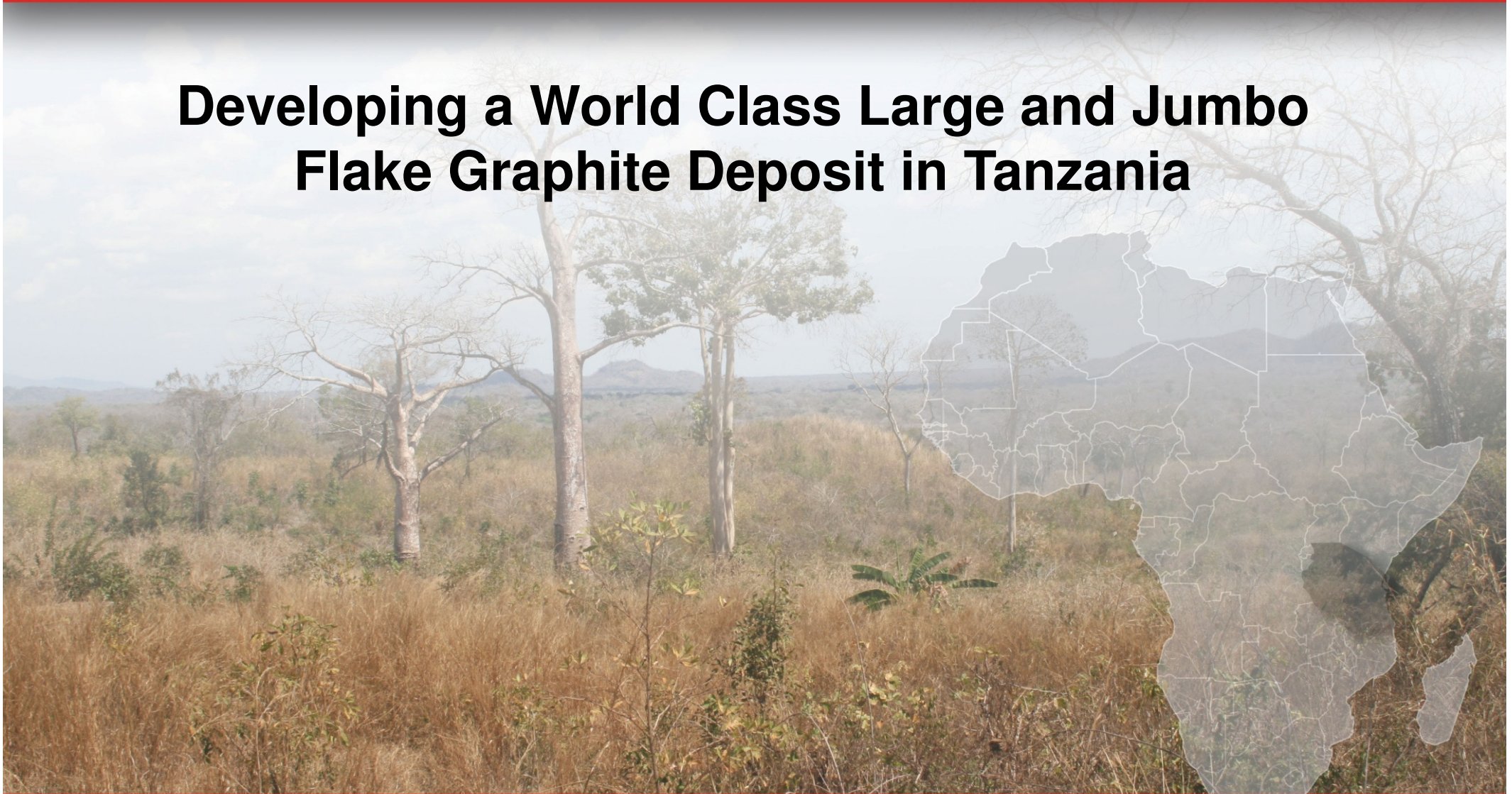




Magnis Resources
LIMITED

Nachu Graphite Project

Developing a World Class Large and Jumbo Flake Graphite Deposit in Tanzania



November 2014



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- Exploration & development of Nachu Graphite Project in Tanzania.
 - Close to surface long mine life
 - 87% of product in Large and Jumbo Flake categories
 - High quality Large and Jumbo flake graphite demands premium
 - MOU for 100,000tpa with SINOMA
 - MOU for 100,000tpa with Sinosteel & Dalian InterContinental
- Magnis Resources committed to Best Practice Health, Safety, Environment & Community Relations policies & procedures in Tanzania

