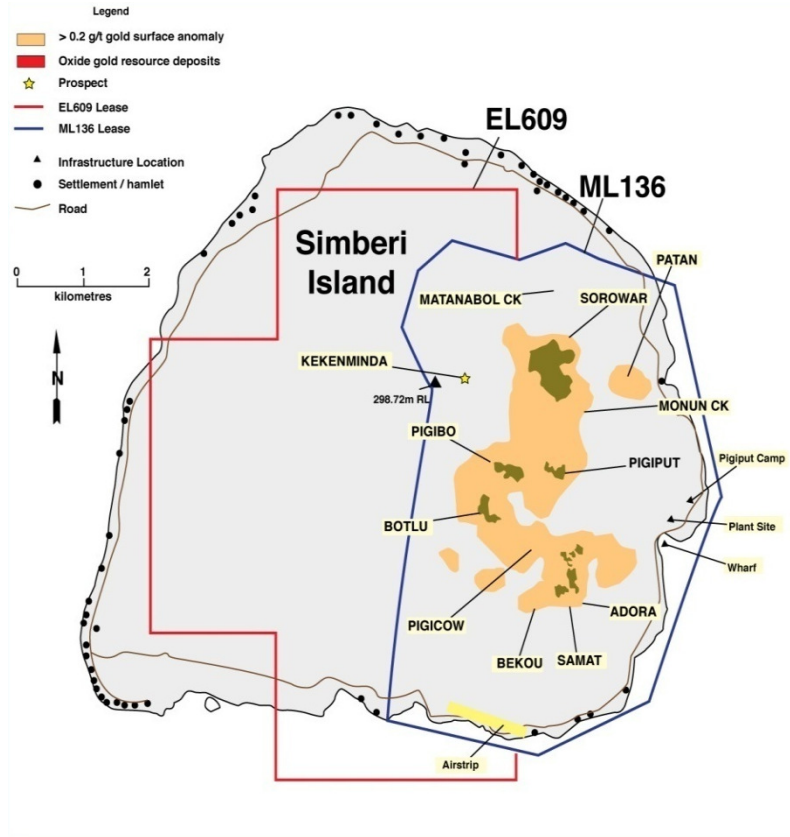


# Development

- Sulphide Expansion Project
  - Current Scoping Study focused on the Pigput mineralisation
  - BFS due December 2009
  - Epithermal gold mineralisation pyrite hosted
  - Estimated annual production 70,000 to 100,000 oz by December 2011
- Synergy on existing infrastructure (development and operations derisked )

