

Reed Resources Ltd

AGM Presentation
November 2005

OUTLINE

- Corporate Information
- Business Strategy
- Project Overview
 - **Comet Vale**
 - **Mt Finnerty**
 - **Barrambie**
- Opportunities



**Drill core from
Sand George Lode**

CORPORATE INFORMATION

- Established December 2001
- Floated July 2002 (raised \$6M)
- Directors

David Reed OAM - Executive Chairman
FCPA

Chris Reed - Executive Director/ Secretary
BCom, GradCertMinEcon (WASM) ASA MAusIMM

Peter Collins - Non-Executive Director
BSc(Hons) PhD MAIG

Ian Junk – Non-Executive Director
B.Eng (Hons) MAusIMM

CORPORATE INFORMATION

- **Capital Structure**

- Issued Shares 70 M shares
- Options 2.45 M @ 35c
1 M @ 50c

Market Cap (@22c) \$15M

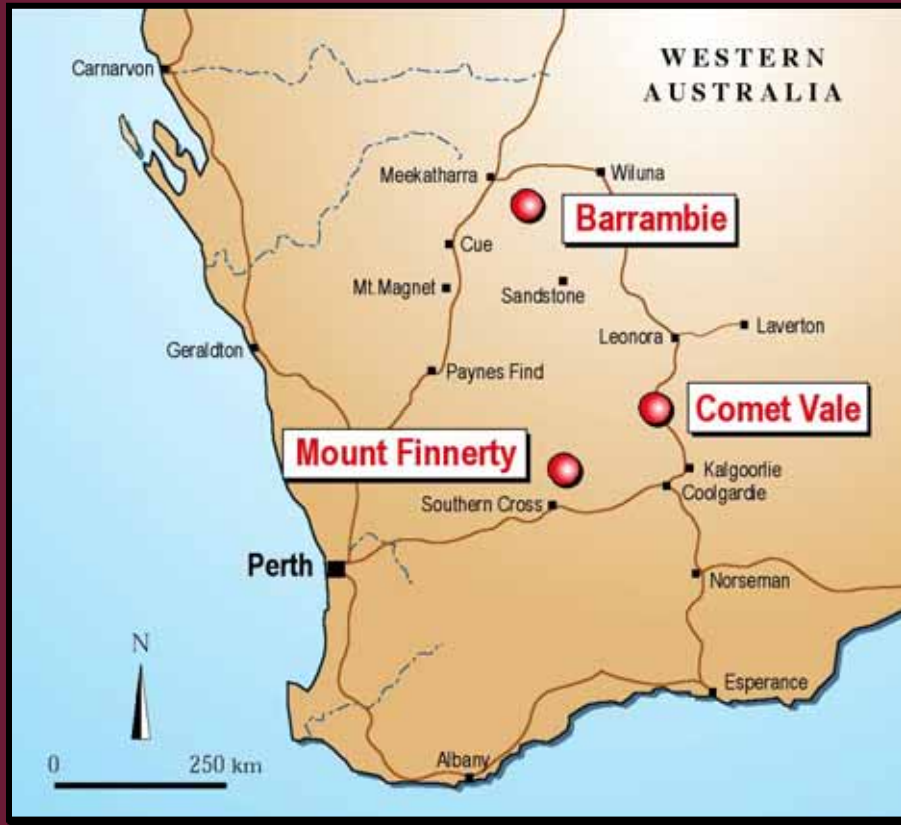
Cash (Sept 05) **\$1.3 M**

BUSINESS STRATEGY

- Develop high-grade gold deposits at Comet Vale
- Explore for other metals (Fe, Ti, V, Ni) in existing tenements
- Selective acquisition of new ventures to broaden resource base



