

INVESTOR UPDATE & CAPITAL RAISING

ASX: AEV ♦ ABN 48 116 296 541



OCTOBER 2017

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Compliance Statement

Information in this document relating to Exploration Results or estimates of Mineral Resources or Ore Reserves has been extracted from the reports listed below. The reports are available to be viewed on the company website at: www.avenira.com

Baobab Project

21 January 2016: Technical Report Mineral Resource Estimation for the Gadde Bissik Phosphate Deposit, Republic of Senegal

28 October 2016: September 2016 Quarterly Activities Report

23 February 2017: Baobab Exploration Results Update

2 March 2017: Significant Increase to Indicated Mineral Resource at Baobab Phosphate Project

9 June 2017: Company Update (Strategic Plan)

31 July 2017: June 2017 Quarterly Activities Report

11 September 2017: Baobab Exploration Results Update

12 October 2017: Mineral Resource increase at Baobab Phosphate Project

Wonarah Project

15 March 2013: Technical Report Mineral Resource Estimation for the Wonarah Phosphate Project, Northern Territory, Australia

30 April 2014: Quarterly activities report

Avenira confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Avenira confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Avenira is a phosphate rock mining company. Our flagship asset, the 80%-owned Baobab mine in Senegal, is being positioned for a major capacity expansion.

Avenira owns a producing phosphate rock mine in Senegal

- Senegal is a stable and mining-friendly West African country
- Indicated Resource of 34.9 Mt @ 20.7% P_2O_5 , Inferred Resource of 156 Mt @ 18% P_2O_5 ¹
- Processing-friendly deposit – free dig, well-defined silica and apatite grains
- Well located relative to key infrastructure
- Started production in 2016, with 2 cargoes already shipped

1 Mtpa expansion project to be progressed in the near-term²

- Targeting increased production and enhanced recoveries, to improve product quality and reduce operating costs to a competitive position on the cost-curve³
- Only requires well-understood crushing, flotation, magnetic separation and drying technologies
- High-grade product (~ 35% P_2O_5) expected, aiming to attract prices at a premium to benchmark
- Existing operations extensively de-risk expansion plans
- Hatch upfront capital estimate of US\$53m (to ± 30% accuracy, assuming contract mining), Avenira's 80% share US\$43m⁴

Refreshed Board and management

- Key personnel have deep experience in the phosphate, mining and operating in Africa

Strong and supportive shareholders

- Largest shareholders are Agrifos (currently 24.7%, incl. associates) and Mimran Group (currently 17.4%)
- Agrifos is a privately owned fertilizer development company
- Mimran Group is the largest private-sector employer in Senegal, with interests in sugar refining, agribusiness and mining

Note 1: Refer to the 'Mineral Resource at Baobab Phosphate Project' announcement on the ASX dated 12th October 2017, and the Compliance Statement of page 2 of this presentation.

Note 2: Subject to completion of studies, internal and Government approvals and financing.

Note 3: On a quality-adjusted basis and relative to CRU 2017 estimates for other operations. See further slide 13.

Note 4: Based on initial estimate to +/- 30% accuracy from Hatch conceptual engineering study of US\$53.4m.

Source: CRU Phosphate Rock Cost Report (2017), Profercy Phosphates (12 October 2017).

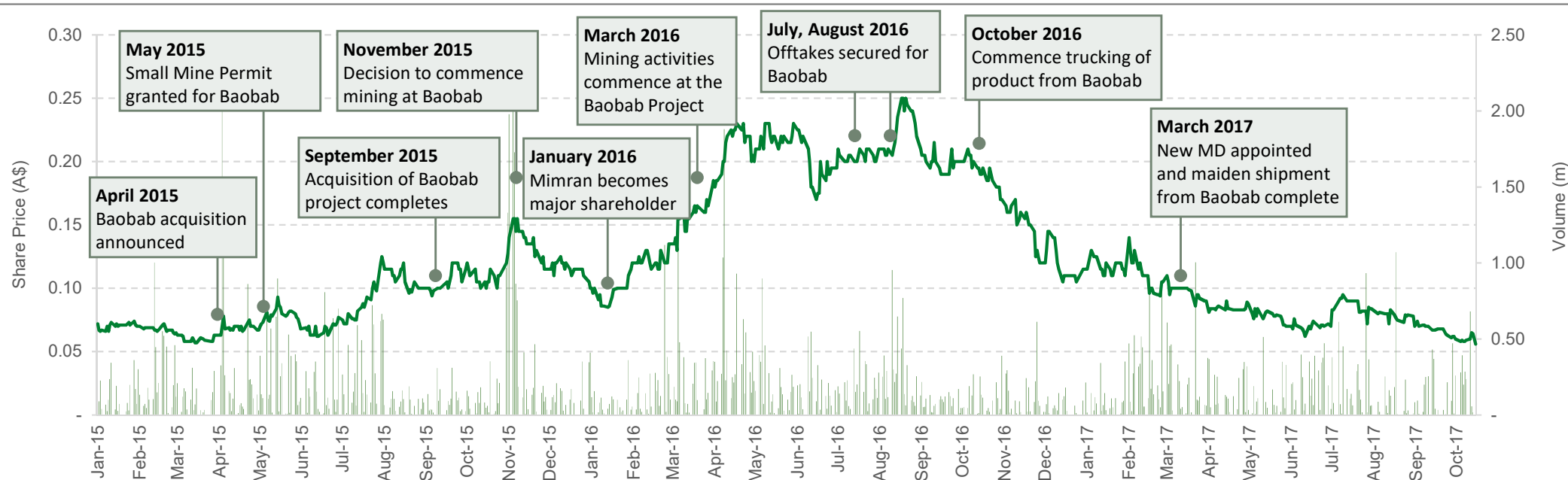
CAPITAL STRUCTURE

Ordinary shares on issue	601.6m
Share price (market close 20 October 2017)	A\$0.056
Market Capitalisation	A\$33.7m
Debt (as at 20 October 2017) ¹	A\$10.7m
Cash (as at 20 October 2017)	A\$(2.3)m
Enterprise Value	A\$42.1m

SUBSTANTIAL SHAREHOLDERS

Agrifos & Associates	24.7% ²
Mimran Group	17.4%
J.P. Morgan Asset Management	5.1%
Total	47.2%

SHARE PRICE / VOLUME HISTORY (A\$; MILLIONS)



Note 1: Comprised of term loan provided by CBAO Groupe Attijariwafa Bank in Senegal and unsecured bridge loans provided by Agrifos Partners and Table Corporation.

Note 2: Includes related entity Vulcan Phosphate LLC's 2.3% stake.