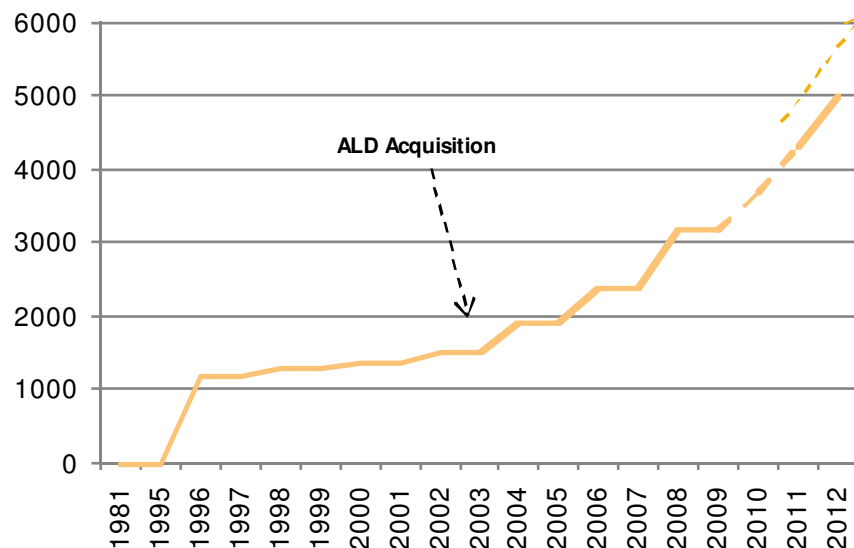


# Exploration



Simberi Material all Deposits	Measured			Indicated			Inferred			All Categories		
	Mt	g/t Au	Koz	Mt	g/t Au	Koz	Mt	g/t Au	Koz	Mt	g/t Au	Koz
Oxide	9.73	1.36	425	18.71	1.06	637	7.61	1.06	260	36.04	1.14	1322
Transitional	0.60	1.18	23	1.41	1.15	52	0.65	1.03	22	2.66	1.13	96
Sulphide	1.30	0.93	39	6.92	0.92	205	40.54	1.24	1622	48.76	1.19	1867
<b>Total Resource</b>	<b>11.63</b>	<b>1.30</b>	<b>487</b>	<b>27.04</b>	<b>1.03</b>	<b>894</b>	<b>48.80</b>	<b>1.21</b>	<b>1904</b>	<b>87.46</b>	<b>1.17</b>	<b>3285</b>

### Simberi Resource Profile



### Simberi mineralisation types:

- **Oxide material** - extremely weathered (cyanide leach recoveries > 90%), 0.5 g/t Au cutoff
- **Transitional material** – distinctly weathered (cyanide leach recoveries 50-90%), 0.5 g/t Au cutoff
- **Sulphide material** - Slightly weathered to fresh (cyanide leach recoveries generally, <10% to 50%), 0.5 or 1.0 g/t Au cutoff, variable top cuts.

NB. Includes 8.4mt at 2.7 g/t Au Inferred Sulphide (refractory-type) outside Sorowar and 17.0mt at 0.9 g/t Au Inferred with some Measured and Indicated Sulphide (refractory-type) at Sorowar.

### Other information:

- **Exploration cost per oz for recent resource upgrades was US\$ 2.00p/oz**
- Doubling of resource ounces since acquisition by ALD
- Track record in delivering ounces



