

OGI GROUP LTD DIAMOND PROJECTS

OCTOBER 2014



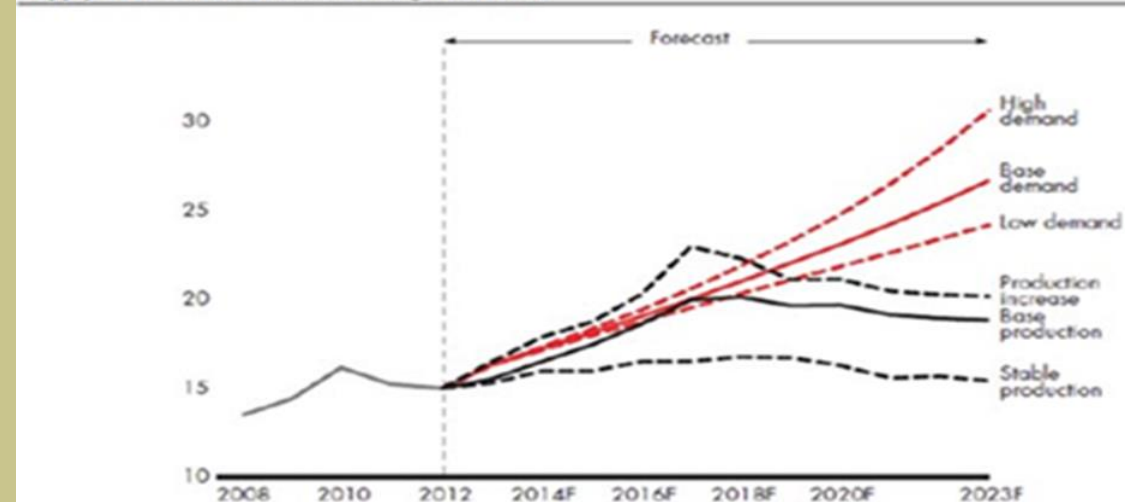
DIAMOND MARKET DYNAMICS



- Global supply of rough diamonds has been falling steadily since 2005
- Prices of both rough and polished diamonds have increased since 2010
- China and India leading demand growth
- China: 62% of engaged couples now buying diamond rings versus 33% in 1990s
- >5 billion potential new customers from China & India
- Limited new discoveries
- Demand to outpace supply past 2020
- Prices will continue to rise



Supply and demand outlooks for rough diamonds



Source: Bain & Company

WHY MOZAMBIQUE DIAMONDS?