- Agrifos is a group of privately owned fertilizer development companies
- The owners of the Agrifos group have been involved in numerous successful transactions in the fertilizer sector and have owned and operated several fertilizer assets over the past decades
- Agrifos initiated the Baobab Project in 2011 by acquiring Atlas Resources' exploration permit, carrying out extensive exploration drilling and identifying the Gadde Bissik Prospect



- Under the banner of Groupe Mimran, the Mimran family has a long history of successful and socially responsible operations in Africa
- Groupe Mimran is the largest private sector employer in Senegal (with more than 6,700 employees) and one of the largest agri-business players in the region
- Groupe Mimran currently holds a 20% stake directly at the Baobab Project level in addition to its Avenira holding, and has identified mining opportunities as a key growth segment
- Also owns a stake in a Senegalese gold mine (Teranga)

Avenira's Board and senior management are experienced in both the phosphate industry and in African mining operations.



Dr. Christopher Pointon – Non-Executive Chairman

- Respected mining executive with deep public company board and operational management experience
- Trained as a geologist with over 35 years experience in the resource sector with Rio Tinto, Royal Dutch/Shell & BHP
- Previously President of BHP Billiton's Stainless Steel Materials Division. Developed BHP Billiton's nickel business from its inception in Billiton Plc to become the world's third largest nickel producer. Was a member of the BHP Billiton Executive Committee from its inception



Farouk Chaouni – Non-Executive Director

- Principal and Chairman of the Agrifos Group
- Over 40 years experience in the phosphate industry
- Involved in numerous transactions in the U.S. phosphate fertilizer industry including the acquisition, restructure and sale of several fertilizer assets
- Commercial Director of Office Chérifien des Phosphates (OCP) until 1987



David Mimran – Non-Executive Director

- Non-Executive Director of TSX/ASX listed Teranga Gold
- CEO of Grands Moulins d'Abidjan and Grands Moulins de Dakar (one of the largest flour and agri-food producers in West Africa)
- Extensive experience in West Africa business operations



Dr. Louis Calvarin – Managing Director and CEO

- Experienced executive with 20 years in the phosphate industry and over 30 years experience in the chemical manufacturing sector in Europe and the Americas
- Previously Senior Vice President of Innophos, a NASDAQ listed specialist in the production of specialty-grade phosphate products
- Trained as a chemical engineer, with a successful track record in engineering, manufacturing, industrial assets management and strategic planning



Ian McCubbing – Non-Executive Director

- Chartered Accountant with over 25 years of corporate experience in corporate finance and M&A
- Spent over 13 years working with ASX-listed mining companies in senior finance roles



Timothy Cotton – Non-Executive Director

- Vice Chairman and a principal of the Agrifos Group
- 20 years experience in the phosphate mining and fertilizer sector, with a focus on business and project development, strategic transactions, M&A and finance



Manar Ba – Directeur Général

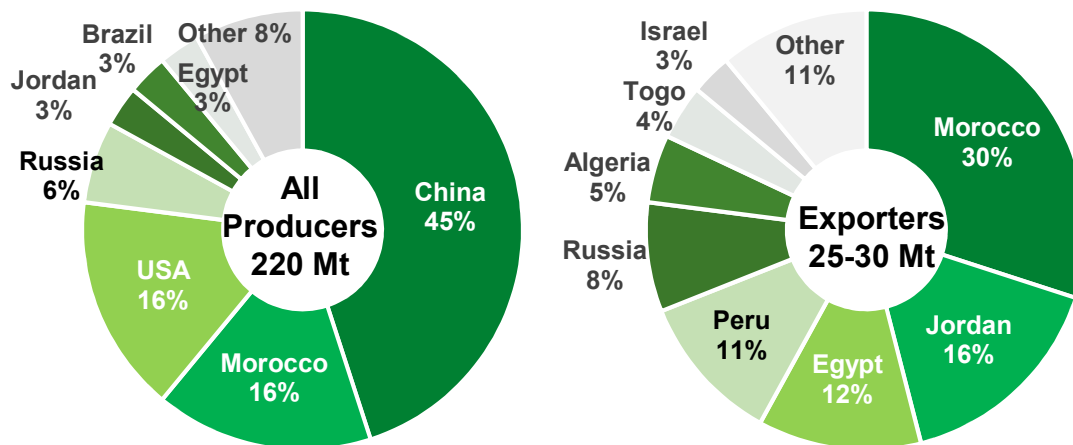
- Started the Baobab project in 2011
- Extensive experience in the management of Senegalese companies

Phosphate Market

Phosphate is a key ingredient in fertilisers, which provide essential nutrients to soils, livestock & people, resulting in more food, better nutrition and healthier lives.

PHOSPHATE OVERVIEW

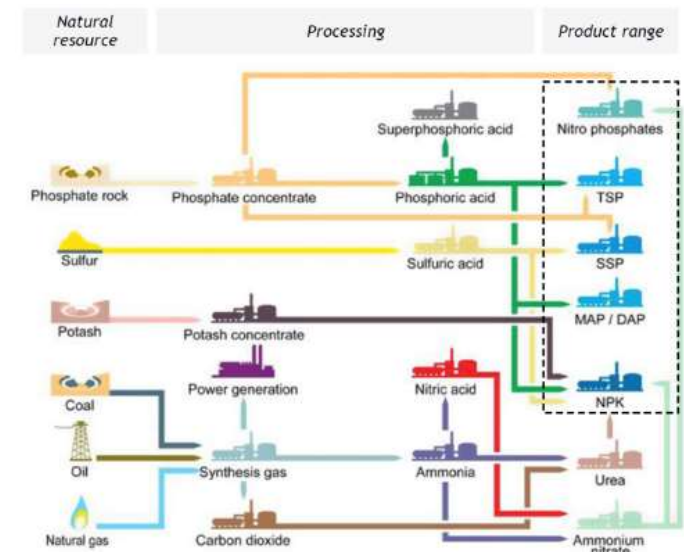
- Phosphate rock is mined from igneous apatites, sedimentary phosphates, or guano deposits
 - It is the ingredient for essentially all phosphate products
 - > 90% of global demand is in fertilisers
- High incidence of vertical integration: only ~ 12-15% of annual global phosphate rock demand is traded
- Sector currently at a cyclical low
- Demand expected to continue growing as world population grows and standards of living improve
- Demand from Africa expected to rise with significant population growth and urbanization driving food production



