



GoldOz Company Report 22nd June 2011

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NOBLE Mineral Resources Ltd
In the Right Place at the Right Time

Noble Mineral Resources Ltd (ASX – NMG)

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Share price 59c

Diluted Market Cap \$323M

Shares – 391,065,915

Options – 156,570,048

12 Month

High / Low: 75.5c / 22c

Debt – \$34.16M

Hedge – nil

Cash – US\$11.84 (end May)

Noble Mineral Resources Ltd is an emerging gold producer in the world class Gold Belts of Ghana.

NMG is operating in genuine elephant country;

- ❖ *World class project*
- ❖ *1st class motivated team*
- ❖ *Large scale - 3 Mtpa mill*
- ❖ *World class gold mining address*
- ❖ *1.98M oz gold resource - under explored*
- ❖ *150k oz Au PA 2012*
- ❖ *Low cash cost*
- ❖ *Hedge free*
- ❖ *Tightly held shares*
- ❖ *Other project upside*

Introduction

Noble Mineral Resources was flying under the radar until late 2010 despite picking up a large scale project in November 2009. They acquired the Bibiani Project which included extensive production infrastructure and 105.6 square kilometres of exploration licenses in one of the world's most productive gold belts. This stealthy sub-radar flying act has all changed now and there is a great deal of upside potential for this company based on their excellent exploration progress and the scale of their production facility.

The gold belt I refer to is the Sefwi-Bibiani belt adjacent to the Konongo-Axim (Ashanti Gold Belt) in Ghana. The geology is well understood with production starting during the Colonial days in the late 1800's. The Sefwi-Bibiani belt is recognised as the second most significant gold bearing belt in Ghana with a growing gold endowment of over 30 million ounces. Past production and estimated Reserves and Resources combined within the greater Proterozoic greenstone gold belts in Ghana add up to in excess of 127,000,000 ounces.

The Bibiani Gold Mine purchased by Noble (NMG) has prior production of almost 4M ounces and contains a further 1.98M ounce remnant resource. This property is directly to the north of the 5M ounce Chirano mine (Kinross) and south of the giant 16M ounce Ahafo operation (Newmont). It is not an exaggeration to state that NMG is operating in elephant country. Other deposits in the region include; Tarkwa (Goldfields) with a Resource of 15M + ounces, Obuasi (AngloGold Ashanti) 60M ounces, Prestea, Konongo, Iduapreim, Anwia, Akyem and Aboosso.

Ghana operates on a Constitutional model with provisions and institutions borrowed from the British and American models. According to Wikipedia: Executive power is exercised by the government. Legislative power is vested in both the government and Parliament. The Judiciary is independent of the executive and the legislature. Currently, credible economic analysts I have researched see stability, buoyant investor sentiment and a strong fundamental macroeconomic outlook for Ghana.

NMG Project Background

NMG listed on the ASX in June 2008 with two projects in Ghana called Cape Three Points and Tumentu. Tumentu is on the Western side of the Ashanti Gold Belt along strike between the Selman deposit (Adamus Resources) and Prestea (Golden Star Resources) to the north. Cape Three Points is on the eastern side of the Ashanti Gold Belt and this mining concession contains the high grade Satin gold mine, the Morrison prospect and Brotet. This concession is 45km south of Tarkwa (Goldfields & AngloGold Ashanti) and 25km south east of Salman.

Early analysis of historic exploration in addition to soil sampling, trenching and Airborne Magnetic and Radiometric Survey work was extremely encouraging on both projects. Their initial intention was to complete geological models to enable the design of exploration strategies over these "relatively under explored and highly prospective projects".



Even at an early stage NMG had an average market capitalization back in 2008 to 2009 of \$25M; based on the excellent prospectivity of these two projects. This valuation was quite high for an early stage explorer at the time and indicates the potential of the projects and the market confidence placed in Management. Here is where the story gets really interesting. Management were truly in the right place at this right time.

The Global Financial Crisis threw up all sorts of opportunities including the Bibiani property and NMG spotted the potential. They had the opportunity to tender for the Bibiani gold mine that included a 2.7 Million Tonne (Mt) per annum mill, an existing pit with underground infrastructure, a number of other very shallow open pits, 10 Mt of low grade tailings in addition to other substantial infrastructure.

NMG was successful and took control of the project in December 2009, gained shareholder approval in late May 2010 and finally gained full ownership on the 27th July 2010. The Bibiani purchase required NMG to assume the liabilities of the previous owners Central African Gold Ghana plc (CAG) including a two-year moratorium on debt re-payments from the Investec loan. The purchase has been accurately described as opportunistic. Terms included an interest rate of, LIBOR + 4% margin (spread) on the Investec loan of \$32M to Central African Gold Plc which is only to be repaid out of production, 36 months to repay the remaining \$20M in other creditors loans and some additional, relatively minor considerations.

Bibiani Project Background

Bibiani has been resurrected on a number of occasions since discovery in 1902. To 1913 it produced roughly 70,000 ounces of gold. It closed in 1913 and was operated again from 1927 to 1958 by foreign interests before the mine was nationalized. State Gold Mining Corporation assumed control until 1968 when it was again closed due to depletion of economic reserves (at a fixed gold price of US\$34 an ounce this was common at the time). This period was similar to the late 90's in that the gold price had fallen well behind operating costs.



Nationalization saw little investment in gold production and government revenues fell until a Minerals and Mining Law was passed in 1986. The government introduced generous capital allowances and reduced the corporate tax rate to revive the industry. Today gold mining accounts for 90% of mining exports which measure 37% of total exports. This industry now accounts for 5% of GDP.

International Gold Resources (IGR) began to purchase parts of the project in the late 80's and eventually defined a viable open pit resource. Ashanti Goldfields (now AngloGold Ashanti – AGG) purchased the project from IGR in the mid 1990's and began a prolific

period that saw the Bibiani yield a further 1.8M ounces up to 2006.