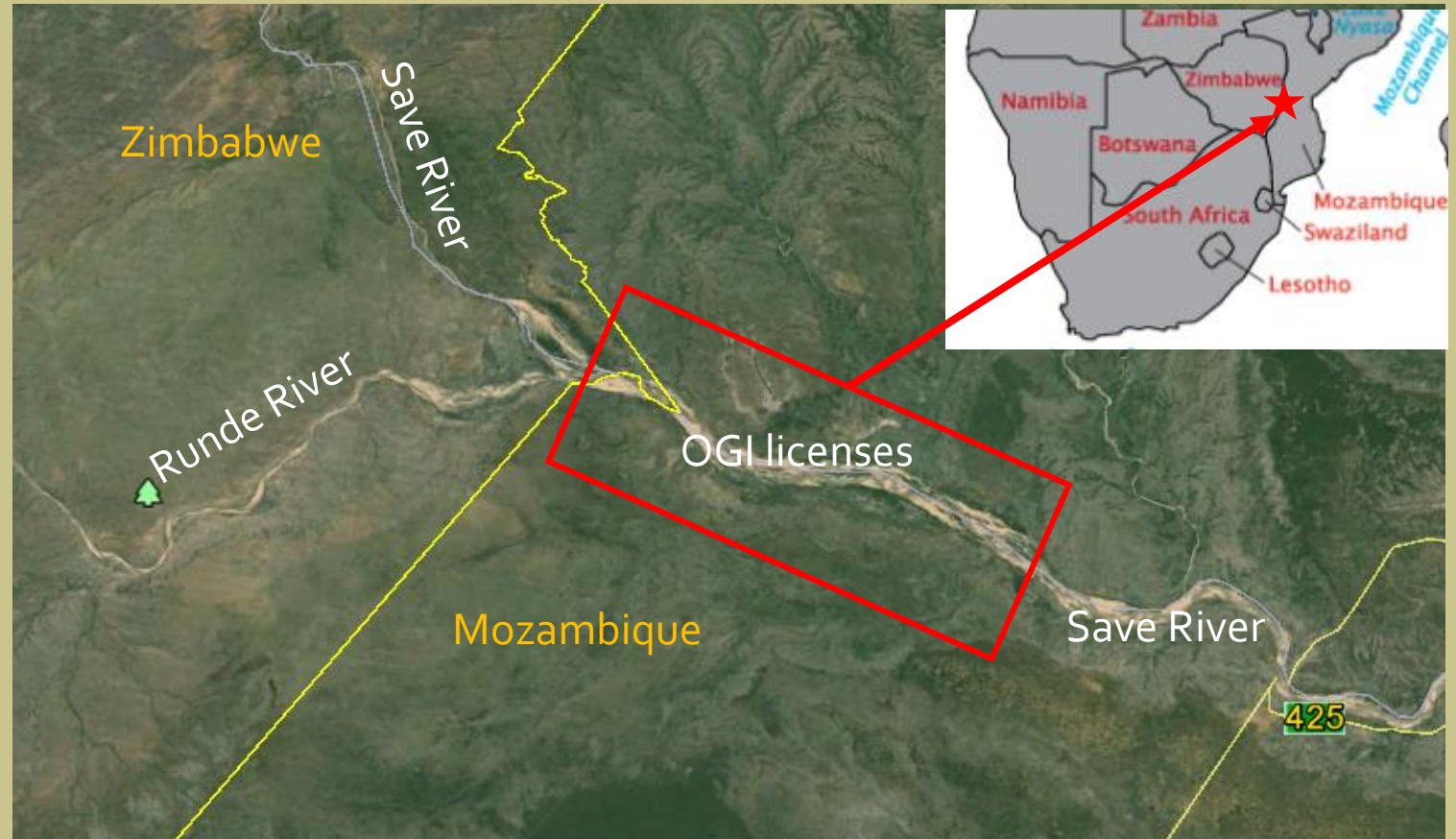
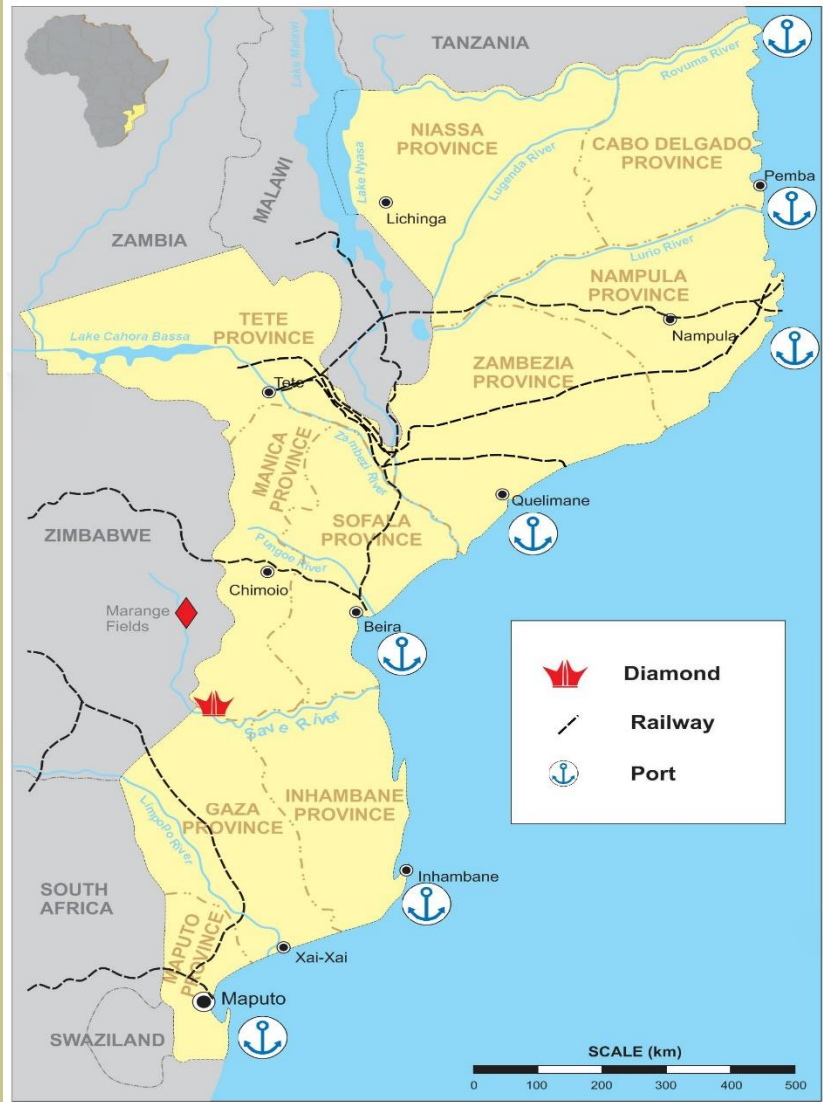


- Marange deposit in Zimbabwe is the biggest diamond discovery in the last century
- Marange fields are estimated to contain 2 to 7 billion carats of rough diamonds
- From 2010 to 2012 Zimbabwe's Mbada produced >10 million carats of diamonds per year
- Minimum \$100/carat sales price = \$1billion annual revenue
- Average yield @ 4 carats/ton & OPEX of \$5/ton = \$988million before tax!
- OGI licenses approx. 180km downstream from the Marange diamond fields
- OGI diamond licenses proven to contain gravels with Marange origin
- Potential to be the next major diamond discovery!

