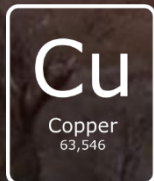




# NZURI

COPPER LIMITED

ASX Code: NZC



**Kalongwe:** A significant high-grade African copper-cobalt, ideally positioned to capitalise on the battery raw materials revolution

Adam Smits, Chief Operating Officer | 121 Mining Investment, October 23<sup>rd</sup>-24<sup>th</sup> 2018

**121** MINING INVESTMENT  
23-24 OCTOBER 2018 HONG KONG

# Forward-Looking Statements, Disclaimer and CP Statement



- **Forward-Looking Statement:** This document contains statements that are "forward-looking". Generally, the words "expect," "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, or that of our industry, to differ materially from those expressed or implied in any of our forward-looking statements.

Statements in this document regarding Nzuri Copper Limited's (the "Company") business or proposed business, which are not historical facts, are "forward-looking" statements that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

- **Disclaimer:** The purpose of this presentation is to provide background information to assist in obtaining a general understanding of the Company's proposals and objectives. This presentation may contain some references to forecasts, estimates, assumptions and other forward looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. This presentation is not to be considered as a recommendation by the Company or any of its subsidiaries, directors, officers, affiliates, associates or representatives that any person invest in its securities. It does not take into account the investment objectives, financial situation and particular needs of each potential investor. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities. If you are unclear in relation to any matter or you have any questions, you should seek advice from an accountant or financial adviser. All references to dollars (\$) and cents in this presentation are to US currency, unless otherwise stated.
- **Competent Person Statement:** Scientific or technical information in this release that relates to Exploration Results has been prepared by Dr Peter Ruxton, the Company's Technical Director. Dr Peter Ruxton is a Member of the Institute of Materials, Minerals & Mining (MIMMM) and a Fellow of the Geological Society of London (FGS) and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr Peter Ruxton consents to the inclusion in this presentation of the Information, in the form and context in which it appears.

The information in this document relating to the Kalongwe Cu-Co Deposit resource estimate is extracted from the Company's ASX announcement entitled 'Upgraded JORC Resource at Kalongwe 302,000t Copper and 42,700t Cobalt' dated 5 February 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The information in this document relating to the Kalongwe Cu-Co Deposit reserve estimate is extracted from the Company's ASX announcement entitled 'Updated stage 1 feasibility study delivers significantly enhanced financial returns' dated 16th April 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The information in this document relating to the Kalongwe Cu-Co production targets and forecast financial information derived from those production targets, are extracted from the Company's ASX announcement entitled 'Updated stage 1 feasibility study delivers significantly enhanced financial returns' dated 16 April 2018. The Company confirms that all the material assumptions underpinning the production targets and the forecast financial information in the original market announcement continue to apply and have not materially changed.

Scientific or technical information in this release that relates to the Exploration Target for Monwezi 2 is based on and fairly represents information and supporting documentation prepared by Dr Peter Ruxton, the Company's Technical Director. Dr Peter Ruxton is a member of the Metals, Minerals and Mining (MIMMM) and a Fellow of the Geological Society of London (FGS) and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr Peter Ruxton consents to the inclusion in this report of the information, in the form and context in which it appears.