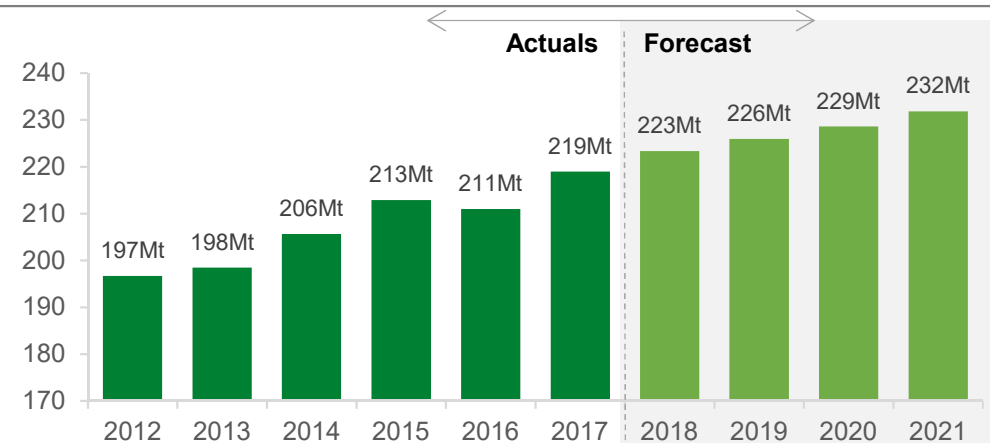
Source: CRU – Phosphate Rock Market Outlook February 2017, IFA, Argus FMB

DEMAND DRIVERS & PRODUCT RANGE

- ✓ **Population growth and food demand**
- ✓ **Declining arable land per capita**
- ✓ **Increasing farming intensity**
- ✓ **Lack of substitutes**
- ✓ **Undernutrition (over 2 billion people)**



PHOSPHATE ROCK DEMAND FORECAST



Baobab Project – Overview

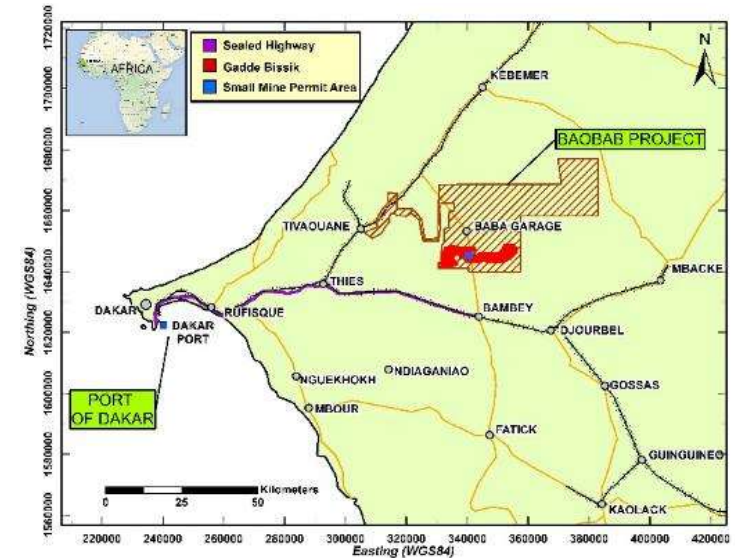
PROJECT OVERVIEW

- Sedimentary rock phosphate mineralisation
- 1,163 km² exploration concession, one of several phosphate deposits in the Senegal Sedimentary Basin
- Open pit, free dig mining, with mining operations sub-contracted
- 145 km east of the Port of Dakar and within close proximity to infrastructure including sealed roads, a new highway and railway
 - Trucking and port contracts in place
- Small Mine Permit (SMP) currently covers 5 km² area, allowing unlimited production from the Gadde Bissik prospect
- Indicated Resource of 34.9 Mt @ 20.7% P₂O₅, Inferred Resource of 156 Mt @ 18% P₂O₅ (at 15% cut-off)¹
- Current nameplate capacity ~ 500 ktpa
- Plant commissioned and first production in August 2016, with two full vessel cargoes already shipped to India, the world's largest import market
- Straightforward mineralogy with **well-defined silica and apatite grains** – enables beneficiation to high-grade commercial concentrate with well-known and widely applied flotation technologies

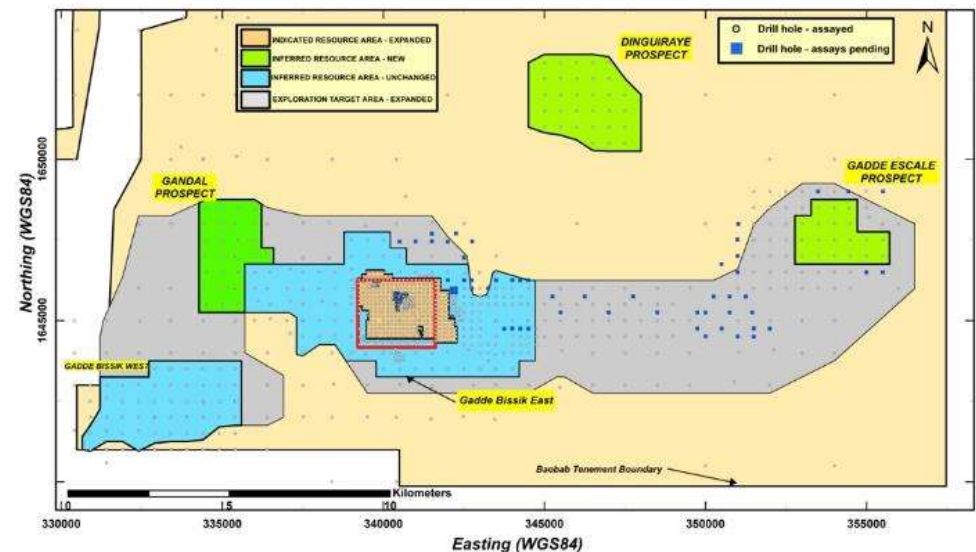
Notes:

1. Refer to the 'Mineral Resource at Baobab Phosphate Project' announcement on the ASX dated 12th October 2017, and the Compliance Statement of page 2 of this presentation.