SAVE RIVER DIAMONDS PROJECT

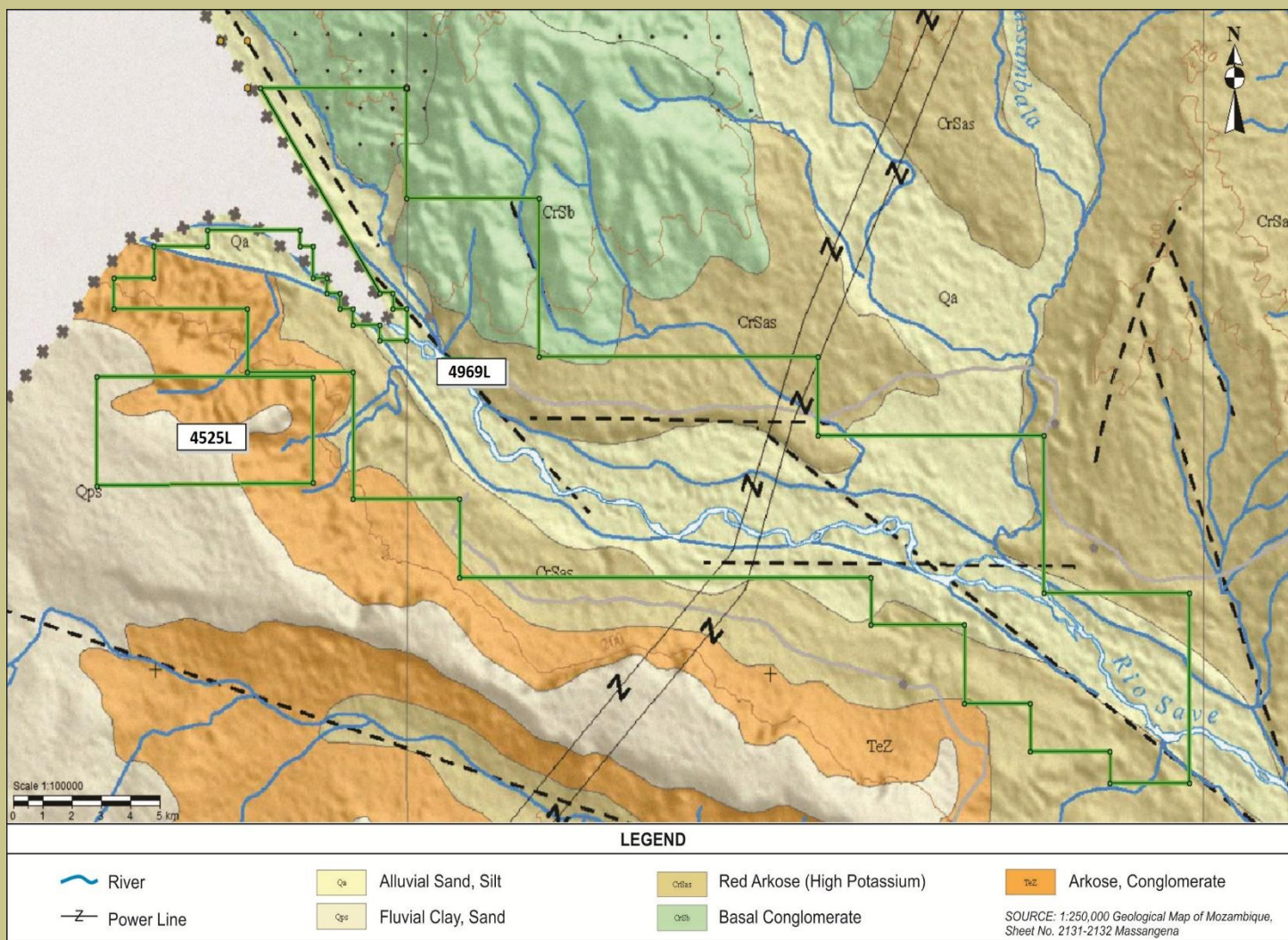


- Project is located in Southern Mozambique on the Zimbabwean border



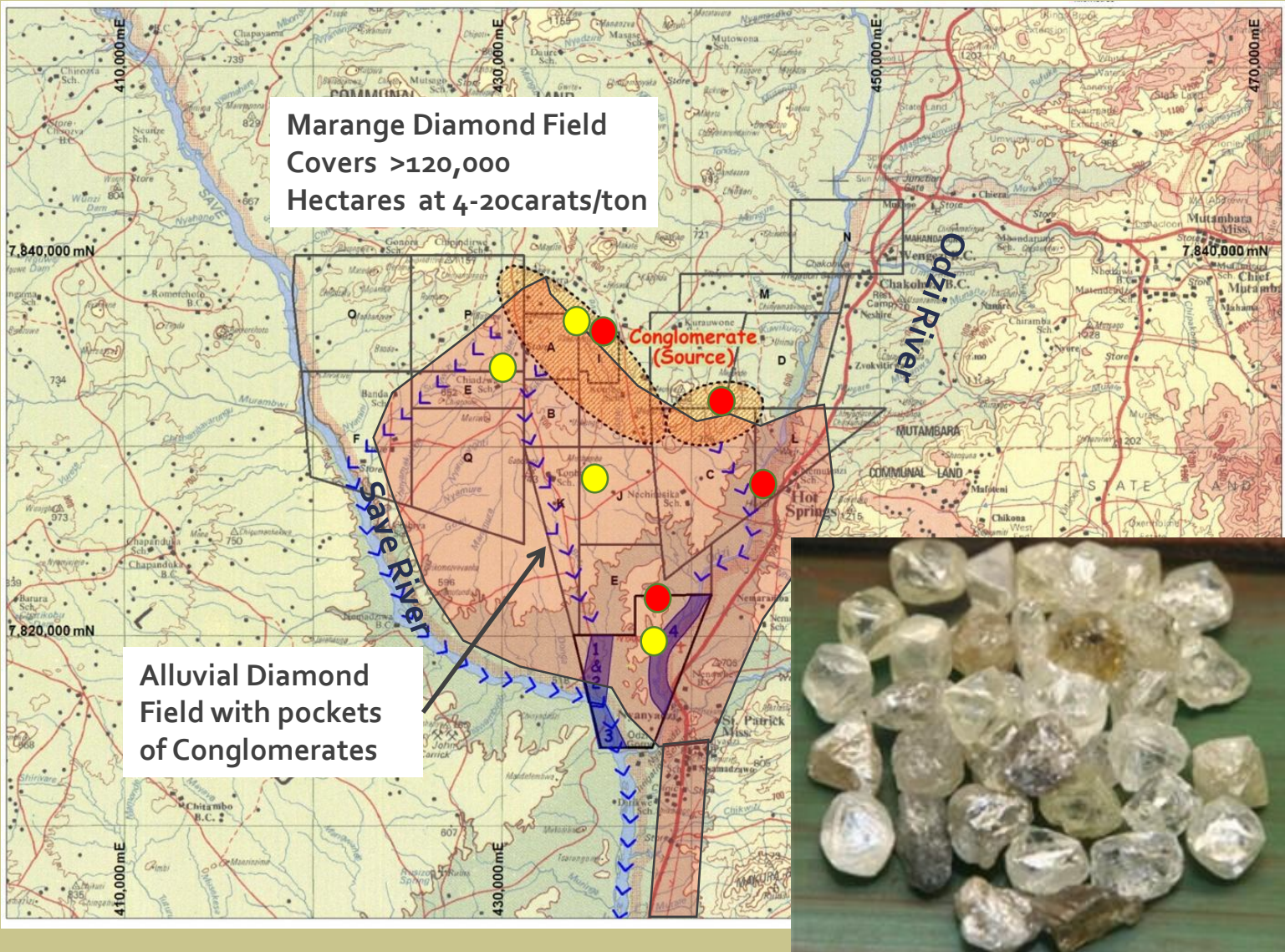
TENURE & GEOLOGY

ASX: OGI



- The project covers two licenses, 4969L and 4525L (22,000ha total)
- Valid until April 2017 & November 2016 respectively
- Concession 4969L consists of extensive alluvial gravels representing lower terraces of the Save River Valley
- Concession 4525L consists of extensive gravels, grits and conglomerates