Capital Structure

Shares on Issue (MNS)	281,613,280
Options (MNSO)*	209,928,125
Share Price (24 November 2014)	A\$0.225
Market Capitalisation	A\$87m
Cash (24 November)	A\$3.0m

*expiry 31 May 2017

Analyst Coverage

PAC Partners	Andrew Shearer
Canaccord	Luke Smith and William Morley

Share Price Performance



Major Shareholders

<u>Shareholder</u>	<u>Shares (m)</u>	<u>Ownership</u>
Mazzdel Pty Ltd	23.4	8.3%
LogiMan Pty (Ltd)	14.7	5.2%
M & A Group	7.15	2.16%
Frank Poullas	5.6	2.0%



EXPERIENCED TEAM

Experienced & dedicated management team with a proven track record of bringing projects into production

WORLD CLASS PROJECT

MOU for 100,000tpa with SINOMA

MOU for 100,000tpa with Sinosteel & Dalian

40 year mine life @ 200,000tpa from Maiden JORC Resource

68% Jumbo flake size

87% Large & Jumbo flake size

Strong economics

No deleterious material

Located in the politically stable democratic country of Tanzania

RESOURCE OF THE FUTURE

Graphite fast becoming resource of the future with demand & consumption increasing across various industries & technologies

Although China is largest producer of graphite, supply problems in large & jumbo flake have created a new dynamic in the future supply/demand equation of graphite



Magnis Resources
L I M I T E D

Board & Management

Deep technical expertise & corporate experience

Dr Frank Houllis CEO

BSc (USyd BEng) (Chem 1st Class, USyd), PhD (USyd)

- **20 years practical experience in development & engineering of metallurgical process**
- Focused on processes for wide range of commodities. Has led process development teams at ANSTO (process manager, 2008-), BHP Billiton (principal engineer, 2005-2008) & Intec Ltd (1995-2005)

Rod Chittenden
Head of Operations

- **30 years experience in resources encompassing range of companies & commodities**
- Technical background in metallurgy & strong track record in project development. Has worked in Aust, Europe, South America & Africa
- Involved in metallurgical testing, feasibility studies, process design & commissioning for projects with Newcrest & Barrick Gold. Since 2006, involved in projects with Paladin Energy & Mantra Resources

Frank Poullas
Non-Executive Chairman
MAICD

- **15 years in investment banking & engineering sectors**
- Private investor specialising in resources & involved in various ventures increasing shareholder value
- Partner in successful IT firm

Stephen Hunt
Non-Executive Director
BBus (Marketing)

- **25+ years experience in worldwide marketing of steel & mineral products**
- 15 years at BHP Billiton inc 5 years in London marketing minerals to European & Middle Eastern customers
- Extensive network and developed his own minerals trading company, Standout Enterprises Ltd, which has a strong Chinese focus.

Johann Jacobs
Non-Executive Director *B.Acc, MBL, FCA, FAICD*

- **30+ years experience in resources sector**
- Managed established companies & acquisitions, expansions or start-up mining operations in Aust, South Africa & Indonesia
- Currently Chairman of King Island Scheelite, Non-Exec Director of Australian Zircon NL & TWH Ltd

Chris Lioutas
Company Secretary & Legal Counsel
LL.B (hons), BCom

- **An experienced corporate and commercial lawyer**
- Working in corporate advisory groups of national law firms inc Clayton Utz, specialising in energy & resources. Assisted in provision of legal services to large corporates & undertook legal counsel secondments to ASX 100/Fortune 100 companies



Nachu Graphite Project-Location



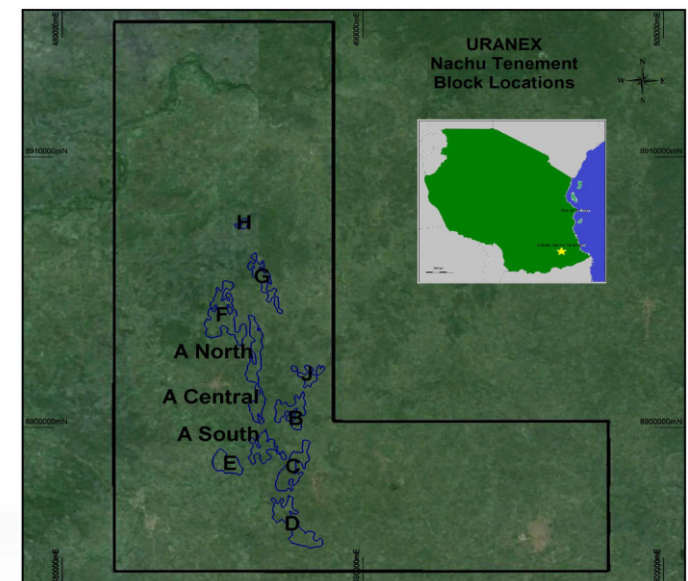
The Nachu tenement is west of the coastal city of Lindi & ~200km by road from port city of Mtwara in SE Tanzania

Closer to ports means lower logistics costs...