# Forward-Looking Statements, Disclaimer and CP Statement



- **Preliminary Economic Analysis Cautionary Statement:** The information in the presentation that relates to the Preliminary Economic Analysis for Stage 2 of the Kalongwe Project is extracted from the Company's ASX announcement entitled 'Updated stage 1 feasibility study delivers significantly enhanced financial returns' dated 16 April 2018 (**Announcement**). The Preliminary Economic Analysis was undertaken to assess potential options for the Kalongwe Stage 2 Project, focused on leaching/SX-EW processing options for the deposit. It is a preliminary technical and economic study of the potential viability of Stage 2 of the Kalongwe Project. It is based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves in addition to the existing ore reserve estimate of the Company for Stage 1 of the Project. Further engineering, testwork and mine planning are required before the Company will be able to estimate any additional ore reserves or to provide any assurance of an economic development case for Stage 2.
- Preliminary Economic Analysis is based on the material assumptions outlined in the Announcement. These include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Preliminary Economic Analysis will be achieved. To achieve the range of outcomes indicated in the preferred Preliminary Economic Analysis option, external funding in the order of \$53 million will likely be required. Investors should note that there is no certainty that Nzuri will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Nzuri's existing shares.
- The Company is in a strong financial position with no debt, its Board has a positive financing track-record with the Company, and its substantial shareholders include a supportive institutional fund in Tembo Capital (comprised of Tembo Capital Mining Fund LP and Ndovu Capital VI B.V), and a subsidiary of Huayou Cobalt, which is an integrated industrial business incorporating copper/cobalt mining, processing and refining essential to the downstream production of Li-ion batteries, and has extensive experience operating in the DRC. The Company also has a declared Ore Reserve estimate for Stage 1 of its Kalongwe Project and has engaged in discussions for several potential offtake customers. On this basis, successful delivery of development milestones, including a feasibility study for Stage 2 with appropriate economic metrics, is expected to support ongoing convergence of the Company's market capitalization with its future funding requirements.
- The Board therefore considers that it has a reasonable basis to expect that the Project's development capital costs for Stage 2 could be funded following the completion of the proposed feasibility study. Further, the Company anticipates that the capital costs for Stage 2, which is due to commence 8 years following commencement of Stage 1, will be funded from production during Stage 1. It is also possible that Nzuri could pursue other 'value realization' strategies such as a sale, partial sale or joint venture of the project. If it does, this could materially reduce Nzuri's proportionate ownership of the project. Nzuri is currently evaluating all possible funding and development scenarios and appropriate debt and equity solutions with the aim of maximizing shareholder returns.
- Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Preliminary Economic Analysis.
- **Exploration Target for Monwezi 2:** *The Exploration Target was first disclosed in the Company's announcement of 3 October 2018 entitled "Nzuri Further strengthens pipeline of satellite resource targets with latest drilling at Monwezi 2". That announcement contains:*
  - (a) *a detailed explanation of the basis for the Exploration Target, including specific description of the level of exploration activity already completed;*
  - (b) *the exploration activities designed to test the validity of the Exploration Target and the timeframe within which those activities are expected to be completed; and*
  - (c) *a summary of the exploration results on which the Exploration Target is based, and the nature of the results should also be stated, including disclosure of the current drill hole or sampling spacing and relevant plans or sections.**The disclosures included in the 3 October 2018 announcement remain up to date as at the date of this release.*

# Corporate Overview

## Corporate/Financial Data

**~A\$74M**

Market Capitalisation at 25c

**295.9M**

Issued Shares (undiluted)