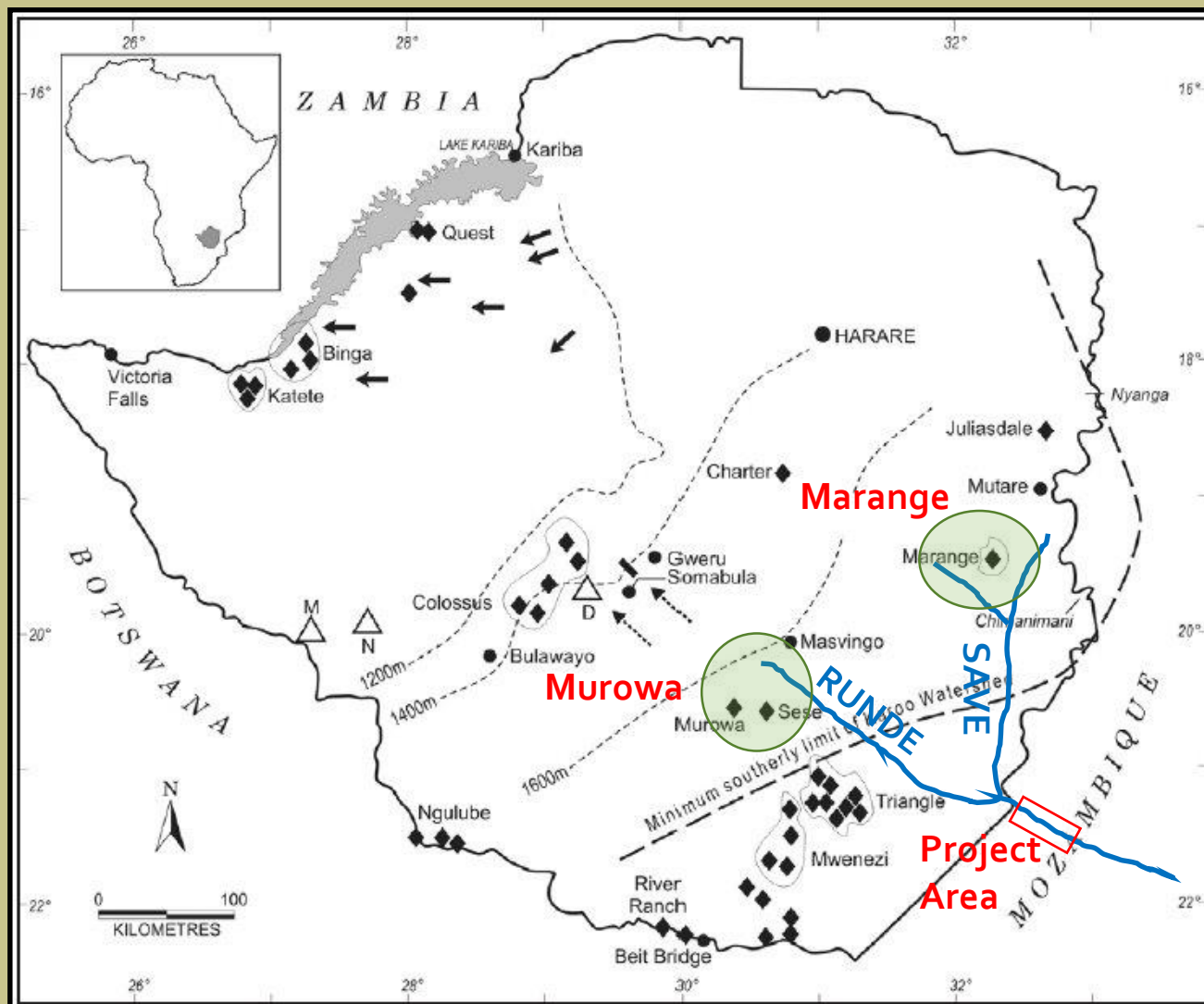
DIAMOND RICH SOURCE AREA



- Marange Diamonds – Gem (30%) & Industrial (70%)
 - Higher % Gem quality expected for Save River (Mozambique)
- Diamond Mine - Conglomerate
● Diamond Mine – Alluvial Gravels