Nachu Graphite Project

- MNS holds 100% interest in Nachu Graphite project in Tanzania
- Maiden JORC Resource – 156Mt @ 5.2% TGC
- Over 8Mt of contained graphite
- 40 year mine life at 200,000tpa
- 66% of resource in measured and indicated categories
- Maiden JORC resource defined from only 2% of the Nachu tenement



A World Class Project...



Nachu Graphite Project Metallurgical Results

Excellent initial metallurgical results

- 95.2% TGC (Total Graphitic Carbon) from basic floatation
- 97% TGC (Total Graphitic Carbon) from basic flotation for Jumbo flake product (+300microns)
- 97% recoveries
- 99.4%TGC using acid leach
- 68% Jumbo flake
- 87% of flake graphite in large & jumbo flake categories
- Results repeated throughout Block F from many core drills
- No deleterious materials





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MOU - For Off-Take Signed SINOMA

- Off-take MOU signed for 100,000 tpa of high quality flake graphite with major SOE, China National Materials Industry Import and Export Corp
- 5 year agreement with additional 5 year option
- Graphite to be used in production of high tech materials
- Grading of product intended to be in range 90-95%TGC





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MOU - For Off-Take Signed Sinosteel & Dalian

- Off-take MOU signed for 100,000 tpa to supply Sinosteel Liaoning Co Ltd & Dalian Intercontinental New Materials Corp with high quality flake graphite
- 10 year agreement with option to extend
- Graphite to be used mainly in battery, refractory & high tech industries
- Grading intended to be in range 92-95%TGC