PROJECT LOCATION



RESOURCE MAP



COUNTRY OVERVIEW

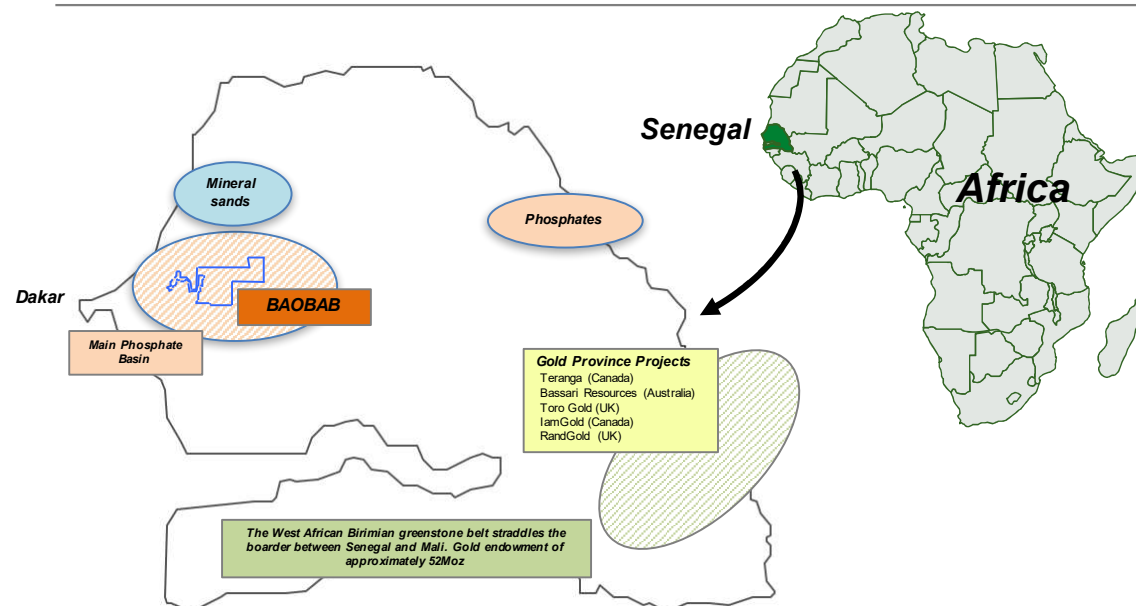
Population	15.3M
Languages	French (official) Native African languages
Government	Presidential republic
Currency	West African CFA franc (pegged to €)
GDP (2016)	US\$14.8B

Senegal is a mining friendly location:

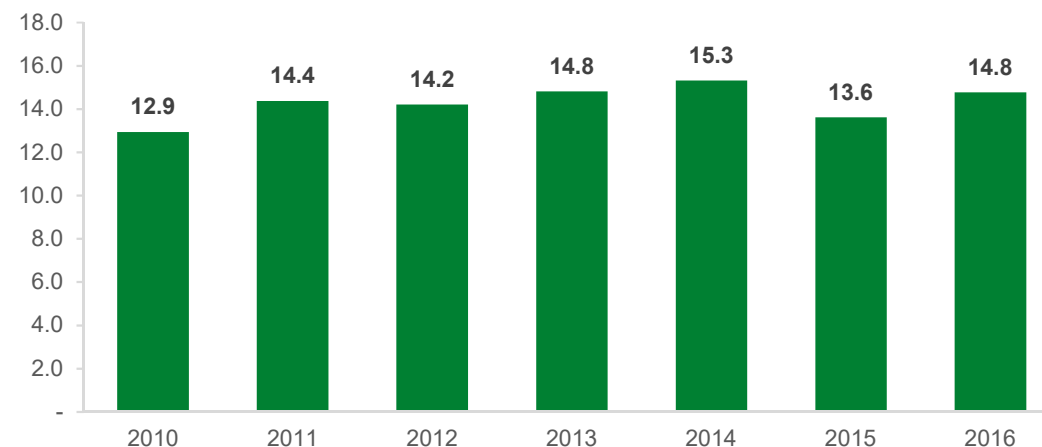
- ✓ Stable social and political environment with a favourable investment climate
- ✓ “One of the most stable countries in Africa” (World Bank 2017)
- ✓ Established mining industry with phosphates as primary export
- ✓ Mining code revised in November 2016, administered by the Ministry of Industry and Mines
- ✓ Constructive and transparent Government involvement
- ✓ Well connected infrastructure and qualified workforce

Source: The World Bank, the International Monetary Fund.

LOCATION



GROSS DOMESTIC PRODUCT (US\$B)



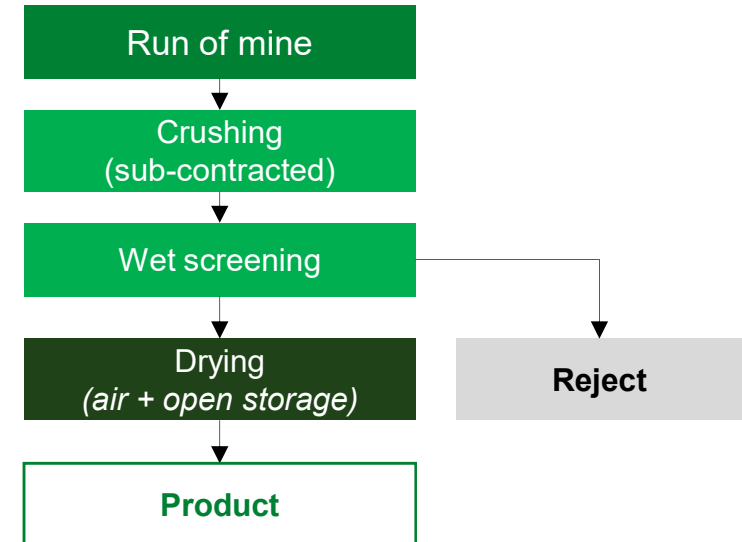
EXPANSION OVERVIEW

- Current plant sub-optimal due to simple washing technique being used
 - Low product recovery and production volumes, resulting in high unit costs and sub-optimal product quality
- Major plant upgrade planned, including **new crushing plant, flotation unit, magnetic separation, drying and covered staging storage**
- Plant designed to process approximately 2.4 Mtpa of nominal grade 20.6% P_2O_5 feed to produce approximately 1.0 Mtpa with product grade of ~ 35% P_2O_5**
- Mining concession to be expanded to targeted 75 km² (upon grant of LMP) – all permits and applications lodged for Large Mine Permit (LMP), which is expected to be granted by Q1 CY18