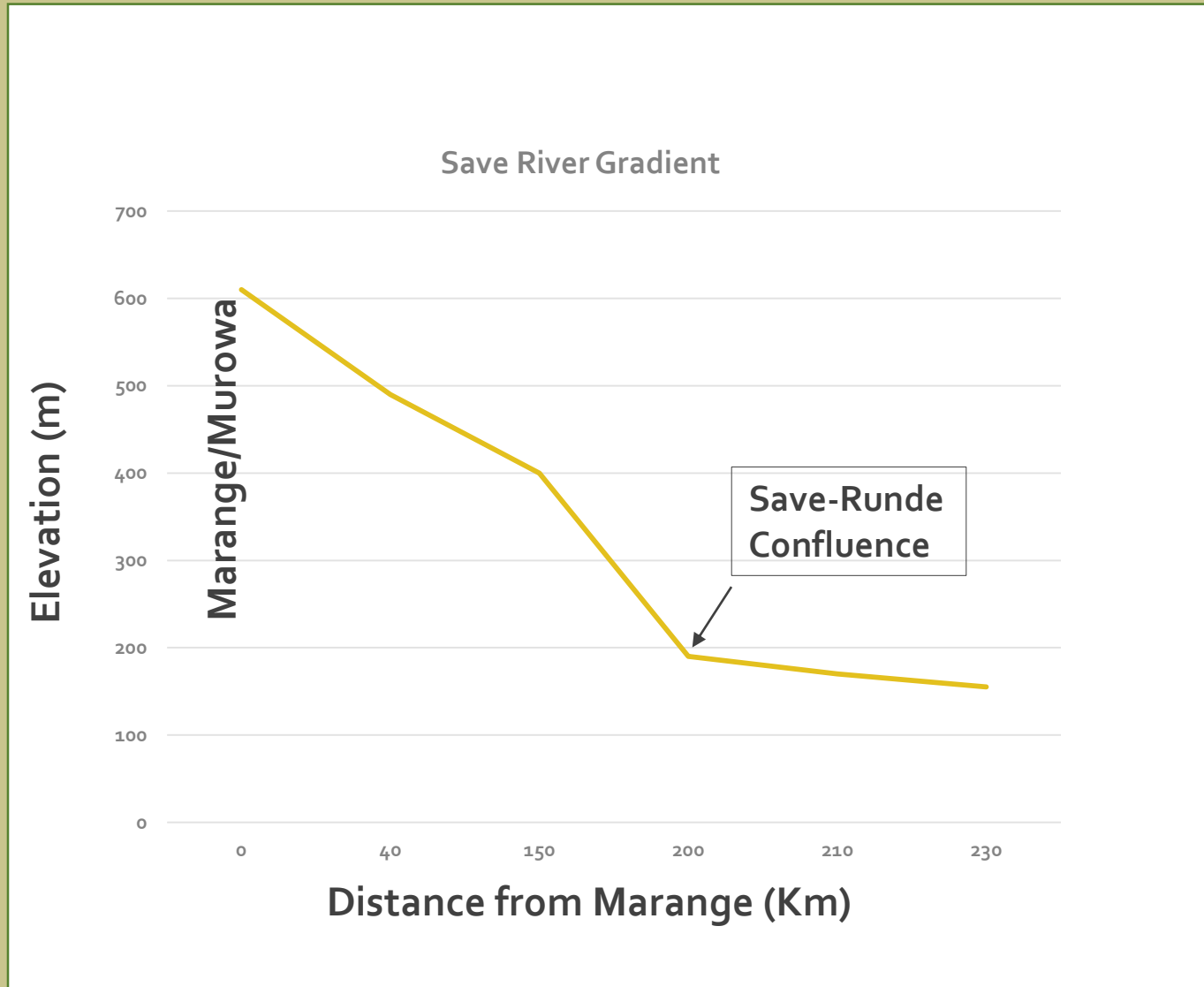


UNIQUE GEOLOGICAL OCCURENCE



- Most Kimberlites in Zimbabwe weathered away (600m weathering)
- Diamonds deposited into the Save & Runde river system
- Marange Conglomerates cover an area of 120,000 hectares and have a grade of 4-20 carats/ton (2000 carats/100ton) at an average price of >\$100/carat
- Save & Runde rivers have been draining the Zimbabwe diamond fields for the last 180 Million Years

POTENTIAL FOR HIGH QUALITY DIAMONDS

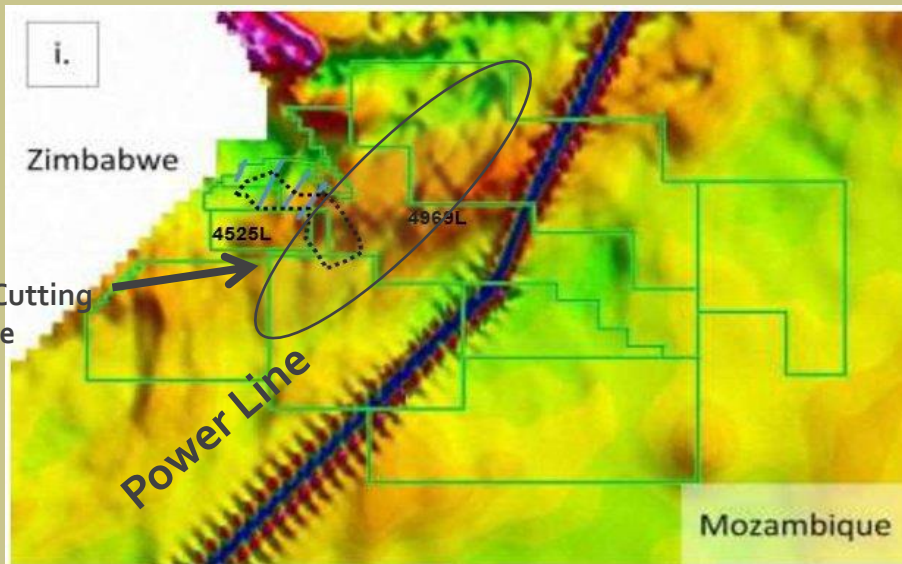


- OGI licenses are <180km from Marange Diamond fields
- Save/Runde Rivers maintains a youthful gradient until the Save-Runde River confluence
- High Energy will destroy weak and flawed diamonds leaving high quality diamonds
- Sudden change in gradient facilitates massive gravel deposition in license areas
 - Supported by a 20 x 30km gravel bar observed during field work