This brought the total gold mined from this property to over 3.9M ounces. AGG owned the project during more challenging years when a weak gold price created a tight margin environment for gold miners, as compared to now in mid-2011.

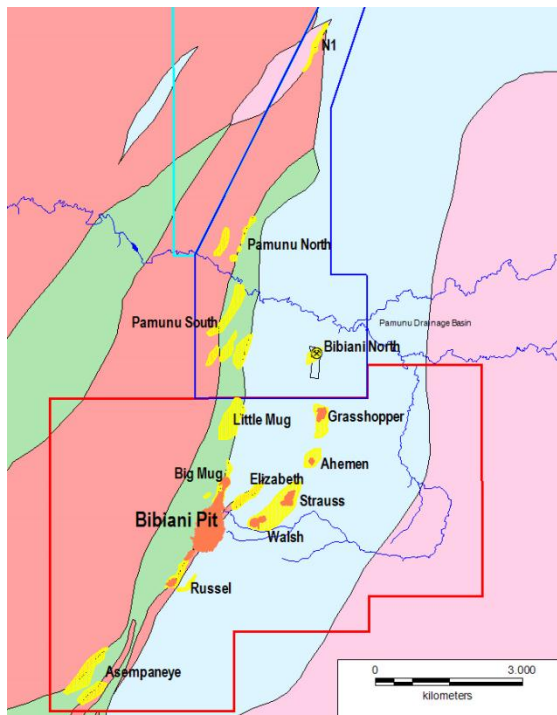
In true AGG professional fashion they developed the project and had worked to the mine plan throughout these years at a low operating cost enabling project viability. Costs were contained via the large scale 2.7Mt per annum plant, and by mining as an open pit operation. It is this analyst's opinion that the low gold price at the time, the mature stage of their mine plan and the other projects in the AGG pipeline that made further regional exploration at this project unattractive. They did however identify several targets.

AngloGold and Ashanti Goldmines Corporation merged in 2004. The low gold price and practices of the day had also led AGG to design the pit with steep walls to minimise the strip ratio. A pit wall collapse in 2005 caused AGG to commence underground mining from the base of the pit. This collapse must have later contributed to the AGG decision to sell the project as a non-core asset. The large scale of the mill does not suit underground mining as a primary source as the following owners soon discovered.



After the collapse AGG supplemented underground mill feed with oxide material from the north east of the Bibiani line of load. There were small hills of outcropping mineralized oxide zones only a few hundred metres away from the main pit grading around 2g/t. This line of load was later defined the alignment of the Walsh, Strauss, Ahemen and Grasshopper open pits. Had the economics of the day been different AGG may have explored this system more aggressively. These pits were only developed to around 30m deep before the operation was on-sold. The pit wall collapse material was not considered economic at the going gold price however it was also used to feed the mill and yielded around 2g/t.

Such is the nature of this particular mining concession and other parts of the Bibiani Gold Belt, AGG needed to look no further than a few hundred metres from their mill to find viable mill feed. The mineralized trend to the north east of the Bibiani pit started at Walsh and extended up to Grasshopper to the north, several kilometres of strike length that is estimated to be around 400m wide through the Walsh and Strauss area.



The current exploration is indicating that the Walsh and Strauss pits are part of a 1.2 km continuous structure. NMG have begun defining this part of the property in order to design an optimum mine plan and this will make for exciting times if past drilling is any example.

AGG sold the Bibiani open-pit gold mine and Bibiani North prospecting permit to Central African Gold plc (CAG) for US\$40 million in August 2006 when gold was trading around US\$630 an ounce. The sale followed an extensive strategic review and allowed AGG to concentrate on its "long-life" Ghanaian gold producing operations at Obuasi and Iduapriem.

CAG attempted to run an underground operation from the existing infrastructure however they were losing money trying to feed the huge 2.7Mt PA Bibiani Mill. Eventually they borrowed more capital to develop a second access drive which was never completed. The mine was finally placed into administration in 2008 by the project financier Investec due to an "inappropriate mine plan" and added pressures caused by the GFC.

As gold prices have climbed out of the uneconomic doldrums of the late 90's and early 00's many established gold projects have received fresh attention. Cash costs have climbed dramatically to an average \$900 for new gold mines in the past few years making some of these older large scale projects more profitable than average. Leaving the excellent timing of the NMG Board's purchase aside this is a highly attractive project.

Definition of an adequate resource scale, debt and cost containment, and a workable mine plan are critical operational factors when companies restart older operations. Our view is that Bibiani will emerge as a premier project into next year under the guidance of the NMG team. This project can be a company maker and has the potential to propel NMG into the news should exploration success continue.

NMG Way Forward

Before I look at the projects NMG started with, which have taken a backseat for now, we have to look at the current NMG transition from explorer to producer. One of the challenges NMG faces at present is that everywhere they look they find gold. This sounds like a ridiculous statement however it has been a legitimate complication in planning terms for optimising the initial ramp up. This is not viewed as a threat to the company in any way it is a good problem. NMG have been sorting through the results of historic data sets combined with recent exploration in order to find the optimum way forward to immediate production.

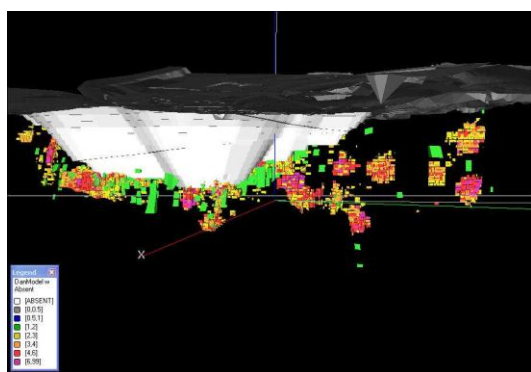
Ghana based consulting group SEMS Exploration was contracted to handle a pre-feasibility study and updated resource estimate in late 2009. SEMS was chosen due to their specific experience in Ghana and in-depth understanding of the Bibiani area.