EXPLORATION PROJECTS



Barrambie

Murchison province
Vanadium Titanium

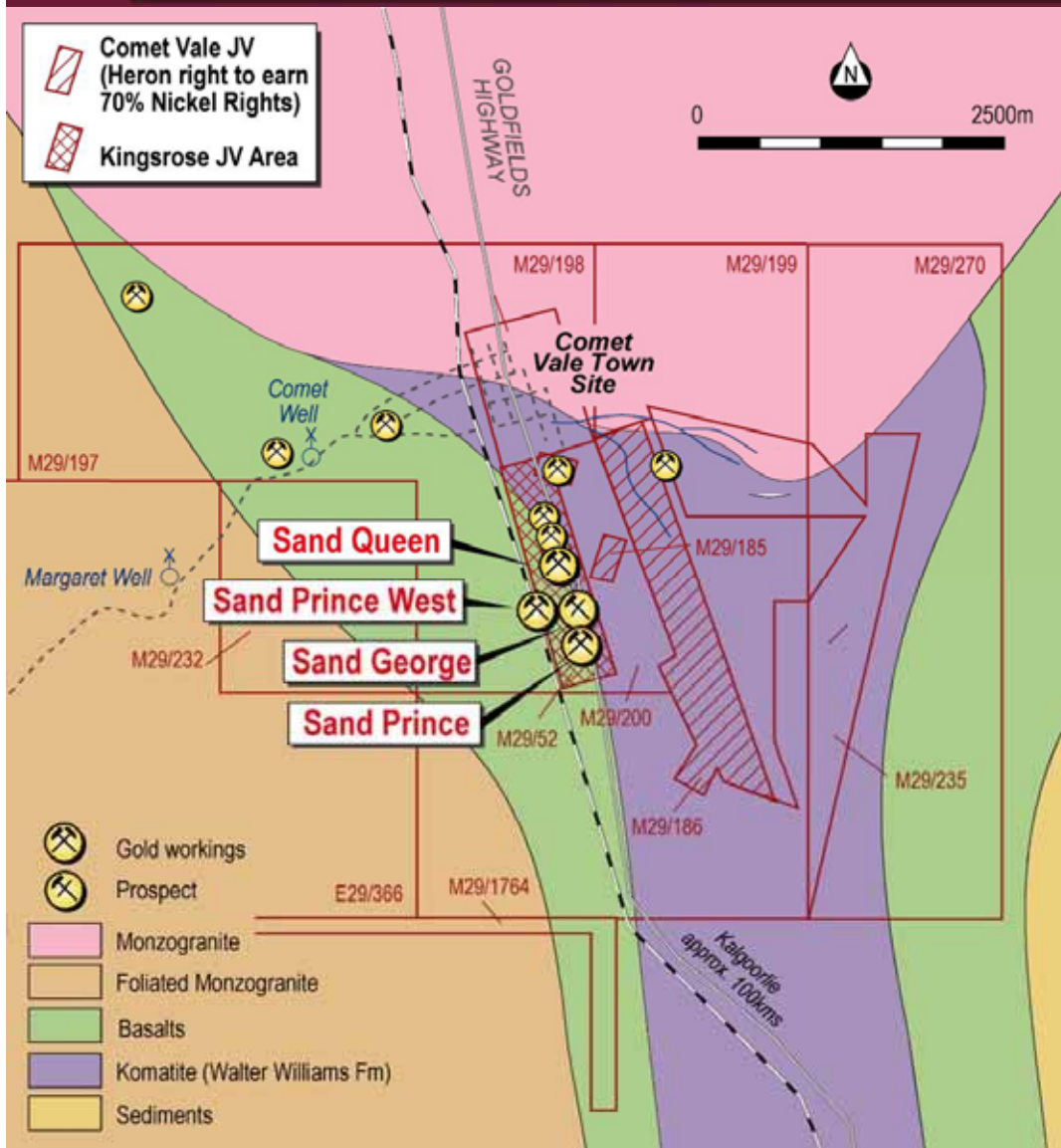
Comet Vale

Eastern Goldfields province
Gold Nickel

Mt Finnerty

Southern Cross province
Iron Ore Nickel Gold

COMET VALE PROJECT

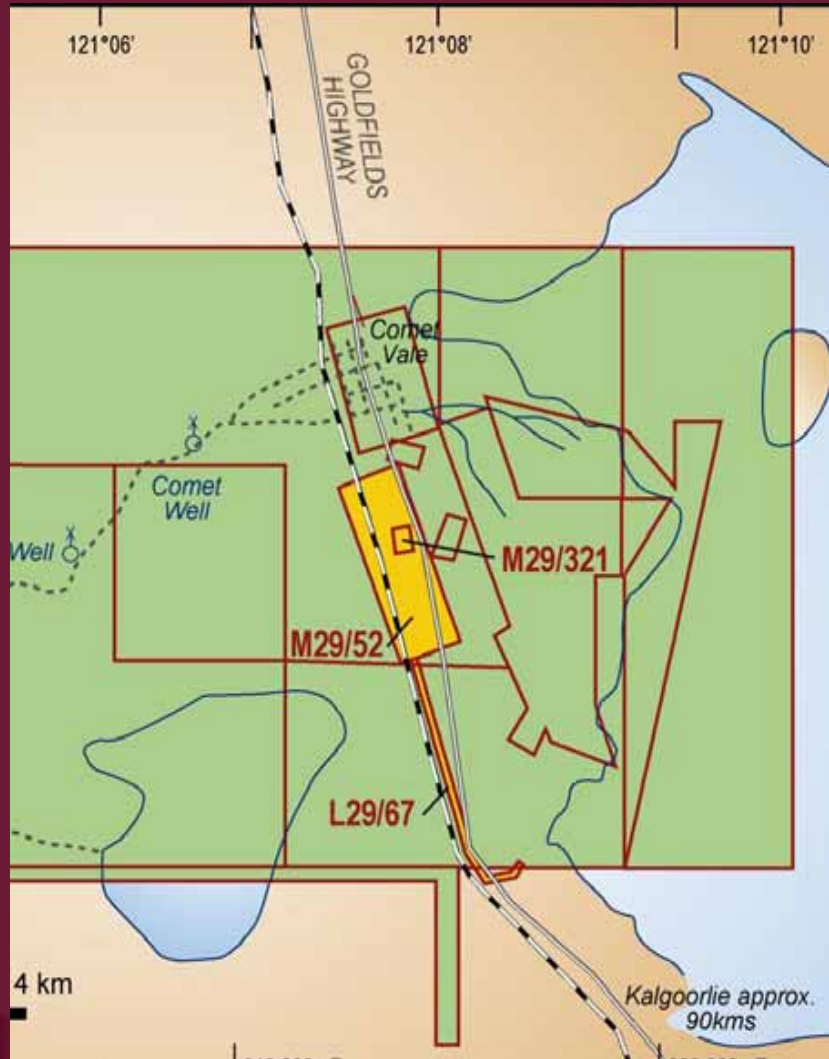


PROJECT STRATEGY:

- Low risk cashflow from Production JV with Kingsrose over of Sand George Deposit.
- Extend and upgrade resources along strike
- Define resources on known quartz reefs.
- Develop nickel laterite resource
- Test base metal and PGE potential



COMET VALE Production Joint Venture



Kingsrose

- **Development & Production Costs**
 - to earn 50% gold down to 243m
 - to earn 60% gold below 243m
- 50% Equity in leases after 25,000 oz
- Min.Expend \$2,000,000