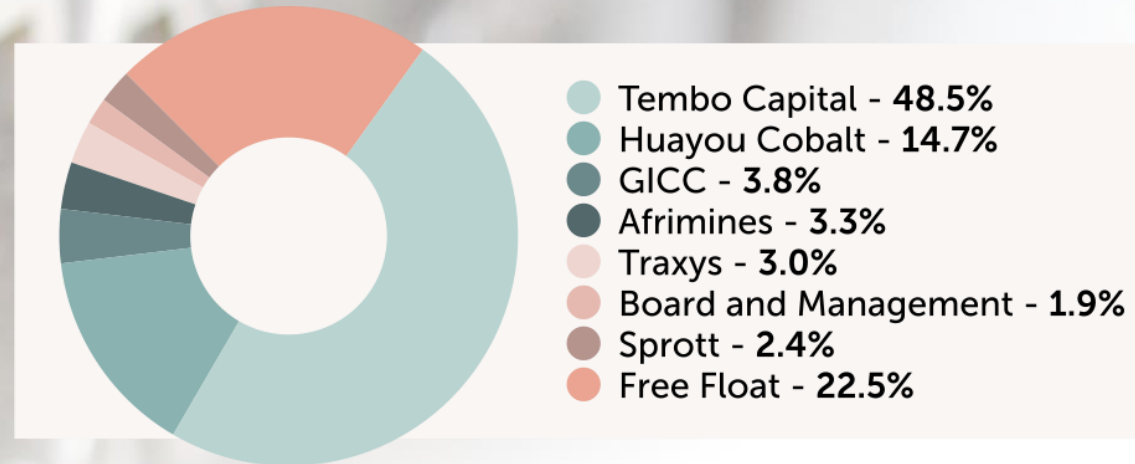
**A\$6.3M**

Cash at 30<sup>th</sup> Sept 2018

**NIL**

Debt

## Strong share register with cornerstone holdings by key strategic partners



## Highly experienced leadership team with extensive African experience

- **Tom Borman, Non-Executive Chairman**
- **Mark Arnesen, CEO, Executive Director**
- **Adam Smits, COO, Executive Director**
- **Dr Peter Ruxton, Non-Executive Director (Tembo Nominee)**
- **Hongliang Chen, Non-Executive Director (Huayou Nominee)**
- **Ean Alexander, Non-Executive Director (Tembo Nominee)**



# Investment Overview



## Advanced, High Grade Copper-Cobalt Project

- Large, high-grade resource at Kalongwe: **302kt Cu, 47.2kt Co**
- The most advanced Cu-Co development asset on the ASX
- Fully-permitted, ready to build: DFS and Stage 1 engineering FEED complete

## World's Premier Copper-Cobalt Belt

- Kolwezi region, DRC: ~US\$10-15 billion of investment
- Close proximity to infrastructure, smelters and off-takers
- World-class address: <15km from world's biggest new copper discovery

## Low Capital Intensity

- Staged development pathway: Stage 1 DMS, Stage 2 SX-EW
- Strong project FS economics; **US\$186M NPV<sub>10%</sub>, 99% IRR**
- Low CAPEX (~US\$53M) and high grades relative to peers
- Funding discussions in progress

## Outstanding Growth Potential

- Stage 2 SX-EW pathway: to be funded from Stage 1 cash-flows
- Exploration upside: 343km<sup>2</sup> FTBJV with Ivanhoe Mines (TSX: IVN)
- Near-mine exploration delivering results: strong potential for incremental resource growth