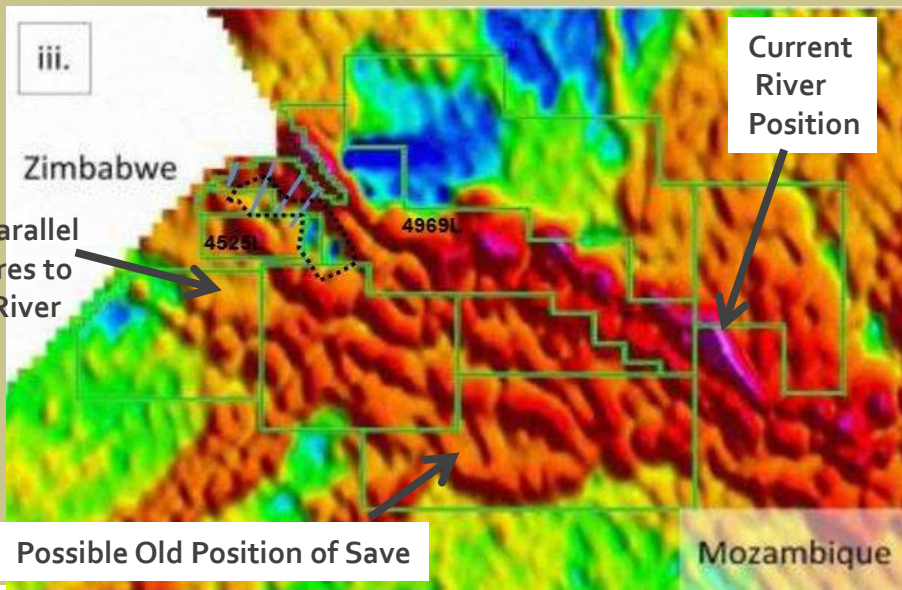
Magnetics

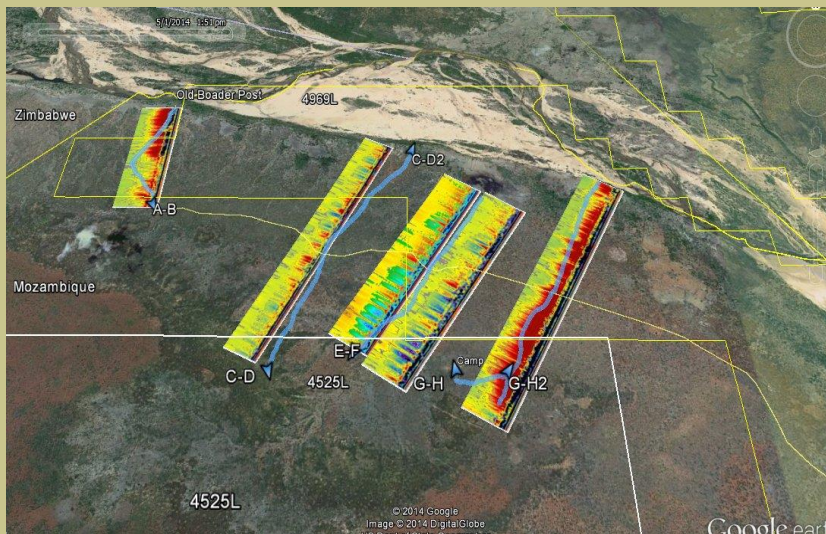
- Magnetics image indicates presence of a cross cutting feature across licenses 4525L and 4969L
- Cross cutting features acted as a barrier and promoted trapping of diamonds within the two concessions



Radiometrics - Thorium

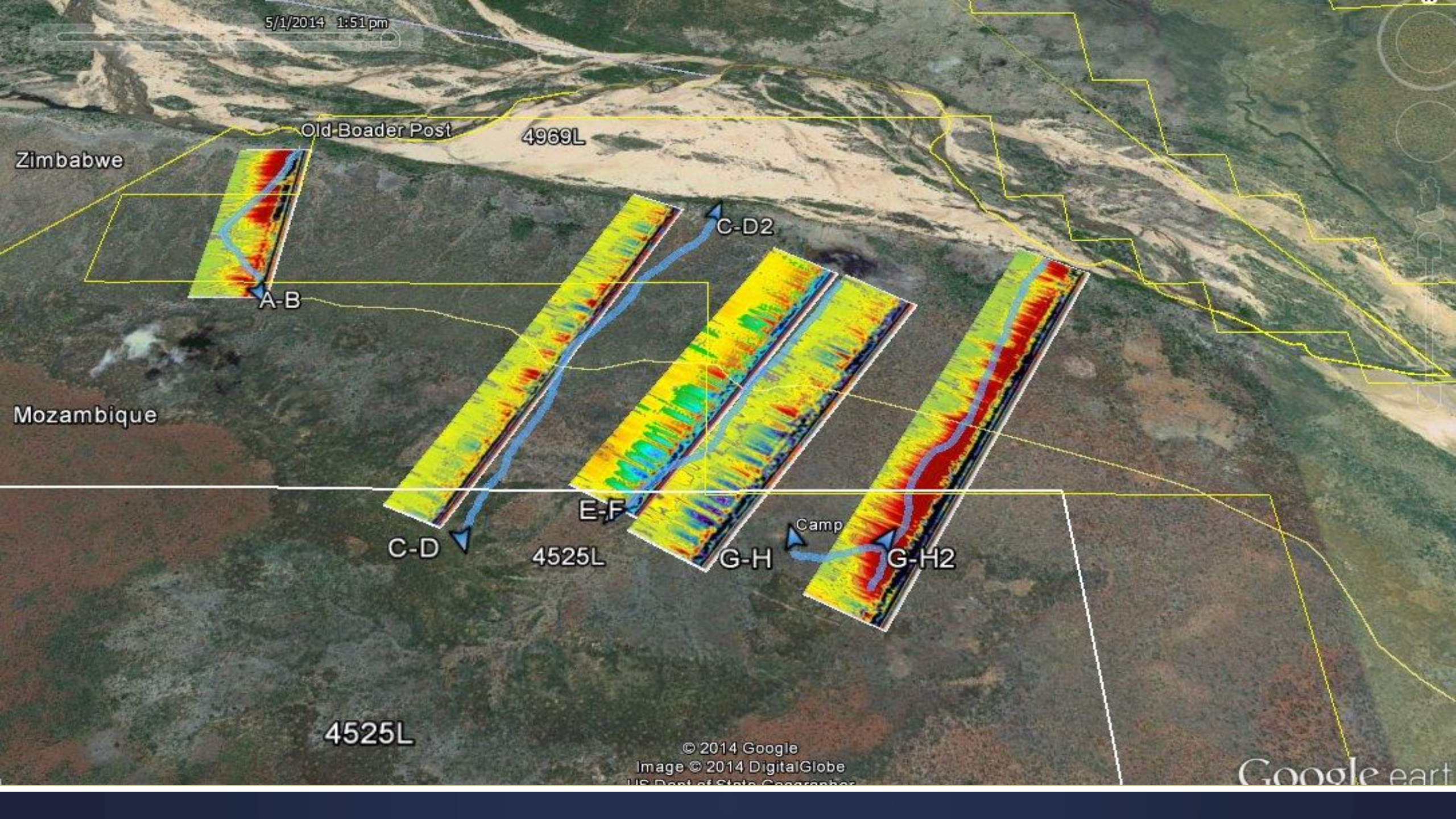
- Radiometrics – Thorium image indicates a northward migration of the Save River
- Confirms various paleo channels in the two concession areas