SEMS conducted a thorough review of the existing mineral resources, mineralization and the AGG data base concluding that there was excellent potential for additional economic gold occurrences both within the Bibiani Mining Lease at depth, along strike from the existing mine and in the two contiguous Prospecting Licences. This GoldOz mini-report will not go into the geology in depth as this is covered in the SEMS report of March 2010 which is highly recommended as one further source of data for due diligence by investors.

The Bibiani ore body is a mesothermal lode gold deposit similar to several important deposits found in the Ashanti gold belt including the major deposits such as Ahafo (Bibiani belt). The licence area is underlain by meta-sedimentary and metavolcanic rocks of the Upper Berimian and granites in the south west. The main mineralization at the Bibiani Project appears to continue to the Pamunu River 2 km from the northern end from the main pit and also along a parallel line of load from the Walsh pit to Bibiani North ore body.

The Bibiani ore body is located within a shear zone and filled with massive quartz veins and stockworks containing higher concentrations of gold. The altered host rocks also contain now economic levels of gold up to 2g/t. The overall Bibiani mineralized trend has been defined over 4km with two additional parallel trends. SEMS noted the possibility of a "significant opening up of the shear system and the reoccurrence of prolific (similar to the uppermost 10 levels of the mine) gold mineralization at depth or possibly further along strike, particularly to the north".



They were referring to the main pit and extensions. SEMS concluded that a JORC compliant Mineral Resource Estimate by Material Type was 32.98Mt @ 1.87g/t for 1.98M oz Au at a 0.5g/t cut-off grade.

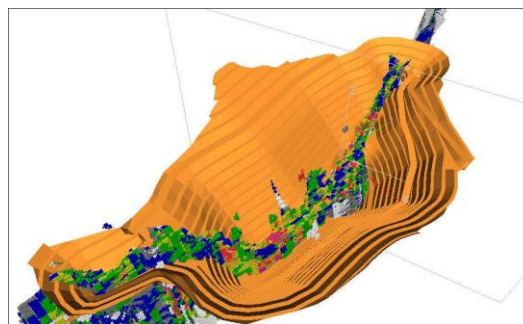
Out of this total 1.95 M oz Au is from fresh rock and only 30,000 ounces from oxide material. This Resource is calculated as a Measured and Indicated 19.92 Mt @ 1.86g/t for 1.19M oz Au Resource with Inferred Resources making up the remainder.

A further 20,000 oz Au that could be included in the Measured and Indicated category was identified within the

340kt of stope material. This is all related to the main pit. On March 24th 2010 NMG announced a Maiden Reserve estimate of 8.4Mt @ 2.24g/t for 605k oz Au (at US\$900 per oz) at a 0.7g/t cut-off grade adding confidence to the mine plan.

This was based on a pit cutback. The pit design assumed a US\$900 gold price. SEMS concluded at that time that the optimum exploitation of Bibiani would be a combination of surface and underground operations utilizing existing infrastructure including the modern Carbon In Leach (CIL) plant and underground trackless mining fleet.

An optimised pit design and block model of Bibiani pit shown at right. The underground portion of the Resource estimate was 6.53Mt @ 3.62g/t containing 760k oz Au. They also noted that with a minimum gold price of US\$900, a cut back on the main pit provided advantage over underground recovery of remaining gold resources due to higher production rates, improved ore recoveries, lower dilution and lower unit costs.



Coming Up To Date – Exploration & Mine Plan Refined

NMG have achieved a significant amount of progress already at Bibiani despite only owning this project for a short time. Initially they were assessing the feasibility of rapidly progressing to production from a main pit western wall cutback as indicated above. They assessed the area to the north along strike under Elizabeth and are confident they can bring this into the pit optimisation with more work. They were also assessing the addition of higher grade mill feed from underground resources in addition to usage of tailings and low grade stock piled material.



By November 2010, only four months after settlement NMG had already completed a substantial strategy to move to a production rate of 150k oz Au PA in 2012. They had begun an extensive team build and effectively raised \$62m funding in April 2010 as restart capital for Bibiani, some debt reduction and working capital. They had also commenced plant refurbishment and upgrades, designed an extensive exploration program and purchased two new track mounted drill rigs.

The additional \$30M fund raising early in the December 2010 quarter closed heavily oversubscribed @ 39c per share, less than 5% discount to the market price at the time. This capital was to be used to accelerate drilling programs that will result in up to 20,000m per month for the next 12 months, by far the largest in the concessions history. NMG clearly aim to increase the resource endowment and LOM substantially.



Drilling has continued outside the SEMS confirmed Resource and Reserve area both underground, into the west wall of the main pit and along the Walsh-Bibiani North trend and the results have been very encouraging.

The Ahemen and Walsh pit areas more recently became a short-term priority because it became apparent they could rapidly become a source of low cost production ore.

In the 2011 March quarterly report a maiden resource was announced on

the Ahemen pit and tailings levee ore sources for 81,000 ounces of Au which is low grade however highly useful for commissioning purposes. This is not part of the existing 1.98M oz Au resource. More upgrades are due and have been hampered by slow laboratory lead times. Additional results are listed below which will be part of the expected update. This resource area is all close or adjacent to the ROM pad and mill.

As stated the Walsh and Strauss open pits *appear* to be joined in one continuous mineralized 1.2km structure which is 400m wide. More importantly mineralization is open in all directions. This will be a focus of intensive exploration to bring this into the JORC category and part of the mine plan near term. A maiden resource estimate on the corridor of satellite deposits at Bibiani will be released in the June quarterly report in the third week in July. Four drill rigs will be operating on site soon after July 2011, three of them company owned (one currently under construction). Further negotiations are in progress.