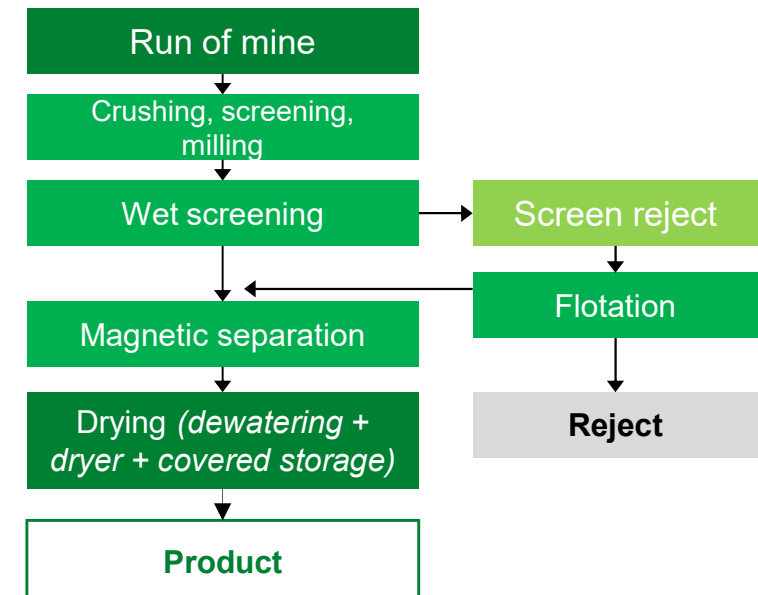
TARGETED EXPANSION OUTCOMES

- Targeting year round production with capacity of ~ 1 Mtpa
- Targeting an increase in phosphate recovery from ~ 50% to ~ 70%
- Targeting significantly improved product specifications to attract a higher price
- Seeking to reduce moisture from 4% to 3% and to achieve a competitive MER and silica assay
- Seeking to produce higher grade (~ 35% P_2O_5) product with a low CaO: P_2O_5 ratio (< 1.4)

CURRENT FLOW SHEET



IMPROVED FLOW SHEET



CAPITAL COST: ESTIMATES

- Concept level engineering work undertaken by Hatch indicates a **capital cost estimate of US\$53.4 million for the expansion and upgrade of the processing plant ($\pm 30\%$ basis, assuming contractor mining)**
 - Includes direct costs of US\$28.9 million, indirect costs of US\$13.8 million and a contingency of US\$10.7 million
 - **Avenira's 80% share estimated at US\$42.7 million**
- Excludes mobile equipment, mine infrastructure, site buildings or camp, site security and site communication systems
- Key engineering scope assumptions:
 - Existing water supply is sufficient for plant demand
 - Existing tailings impoundment area is sufficient for life of mine
 - No incremental capital costs associated with securing increased electrical power requirements
- Mobile fleet required for owner-mining estimated upfront capital cost of approximately US\$40 million (reviewed by Hatch)



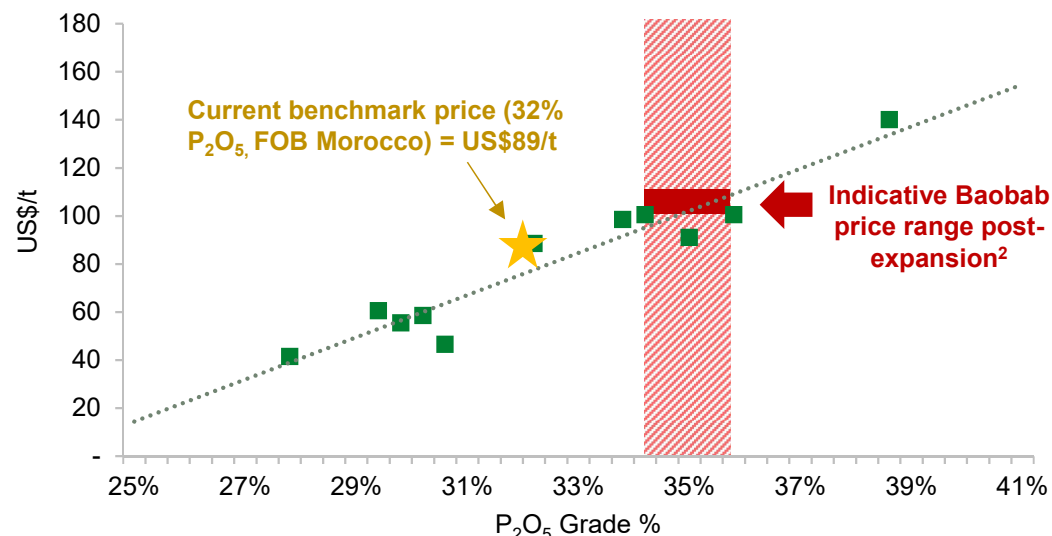
Notes:

1. The Company does not anticipate capital costs being less than US\$53.4m. Further work to refine this estimate will be undertaken in the next phase of study.

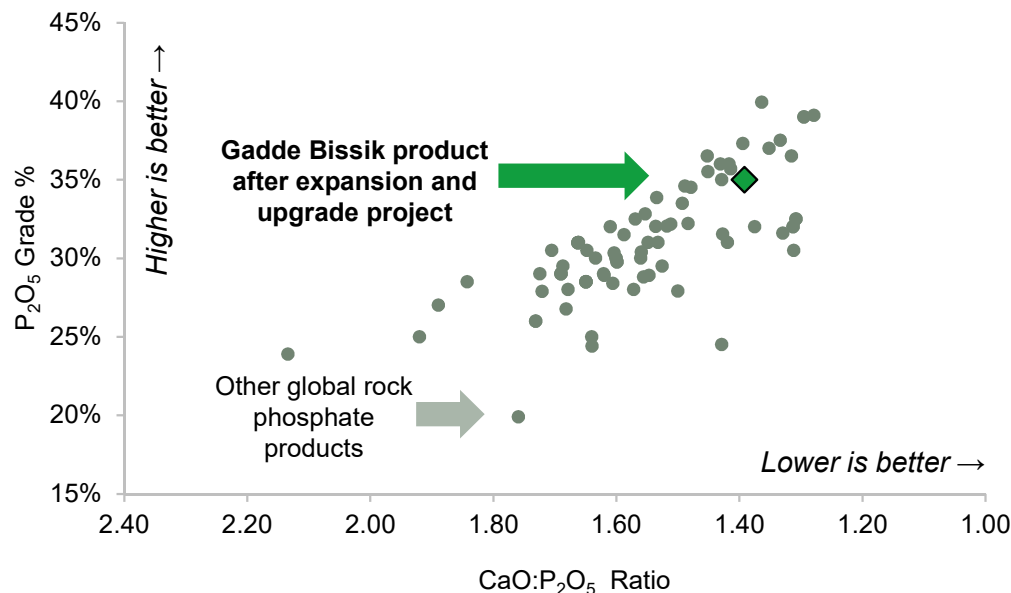
POST EXPANSION PRODUCT SPECIFICATIONS

- Most important characteristics for phosphate rock are:
 - P_2O_5 content (higher is better)
 - $CaO:P_2O_5$ ratio (lower is better)
 - Minor Elements Ratio, or MER (lower is better)
- Differences in quality can impact manufacturing costs of downstream products, and value of downstream products themselves
- Following expansion and upgrade project, the plant should be capable of producing phosphate rock concentrate with the following specifications:
 - High P_2O_5 content of ~ 35%
 - Low $CaO:P_2O_5$ ratio of < 1.4
 - Low organic content and corrosivity
 - Competitive MER and silica content
- Based on CRU methodology set out in CRU Phosphate Rock Cost Report, these improved specifications could potentially attract a ~ US\$10/t premium to the current Moroccan 31% P_2O_5 FOB price of ~ US\$ 80/t^{1,2}
 - Premium will ultimately depend on terms negotiated with off-take partners, and new entrant discounts may apply initially

PRICES VS. P_2O_5 CONTENT¹



P_2O_5 GRADE VS. $CaO:P_2O_5$ RATIO



Note 1: Price relationship as at 12 October 2017, as per the Profercy Phosphates Report.
Note 2: CRU Phosphate Rock Cost Report (2017), CRU Phosphate Rock Outlook (August 2017).

