

Nearing a Key Corporate Milestone – Cash Flow



www.TaraMinerals.com - Mining in Mexico - June 2011

Partners investing \$28+ million. Material revenue projected for 2011 with significant growth in 2012.



Safe Harbor Statement

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Investment Highlights

Strategy reduces risk, excels growth.

- Option development and exploration costs to partners – leverage operational experience + access to capital.

Low cost structure, high margins.

- Adequate capital on hand, high margins, 12 employees.

Multiple assets and prospects.

- Existing mill and gold, silver, zinc, lead and iron ore structures.
- High cash flow/earnings potential.

Multiple value catalysts.

- Nearing a key corporate milestone – cash flow.

Supportive market fundamentals.



Strategy Reduces Risk, Excels Growth

Partners invest and operate to earn interest.

- Highly reliable, recurring cash flow/earnings model.
- Company maintains project oversight and material interest.
- Leverage partner's core strengths, expertise and capital.
- Scalable model – manage multiple projects with core management.

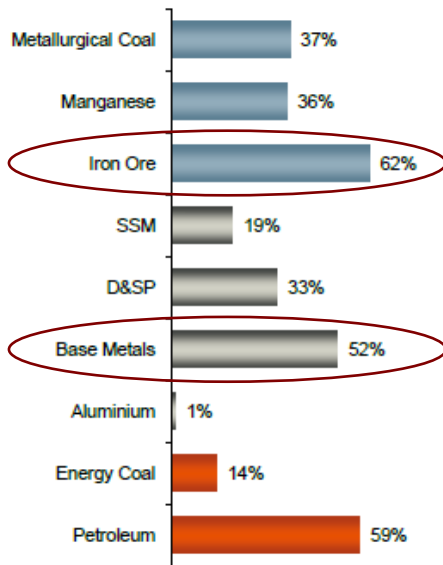
Management focused on growth.

- Focus on new acquisitions to increase shareholder value.
- Acquisition payment structure allows for property assessment.
- Proven track record and strategy: shareholder value recognition via project development, production and sale of 2 previous properties.
- Non-dilutive organic growth funded by internally generated cash flow.



Low Cost Structure High Margins

Underlying EBIT margin¹
(H1 FY11, %)



¹ BHP Billiton results

Predictable low cost footprint.

- 12 employees - low overhead/cash burn.
- No additional capital needed by Tara to achieve production.
- Partner agreements are based on flat costs (iron ore) or revenue sharing to ensure efficiency.
- Out-sourcing joint venture model is economically scalable.

High margins projected.

- Mining material with historically high margin profiles.
- Tara's high grade material protects against unknowns.
- High cash flow/earnings potential.

Multiple Assets and Prospects

Five strategic assets.

1. Don Roman Mine & Mill – Ability to process all metals.
2. Numerous silver/zinc/lead structures able to feed mill immediately.
3. Tania - Iron ore prospect with 2011 production potential.
4. San Felipe – Gold/silver 2012 production potential.
5. Adit Resources – Picacho gold/silver exploration project.

Combination precious/industrial metals.

- Gold and silver = capital preservation/inflation hedge.
- Zinc, lead, iron ore, copper = cyclical industrial demand tracking economy/GDP growth.





Don Roman Mine & Mill Joint Venture Claridge Hanlon Resource Engineering

- **Gold, silver, zinc, lead and copper; 25,400 acres.**
- **Announced joint venture letter of intent May 5, 2011.**
 - Claridge Hanlon Resource Engineering and Springbok Development LLC.
 - Mining expertise including geology, metallurgical, developmental & operational.
 - Completed over 400 mining projects since 1999 world-wide.
 - Investing \$8M to operate mine/mill and expanding production to a minimum 480 tones per day to earn 49% interest.
 - Net revenue split 50/50 with Tara Minerals.
 - Access to capital to expand production.
 - Expect final definitive agreement by August 2011.
- **San Felipe gold/silver structure targeted for future expansion.**



Tania Iron Ore Prospect

- **Announced May 11, 2011 right to mine agreement.**
 - 6 million tons of salable concentrate with perpetual renewal rights.
 - Goal: produce 60% iron concentrate, sell into growing demand by steel production export market.
- **Secured \$750,000 royalty rights financing to advance project.**
- **Outsourcing contractors to mine, process, transport and ship salable concentrate.**
- **Expect favorable impact to cash flow & earnings by late Q3 2011.**