Drilling is still mostly very shallow; the deepest hole to date extends to a maximum of only 190m below surface. Recent Au drill result highlights for this corridor, testing for extensions of Walsh and Strauss pits and include:

June 10th report 2011

Walsh:	4m @ 118.85 g/t	(WA11_009)
	17m @ 2.94 g/t	(WA11_001)
	3m @ 15.22g/t	(WA11_009)
	10m @ 2.36g/t	(WA11_003)
	3m @ 7.5g/t	(WA11_006)

March 10th report 2011

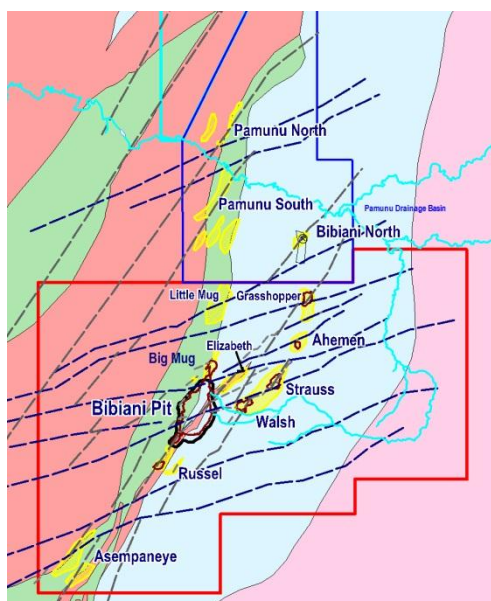
Walsh:	13.3m @ 15.05g/t	(WA10_029)
	8m @ 13.56g/t	(WA10_028)
	15m @ 1.79g/t	(WA10_029)
Strauss:	5m @ 7.8g/t	(ST10_036)
	2m @ 9.53g/t	(ST10_043)
	1m @ 32.35g/t	(ST10_034)
	1m @ 7.59g/t	(ST10_034)

December 14th report 2011

Walsh:	17m @ 17.42g/t	(WA10_016)
	16m @ 6.14g/t	(WA10_011)
	33m @ 4.98g/t	(WA10_017)
	21m @ 12.14g/t	(WA10_013)
	15m @ 2.4g/t	(WA10_021)



On June 10th NMG also reported that drilling had resumed at Bibiani in the west wall. They believe there is strong evidence from prior drilling that this area will define additional resources and reserves that will enable material removed from the pit cut back to be used as mill feed rather than waste. NMG also believe they can add between 500k oz and 1M oz Au to the main pit along strike, down dip and from east & west extensions.



This is an exciting development. Further exploration upside exists in the shear zone running NNE parallel to Bibiani. SEMs originally described exploration potential along the shear zone to the west of the main Bibiani trend as shown on the left.

According to SEMs research of AGG data sets geochemical and structural anomalies coincide at the 4 high priority targets shown in the diagram: Pamunu North, Pamunu South, Bibiani West and Asempaneye.

Recently artisanal miners arrived in their thousands on a hill some distance to the east of the mill and within the mining concession. For these miners to arrive in those numbers you have to be looking at 0.5 to 1 ounce per tonne because they are using hand held mining techniques. They had to be removed and may have found a narrow high grade outcrop (or more time will tell) yet a review of data on file showed no anomaly at the site. This is just further evidence that this property is highly mineralized with many surprises likely to follow; a grab sample from this site later graded 68g/t.

Noble has engaged South African consultants Performance Laboratories to establish an assay laboratory on site. This laboratory will ensure that future Noble core samples receive priority treatment, slashing the turnaround time from four weeks currently to no more than five days. The laboratory is expected to be functioning commercially in the December quarter. This is an excellent addition to the NMG strategic plan. The aggressive drilling campaign and rapid turnaround on assay results will enable NMG to accelerate resource and reserve growth.

Conclusions:

We believe that substantial amounts of gold can be defined at this project by NMG in the next 6 – 24 months and it also seems likely that they will be adding to resources for years to come as replacement of mine depletion. At the main Bibiani pit; extensions into the west wall, enabling the economic deepening of the pit and additionally along strike to the south and north east under Elizabeth are likely to add between 500k and 1M oz Au to the mine plan in the early years of the project.

The strong drill results across the Walsh-Strauss pits may indicate a bonanza however, caution - we have to wait and see. Should these deposits be continuous then NMG may have a 1.2km x 400m pit that could greatly enhance the resource picture, mine plan and project value. The Bibiani main pit is 1.4km long and 400m wide having yielded millions of ounces.

Important changes to the original mine design have enabled NMG to extend mine life (LOM) and look to higher grades from current, and future drilling campaigns. These changes have enabled NMG to improve on the originally programmed main pit cut back to get into production. The advantage of this is highly significant as it will fast track the ramp up process and eliminates major up-front cost.

Further work on the west wall cutback has identified mill feed from the tailings at surface and strike extension which could also improve on the original plan. Mineralization at the west wall cut back has been encouraging and further drilling should confirm vastly improved economics of this cut back in the coming months.

Bibiani is a significant 6M oz property with 4M oz already mined. The higher gold price, modern exploration techniques and treatment of this property as a new mine by NMG could see this rise dramatically. The forward exploration program backs this statement and their claims.

Upgrades to the plant, a variety of nearby ore sources and solid grades may even enable NMG to outperform their own production forecasts. The mine start-up expertise of Wayne Norris MD is a major advantage at this project and an important consideration for investors. Peter Johnson was recently appointed COO and is also highly regarded and a valuable addition to a team with depth and specific experience worthy of this opportunity.



At this stage conservative cash costs are expected to be in the range of US\$750 - US\$800 during the latter commissioning phase falling to US\$600 to US\$650 in 2012. Cash cost averages for Ghana and our research support these estimates within reason. Calendar year 2013 may see this fall even lower to the US\$550 - US\$600 range.

