



**Annual General Meeting – November 2011**

**Anthony Maslin – Managing Director**

**BUXTON**  
RESOURCES LIMITED

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## **Competent Person Statement:**

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. Dr Stephens has sufficient experience which is relevant to the activity being undertaken 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 and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

# Company Highlights

- Priority Project – Zanthus Magnetite Project
- **Strong infrastructure access:**
  - ✓ **25km from rail**
  - ✓ **35km from Zanthus railhead and siding**
  - ✓ **600km by rail to Esperance port (Bulk commodity and undergoing expansion)**
- **Superior metallurgical characteristics and coarse grain size** at Zanthus Project – potentially lower CAPEX and operating cost requirements when compared with other deposits
- Recent drilling program has encountered wide, high grade magnetite intercepts.
- **Exploration target at Zanthus project of 0.7 to 1.3 Bt @ 22%-32% Fe\*** – maiden JORC Resource Estimate underway at Cohen Prospect
- BUX holds 1003 km<sup>2</sup> of tenements in Western Australia
- Experienced Board, management and operational team in place

*\*The potential quality and grade of the Zanthus Exploration Target is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

# Corporate Overview

## Capital Structure

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ASX Code:	BUX, BUXO
FSE Code:	3B4.F
Shares on issue:	40.1M
Listed options	4.0M
Share Price: (52 week low/high)	\$0.15 - \$0.35
Market Cap.:	~\$6M
Cash at bank:	A\$1.79M (30 Sept 2011)

## Board of Directors

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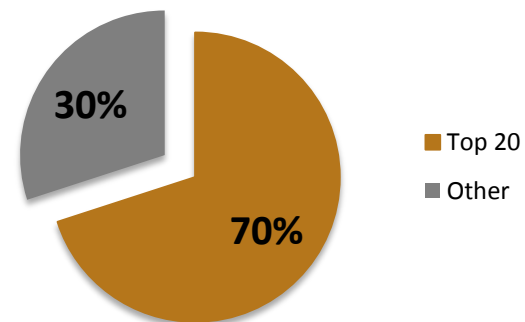
Seamus Cornelius  
Chairman

Anthony Maslin  
Managing Director

Julian Stephens  
Non-Executive Director

## Shareholders (Top 20%)

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# Operational/Corporate Activity

## FY2010/2011

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- Nov 2010: High grade magnetite discovery at Zanthus Project
- Nov - Dec 2010: Completed Board restructure
- Feb 2011: Completed rights issue to raise A\$1,762,200 to fund drilling at Zanthus
- April 2011: Completed heritage survey and further Davis Tube Recovery work
- June 2011: Drilling re-commences at Zanthus Project

## FY2011/2012

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- Sept 2011: High grade magnetite intercepts received from Zanthus Project
- Sept 2011: Dr. Julian Stephens appointed as Non-Executive Director
- October 2011: Runge commissioned to undertake maiden JORC Resource Estimate at Cohen Prospect
- Nov 2011: Exploration target confirmed at Zanthus Project of 0.7 – 1.3 Bt @ 22%-32% Fe\*

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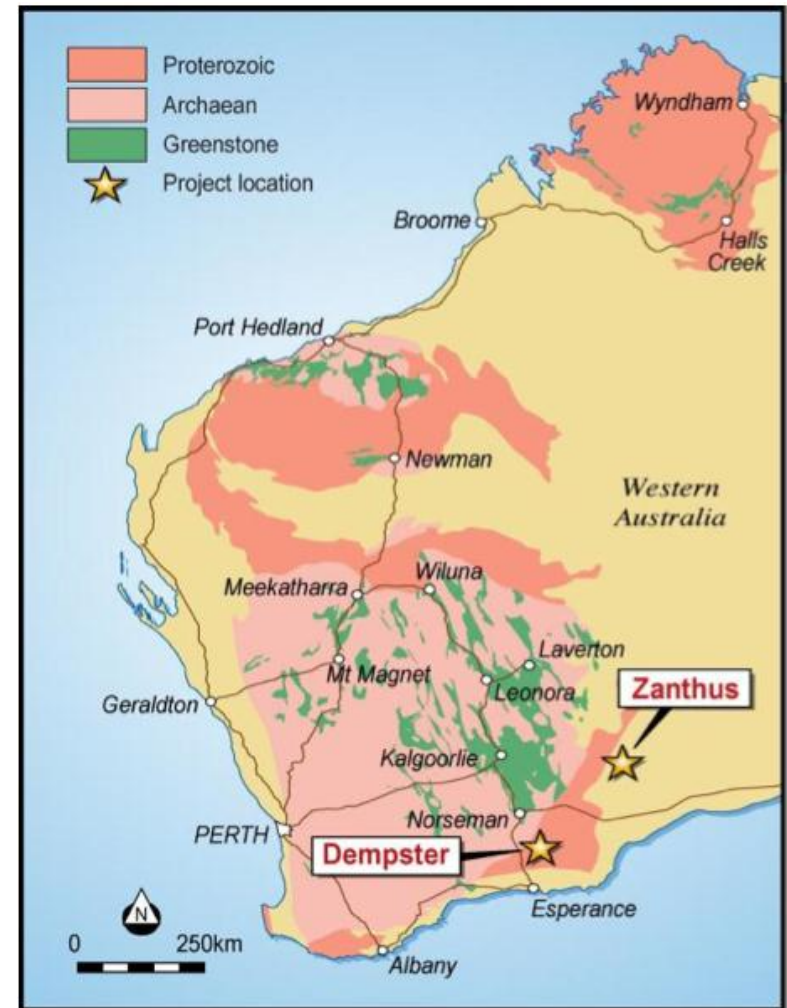
# BUX Project Portfolio