- **11km of Ground Penetrating Radar Completed on 4969L & 4525L**
- **Survey mapped 14m deep and 1.5km wide features (paleo channels) correlating with gravels mapped on surface in the west and east**
- **Cross cutting feature increase likelihood for trapping of diamonds**
- **Paleo channels shown by GPR will be tested for diamonds (bulk sampling program)**

5/1/2014 1:51pm



Zimbabwe

Old-Boader Post

4969L

A-B

C-D2

Mozambique

C-D

E-F

4525L

Camp

G-H

G-H2

4525L

© 2014 Google
Image © 2014 DigitalGlobe
US Dept. of State Geography

Google earth

SIGNIFICANT RESOURCE POTENTIAL



- Thick gravel terraces that are 20m to 50m above the current channel
- Largest concentration of gravels is after the confluence of the Save and Runde rivers
- Gravels and conglomerates stretch for 20km along the river covering an area of 30km on either side of the Save River

Gravels exposed in 4969L

GRAVEL TERRACES IN PROJECT AREA



Pit on 4525L exposing gravels



Gravels on 4969L



Grit on 4525L representing older terraces

- Typical gravels have an average cobble size of 8cm
- Gravel Terraces cover an extensive area of 20km along the Save River and occur >30km on either side of Save River
- Older & higher terraces have been compacted to a grit/conglomerate in license 4525L



- Process material from paleo channels to test for diamonds
- Use of Pans allows large volume of material to be processed
- Concentrates to be processed using Jigs
- Identify areas with good diamond recoveries and trap sites
- Budget for the above process is US\$1.7 Million (>85% financed from existing cash)
- Programme to be completed in 3-6 Months



PLACEMENT DETAILS



- AS1.4million cash on hand (June, 30 audited)
- Around 67:1 share consolidation
- Around A\$6million through convertible notes
- Conversion price of A\$0.20 per share and interest rate of 10% (on a post share consolidation basis)
 - Notes to convert in prospectus (Dec 2014)
- Funds to be used for further exploration (bulk sampling program)
- Top-up share issue to current shareholders (Minimum of A\$600,000)
- Completion of the capital raising in December 2014



THANK YOU

DISCLAIMER

This document has been prepared by OGI Group Limited ("OGI" or "the Company") and provides an overview to interested analysts and investors. This Information Memorandum ("IM") and its contents have been made available in confidence and may not be reproduced or disclosed to third parties or made public in any way without the express written permission of OGI. It is provided to the recipient solely for its use in connection with providing background information in relation to OGI and it is not to be used for any other purpose.

This presentation is being provided for the sole purpose of providing preliminary background financial and other information to enable recipients to review the business activities of OGI. This presentation is thus by its nature limited in scope and is not intended to provide all available information regarding OGI. This presentation is not intended as an offer, invitation, solicitation, or recommendation with respect to the purchase or sale of any securities. This presentation should not be relied upon as a representation of any matter that a potential investor should consider in evaluating OGI. Prospective investors considering an investment in OGI must make, and will be taken to have made, their own independent investigation and analysis of the information in this presentation. Independent expert advice (including from a prospective investor's accountant, stockbroker, lawyer or other professional adviser) should be sought before making a decision to invest in OGI.

NOT A PROSPECTUS OR OTHER DOCUMENT REQUIRING LODGEMENT WITH ASIC

This presentation is being provided to persons who, or in circumstances that, fall within one of the exclusions from the disclosure requirement contained in section 708 of the Corporations Act 2001 (Cth) (Corporations Act). Therefore, this document is not a prospectus or other disclosure document required to be lodged with the Australian Securities and Investments Commission under Chapter 6D of the Corporations Act; or is it a product disclosure statement or similar document required under Chapter 7 of the Corporations Act. Accordingly, this document does not contain the information which would be contained in a prospectus or other disclosure document prepared under the Corporations Act and does not purport to contain all of the information that may be necessary or desirable to enable a potential investor to properly evaluate and consider an investment in OGI.

OGI and its affiliates, subsidiaries, directors, agents, officers, advisers or employees do not make any representation, undertaking or warranty, express or implied, as to or endorsement of the accuracy, adequacy, reasonableness or completeness of any information, statements, representations or forecasts contained in this IM, and they do not accept any liability or responsibility for any statement made in, or omitted from, this presentation. OGI accepts no obligation to correct or update anything in this IM. No responsibility or liability is accepted and any and all responsibility and liability is expressly disclaimed by OGI and its affiliates, subsidiaries, directors, agents, officers, advisers and employees for any errors, misstatements, misrepresentations in or omissions from this presentation.

Nothing in this presentation should be construed as financial product advice, whether personal or general, for the purposes of section 766B of the Corporations Act. This presentation consists purely of factual information and does not involve or imply a recommendation or a statement of opinion in respect of whether to buy, sell or hold a financial product. This presentation does not take into account the objectives, financial situation or needs of any person, and independent personal advice should be obtained.