Baobab Project – Operating Costs

EXPANSION ESTIMATES

- The expansion and upgrade project aims to place the Baobab mine in a globally competitive unit operating cost position
- Hatch's engineering estimates (based on mining experience, contractor quotes and engineering projections) indicate **FOB cash operating costs** in the range of **US\$46-56/tonne**
 - Low-end assumes owner-mining, high-end assumes contractor mining
 - Processing costs estimated by Hatch and Avenira
 - Other costs based on refreshed quotes and company estimates for country-specific input costs (based on existing operations) and royalty rates
 - Avenira's experience operating the mine gives additional confidence to these estimates

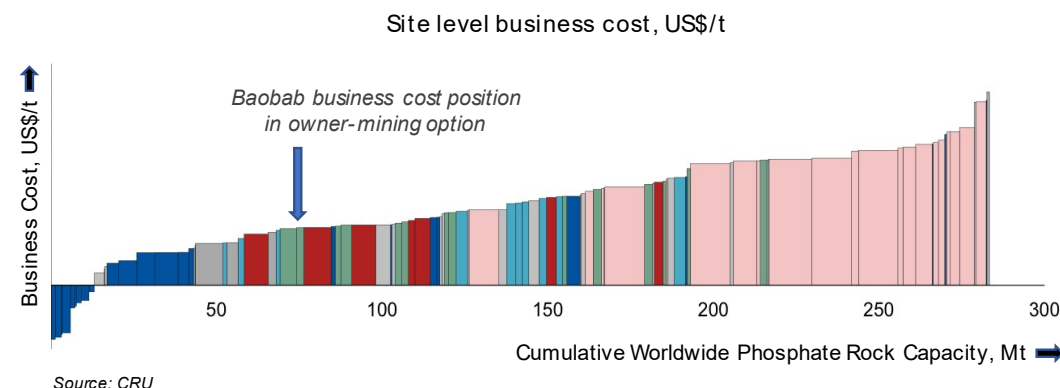
CASH UNIT OPERATING COST ESTIMATES

US\$/t, FOB vessel & before quality adjustments	Contract-mining	Owner-mining
Mining	22	12
Processing Plant	14	14
Transport, Logistics & Royalties	20	20
Total	US\$56/t	US\$46/t

BUSINESS COST COMPARISON

- CRU estimated 'business cost' curve for phosphate rock production includes site-based costs, transport costs and location and quality adjustments
- Baobab Project to potentially be in the lowest quartile of CRU's 2017 "business cost" curve (in an owner-mining scenario)
 - Includes US\$10/t quality adjustment described on page 12
- Baobab would lie in a competitive cost position post expansion and upgrade relative to the global market

CRU QUALITY-ADJUSTED COST-CURVE (US\$/t)



DOWNSTREAM PROCESSING CAPACITY

- Ultimate goal of Baobab project is to have downstream capacity in addition to phosphate rock mining
 - Feasibility studies will be commenced in the medium term to support the expansion
- Phosphoric acid capacity – likely using the IHP technology (if successfully commercialised) to which Avenira has exclusive rights for Senegal and Australia
- Fertilizer capacity will be studied in detail as soon practically possible
- Expansion project is consistent with and sets the stage for this longer term downstream plan
- Africa is a key development continent for fertilizers
 - Population growth, current low application rates, urbanization
 - Downstream manufacturing capacity will open this domestic market to Avenira

POTENTIAL PARTNERS AND ATTRACTIVENESS

Non-integrated fertilizer producers needing rock or processed fertilizers in their systems are potential partners in the project through

- Long-term offtake commitments
- Equity share in the project

**The Baobab Project is of world scale
and provides a strong foundation for such
downstream development**



Now

Entitlement and Placement Offers

- Entitlement offer and placement offer to raise between A\$13-15 million (before costs)
- 9-for-20 at a price of 4.8 cents / share
- Foster Stockbroking Pty Ltd appointed as lead manager

Support from Existing Shareholders

- Close to fully underwritten, with commitments from existing shareholders of ~ A\$12.34m including;
 - Tablo (affiliate of Groupe Mimran) – A\$4.20m (incl. underwriting of A\$1.94m¹)
 - Agrifos – A\$2.80m
 - Agrifields – A\$5.14m (incl. underwriting of A\$4.65m), and with a minimum commitment of A\$2.49m

Use of Funds¹




- Repayment of shareholder loans (A\$6.4 million)
- Completion of engineering studies for expansion / optimisation
- Finalisation of Large Mine Permit application
- Potential lease down payment at new Bargny Port
- Working capital and costs of raising

Next 6 – 12 Months: Expansion & Upgrade Project

Expansion Funding

- Combination of debt and equity, supported by off-take agreements
- Debt – preliminary interest from local and international banks, and DFIs to-date
- Equity – targeting private equity, off-takers and other strategic investors to cornerstone equity component

Proposed Expansion Timetable

	Q4 CY17	Q1 CY18	Q2 CY18	Q3 CY18	Q4 CY18	Q1 CY19	Q2 CY19	Q3 CY19
Initial Hatch cost estimates	✓							
Entitlement offer	◇							
Resource update	✓							
Expansion engineering / feasibility studies								
LMP grant		◇—◇						
Financing								
Final investment decision				◇				
Construction								
First production								◇

◇ Key milestones

Avenira holds 100% of the Wonarah concession – a phosphate deposit in the Northern Territory. It also owns a 7% stake in JDC Phosphate, and has the exclusive rights to use its IHP technology in Senegal and Australia.