## Zanthus Magnetite Project (Priority Project)

- 2 tenements over 592km<sup>2</sup>
- Exciting magnetite discovery
- 5,433m drilling to date on multiple prospects
- Located near railhead of Zanthus, WA
- 25km south of the Trans Australian Railway
- Rail siding for loading at Zanthus railhead

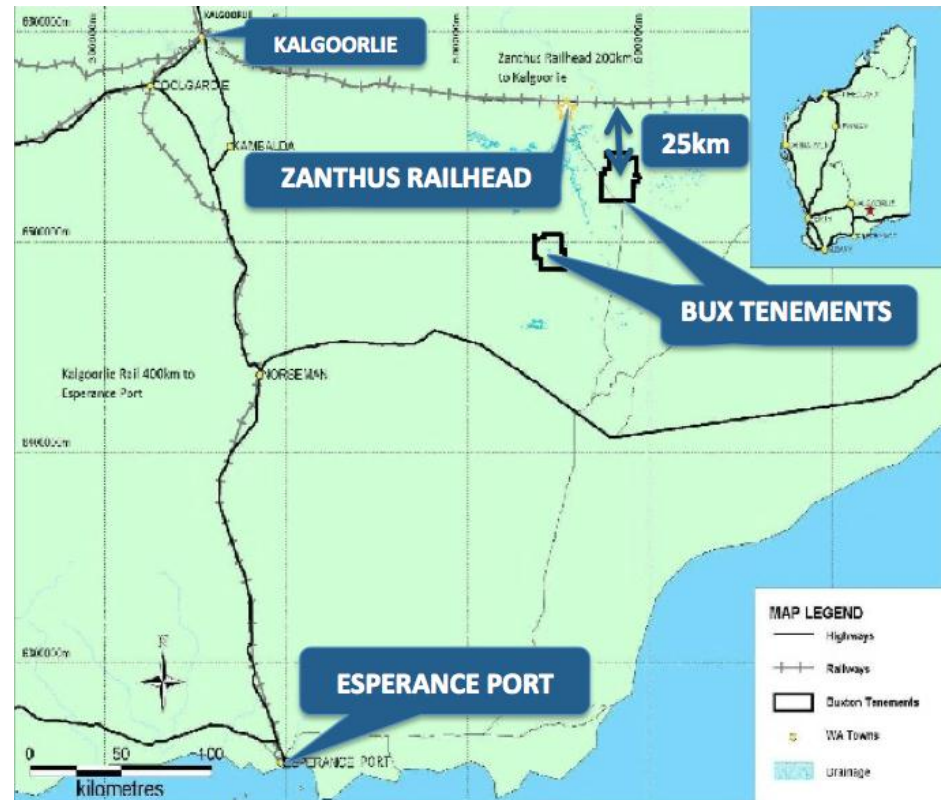
## Dempster Gold Project

- 3 granted exploration licences over 412km<sup>2</sup>.
- 90 km north-northeast of Esperance Port
- ~60 km east of the sealed Kalgoorlie-Esperance highway and rail line.
- Discoveries by Anglo Gold Ashanti NE along strike