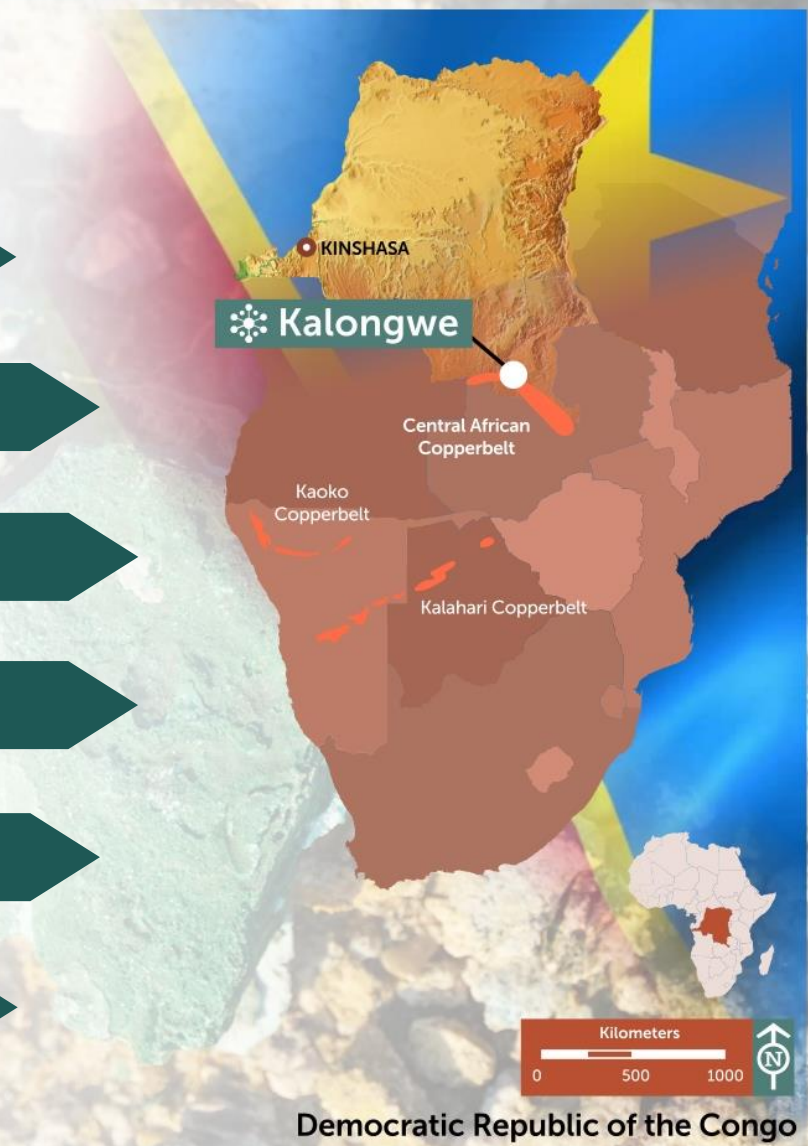
Democratic Republic of the Congo

# Why the DRC?



## Why not ?

- ✓ Development Ready, High-Grade Copper-Cobalt Project
- ✓ Long History of Mining in the DRC
- ✓ Demonstrated Period of Political Stability
- ✓ Thirst for Ethical Sourcing of Cu-Co Concentrate
- ✓ Strategic Investment
- ✓ Primary Source of the World's Cobalt



Democratic Republic of the Congo

# Copper and Cobalt – Key Raw Materials for the EV Revolution



- **16% penetration = 16.5m EV units per annum, according to UBS, up from 1m EV's sold in 2017**