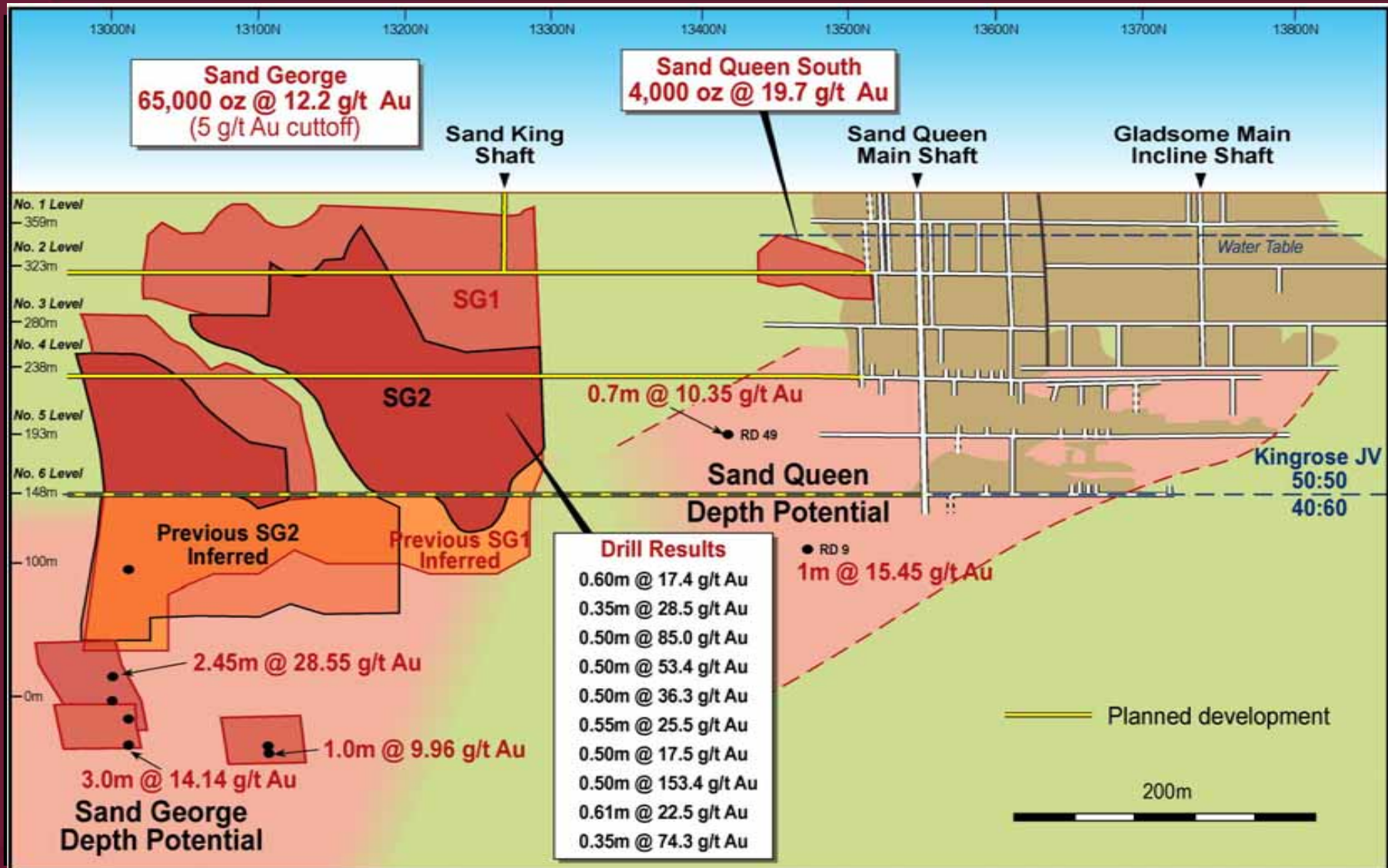
Reed

- **Transport & Treatment Costs**
 - Budgeted \$33/tonne (sub\$200/oz)
 - Retains open-pit gold resource
 - \$4m p.a net cash flow for 3.5 years