## SOROWAR EXPLORATION FOOTPRINT

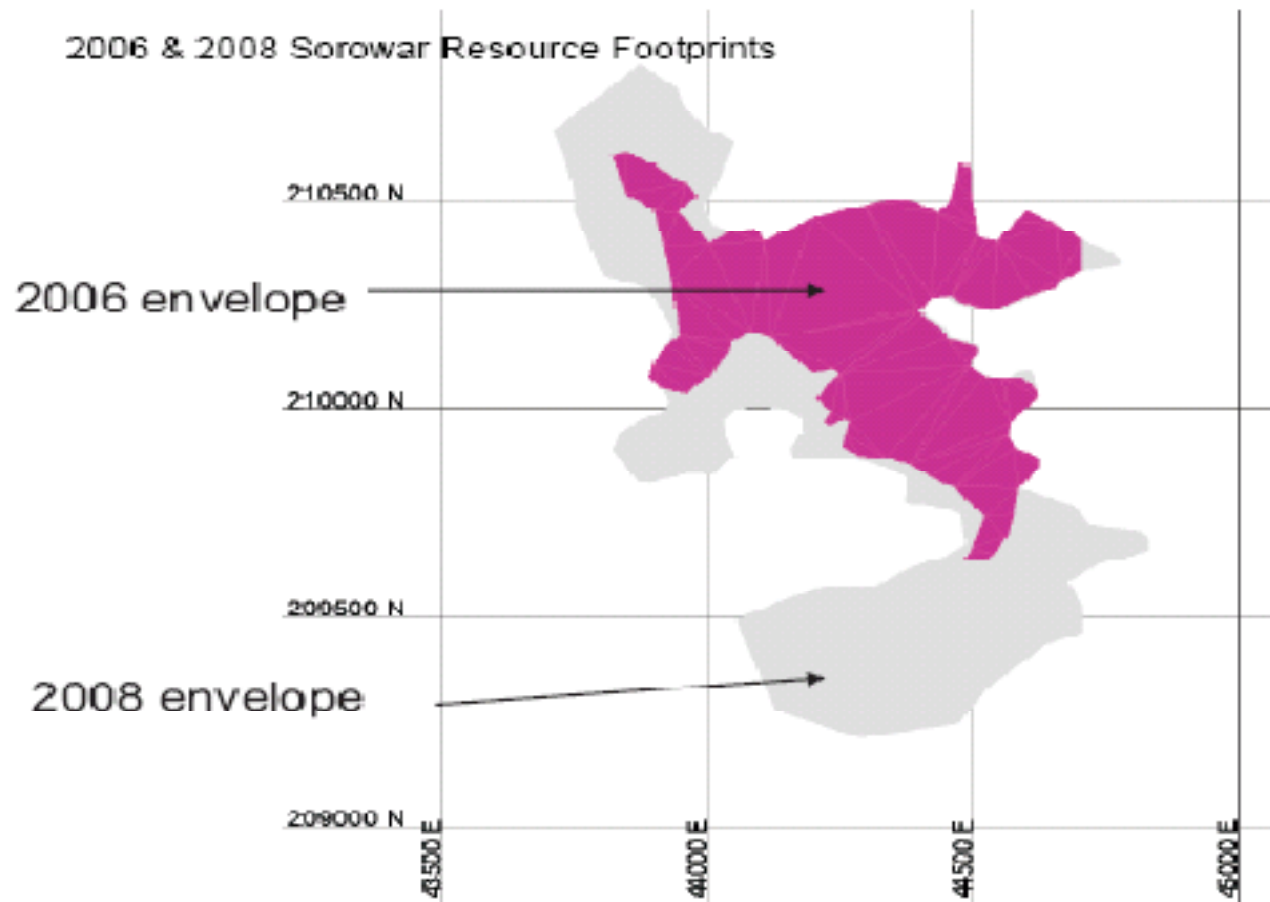