In order to meet the Electric Vehicles Initiative<sup>1</sup> target of 30m EV sales per annum by 2030, CRU estimates the following additional metal requirements across the supply chain...

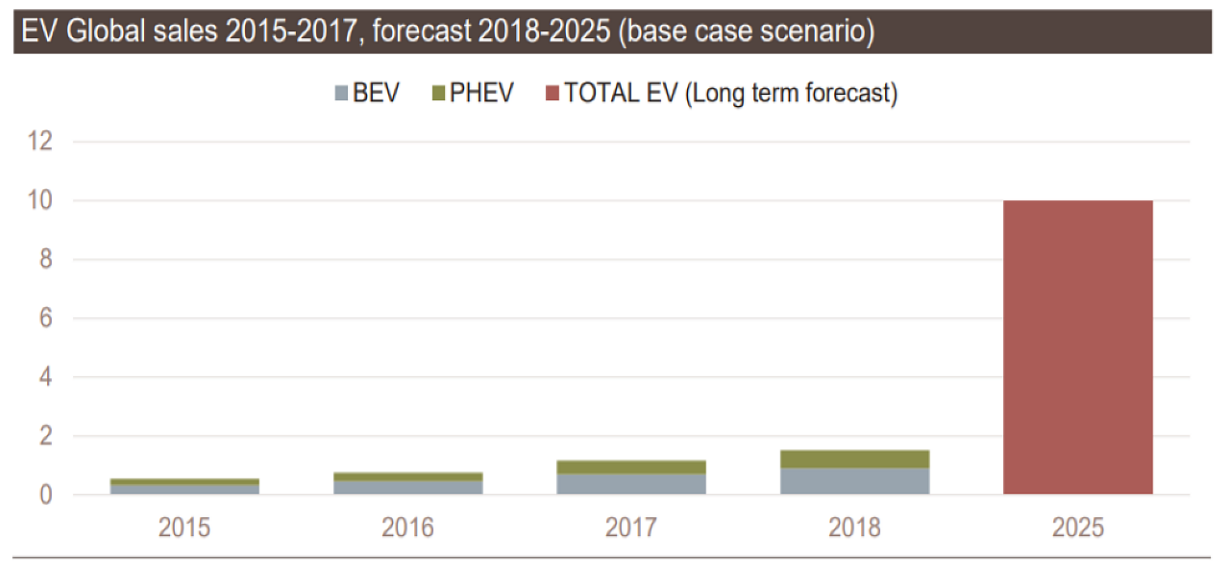
**Cu**  
Copper  
63,546

**COPPER**  
~4.1Mt of additional metal required  
(18% of 2016 supply)

**Co**  
Cobalt  
58,933

**COBALT**  
~314kt of additional metal required  
(~314% of 2016 supply)

**Development plans announced by major auto-makers could see EV penetration rates rise to 10-16% by 2025...**



Source: BMO Capital Market, Glencore GLENCORE



Nzuri is ideally positioned to supply two of the key metals required for the looming battery metals revolution...