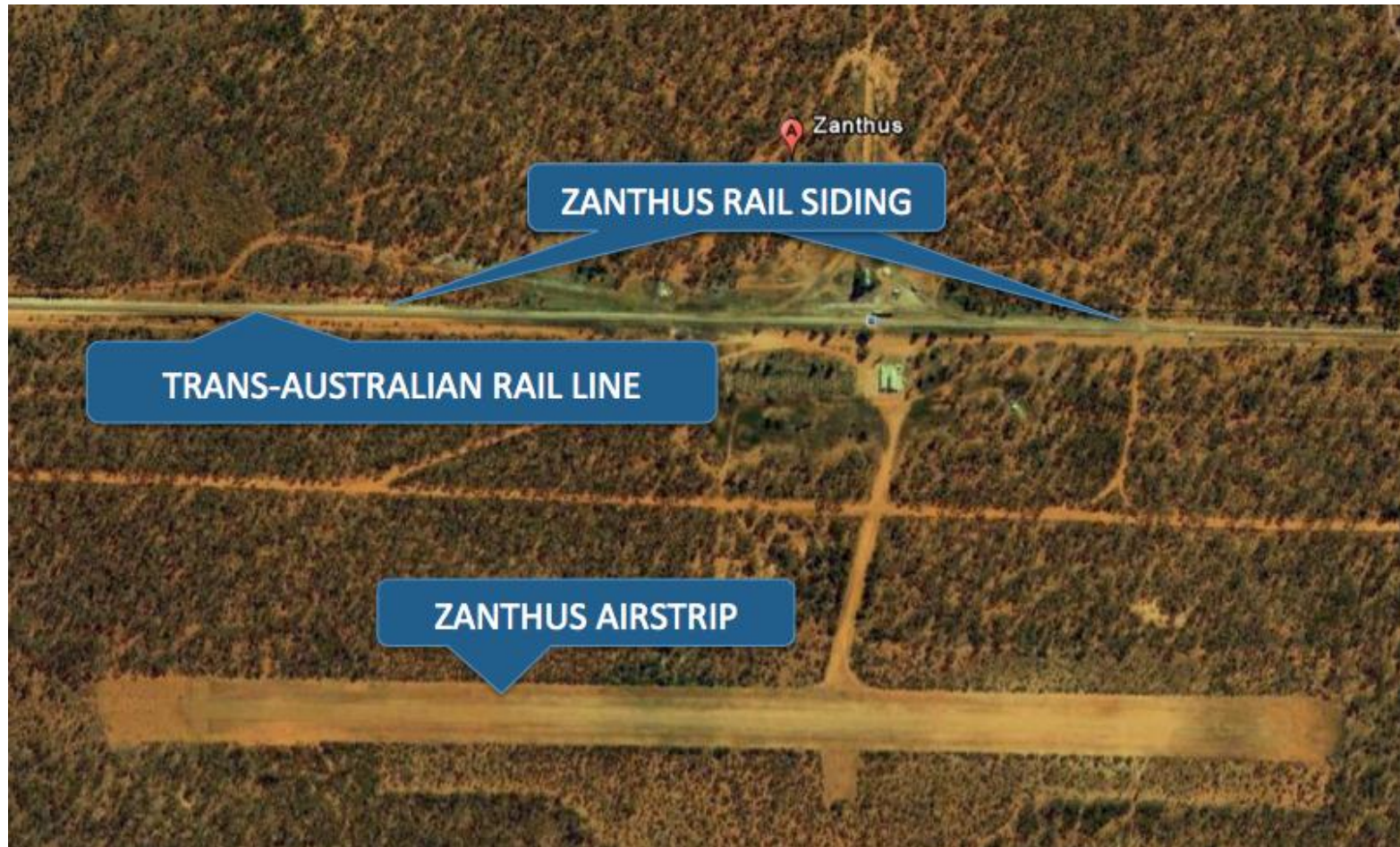


# Zanthus Project – Transport Infrastructure

- BUX Project **located only 25km from** Trans-Australian Railway Line
- Zanthus railhead 200km East of Kalgoorlie and 600 kms by rail to Esperance
- Esperance Port has capacity to handle cape sized vessels (up to 200,000 tons)
- Esperance Port upgrade planned



# Zanthus Railhead and Airstrip





# Zanthus Project – DTR

Significant Davis Tube metallurgical test-work program underway now at AMMTEC laboratories in Perth. Objective is to optimise previous excellent results:

- ✓ Concentrate grades ranging between 65% and 68% Fe with low impurities
- ✓ **Coarse grind size of 150 microns (p80)** – far superior to most industry peers
- ✓ Good mass recoveries
- ✓ 3 – 4 times the grind size of existing operations / projects in Australia (~ 30 - 40 microns)