COMET VALE – Sand Queen Main Shaft



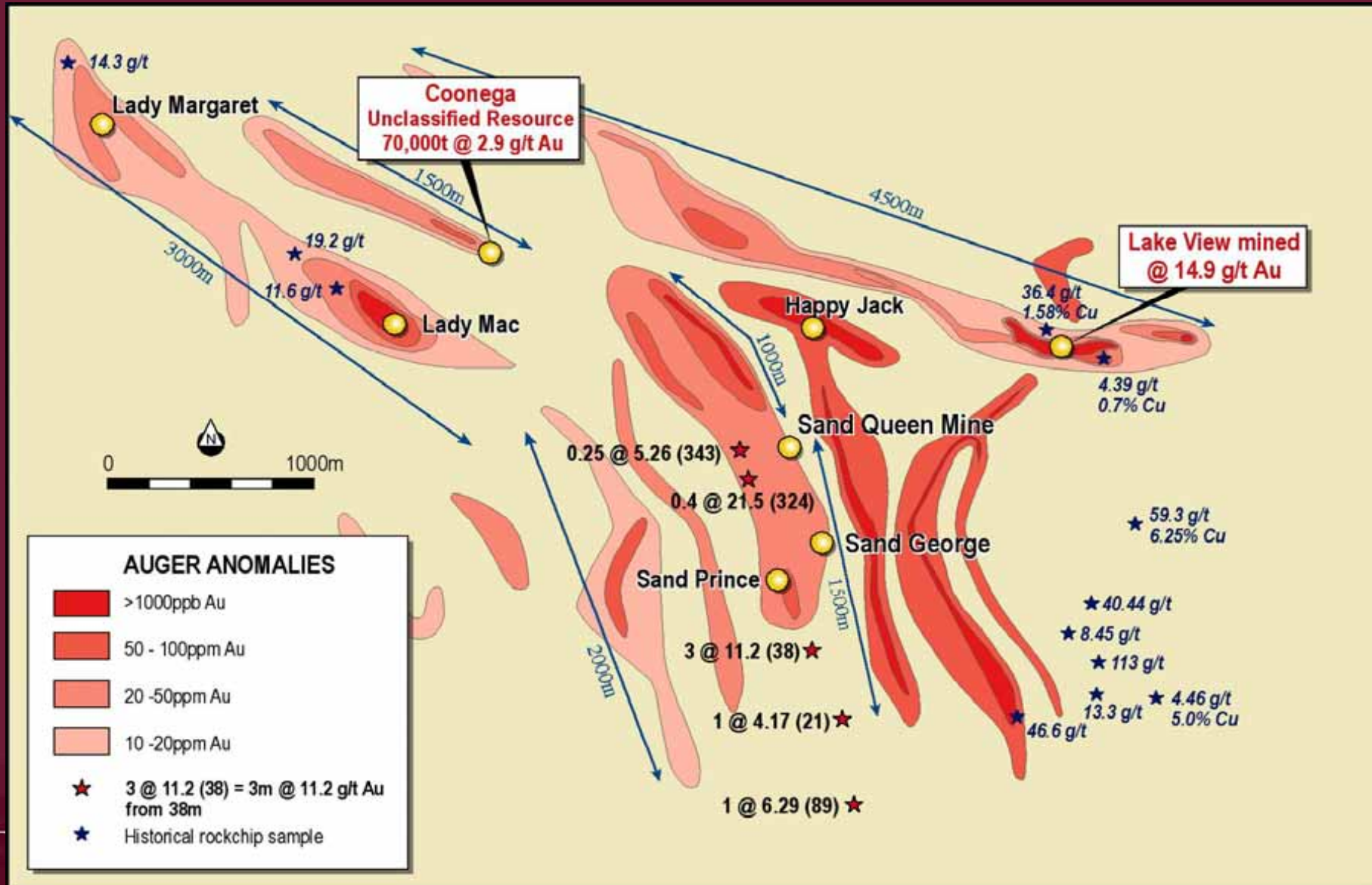
COMET VALE – Depth Potential



Long Section Looking West

COMET VALE – Regional Gold Contours

+20km of untested gold anomalous structures



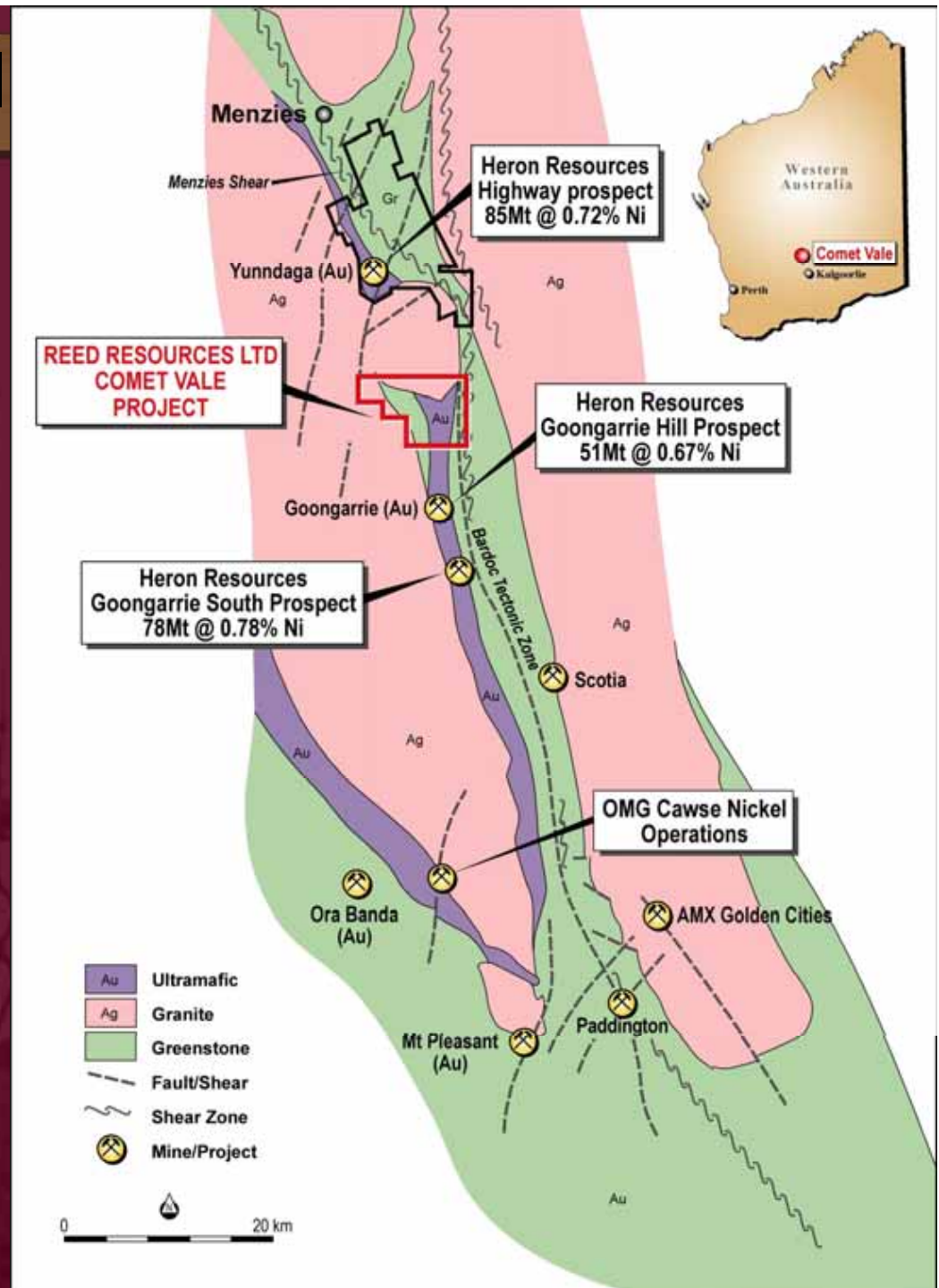
COMET VALE – Nickel

TARGET

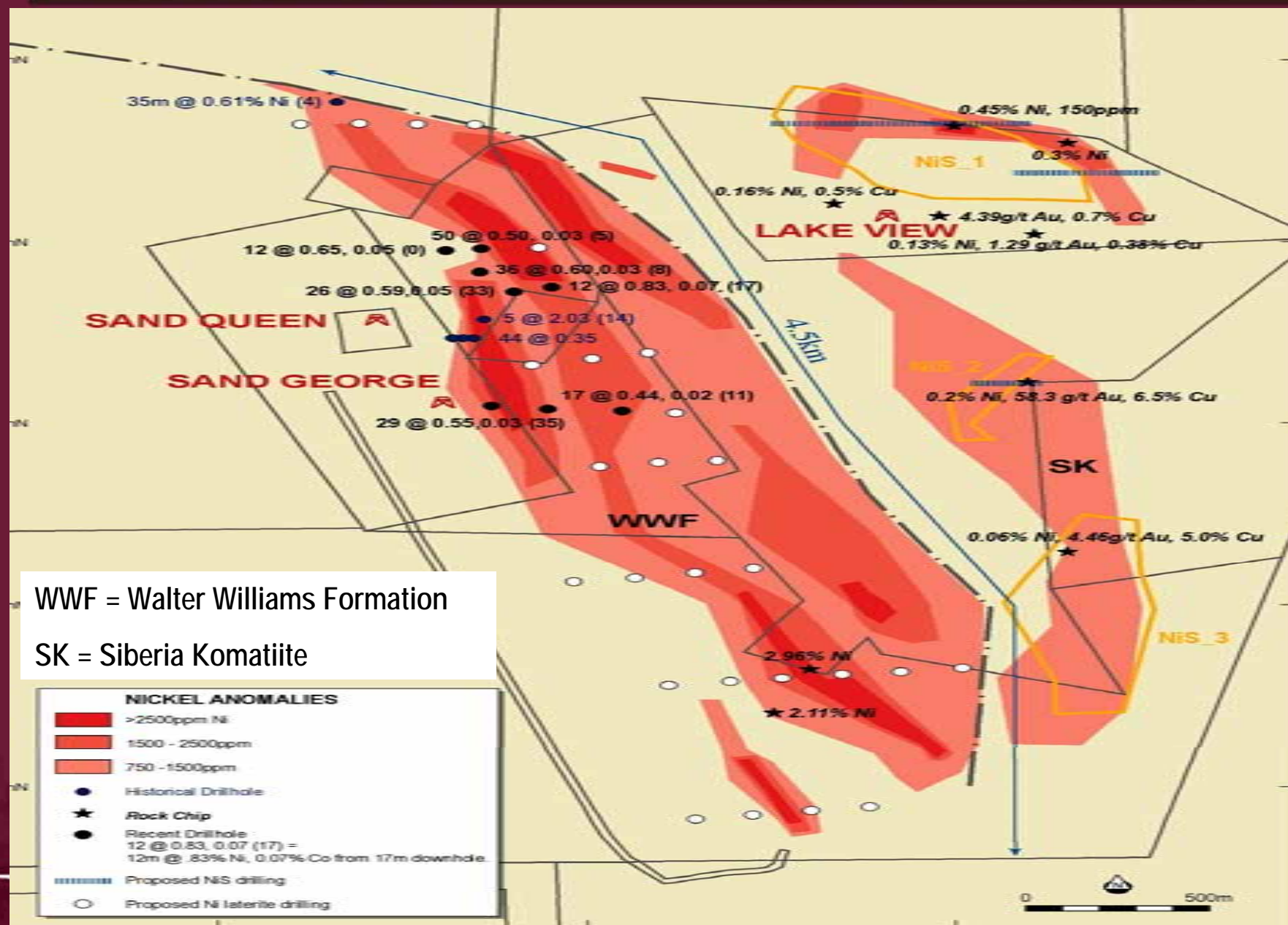
1. High-grade Ni Laterite resource in well-developed lateritic profile
2. Komatiite-hosted massive nickel sulphides

Tenements host extensive sequence of ultramafic lithologies over 4.8km strike.