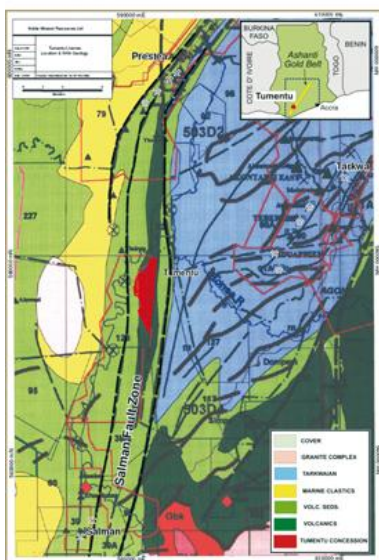
Other projects

Cape Three Points [(CTP) – NMG 80%]

Investors may overlook the Cape Three Points (CTP) and Tumentu Projects due to the overwhelming scale and class of Bibiani however this would be a mistake. A company maker like Bibiani can enable NMG to later pursue their initial vision and also develop these prospects with a view to diversifying their production base.



The 79 square km CTP Project (NMG 100%) includes the Satin trend, Satin mine and the parallel Morrison trend. This property is within the southern extension of the Ashanti Gold Belt, again prospective for structurally controlled orogenic lode gold mineralization, within the Birimian metavolcanics and metasediments (similar to Bibiani).



The Satin and Morrison prospects demonstrate potential for new gold discoveries with shallow drilling turning up some encouraging results. Satin North hosts a 3.2km mineralized trend and includes the Satin shaft. Morrison was delineated over 2km.

The Brotet Exploration Prospect is 33 square km (NMG 85%) adds 8km of known strike length north east of Morrison and shares a border with the CTP concession.

Tumentu (NMG earning 78%)

The Tumentu Concession (map on left) is located in the Western Region of Ghana along strike between Salman-Anwia (Adamus Resources) 21km to the south and the Prestia Gold Mine 22km to the north. The concession is 8.74 square km in size and 21km southwest of the Tarkwa mine.

This is also an excellent location, again elephant country, that has seen artisanal mining and some limited exploration which indicated the presence of gold on the concession. Adamus (ASX – ADU) are on the southern border of the concession and have defined a commercial deposit and are commissioning their mill at present. Their efforts have been on getting into positive cash flow (just like NMG are now) and therefore they have not been expanding their considerable resource potential on this project. ADU are to produce 100k oz PA along this fault and reaffirm Ghana as a stable mining country.

The Tumentu area straddles an important contact zone which marks the boundary of the Tarkwaian lithologies – the other major gold bearing rock type within the Ashanti gold belt. Graphite, mica, and euhedral to anhedral disseminated Fe sulphides observed in the host rocks are interpreted to be hydrothermal alteration products, potentially related to gold mineralization. Magnetic surveys have identified high magnetic bodies along the contact zone, interpreted as a potential pathway for fluid migration and mineralization.

Conclusions: The CTP and Tumentu Projects are highly prospective from a geological viewpoint and may become viable projects in their own right in future. NMG should be able to advance them out of cash flows generated from Bibiani. In our view NMG is very wise to maintain exploration requirements (or better) over these concessions to enable them to fully explore the potential once they have sufficient resources. In short we believe these projects have the potential to add upside to the NMG story in the coming years.

Plant refurbishment & commissioning

Latest assessments indicate the plant capacity will be in the order of 3 - 3.2Mt PA following refurbishment at a cost of around \$25M. NMG had hoped to be in the commissioning phase in early July however slight delays have been encountered due to an unforeseen upgrade to the crusher foundations to bring the plant to the required standard. The mill is second hand however it is generally in good order having been placed on care



and maintenance since Investec took control of this asset in 2008. Many improvements have been designed into the refurbishment to modernize the mill and increase efficiencies.

Commissioning will start with low grade ore sourced from directly adjacent to the mill and gradually ramp up over the remainder of 2011. NMG have ample funds to get into production and expand resources while they accomplish full scale commercial production. Mr Wayne Norris is known for his expertise of commissioning mills and has assembled a highly competent team to get the job done. A second team of contractors have been brought into the site to expedite the process in recent weeks to manage and offset the slight delay.

Board and Management – People are a key consideration

Tunku Naquiyuddin - Non-Executive Chairman

Mr Naquiyuddin is a highly prominent Malaysian businessman, former diplomat, environmentalist with interest in sustainable development on a global level. He has extensive high level interests and was nominated by the Malaysian Finance Minister to sit on the committee of the Kuyala Lumpur Stock Exchange in 1989 for 5 years.

Mr Wayne David Norris - Managing Director

Mr Norris has over 35 years' experience in the field of metallurgical processing and commissioning. Mr Norris has been involved at senior management levels in the commissioning of five processing facilities in Australia, being the Haveluck Gold Mine in Meekatharra WA, the Ranger Uranium Mines project at Jabiru in the Northern Territory, the Mt Todd Gold Mines Stage 1 and 2 in the Northern Territory, the Sally Malay project for Kimberley Nickel Mines in Western Australia and the OMH OM (Manganese) Limited Manganese project in the Northern Territory. His extensive metallurgical knowledge has included the training of nationals in Ghana at the Damang mine site for two years for Goldfields Ghana Ltd.

Mr Brian David Thomas - Non-Executive Director

Mr Thomas was formerly a Director of Corporate Finance with a major Australian Bank and a Vice President with a global investment banking group. He has extensive experience with the financing of energy and resource projects. He is a member of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Company Directors and a senior associate of the Financial Services Institute of Australasia.