## Davis Tube Recovery Analysis (- 150 µm grind size)

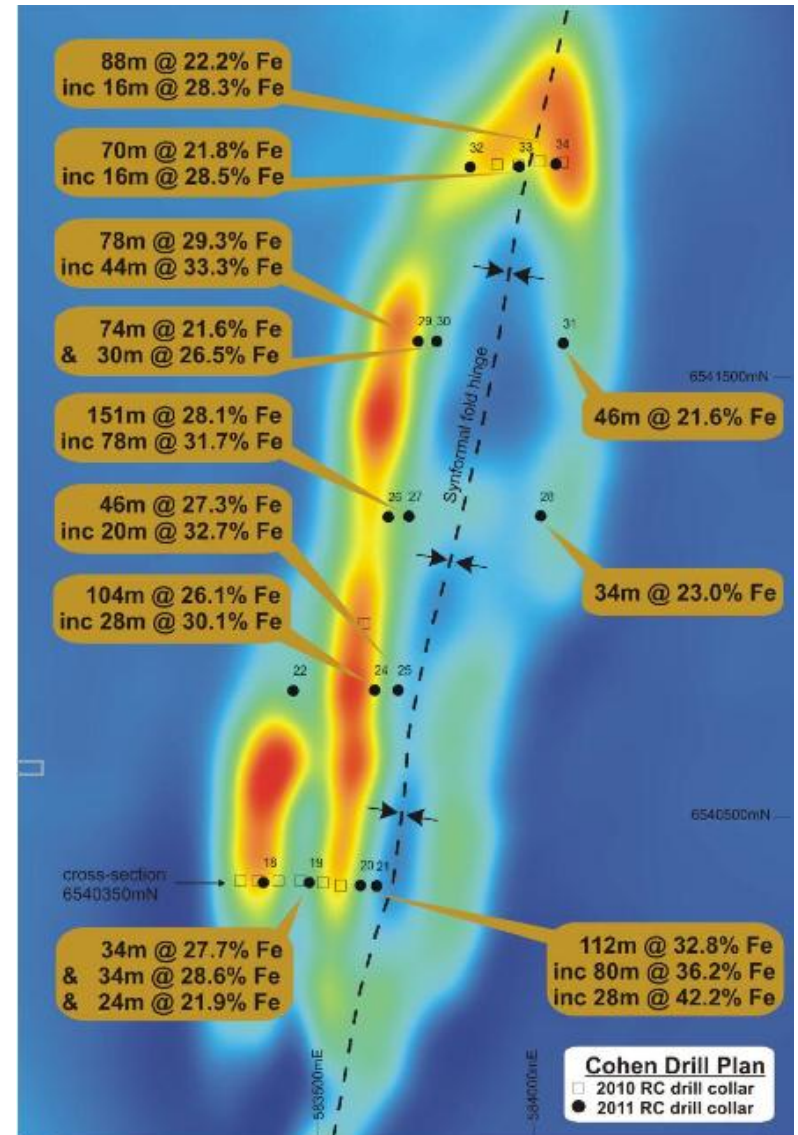
Drill Hole	Sample Id	Interval	Head Grade Fe %	DTRC Mass Recovery %	DTRC Fe %	DTRC SiO <sub>2</sub> %	DTRC Al <sub>2</sub> O <sub>3</sub> %	DTRC P %	DTRC LOI %
ZRC005	BBS-001	50-60m	35.3	51.0	65.2	6.5	2.0	0.036	1.49
ZRC008	BBS-002	50-60m	36.1	38.5	68.1	2.9	2.1	0.015	2.29
ZRC013	BBS-003	81-91m	29.8	32.8	68.0	2.4	2.3	0.015	2.18

Davis Tube Recovery Analysis is a laboratory test that uses magnetic separation to split a sample into magnetic and non-magnetic fractions. The magnetic concentrate is then weighed (to give a mass recovery %) and analysed.