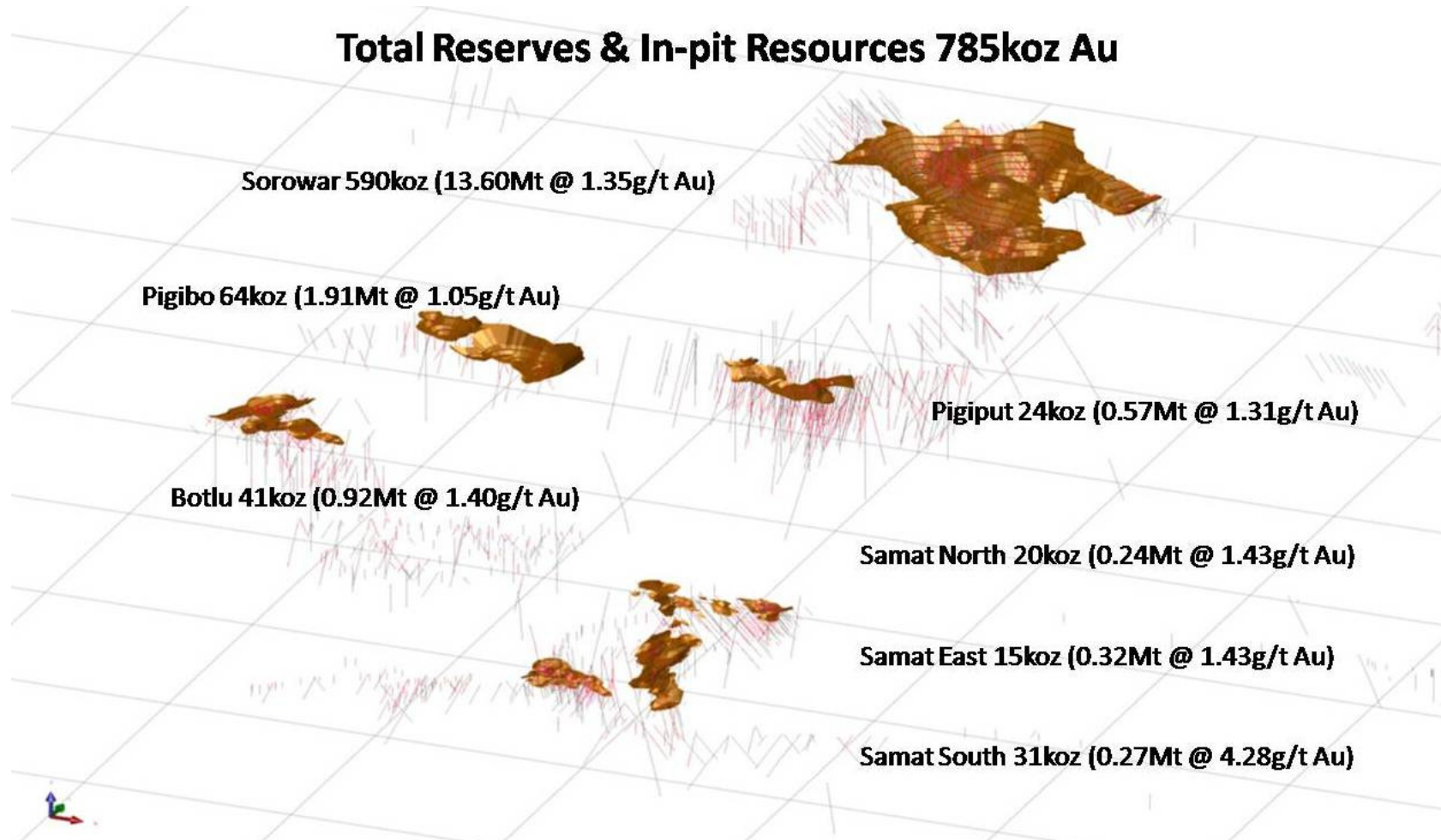