- Walter Williams Form
- Siberia Komatiite



COMET VALE – Regional Nickel Contours

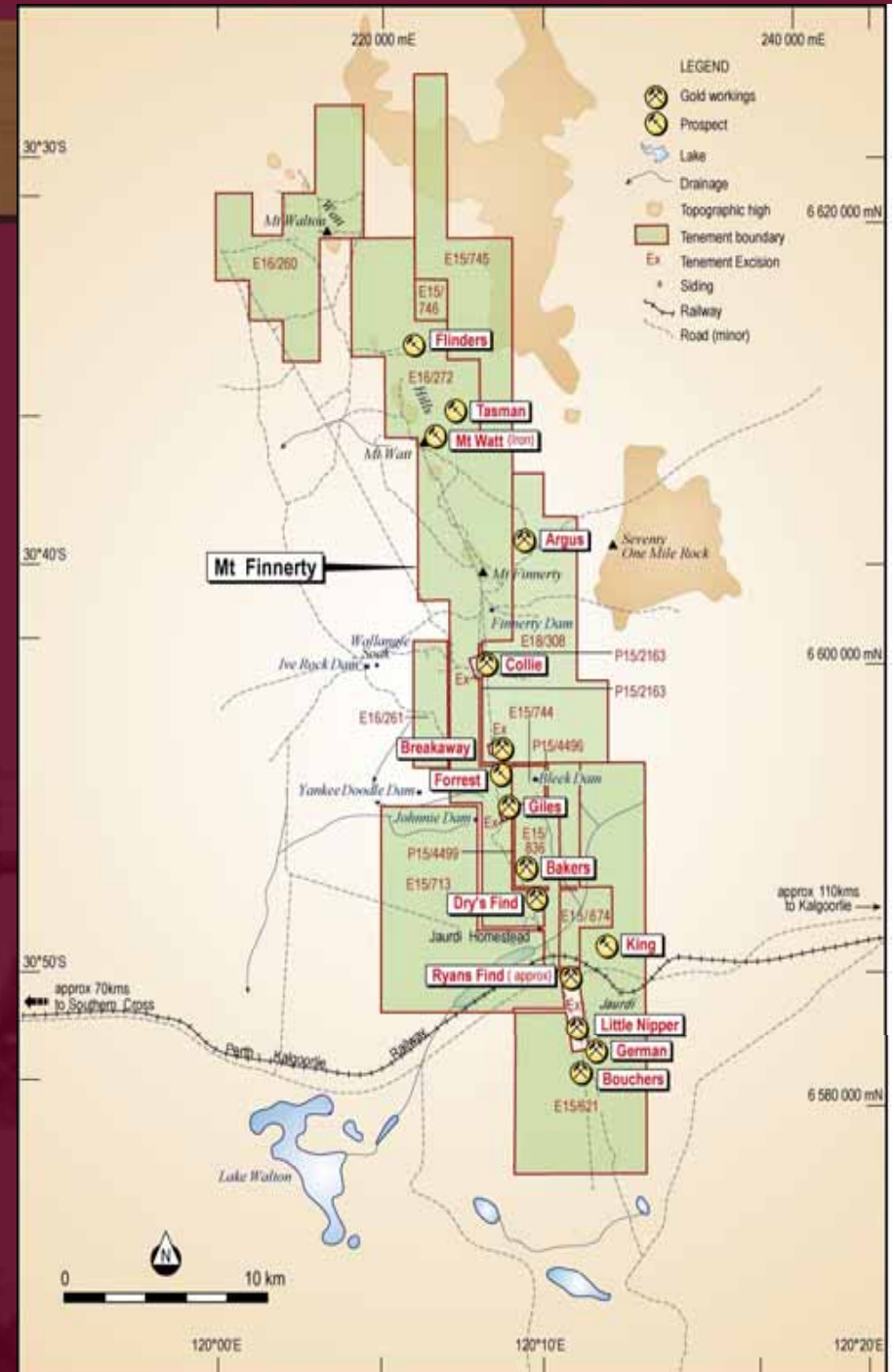


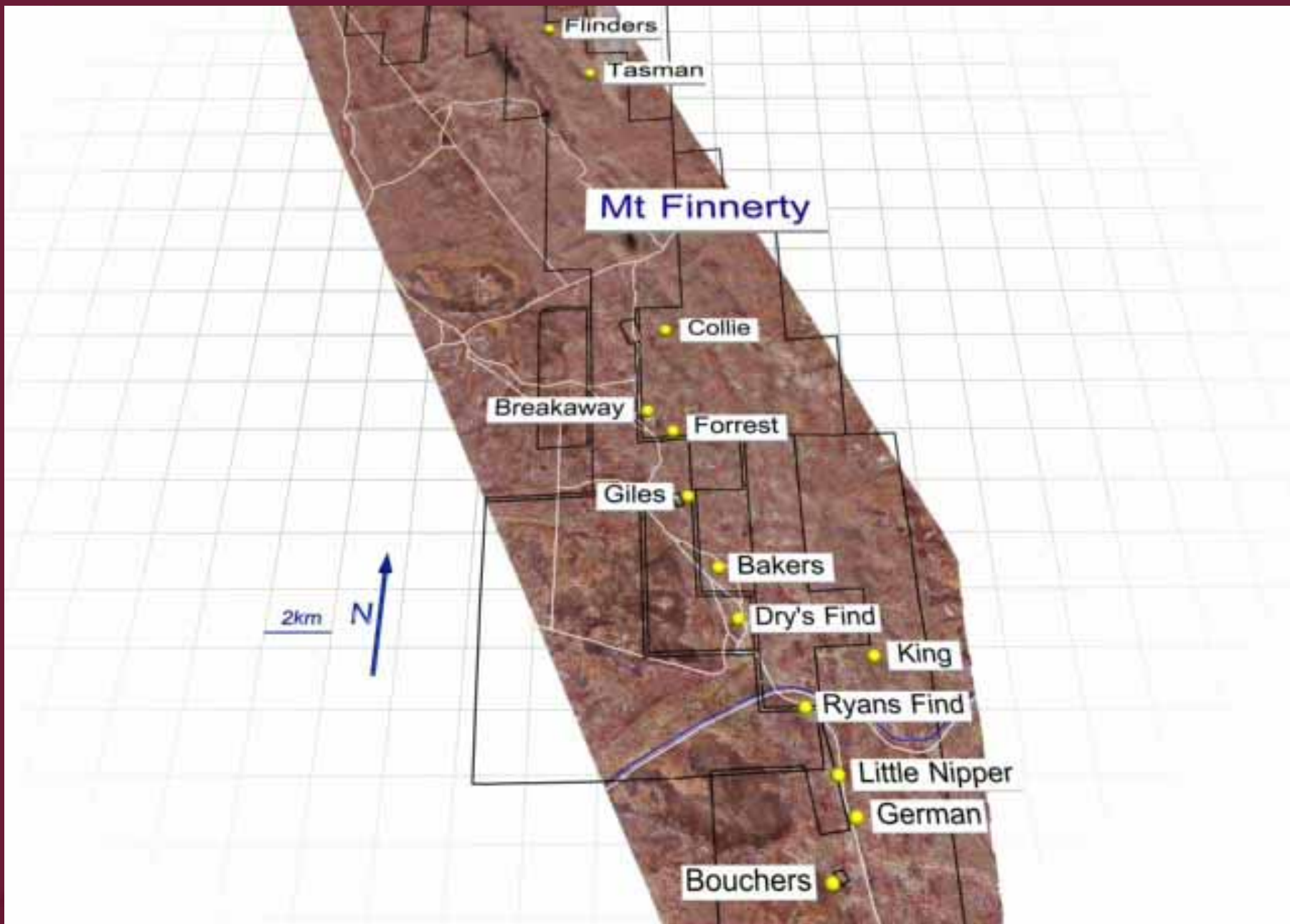
WWF = Walter Williams Formation

SK = Siberia Komatiite

MT FINNERTY PROJECT

- Brown-fields exploration project
- 45 km of Watt Hills G/B
- Known high-grade gold and BIF-hosted Fe ore (hematite)
- 30 km of prospective Ni-sulphide hosting Ultramafic
- **Exploration Targets:**
 - BIF-hosted iron ore
 - Ni Sulphides
 - Archaean lode gold





MT FINNERTY – Iron Ore JV

- Portman earning 80% Fe rights by spending
 - \$300,000 over three years
 - \$100,000 in first year
- Reed can:
 - Contribute to 20%
 - Revert to 10% free-carried to DTM
 - At DTM contribute or revert to royalty

65 km east of Koolyanobbing
Trans-Australian Railway Access



MT FINNERTY - Nickel

- **Airborne geophysical survey**

- 8,248 line km at 100 m line spacing, 30 m sensor height

- **Preliminary results:**

- Extensive ultramafic sequence, along strike from nickel sulphide occurrences.