**Superior metallurgy significantly reduces future CAPEX and OPEX requirements**

# Cohen Prospect – Drilling

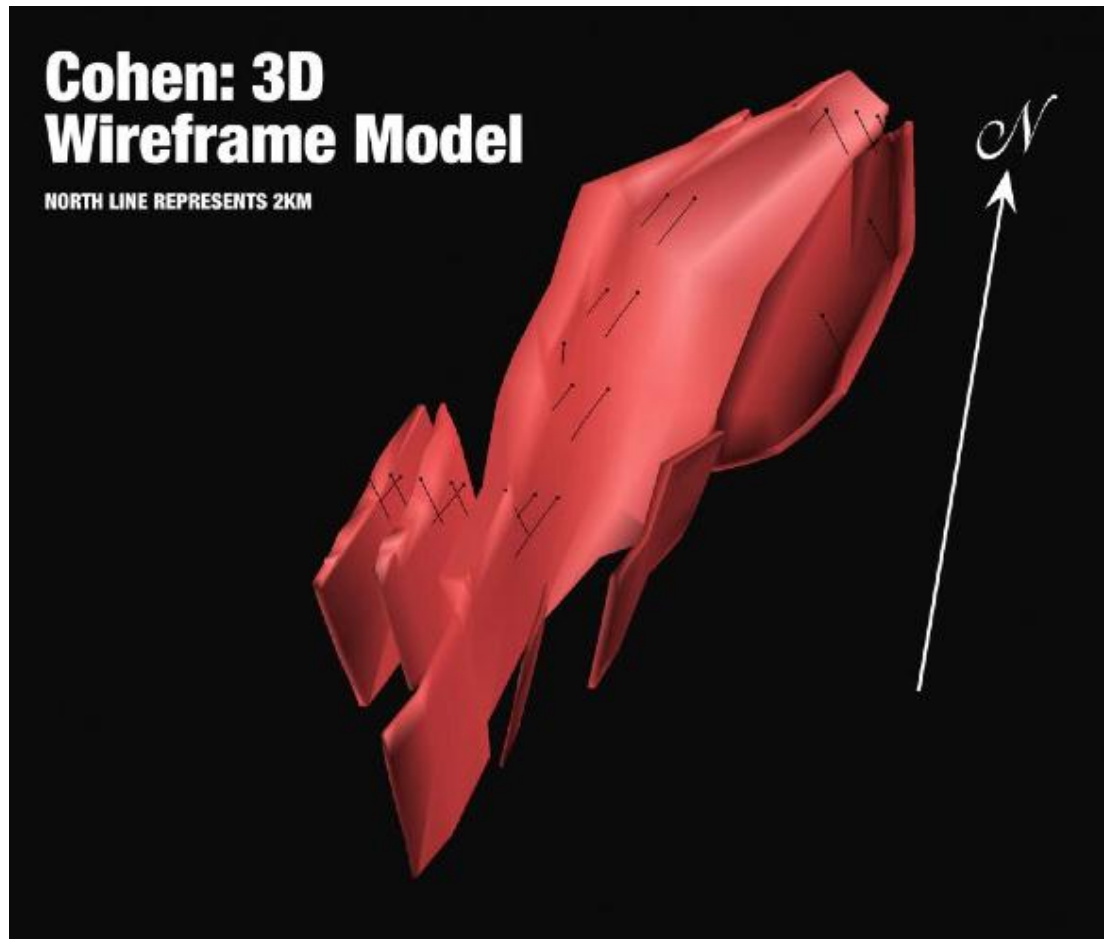
- 3,686m drilling completed in 2010/2011
- Wide, high grade magnetite intercepts encountered including:
  - **78m@29.3% Fe**  
inc. **44m@33.3% Fe**
  - **151m@28.1% Fe**  
inc. **78m@31.7% Fe**
- The mineralised unit is a coarse-grained meta-BIF