Source: Glencore "The EV revolution and its impact on raw materials", March 2018; "The EV Revolution – not just a lithium story", Janus Henderson 8 June 2018

<sup>1</sup> A multi-government policy forum targeting 30% share for EV sales by 2030

# Nzuri – Responsible, Ethical and a Competitive Advantage



- Opportunity to contribute to the development of a more transparent and accountable cobalt mining industry in the DRC
- Nzuri has a comprehensive corporate governance framework to deliver responsible and ethical copper-cobalt production:
  - *Anti-corruption and anti-bribery policies*
  - *No child labour*
  - *No payments or benefits to conflict groups*
  - *Best practice Health and Safety policies*
  - *Best practice environmental protection policies*
  - *Focus on delivering real benefits to the communities in which we operate*

*Increasing pressure on multi-national corporations to independently verify where their product comes from is a competitive advantage for Nzuri to attract a premium for its product while becoming a 'supplier of choice' for ethical copper & cobalt.*

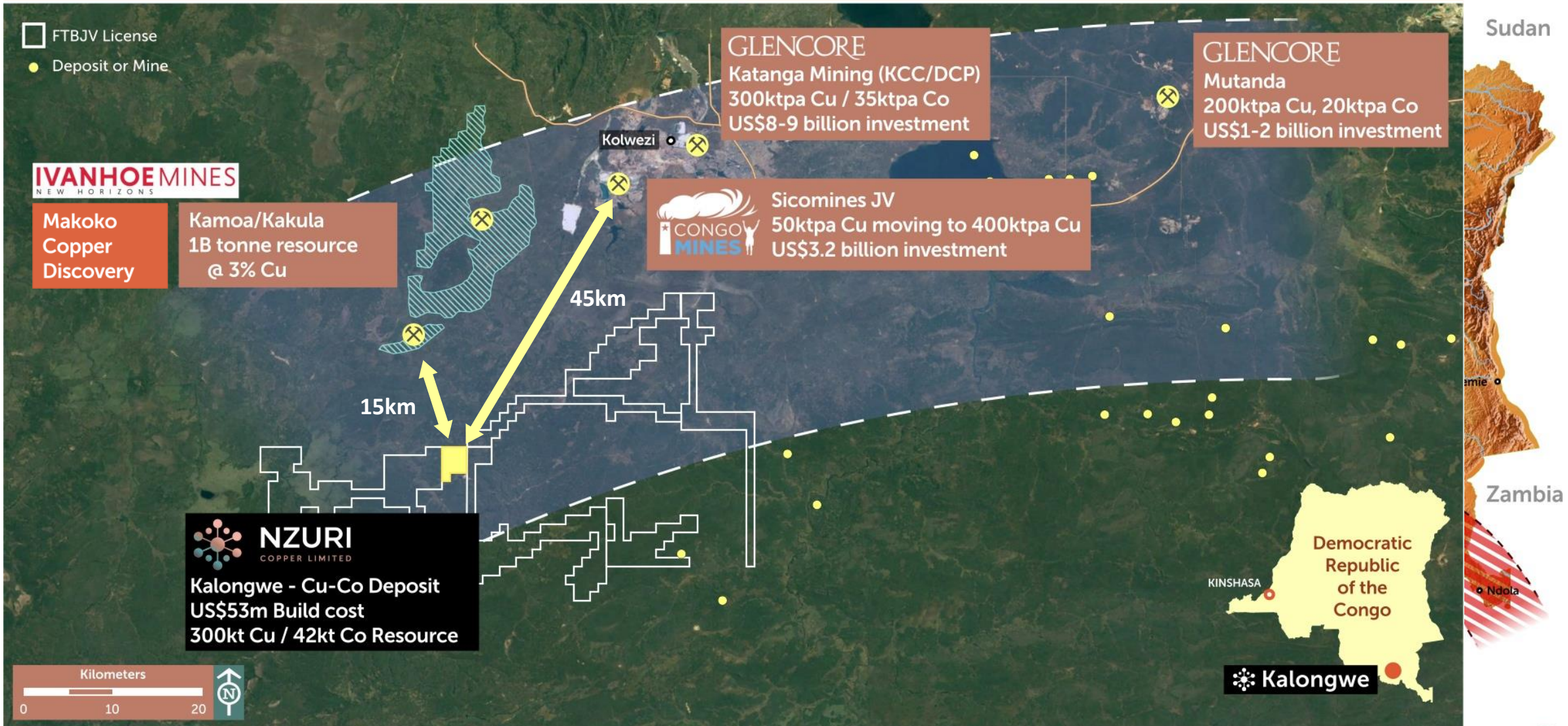




# Kolwezi Region – Ground Zero of the Global Battery Metals Boom



## KOLWEZI REGION Ground Zero of the Global Battery Metals Boom - US\$10-15 billion of New Investment



# Kalongwe Stage 1 DMS – Project Overview



- Fully permitted with 12-month timeline to production
- Exceptionally strong Stage 1 economics
- 85%-owned by Nzuri with 10% held by local Congolese partner GICC and 5% by the DRC Government
- Excellent relationships with Government and local communities
- Front End Engineering Design for Stage 1 (FEED) completed by Lycopodium Minerals in Q2 2018
- SX-EW evaluation for Stage 2 completed in Q2 2018
- Metallurgical testwork to support SX-EW options nearing completion

Ore Reserve now 7.99Mt at 2.94% Cu, 0.34% Co for 234,868t of contained Cu and 27,102t of contained Co

Metric	Feasibility Study ( $\pm 15\%$ )
<b>NPV<sub>10%</sub> US\$</b> (pre/post-tax)*	US\$186M / US\$130M
<b>IRR %</b> (pre/post-tax)*	99% / 76%
<b>Annual Average Production</b> (Cu/Co-in-concentrate)	18,657t Cu & 1,370t Co
<b>LOM Production</b> (Cu/Co-in-concentrate)	149,258t Cu & 10,964t Co
<b>LOM</b> (years at 1Mtpa throughput)	8 years
<b>C1 Cash Cost US\$</b> (including Co credits)	US\$0.85/lb
<b>CAPEX US\$</b> (excluding working capital, $\pm 15\%$ accuracy)	US\$53+M
<b>Payback (months)</b>	17 months
<small>NPV/IRR based on US\$3.00/lb LME Cu and US\$36.93/lb LME cobalt sales price and a 100% project basis. The proposed 2018 DRC mining code changes are not included in above</small>	