Mr Duncan Coutts - Non-Executive Director

Mr Anthony Ho - Company Secretary

Mr Ho graduated in 1980 with a Bachelor of Commerce from the University of Western Australia. He qualified as a Chartered Accountant in 1983 with Deloitte. Mr Ho is presently the principal of a public practice, specializing in providing corporate and financial services to ASX-listed companies. Prior to establishing his practice in 1991, he spent 7 years in a senior corporate role with a major investment and resource group in Western Australia.

Team in Perth

Mr Peter Johnston - Chief Operating Officer

Mr Johnston is a qualified metallurgist with more than 25 years of experience in senior and executive management roles in operating and developing gold and base metal mines in Australia, West Africa and South America. More recently he has held the positions of Chief Operating Officer, General Manager Operations and Process Manager for a range of gold mining companies; including Range River Gold, Minera IRL, RedBack and GoldFields. Peter has also successfully worked as a consultant metallurgist and has broad experience in project and environmental management.

NOTE: Peter will initially play a pivotal role in advancing the Company's Bibiani Gold Project back into production, ahead of the pursuit of further Company growth initiatives in Ghana.

Mr David Leavy - Chief Financial Officer

Mr Patrick Conway - Financial Controller

Mr Peter Cash - Investor Relations Manager

Peter Cash has 15 years Management experience in mining and exploration, telecommunications and the Australian Agricultural industry. He spent several years with CRA and later Rio-Tinto in the Goldfields, Murchison and was involved in the technical analysis of the Kintyre Uranium deposit.



Team in Ghana

Mr Paul Gyasi - Finance Director

Mr. Gyasi holds an M.A from the University of Greenwich and is a Chartered Management Accountant and a member of the Institute of Chartered Accountants in (Ghana). Mr Gyasi has considerable experience in finance and brings with him extensive in-country knowledge with his appointment to Noble. His career in finance has seen him in positions of Administration Manager for Golden Star Resources.

Chief Accountant and Treasurer with Abosso Goldfields (Ranger Minerals) where he was responsible for managing the Finance Department and the company's liquidity in London and the Ghanaian Money Markets. While at Abosso, Mr. Gyasi helped build many SME's in the mining community and offered free business advisory services to many companies in and around Tarkwa.

Mr Phill Schiemer - Group Geology Manager

Mr Schiemer is a geologist of 22 years' experience, with a broad exposure to many geological environments and with several years' experience managing exploration after a period of fifteen years as a contract geologist. Mr Schiemer's expertise is mainly in gold, but also uranium, polymetallic skarn systems, nickel, PGEs and iron ore, in a range of positions covering resource estimation, grade control and exploration both grass roots and near-mine. He has had extensive exposure to over 50 different ore bodies and geological environments, including in Ghana, the US, Laos, Thailand, PNG and the Philippines.

Macro Analysis and Value Proposition

GoldOz founder Neil Charnock is published widely across the leading gold web-sites providing commentary on a range of gold and mining related topics. The GoldOz newsletter and these articles provide top-down analysis on the global macroeconomic outlook due to the critical importance of this factor. Put simply if business conditions are not favourable for any company the goods or service it produces will fall in value and this must have an effect on profitability. The conditions are highly favourable for gold at this point in history and the issues boosting this metal are not about to change for several years yet.

Gold has been in a bull market since 2001 due to two major factors:

1. A major shift in supply (reduced) and demand (rising)
2. A massive shift in economic conditions which are interlinked to Sovereign States, currencies, capital flows, the debt cycle and international banks to name a few.

The world is currently navigating the largest debt bubble in recorded history and economic power is shifting to the stronger emerging economies, away from established economies of the West and Japan. These factors are more significant than many investors could understand due to the complexity of these uncharted waters.

Top down analysis is beyond the scope of this report however it does set the scene as regulatory changes and a massive rebalance in the global finance system occurs, gold is the proverbial canary in the coal mine and the rising price is telling us a great deal about the waters dead ahead. I will very briefly cover some aspects of the first point I have made above to set the near and mid-term business environment straight for this business Noble Mineral Resources Ltd.

1. Supply and Demand:
 - a. Supply of gold into the international gold market was supplemented over the late 90's and into the mid 00's by Central Bank selling. This has now reversed removing up to 20% of physical supply from the market.
 - b. Hedging practices, which were wide spread from the mid to late 90's into the mid 00's, forward sold gold to lock in mining profits by producers. This effectively pushed the gold price lower as paper gold was supplied to the market against unmined supplies – gold still in the ground was sold under this practice. This too has mostly ceased and many hedge positions closed at significant cost to the industry as prices increased.
 - c. Some say paper gold suppression is still ongoing and this is not within the scope of this report, added to complete the picture.
 - d. Miners tend to reduce production when prices rise, by feeding lower grade ore into the production chain, thus reducing supply. They do this to conserve reserves and extend mine life. This factor has muted any additional supply in recent years.



- e. New large scale discoveries have fallen significantly in the last 10 years further constraining supplies. Large producers are struggling to replace resources which are depleted after production, leading to M&A activity to maintain growth.
- f. Demand is rising in Asia as incomes increase so does disposable income. The Chinese were not legally allowed to own or buy gold from 1949 to 1983 however it was not until the official opening of the Shanghai Gold Exchange in late 2002 that any effective retail market in China began to re-emerge. This is a highly significant, new and strongly rising demand for gold and silver.
- g. As prices rise more investors are attracted to the commodity increasing demand further.
- h. As economic conditions worsen; more business, countries, Central banks, banks and individuals accumulate gold as a safe haven.

Conclusion:

Gold is in a secular (long-term) trend which could last 15 to 20 years; meaning that the price of gold may not finally top out until 2016 to 2020. The inflation adjusted price of gold is still modest, a factor not within the scope of this report. Macroeconomic trends indicate the imbalances in the global finance markets will take a great deal of time to stabilize.