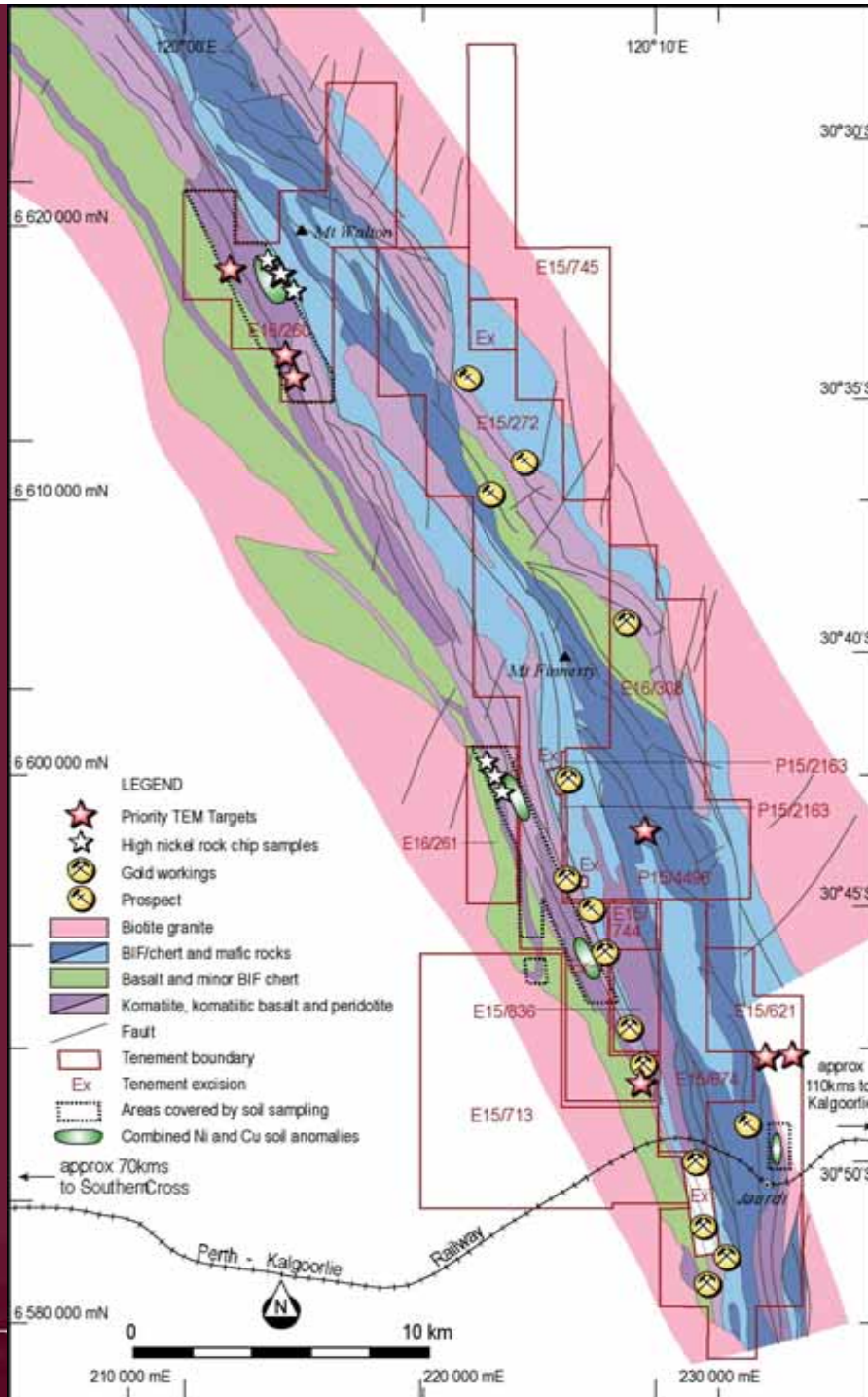
- **Exploration Results 2005**

Soil Sampling - up to 0.5% Ni and 125ppm Cu – 4 anomalies from 3 areas tested

RAB Drilling – up to 1.0% Ni and 400ppm Cu – confirms soil anomalies

Ground EM – 9 areas tested – 9 conductors – confirms anomalies

RC Drilling – November 2005

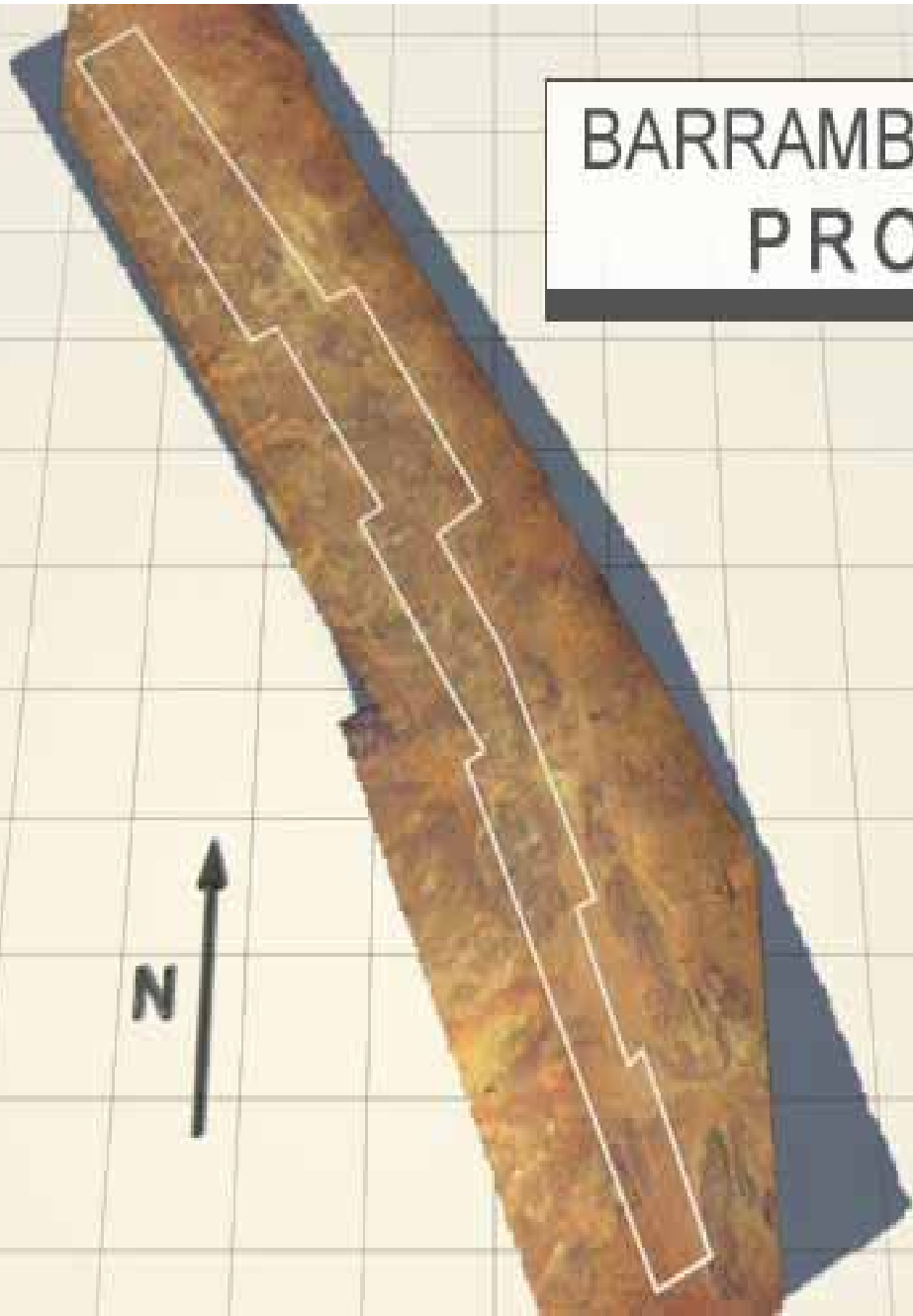


BARRAMBIE PROJECT

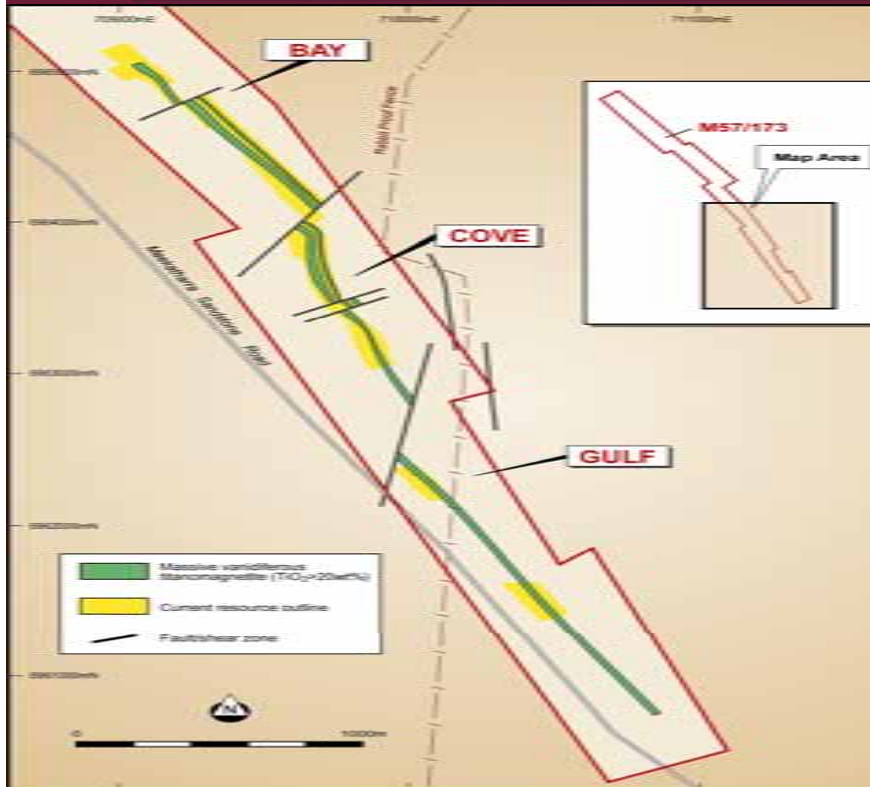


- Advanced exploration project acquired April 2003
- Magmatic Ti-Fe±V oxide deposit in anorthosite-gabbro