# Strong Project Fundamentals

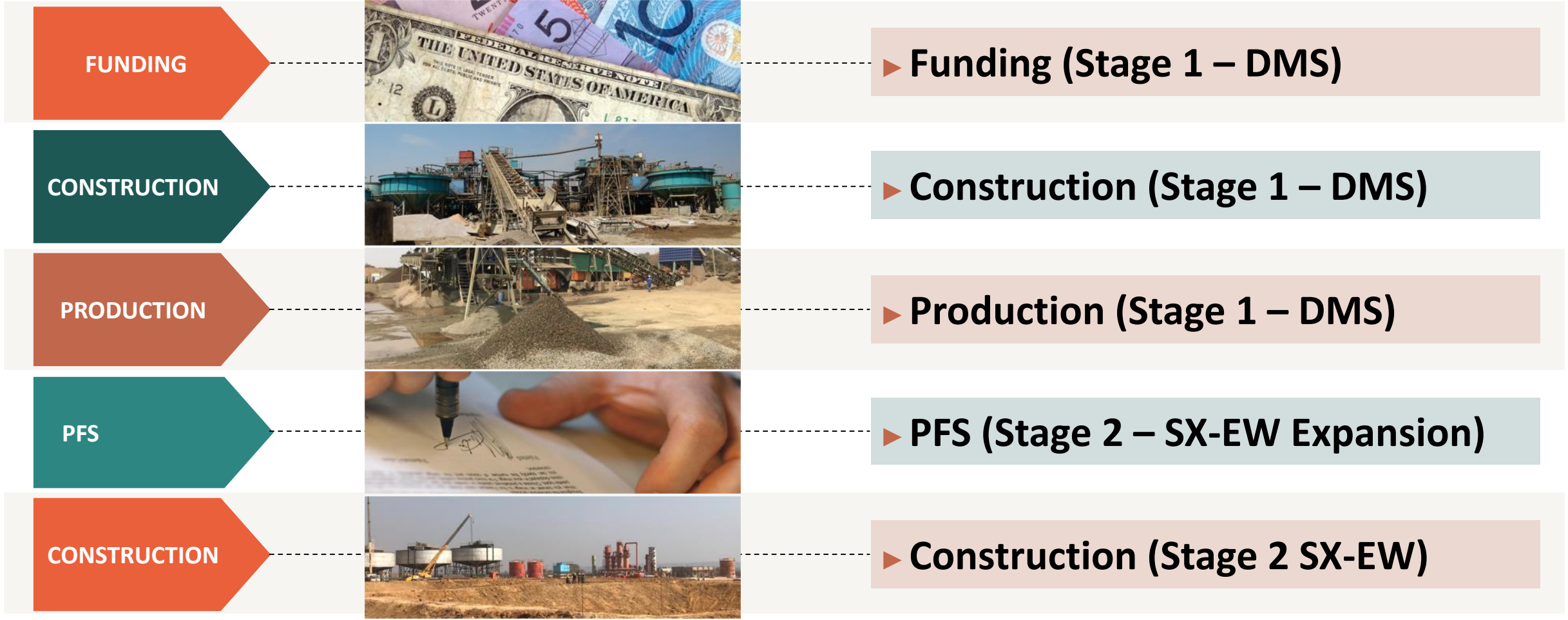


- Despite recent price movements, the project has “Great” fundamentals!

<b>Base Case</b> <ul style="list-style-type: none"><li>Cu US\$3/lb</li><li>Co US\$36/lb</li></ul> <b>Project (Pre-tax)</b> <ul style="list-style-type: none"><li>NPV = US\$186M</li><li>IRR = 99%</li></ul>	Today	Cu US\$2.9/lb – Co US\$28.6/lb
	Project <small>Pre-tax</small>	NPV = US\$151M / IRR = 82%
	Project <small>Pre-tax</small>	Cu US\$2.5/lb – Co US\$25/lb
	Project <small>Pre-tax</small>	NPV = US\$108M / IRR = 63%
	Project <small>Pre-tax</small>	Cu US\$2.25/lb – Co US\$20/lb
	Project <small>Pre-tax</small>	NPV = US\$70M / IRR = 45%

A robust project with low C1 cash costs =>  
... strong margins throughout the metal price cycle!

# Kalongwe – A Staged Pathway to Production and Growth



Nzuri Copper can move quickly into production at Kalongwe, generating cash-flows to underpin its broader growth ambitions in the DRC...