Adit Resources/Yamana Gold Joint Venture

- **Announced letter of intent February 2, 2011.**
 - Gold & silver property, 1M+ ozs Gold; 18,000 acres.
 - Yamana Gold has option to earn 70% interest.
 - \$3M equity investment in Adit Resources subsidiary.
 - \$14M geology, development and advanced exploration.
 - \$3M cash payment.
 - Nine gold-bearing veins over four mineralized zones identified.
 - 5,300 meters drilled along 600 meters of vein system; 11.3m of 15.6 g/t gold, 6.1m of 4.7m g/t gold and 9.4m 7.8 g/t gold.

- **Expect final definitive agreement June 2011.**

- **Possible spin-off of subsidiary or Yamana out-right purchase.**



Multiple Value Catalysts

Accumulated pipeline of projects with historical findings and production potential.

Established Don Roman economics and began development work. Formed Adit Resources for Picacho project.

Cash Flow Catalyst
Added iron ore project with near-term production potential.

Option Picacho to Yamana
Investing \$20+ million to earn 70%.

Catalyst Investment
Partner spending \$8+ million to start mining and processing of gold, silver, zinc and lead.

2008

2009

2010

2011

2012

Established Don Roman silver, zinc and lead project as priority with decision to expedite to production.

Completed mine and mill. Identified additional tonnage sources.



Supportive Market Fundamentals

Strong Commodity Markets






- Capital markets are improving.
- Global economies are stable/improving and emerging markets remain strong.
- Low interest rate environment is positive.
- Commodity supply picture remains positive.
- Gold, silver and other commodity prices are predicted to go significantly higher.
- Senior producers are removing forward hedges in an effort to get full exposure to market prices.
- Investor preference for un-hedged producers.
- Favorable market conditions to secure equity.

Mining in Mexico

- Attractive for exploration and mining.
- A strong mining culture and excellent geology.
- Permitting requirements are clearly defined.
- Free trade agreements with major economies (U.S., Canada, Europe, among others).
- Political and financial stability.
- North American style Legal & Accounting system.
- 100% foreign capital allowed.
- Wide and modern communications and transportation infrastructure.
- Strategic geographical location close to the US



Key Financial Facts

| | |
|---|------------|
|  Shares Outstanding (Est'd float)* | 60.1M (7M) |
|  Fully Diluted Shares Outstanding* | 70M |
|  Share Price (TARM.OB)** | \$.68 |
|  Market Cap** | \$40M |
|  Cash* | \$123K |

*As of period ended March 31, 2011
42.07M held by Tara Gold Resources, balance by company insiders

**As of May 17, 2011



Appendix



Don Roman Mine & Mill





Experienced Management

Francis R. Biscan, Jr. – CEO

- Officer and Director of Tara Minerals Corp. since May 2006.
- Between 1997 and August 2003 Mr. Biscan was an independent financial consultant, providing advice to public and private companies in the areas of capital formation and mergers and acquisitions.
- Proven the capability to acquire, partner, build value and monetize mining assets.

Ramiro Trevizo – President, Mexico

- President of Corporacion Amermin, S.A. de C.V., the Mexican subsidiary of Tara Minerals Corp., since 2005.
- President of Adit's Mexican subsidiary, American Copper Mining, since 2007.
- Between 2003 and 2005, Mr. Trevizo was the President of Grupo Constructor de Desierto, S.A., an engineering company based in Chihuahua, Mexico.
- Proven his capacity to recognize value early.

Lynda R. Keeton-Cardno, CPA – CFO

- Founder of Lynda R. Keeton CPA, LLC, a firm that provides tax management, accounting and audit services.
- Has been provided audit and consulting services to public companies since 2004.
- Worked in the Audit and Advisory group and the Technology Risk Consulting group for Arthur Andersen LLP.
- Graduate of Arizona State University's School of Business and Honor College.

Robert Wheatley – Professional Geologist

- CEO and director of subsidiary Adit since September 15, 2009.
- President of Prowling Puma, LLC since 2009.
- During 2008 and 2009, Mr. Wheatley was the Director of Exploration - North and Central America - for Yamana Gold Inc.
- Between 1996 and 2007, Mr. Wheatley held a variety of management positions with Meridian Gold Company, the predecessor of Yamana Gold.