The debt bubble poses massive risk to some countries, and the counter party risk has exposed foreign reserves, the banking sector and Central Banks to name just a few. The cost of capital is rising at a time of systemic over-indebtedness. Put simply the risk of error and financial shock, sovereign default, currency fluctuations, trade wars, the pressure of the ongoing global rebalance, rising interest rates (for all the wrong reasons), the need for new global financial regulation (Basel 3) and the threat posed if this is not implemented cautiously enough is going to be sufficient to keep investors nervous for a long time to come.

This analyst is of the firm belief that NMG is headed for a rising production profile at an ideal time in the gold price cycle. More conservative gold investors would prefer to see a steadily rising price of gold as the world muddles through this challenging economic period. If gold ends up as an official part of a global reserve currency system as some believe a very high price of gold may be sustained.

Value proposition:

The value proposition stated here is not dependent on gold becoming part of any official reserve currency or an economic collapse that might drive gold into the stratosphere. There is a strong possibility that the price of gold will continue to rise however and the projected cash costs at Bibiani will create an even more robust business over the coming years. Cash costs across the industry are projected to rise with inflation however we also expect that the gold price will outpace this rising cost continuing with the current trend.

Martin Place Securities produced an excellent report on NMG in November 2010 which I also highly recommend as preferred due diligence for investors that might consider investment in NMG. I find it interesting to extrapolate their numbers using the algorithms their research generated as follows:

The capital structure in November was 465M shares (fully diluted) compared to 547M shares (fully diluted) at present which give us a 0.85 ratio for calculation. Gold traded for an average of US\$1360 in November 2010 and they valued NMG at 61c at that time fully diluted. Their price sensitivity work indicated that a 10% rise in the gold price resulted in a 20% increase in the NPV on Bibiani. Gold is up 12.5% at present (16-6-11) which would increase the projected Bibiani value up 25% to 76.25c on this basis, adjusted for dilution 65c per share.

In addition to this an increase of 22% was indicated on NPV for every 10% added to the surface gold resource which is what NMG have been drilling. In November 2010 NMG had surface resources of 1.216M oz Au therefore we can look forward with interest to any increase in resources along the Grasshopper – Walsh line of load due in the June quarterly report. An additional 200k oz Au would increase the surface resources by 16.4% resulting in an increase on NPV of 36% or 88c per share after dilution at the current gold price.

It is interesting how the share price / valuation sensitivity has not kept pace with the improvements in the project value. Martin Place Securities valued NMG at 61c when the share price was 43c which represented a 42% discount compared to full value in their model. The current share price is 59c which is a 6c or 10% discount to the valuation prior to the pending surface resource upgrade.

Should the maiden resource for the Walsh-Strauss pit area result in a 200k oz resource this discount calculation changes to 49% not far different from the November discount to valuation. I have not included the 81k oz upgrade announced in the March quarterly report for this calculation. The last capital raising and move



to get the laboratory onsite will enable NMG to drive their valuation higher more rapidly over the next 12 months as they transition to profitable producer.

Note: We are of the view that several factors have delayed a more realistic value on NMG by the market. These include general gold stock malaise, slight delay to commissioning and the slow turnaround of drill samples which has delayed the resource update. The on-site laboratory will address the turnaround issue during the last quarter 2011 once it is operating at a commercial level.

NMG have a tightly held major shareholders list and at the top of the list we find that the major shareholder has *added* around 15M shares (approx. \$8M) since the last annual report. The top 4 shareholders control over 154M shares which is over 28% of the company. At the last full update of the top 20 shareholders they held circa 70% of the stock.

This is a good sign, particularly the cornerstone investor at the top of the list increasing their holding as the exploration story and confidence in the potential of the Bibiani project grows.

Capital Structure: The top 20 shareholders	Million shares
Wei An Developments Ltd	47.48
Global Gold Holdings	44.7
Wayne Norris	43.1
Bank of America	20.6

Technical & Fundamental Analysis

Investors reading this report will be pleased to read that Investec did not require a hedging strategy and NMG did not wish to enter any such arrangement before completion of the plant refurbishment and an optimised mine plan was established. NMG have stated that a conservative policy to manage downside risk but with full exposure to upside price movements on gold will be adopted.

Peer comparisons are covered by NMG (see 30th November 2010 presentation) and the brokers that have looked at NMG to date. These comparisons are valid however you are not always comparing apples with apples in the real world. I am not denigrating this analysis merely noting that too many variables are present for any such exercise to provide a *crystal clear* picture or conclusion. For general purposes however it is *excellent to gain this kind of insight*, however as this is well covered elsewhere I will not duplicate this line of research in this report.