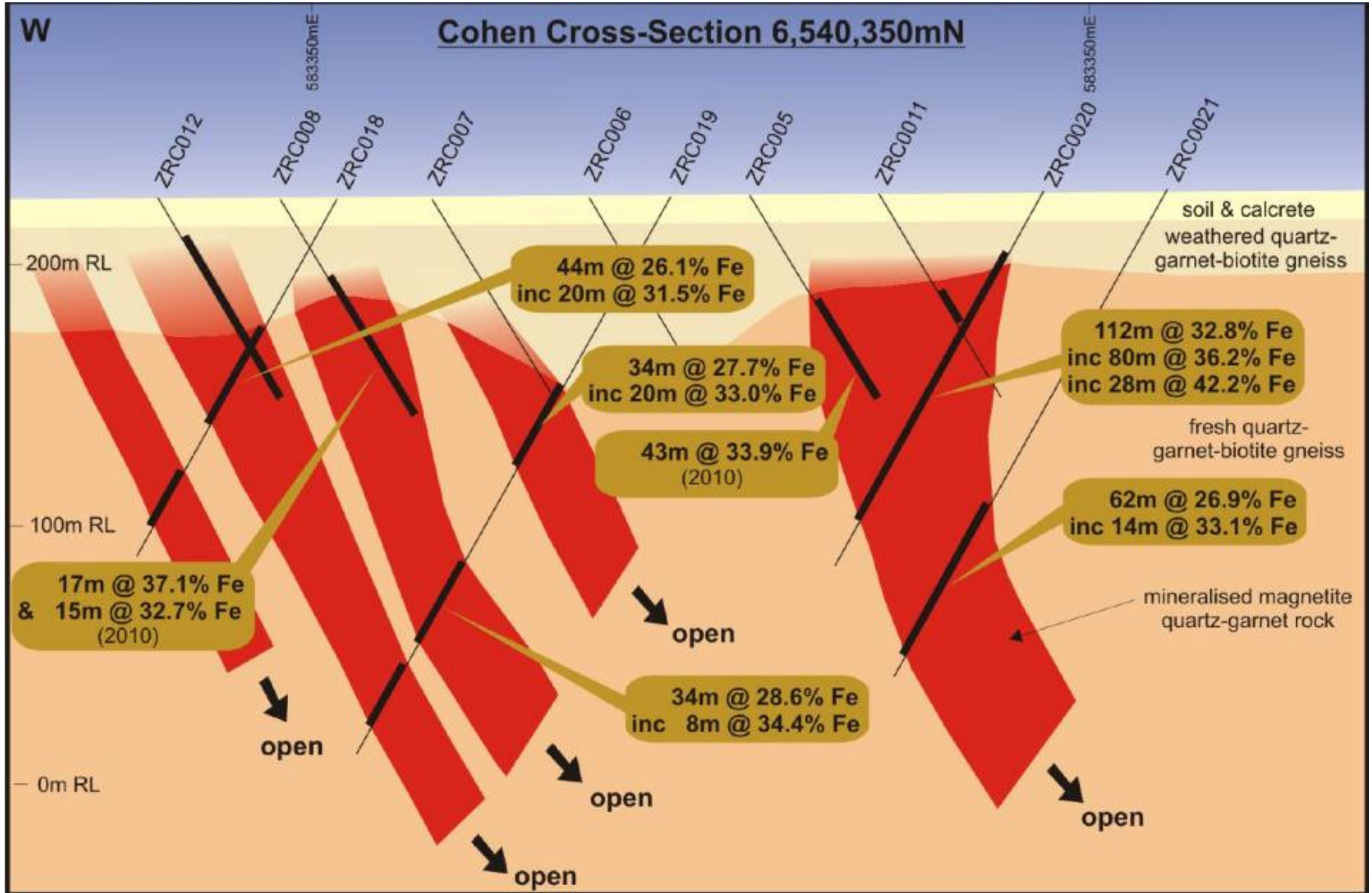
# Cohen Prospect – Resource Definition

- BUX has appointed Runge for resource estimate on Cohen Prospect – already underway
- Exploration target estimated to a depth of 250m (350m for Cohen)
- Mineralisation geometry appears to be suitable for open pit mining

*Cohen: 3D Wireframe Model of magnetite mineralisation at Cohen looking NW (see right)*