Figure 3

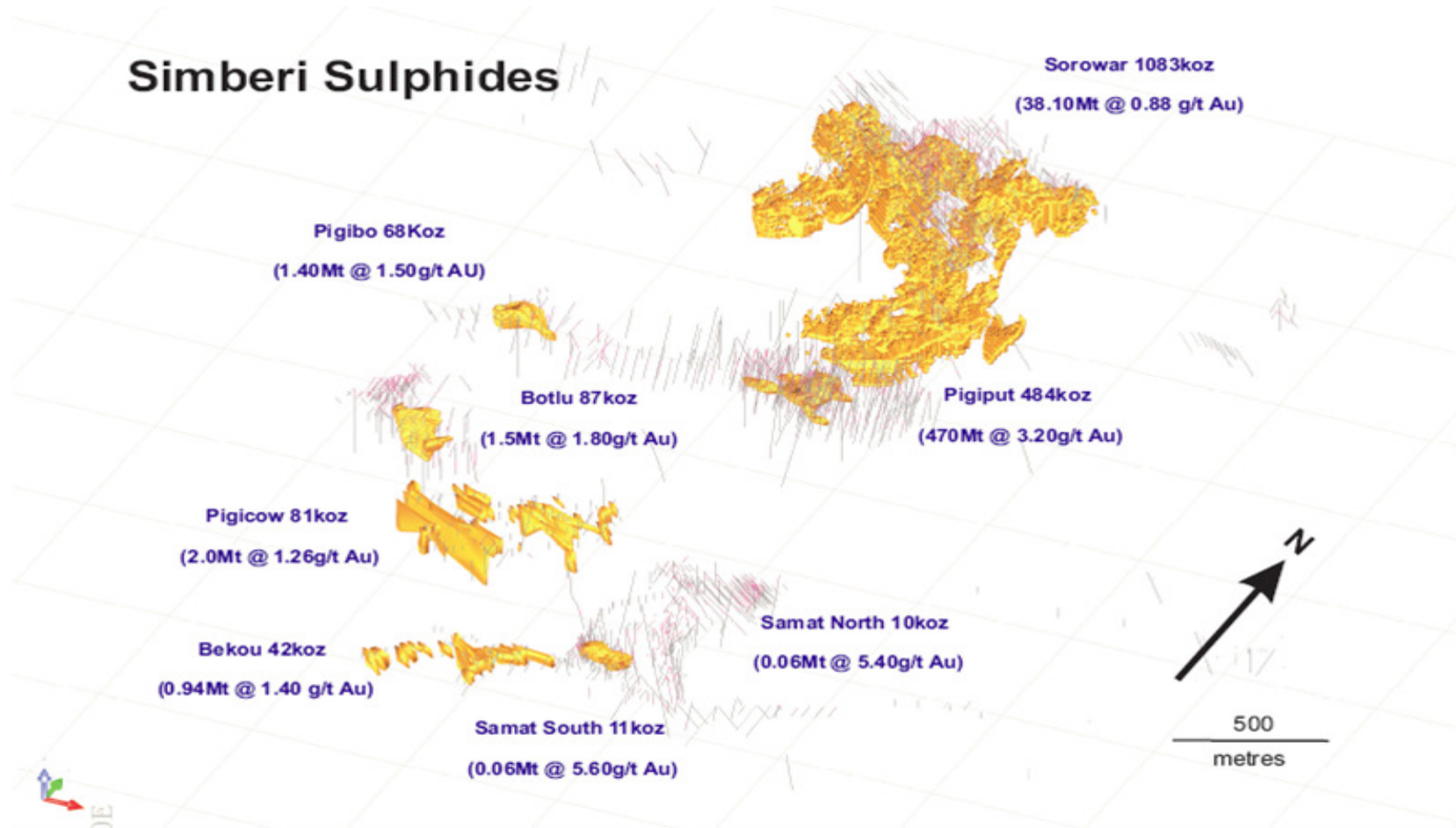


## SIMBERI OXIDE DEPOSITS

### Total Reserves & In-pit Resources 785koz Au



# SIMBERI SULPHIDES DEPOSITS



# Barrick Farm In

## Summary of key terms

- Letter of Intent signed March 2009
- Barrick committed to minimum expenditure of AUD2 million in the first two years
- Barrick required to sole fund A\$ 8 million within four years to earn a 51% interest
- Barrick can increase to 70% if it spends a further A\$ 12 million in the next 4 year period
- If Barrick withdraws before earning a 51% interest, it retains no interest in the venture
- Barrick subscribed for 17,647,057 ALD shares at A\$ 0.85 per share – an injection of AUD15 million into ALD
- Sole mining risk and buy back provision prescribed in the agreement for ALD



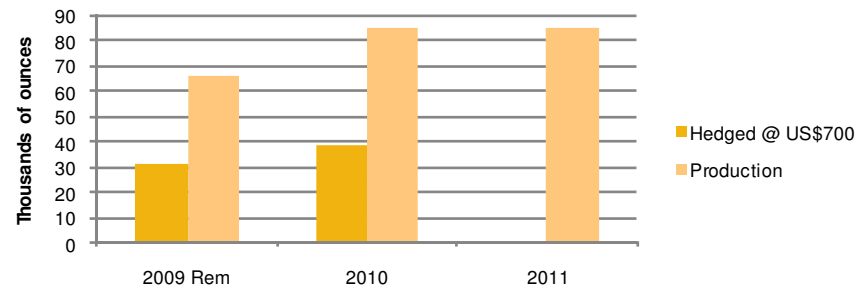


# Corporate

- Cash at bank – AUD30 million
- 4 year USD19.6 million debt facility fully repaid almost 2 years ahead of schedule
- No bank debt
- Strong and supportive shareholder base – recent equity raising oversubscribed

## Hedging Profile

Calendar Year	Estimated Production	Fixed US\$ 700	Production With Price Participation	Price Participation		
				Bought Put Options \$700	Ounces Deliverable At Spot Price	TOTAL
2009 Remaining	66,369	31,068	35,301	31,068	4,233	35,301
2010	85,000	39,220	45,780	39,748	6,560	45,780
2011	85,000	-	85,000	-	85,000	85,000
<b>TOTAL</b>	<b>236,369</b>	<b>70,288</b>	<b>166,081</b>	<b>70,288</b>	<b>95,793</b>	<b>166,081</b>



\* Assumes Simberi Oxide Production Only

# Conclusion

PRODUCER	<ul style="list-style-type: none"> <li>• Emerging gold producer with low cost and long mine life profile</li> <li>• Current production of 80,000 to 100,000 oz p.a</li> <li>• Operating costs yet to be fully optimised</li> <li>• Significant gold price participation</li> </ul>
DEVELOPMENT	<ul style="list-style-type: none"> <li>• Sulphides provide organic growth potential of further 70,000 to 100,000 oz p.a</li> <li>• BFS to be completed by December 2009</li> <li>• Capex projects to deliver productivity benefits</li> </ul>
EXPLORATION	<ul style="list-style-type: none"> <li>• Proven exploration record in one of the world's most prospective gold regions provides near term organic production growth</li> <li>• Significant exploration upside via Simberi Island and Barrick Farm-In agreement</li> </ul>
GOLD SECTOR	<ul style="list-style-type: none"> <li>• Assessing opportunities to acquire projects with embedded long term value</li> <li>• Well placed to participate in global industry consolidation</li> </ul>
CAPABILITY	<ul style="list-style-type: none"> <li>• Self sustaining approach</li> <li>• Proven project delivery capability in challenging environments</li> <li>• Committed Board &amp; Management Team</li> </ul>