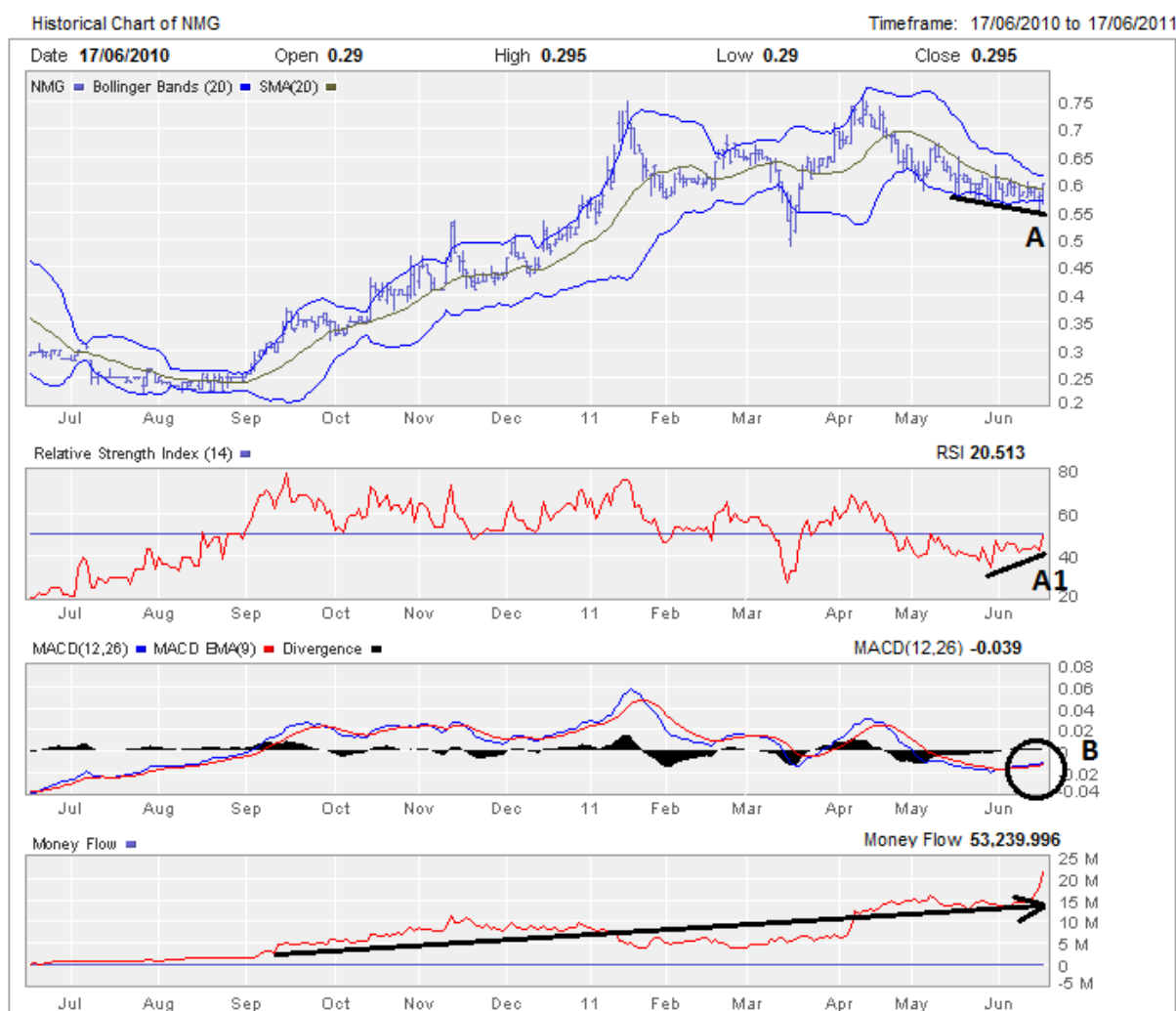
As a professional investor I look for key drivers on the individual company, the macro view and probably the most important for shorter term share price movement is liquidity. The cash flow required to drive the share price higher, tip demand over supply, is generally provided when the macro conditions line up however there is more to this than meets the eye. Who is recommending the stock and how large is their client base? How many brokers are telling people about the stock, how effective is the in-house promotion at the company and how strong is the institutional support?

The key drivers for NMG have been outlined in this report and point to a solid low cost production profile, strong upside from exploration with a strengthened capacity to deliver. Management clearly have the necessary skill sets to succeed and a large investment stake, in-house promotion is in excellent hands, institutional support is strong and there is cornerstone investor support. Supply of NMG shares is already limited due to a reasonable capital structure and the large holdings by the top shareholders. There is no stock overhang from cross ownership of another mining house that could decide to liquidate to further their projects.

A number of brokers have reported already on NMG and all with understandable interest in the ground position at Bibiani, CTP, Brotet and Tumentu. I believe more broking houses, newsletters and gold stock commentators will be drawn to cover this stock adding strong liquidity once production is achieved and or exploration success becomes more apparent. The final driver will be a change in sentiment on the gold stock sector and the breakdown of massive short positions put in place to hedge institutional exposure to bullion. This is cyclic in nature and could unwind rapidly when conditions are right.



Technical brief: 12 month / daily chart.



Just some brief notes: T/A is an art not a science and many investors have their own approach. I have drawn attention to a few obvious points above starting with the buy divergence at A – A1. 'A' points down and is the short term support line under price, 'A1' slopes upwards under the RSI lows creating the buy divergence. This can indicate the slowing of a trend or a reversal.

The MACD is useful as a trend change indicator when you watch the histogram – when it reverses from an extreme reading (away from neutral line). This is the more reliable use of this indicator as it gives fewer false signals, in the last case in early May the general market sentiment distorted the individual company sentiment as the gold sector was hit. MACD is created using the interaction between two moving averages, when these cross (red and blue lines) the histogram (black) also crosses the neutral horizontal line. When they cross (as they have just done at 'B') at a low or high extreme it adds weight to the strength of the signal.

Money flow is shown at the bottom window and measures the liquidity mentioned on the last page. This is a powerful indicator and in this case we see a very strong uptrend. The price is also in a strong uptrend since a few weeks after the final takeover of the Bibiani Project in mid-2010. The extreme price highs at 75c this year required some form of correction which we have now seen. The Bollinger Bands are now starting to pinch together indicating we are ranging in a narrow price band at present.



Risks

Investing in shares and in particular mining shares is a high risk activity therefore several factors have to be taken into account. At this point in history equity markets are potentially subject to massive liquidity shock creating medium term downside risk to any and all stock investment.

Factors which could over-ride the technical or fundamental indications on this stock include: Sovereign or country risk, commodity and currency fluctuations, weather events and limits to geological uncertainty. There are many variables in the business of mining including mechanical issues with mill equipment, grade control and employee issues that must also be considered.

GoldOz recommends that investors seek professional advice from an investment advisor with specific mining competencies before making any investment decision as there is any number of risks inherent in share investment activity. We also specifically ask reader to note that we are not investment advisors.

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