# Cohen Prospect – Cross Section



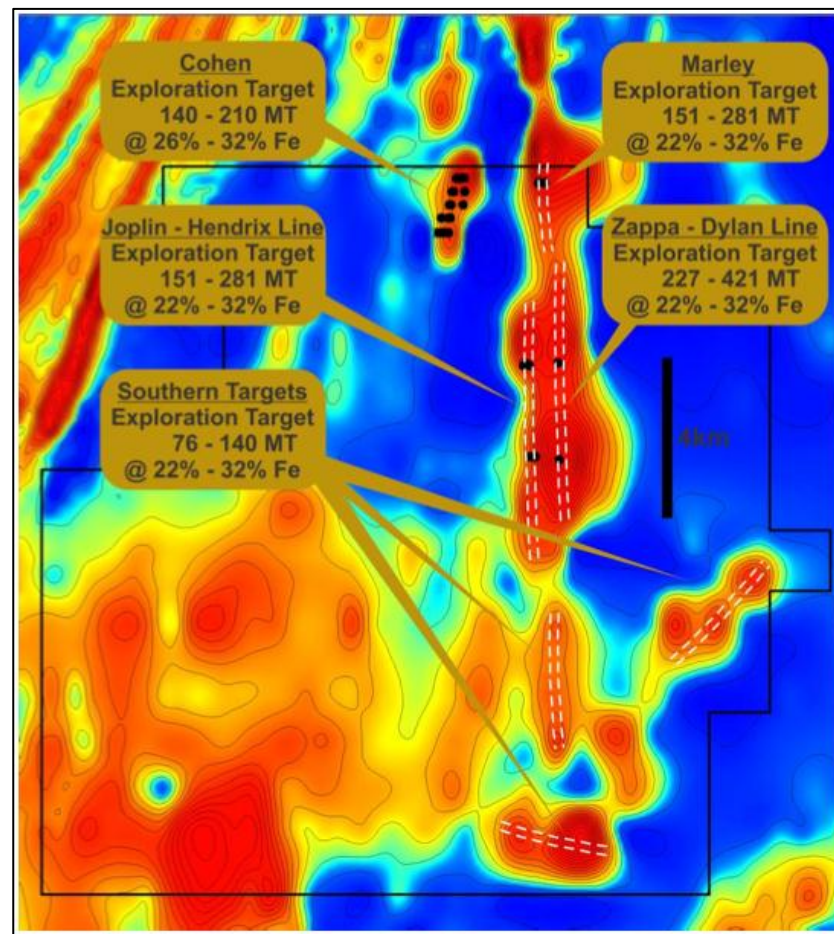
# Zanthus Project – Exploration Targets

## Total Global Exploration Target

**0.7 – 1.3 billion tonnes@22-32% Fe\***

## Target Areas

<b>Cohen:</b>	<b>140-210Mt@26%-32%Fe*</b>
<b>Marley Line:</b>	<b>151-281Mt@22%-32%Fe*</b>
<b>Zappa-Dylan Line:</b>	<b>227-421Mt@22%-32%Fe*</b>
<b>Joplin-Hendrix Line:</b>	<b>151-281 Mt @ 22%-32% Fe*</b>
<b>Southern Targets:</b>	<b>76-140Mt@22%-32%Fe*</b>



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# Summary

- Successful drilling program during FY2010/2011 reveals exciting magnetite discovery
- Initial Davis Tube Recovery analysis indicates superior metallurgy – to be further optimised in current program
- Strong infrastructure access further boosts potential economics of Project
- Significant exploration targets defined – 0.7 to 1.3Bt @ 22%-32% Fe with initial resource estimate for Cohen prospect due for imminent completion
- Seeking to identify strategic partner through the Board's extensive network in China and Hong Kong – strong Chinese representation on the register
- Committed Board and management team driving project and corporate development strategy
- FY2011/2012 strategy to significantly grow potential resource base

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# Buxton Resources Limited

Contact details

Anthony Maslin, Managing Director

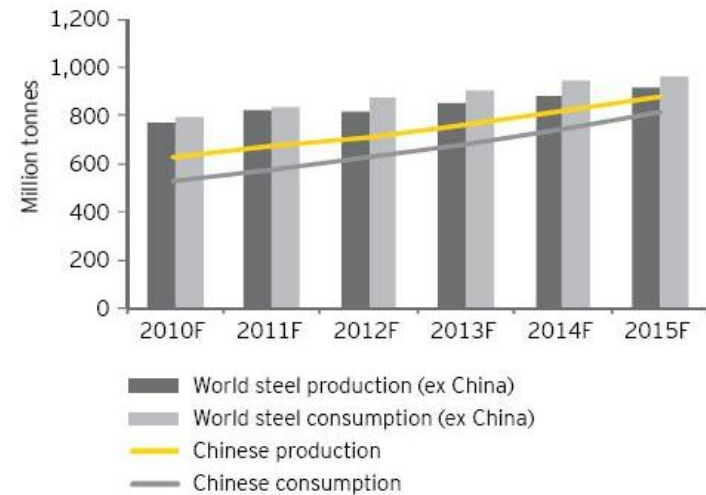
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# Magnetite

- Complementary product to hematite or higher grade DSO lump ore : 5 – 15% of steel production is magnetite, which is blended with hematite
- Global grades for higher iron content hematites are decreasing leading to increased demand for higher quality magnetite
- Magnetite ore currently accounts for approximately 60% of global steel production\*
- Magnetite is globally accepted as a viable and high-quality feedstock for the production of premium quality, low impurity steel
- Magnetite projects today are capable of producing high-quality concentrate grading up to 68-69% Fe
- Steel mills are now buying increasing volumes of high-grade, low impurity magnetite concentrate

**Outlook for steel production and consumption to 2015**



Source: ABARE, Ernst & Young analysis, September 2010

\* Gavin Wendt, Minelife – Resources Roadhouse (10 Nov, 2011)



## **Mr. Seamus Cornelius - Chairman**

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Mr Cornelius brings to the Board 21 years of corporate experience in both legal and commercial negotiations. Mr Cornelius has been living and working as a corporate lawyer in China for 17 years. He has been based in Shanghai and Beijing since 1993. From 2000 to 2010 he was an international partner with one of Australia's leading law firms and specialized in dealing with cross border investments, particularly in energy and resources. Mr Cornelius has for many years advised large international companies on their investments in China and in recent years has advised Chinese state owned entities on their investments in natural resource projects outside of China including in Australia.