Sinosteel Research Centre

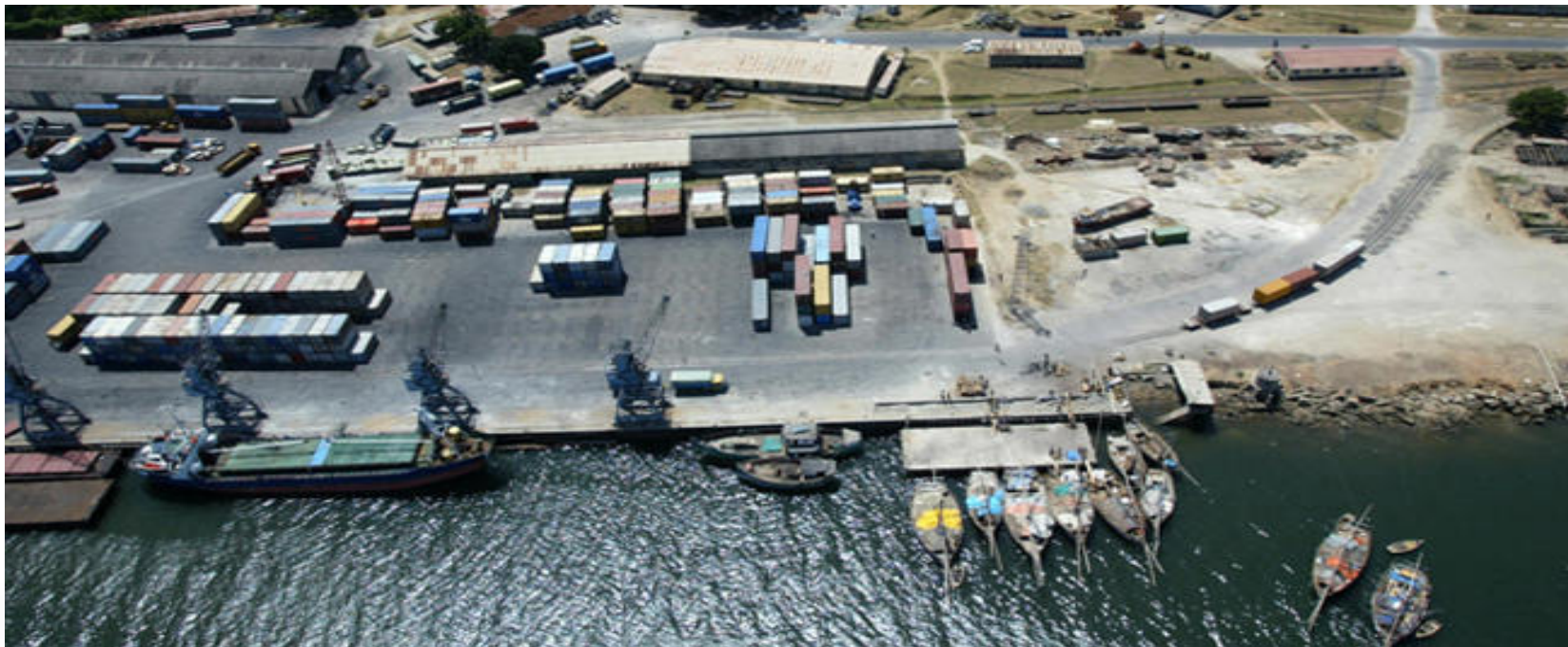


Official signing ceremony





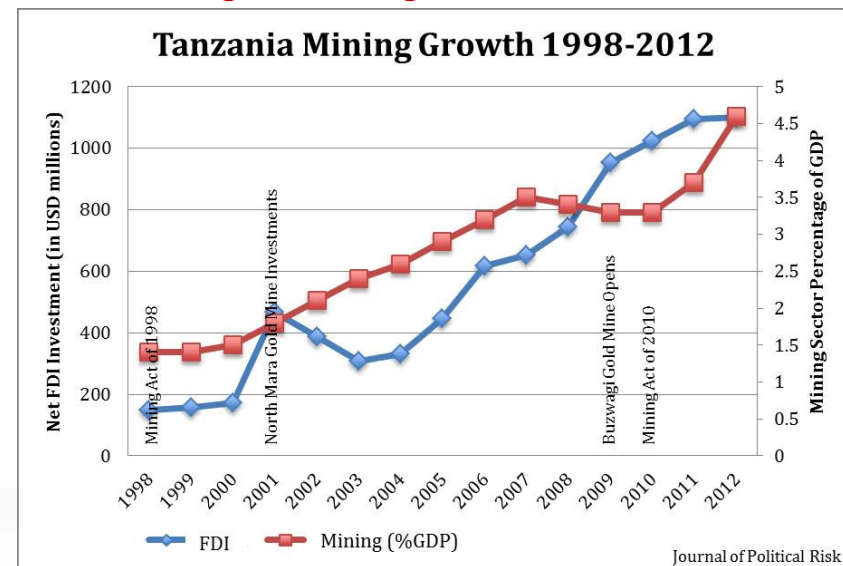
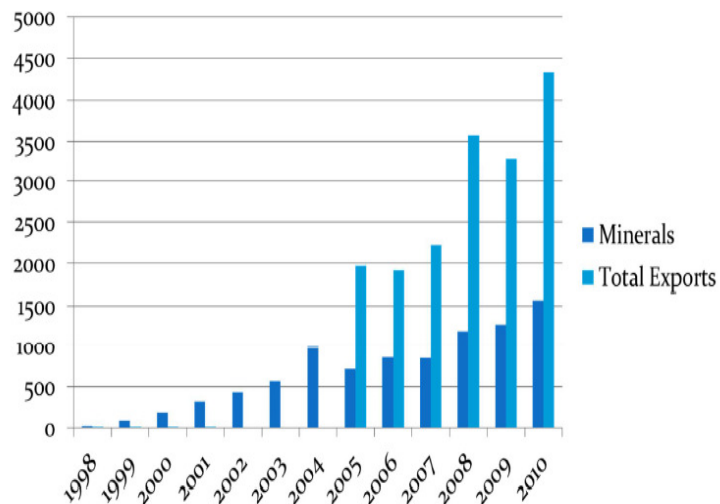
- Road: 200km to port, 140km sealed & 60km hard dirt road that goes through the project site
- Port: 400ktpa capacity (136ktpa utilised on average)
- Water: water available at the project site
- Power: onsite generation, low power consumption
- Offshore gas development a boom for the area





- Tanzania GDP growth ~7% in 2012 & 2013, forecast at same rate in 2014 & 2015
- Mining contributes ~4.5% to GDP
- Political stability following independence in 1961
- Reform of mining policy to attract investment since 1998
- Agriculture remains dominate industry
- Tanzania is 4th largest gold producer in Africa

Supportive government focused on mining sector growth...