- RDR Testwork produces high quality Titanium feedstock
- Now focusing on recovery of Vanadium (Price US\$13/lb)
- PGMs, gold & nickel potential
- 11 km strike length within mining lease M57/173
- **LOW COST ENTRY INTO WORLD-CLASS DEPOSIT**

BARRAMBIE VANADIUM PROJECT



BARRAMBIE – Resources



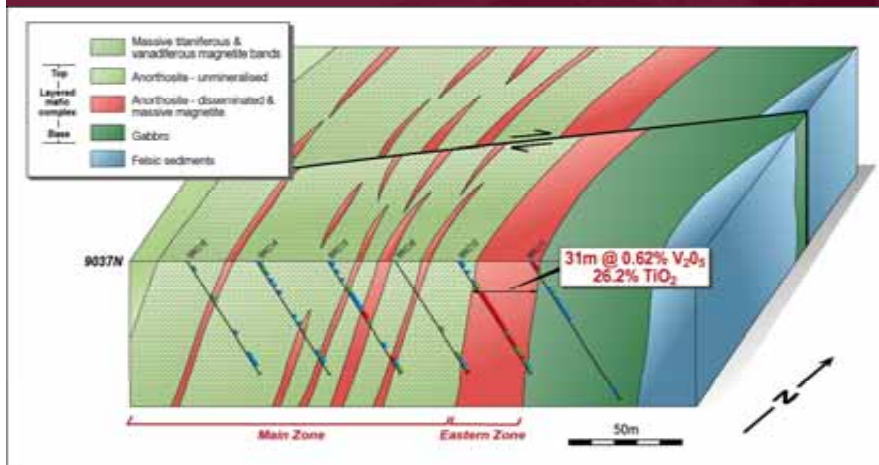
Indicated

22 Mt @ 0.48% V₂O₅

Inferred

26 Mt @ 0.51% V₂O₅

- True width >20m
- Open-pit to 80m (drilled +200m)
- Covers < 25% strike



Bay-Cove Central (BFP 2000)