Don Roman Grouping

\$8+ Million Being Invested

Acquisition Logic

- There were many old workings and outcrops in the general region.
- Vein #1 - 309 g/t silver, 9% zinc, and 3% lead. #2 - 770 g/t silver, 27% zinc, and 11% lead. New vein - 1.47 g/t gold, 400 g/t silver, 7.48% zinc, 4.92% lead.
- Vein richness and the recognition of the structure over substantial length and height resulted in a decision that enough tonnage was available to justify a mill.
- Envisioned a centralized mill with several parallel processing circuits that can be adopted to process multiple sources.
- Mining began in 2009 from a 25m thick zone dipping at approximately 30 degrees.

Value Proposition

- Discovered gold/silver vein just 1.5 km from the mill in Oct. 2009 (**San Felipe**).
- Outlined San Felipe to 850m length, 400m at depth, open in all directions.
- Channel samples averaged 10.06 g/t gold and 149.85 g/t silver.
- The mill currently has a capacity to process 240 t/d over 2 circuits. Improving recovery rates and enhancing mill capacity to 480 t/d.
- Outsourced mine and mill processing to increase margins and recovery rates.
- 100% margins are projected.
- Revenue projected for Q4 2011 with growth into 2012

- Production
 - Advanced
 - Exploration
 - Inventory

- Gold
- Silver
- Zinc
- Lead
- Iron Ore

- Choix
- Mexico
- 25,400 acr.



Adit Resources – Picacho Million+ Ounce Target

Acquisition Logic

- Previous producer with 2,000m of underground workings.
- Using old inefficient methods, produced over 200,000 gold ounces from a 0.6 km section of one vein from several 4-6m wide faces.
- On trend with Mercedes and surrounded by senior owned properties.
- Visible mineralized outcrops and easy to follow vein structures.
- Potential for 1+ million ounces of gold and senior strategic buyers.
- Sampled mine workings at 3 to 5m intervals.
- Confirmed (twin holes) historic data derived from 22 core drills.

Value Proposition

- 5,300m drilled to date including 11.3m of 15.6 g/t gold, 6.1m of 4.7 g/t gold, and 9.4m of 7.8 g/t gold.
- Nine gold-bearing veins have been identified over four mineralized target areas with an aggregate strike length of over 10.8 km.
- Zones widens with depth with higher grades.
- Exposure suggests 600+m depth possible.
- Former North American head of exploration for Yamana is now CEO.
- 1 Million+ oz gold potential. Initial modeling indicates very strong project economics with costs below \$450/oz.
- Yamana investing \$20 M to earn 70%. Drilling is expected to begin Q4 2011.

- Production
- Advanced
- Exploration
- Inventory

- Gold
- Silver
- Zinc
- Lead
- Iron Ore

- Sonora
- Mexico
- 18,000 acr.



Tania Iron Ore Prospect

Acquisition Logic

- Strong world markets with demand growing faster than supply.
- Evidence of large established companies positioning themselves in Mexico's iron ore market.
- Manzanillo is a mine friendly, safe region with tourism/anglo residence.
- 33 km from the port of Manzanillo.
- 80% of area contains mineralization with 20 - 30% iron content.
- Government paved road to come right by the property.
- In spite of available iron markets and iron richness of the region, there are no real miners established in the area (just smaller operations) thus great timing.

Value Proposition

- Region holds potential for significant available mineralized volume.
- At 10m depth, Tania may host a few hundred million tonnes of material.
- Based on visibility and the nature of the granite, the zone may extend 100+m deep.
- Potentially easy to mine and process as grinding and 3 to 4 times magnetic concentration should result in 60% iron.
- Strong economics at 60% iron content with high profit potential.
- There are many properties in the region prospective for high volume, low grade ore. An opportunity to assemble a portfolio of producing properties is possible for a proven operator able to achieve market level iron concentrations.

- Production
 - Advanced
 - Exploration
 - Inventory

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- Gold
 - Silver
 - Zinc
 - Lead

- Iron Ore
 - Manzanillo
 - Mexico
 - 8,150 acr.
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