Flake size peer comparison

Flake size	Sieve size (microns)	MNS	SVM	SYR	VXL	TLG	AXE	Sieve size (microns)	TON	Sieve size (microns)	LMB	Sieve size (microns)	KNL
Jumbo	>300	65.6	33.5					>400	7.3	>320	3.2	>300	21.6
Large	180-300	22.2	29.3	31.0				212-400	15.9	160-320	3.9	180-300	28.6
Medium	150-180	4.2		35.0				106-212	36.0	80-160	16.9	106-180	23.6
Fine	75-150	8.1	19.1		60.0			75-106	17.1			75-106	10.4
Amorphous	<75		18.0	34.0	40.0	100.0	100.0	<75	23.7	<80	76.0	<75	15.8

Source: ASX Announcements

Price Projections \$US/tonne

Projections	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Jumbo	3,365	2,135	1,577	1,753	1,832	1,728	1,667	2,188	2,677	3,977
Large	2,514	1,595	1,178	1,238	1,130	1,140	984	1,048	1,116	1,225
Medium	2,138	1,514	1,025	1,060	1,045	998	825	815	819	824
Small	1,375	1,089	855	898	865	853	700	702	705	708
Very Fine	930	689	505	542	535	527	452	454	457	460

Source: Stormcrow

Size does matter...



	2014				2015				2016		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Drilling	✓	✓	✓	✓							
Resource Estimate	✓	✓	✓								
Sinoma MOU (100k tpa)			✓								
Sinosteel & Dalian MOU (100k tpa)			✓								
Metallurgical testwork		✓	✓	✓							
Maiden JORC Resource				✓							
Pre-feasibility Study			✓								
Binding off-take Agreements											
Environmental Impact Study			✓								
Bankable Feasibility Study											
Mining Approval											
Plant construction											
Production											

Nachu programme on schedule to deliver a world class graphite deposit...



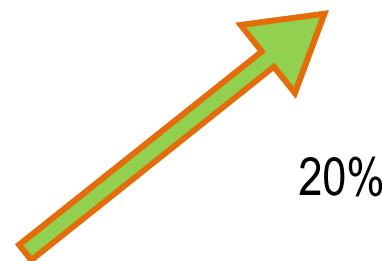
Graphite Uses Growing

- Li-ion batteries(growing electric car market)
- Fuel cells
- Pebble bed reactors
- Lubricants
- Refractories
- Replacement of petroleum coke in steel industry
- Graphene a strong, conductive & flexible super material

Current Consumption

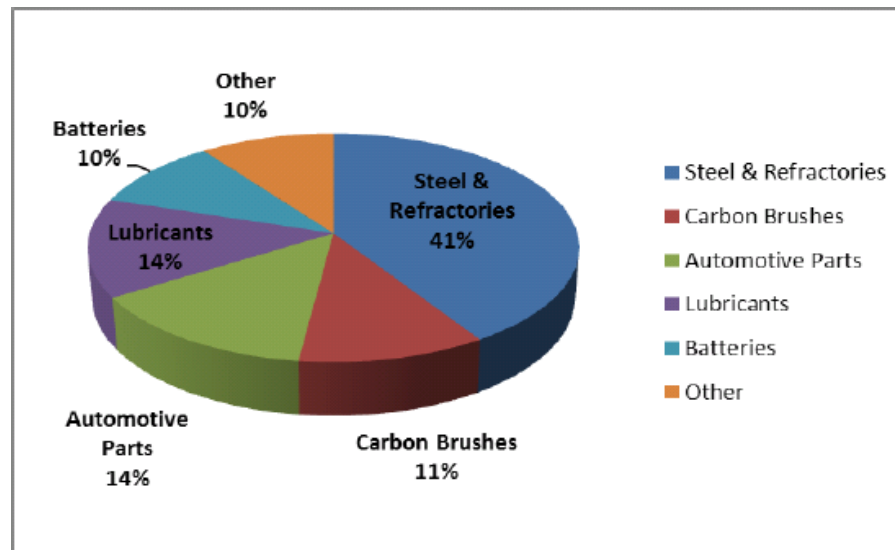
- Current world consumption c. 1.5 – 2Mtpa
 - 45% flake
 - 54% amorphous
 - 1% lump
- China produces 70-80% world graphite
- China was net importer of flake graphite in 2013

2016+ Forecast. 20% CAGR for Li-ion batteries



Tesla's \$5b battery gigafactory due to be operational in 2016

By 2016 30% of Chinese govt car fleet will be made up of electric cars



Beyond the pencil....



- ✓ World class long mine life near surface resource
- ✓ 87% of flake graphite in Jumbo and Large categories which demands a premium price
- ✓ MOU for off-takes for 200,000 tpa with 2 partners
- ✓ Excellent metallurgy
- ✓ High grade product produced with no deleterious elements
- ✓ Likely low cost mining operation
- ✓ Great location of project with supportive government
- ✓ Industry demand from strength to strength
- ✓ Huge potential in graphene

Every box ticked...



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