Indicated 23 Mt @ 0.43% V₂O₅

Inferred 17 Mt @ 0.35% V₂O₅

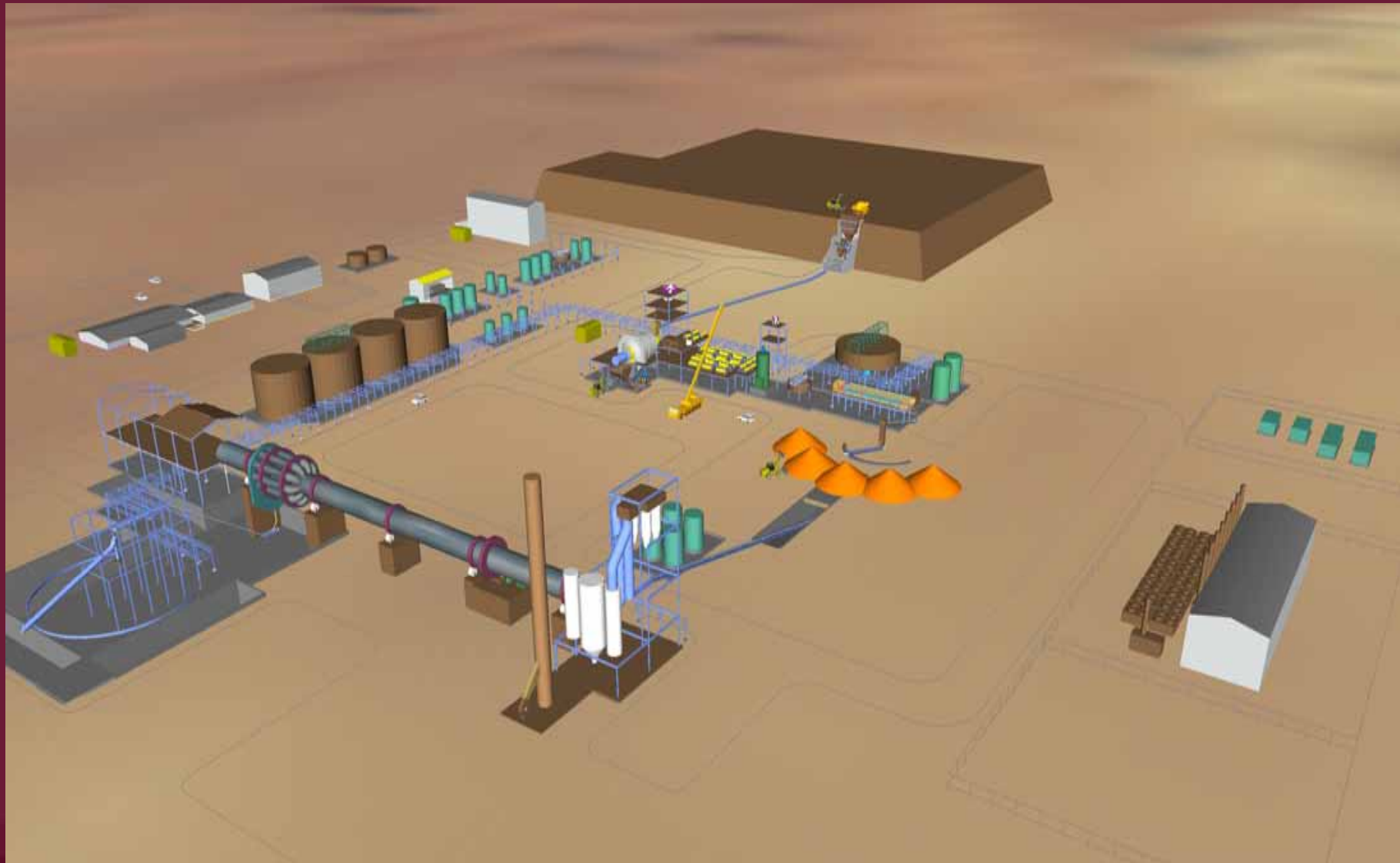
Gulf Central (Snowden 1999)

Inferred 60 Mt @ 0.30% V₂O₅

BARRAMBIE – Concentrate Testwork

| Deposit | Ore Type (% of Feed) | Concentrate Grade % V ₂ O ₅ | Concentrate Recovery % mass | Process Recovery ⁱⁱ % |
|-----------------------------|-------------------------|---|-----------------------------------|---|
| Barrambie | Oxide (100%) | 1.37 | 36 | 90+ |
| Windimurra ⁱⁱⁱ | Oxide (100%) | 1.22 | 20 | 78 |
| Balla Balla ⁱⁱⁱⁱ | Oxide (10%) | 1.05 | 55 | 79 |
| | Primary (90%) | 1.1 | 58 | 79 |

BARRAMBIE – Plant Design



SUMMARY

Mt Finnerty (iron ore, nickel, gold)

- JV with local producer Portman. RC Drilling Jan Q 06
- Nickel Exploration – RC Drilling EM Targets November 05

Barrambie (vanadium, titanium)

- Pre-Feasibility Study on production of vanadium pentoxide flake from major vanadium-titanium resource due Dec 05
- Testwork produced vanadium pentoxide flake (+95% recovery) from salt roast-leach of gravity/magnetic concentrate.
- Current Testwork to recover vanadium using same flowsheet as Windimurra (prod.cost US\$1.60/lb) nearing completion.

Comet Vale (nickel)

- Resource Definition Drilling Ni-laterite and testing Ni-sulphide potential at Comet Vale at present

SUMMARY

Comet Vale (gold)

Exploration Potential

- Extension of SG 1 & 2 lodes at depth, along strike
- Sand George deep lodes (SG 3, 4 & 5 Lodes)
- Extension of Sand Queen lode at depth
- Extension of Sand Prince West Deposit
- Repetition of Comet Vale Lodes along strike
- 20km untested Au soil anomalies

OPPORTUNITIES

- Low Risk Cashflow from Production Joint Venture for development of Sand George deposit (est. Annualised CF of A\$4m)
- JV with local iron ore producer Portman
- PFS Study on world-class vanadium deposit
- Exploration success from highly mineralised projects
- Diversified commodity base