## **Mr. Anthony Maslin – Managing Director**

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In his six years as a stockbroker at Hartley Poynton Stockbrokers in Perth, Mr Maslin was instrumental in the capital raisings and promotion of several resource development companies. In the subsequent seven years in his role as founding Managing Director of Solar Energy Systems Ltd (Now Solco Ltd (ASX Code: SOO)) he had significant experience in capital raisings and management of both people and projects. Mr Maslin has also worked as a corporate promotion consultant to a number of listed companies.

## **Dr. Julian Stephens – Non-Executive Director**

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Dr Stephens has extensive experience in the resources sector having spent in excess of 16 years in board, executive management, senior operational, and economic geology research roles for private and public companies. Dr Stephens is currently a Non-Executive Director of ASX listed rare metal/rare earth explorer and developer Globe Metals and Mining Limited (ASX: GBE). Most recently, Dr Stephens held the position of Chief Executive Officer of Dampier Gold Limited (ASX: DAU). Dr Stephens holds a PhD from James Cook University, Queensland and is a member of the Australian Institute of Geoscientists (MAIG), and the Society of Economic Geologists.

# Appendix – 2011 Drilling Results

Prospect	Hole Id	From	To	Interval	Fe %
Cohen	<b>ZRC018</b>	56	100	44	26.1
	Including	60	80	20	31.5
	<b>ZRC018</b>	120	144	24	22.4
	Including	136	144	8	29.5
	<b>ZRC019</b>	84	118	34	27.7
	Including	86	106	20	33
	<b>ZRC019</b>	160	194	34	28.6
	Including	164	172	8	34.4
	<b>ZRC019</b>	208	232	24	21.9
	<b>ZRC020</b>	<b>32</b>	<b>144</b>	<b>112</b>	<b>32.8</b>
	<b>Including</b>	<b>50</b>	<b>130</b>	<b>80</b>	<b>36.2</b>
	<b>Including</b>	<b>102</b>	<b>130</b>	<b>28</b>	<b>42.2</b>
	<b>ZRC021</b>	142	204	62	26.9
	Including	150	164	14	33.1
	<b>ZRC024</b>	22	126	104	26.1
	Including	72	100	28	30.1
	<b>ZRC025</b>	166	212	46	27.3
	Including	184	204	20	32.7
	<b>ZRC026</b>	58	116	58	22.6
	<b>ZRC027</b>	<b>92</b>	<b>243*</b>	<b>151</b>	<b>28.1</b>

# Appendix – 2011 Drilling Results (cont.)

Prospect	Hole Id	From	To	Interval	Fe %
	Including	120	198	78	31.7
	Including	170	198	28	36.5
	ZRC028	72	106	34	23
	ZRC029	54	132	74	29.3
	Including	68	112	44	33.3
	ZRC030	64	138	74	21.2
	ZRC031	60	106	46	21.6
	ZRC032	40	70	30	28.6
	Including	46	56	10	33.7
	ZRC033	20	90	70	21.8
	Including	62	78	16	28.3
	ZRC034	8	96	88	22.2
	Including	58	74	16	28.3
Marley	ZRC038	52	90	38	23
Hendrix	ZRC047	108	118	10	27.6
	ZRC048	60	68	8	32.7
	ZRC049	102	108	6	22.8
Zappa	ZRC053	114	122	8	23.1
Joplin	ZRC057	120	139	19	28.4
	ZRC070	86	142	56	30.8
Dylan	ZRC060	96	102	6	23.1

# Appendix – Drill Collars

Cohen 2011	Easting	Northing	Dip	Azimuth	Depth
ZRC018	583365	6540349	60	270	156
ZRC019	583471	6540348	60	270	246
ZRC020	583588	6540342	60	270	162
ZRC021	583625	6540340	60	270	216
ZRC024	583620	6540791	60	270	144
ZRC025	583675	65400791	60	270	222
ZRC026	583653	6541189	60	270	132
ZRC027	583699	6541190	60	270	243
ZRC028	584003	6541191	60	090	156
ZRC029	583721	6541593	60	270	145
ZRC030	583764	6541593	60	270	204
ZRC031	584055	6541588	60	090	120
ZRC032	583841	6541993	60	270	85
ZRC033	583954	6541994	60	270	96
ZRC034	584039	6542000	60	090	126

# Appendix – Drill Collars

Marley	Easting	Northing	Dip	Azimuth	Depth
ZRC038	586024	6541850	60	090	144
Hendrix					
ZRC047	585673	6533505	90	000	133
ZRC048	585772	6533499	90	000	97
ZRC049	585846	6533500	90	000	157
Zappa					
ZRC053	586455	6536351	90	000	157
Joplin					
ZRC057	585550	6536275	90	000	139
ZRC070	585631	6536305	90	000	151
Dylan					
ZRC060	586461	6533403	90	000	132