WONARAH PROJECT

- 100% owned by Avenira, and one of the largest phosphate deposits in Australia
- Measured Resource of 65 Mt @ 22.4% P_2O_5 , Indicated Resource of 133 Mt @ 21.1% P_2O_5 , Inferred Resource of 352 Mt @ 21 % P_2O_5 (15% cut-off)
- Requires JDCP's IHP process (if successfully commercialised) to make mine economically attractive
- Infrastructure in place, including road, rail and gas pipeline



JDC PHOSPHATE

- Progressing “Improved Hard Process” technology for superphosphoric acid production
- Has potential to provide a number of advantages across the value chain relative to existing technology
- JDCP recently announced that it had secured funding to accelerate the next step to commercialize IHP technology
 - Expect to complete plant modifications by early 2018



JDC Phosphate plant in Florida

Notes:

1. As at 30 June 2017 - refer to the Avenira 2017 Annual Report on the ASX dated 2nd October 2017, and the Compliance Statement of page 2 of this presentation.

Appendices



JORC RESOURCES¹

- Indicated Mineral Resource within SMP of 27.2 Mt at 21.0% P₂O₅
- Total Indicated Mineral Resource of 34.9 Mt at 20.7% P₂O₅
- Total Inferred Mineral Resource of 156 Mt @ 18% P₂O₅

		Tonnes	P ₂ O ₅	CaO	MgO	Al ₂ O ₃	Fe ₂ O ₃	SiO ₂
		Mt	%	%	%	%	%	%
Within SMP	Indicated	27.2	21.0	29.0	0.08	2.1	3.7	40.7
	Inferred	2	20	28	0.14	2.6	2.7	43
Outside SMP	Indicated	7.7	19.6	27.2	0.08	2.3	3.9	43.7
	Inferred	68	18	25	0.11	2.9	3.5	46
Gadde Bissik East	Indicated	34.9	20.7	28.6	0.08	2.1	3.7	41.4
	Inferred	70	18	25	0.11	2.9	3.5	46
Gadde Bissik West	Inferred	6	17	23	0.19	5.1	6.7	42
Gandal	Inferred	16	18	25	0.10	3.4	8.8	41
Gadde Escale	Inferred	43	19	26	0.14	2.2	2.9	47
Dinguiraye	Inferred	21	19	27	0.19	3.1	3.3	43
Total Resources	Indicated	34.9	20.7	28.6	0.08	2.1	3.7	41
	Inferred	156	18	26	0.13	2.9	4	45



Notes:

- Refer to the 'Mineral Resource at Baobab Phosphate Project' announcement on the ASX dated 12th October 2017, and the Compliance Statement of page 2 of this presentation.

Key Risks (1 of 3)

The Company has released an offer document dated 24 October 2017 (**Offer Document**) which relates to its Entitlement Offer. The new shares to be offered under the Company's Entitlement Offer and Shortfall Offer (as such terms are defined in the Offer Document) (**New Shares**) are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks described below, together with information and more detailed risks contained in the Offer Document, before deciding whether to apply for New Shares.

The following list of risks ought not to be taken as exhaustive of all the risks faced by the Company and each or its subsidiaries (together with the Company, the **Group**) or by Shareholders. The proposed future activities of the Group are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be managed and mitigated by planning and the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Group or the Directors and cannot be mitigated.

Risk	Overview
Future Capital Requirements	<p>The Company will require additional funding during the second half of the 2018 financial year to fund the completion of the Baobab Phosphate Project beneficiation plant, expansion and upgrade step of the Company's Strategic Plan and to fund its ongoing operations and will need to undertake a significant fund raising, by way of debt and/or equity, which may or may not be available. If additional funds are raised through the issue of equity securities, the percentage ownership of current Shareholders may be diluted. Debt financing, if available, may involve certain restrictions on operating activities or other financings. Furthermore, while the upfront capital expenditure required to implement the Strategic Plan is estimated to be approximately US\$53.4 million (on a $\pm 30\%$ basis), with the Company's 80% share estimated at US\$42.7 million, these are estimated figures only and there is no guarantee that the capital cost actually required will not change at the time of implementing the Strategic Plan.</p> <p>In addition to or as part of the funding required to complete the Strategic Plan, the Company will be required to raise further funds in the second half of the 2018 Financial Year to fund its ongoing operations. An inability to obtain the required additional finance would have a material adverse effect on the Company's business and its financial condition and performance.</p>
New application and regulatory risks	<p>The Company currently holds a small mine permit (SMP) for its Baobab Phosphate Project and has filed an application for a large mine permit (LMP) which is expected to be approved before the end of Q1 2018. However, there is a risk that the Senegal Government will reject the application. While the Company has no reason to believe that all requisite approvals will not be forthcoming, Applicants should be aware that the Company cannot guarantee that any requisite approvals will be obtained. There is a risk that if the LMP is not granted and if the Group is unable to expand the resources available to the Baobab Phosphate Project beyond the SMP perimeter, then the Group may not be successful in attracting future financing or fundraising for the expansion and upgrade of the Baobab Phosphate Project, as this funding is likely to be predicated on the Group expanding the Baobab Phosphate Project within the LMP area and thus the overall life of the mine.</p>

Key Risks (2 of 3)

Risk	Overview
Ability to attract key personnel	The Group's success depends, in part, on its ability to identify, attract, motivate and retain suitably qualified management personnel. Competition for qualified and experienced staff is strong. The inability to access and train the services of a sufficient number of qualified and experienced staff could be disruptive to the Group's development efforts or business development and could materially adversely affect its operating results.
Development risks	As a result of the substantial expenditures involved in development projects, developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the mine. The project development schedules are also dependent on obtaining the government approvals necessary for the operation of a mine. Substantial expenditures are required to build mining and processing facilities for new properties. The timeline to obtain these government approvals is often beyond the Group's control. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated.
Foreign operations and sovereign risks	<p>The Group's operations in Senegal, or any other country in which the Group may in the future have an economic interest, are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates, high rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licences, permits and contracts, changes in taxation policies, restriction on foreign exchange, changing political conditions, currency controls and governmental regulations.</p> <p>Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the Group's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds uncertainties which cannot be accurately predicted and could have an adverse effect on the Group's operations.</p>

Key Risks (3 of 3)

Risk	Overview
Bargny-Sendou Port	<p>The Group currently utilises the Port of Dakar for its shipments. At present the Port of Dakar has sufficient capacity for the Group.</p> <p>If the Group successfully expands and scales up the Baobab Phosphate Project then the Port of Dakar may not have sufficient capacity for the Group. This would result in the Group not being able to export its product which would materially and adversely affect the Group's financial position.</p> <p>The Senegal Minergy Port is a Senegalese special purpose vehicle set up to undertake the design, building and operation of a multi-commodity dry and liquid bulk port in Bargny-Sendou, Senegal. The Bargny-Sendou port is projected to have sufficient capacity to support the expansion and scale up of the Baobab Phosphate Project. There is a risk that the Senegal Minergy Port construction schedule could be delayed, or that the handling fees prove to be higher than reasonably projected, which could materially and adversely affect the Group's financial position.</p>

International Offer Restrictions (1 of 3)

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below:

International Offer Restrictions

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Egypt

The Company is offering the New Shares in Egypt only to its Shareholders with a registered address in Egypt. The New Shares are not being offered to the public in Egypt.

United Arab Emirates

Neither this document nor the New Shares have been approved, disapproved or passed on in any way by the Emirates Securities and Commodities Authority (**ESCA**) or any other governmental authority in the United Arab Emirates, nor has the State received authorisation or licensing from the ESCA or any other governmental authority in the United Arab Emirates to market or sell the New Shares within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer of securities in the United Arab Emirates (excluding the Dubai International Financial Centre). No services relating to the New Shares, including the receipt of applications or the allotment of New Shares, may be rendered within the United Arab Emirates (excluding the Dubai International Financial Centre). In the Dubai International Financial Centre, the New Shares may be offered, and this document may be distributed, only as an Exempt Offer, as defined and in compliance with the Markets Rules issued by the Dubai Financial Services Authority (the **DFSA**). The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers.

International Offer Restrictions (2 of 3)

International Offer Restrictions

United Kingdom

Neither the information in this document nor any other document relating to the Offers have been delivered for approval to the Financial Services Authority in the United Kingdom and no Offer Document (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

International Offer Restrictions (3 of 3)

International Offer Restrictions

Greece

The information in this document has been prepared on the basis that all offers of Entitlements and New Shares will be made pursuant to an exemption under the Directive 2003/71/EC (**Prospectus Directive**), as amended and implemented in Greece, from the requirement to produce a prospectus for offers of securities.

An offer to the public of securities of the Company has not been made, and may not be made, in Greece except pursuant to one of the following exemptions under the Prospectus Directive as implemented in Greece:

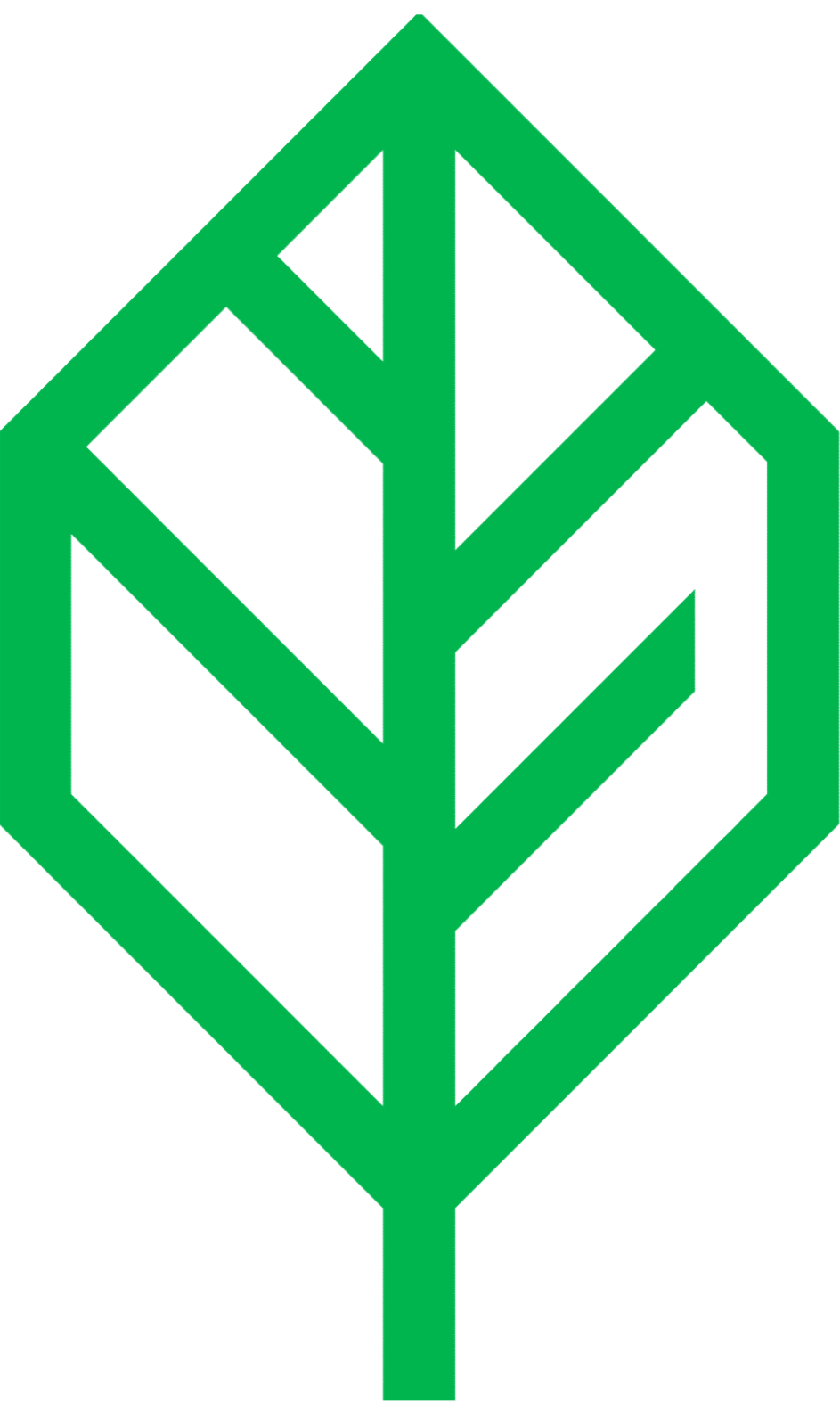
- to any legal entity that is authorised or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC) (**MiFID**);
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID;
- to fewer than 150 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the Company or any underwriter for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of securities shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

Lebanon

This document does not, and is not intended to, constitute an invitation or an offer of securities in Lebanon and accordingly should not be construed as a collective investment scheme by means of the Central Bank of Lebanon Law No. 706 dated December 9, 2005. The offering has not been licensed for offering in Lebanon by the Central Council of the Central Bank in Lebanon or any other relevant Lebanese government agency. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in Lebanon and it has not been reviewed or approved by the capital market authority in Lebanon or any other regulatory authority, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this document.

Panama

The New Shares have not been registered with, and are not under the supervision of, the Superintendence of the Securities Market. The Company is offering the New Shares in Panama only to its Shareholders with a registered address in Panama. The New Shares are not being offered to the public in Panama.



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