# Kalongwe – Project Funding Strategy



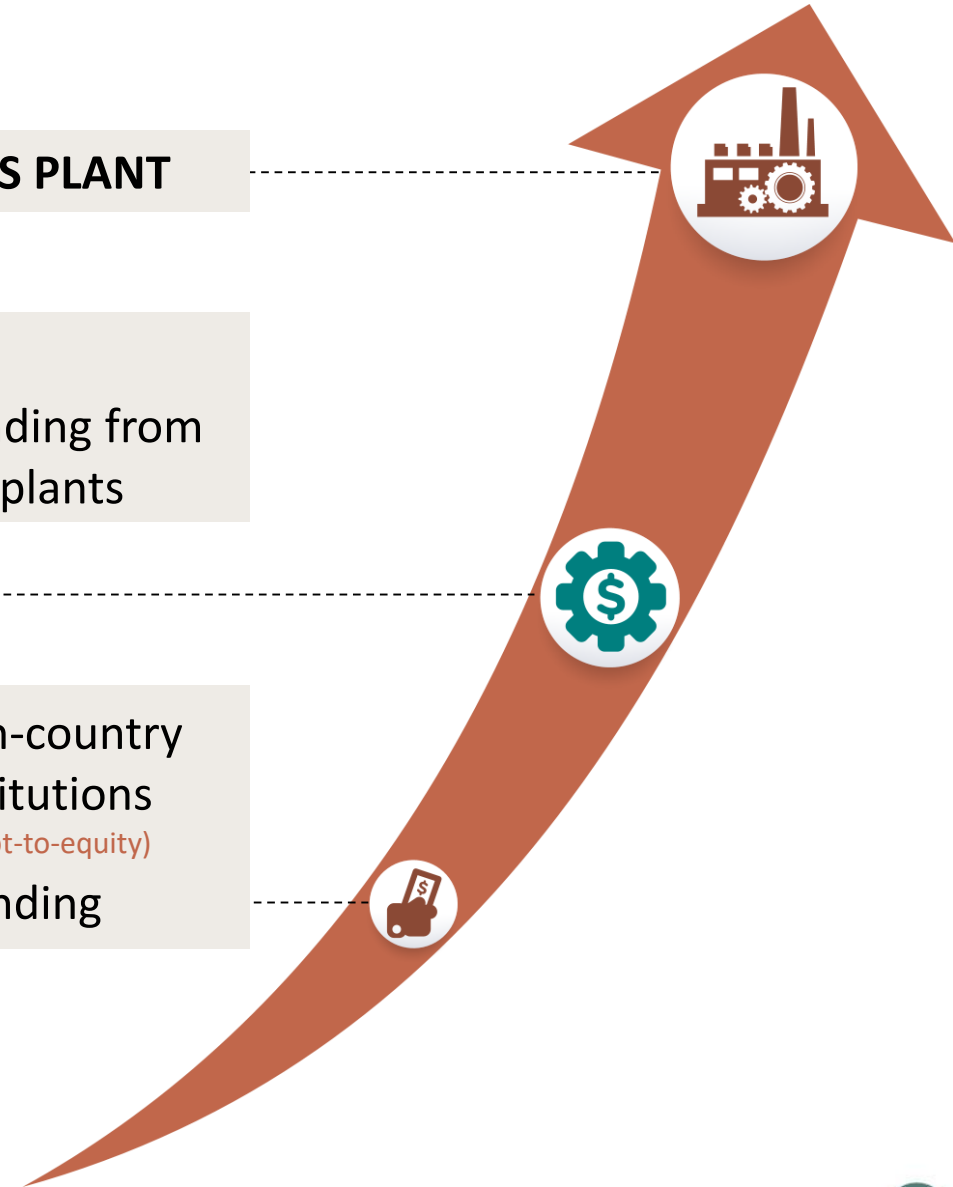
- Project fully-permitted and ready to proceed
- Strategic funding discussions well advanced
- Currently pursuing funding via three main sources:-
  - *Product off-take funding from Kolwezi-based SX-EW's*
  - *In-country lending institutions*
  - *EPC debt funding*



## BUILD DMS PLANT

- Equity Raise
- Off-take Funding from local SX-EW plants

- Debt from in-country lending institutions  
*(Target of 50% debt-to-equity)*
- EPC debt funding



# Kalongwe – Extensive Pre-Development Work



New Accommodation plus Kitchen & Mess Hall built



New Site Phone Tower online



Site Perimeter Fencing completed





# NZURI

COPPER LIMITED

ASX Code: NZC



## Exploration, Growth and Stage 2 Upside

# Kalongwe Future SX-EW – Stage 2 Project Upside



April 2018 Preliminary Economic Analysis shows huge upside for leaching/SX-EW processing route for Kalongwe Stage 2

Metric	2018 Feasibility Study	Kalongwe With Stage 2
<b>NPV<sub>10%</sub> US\$</b> (pre/post-tax)*	US\$186M / US\$130M	<b>US\$340M</b>
<b>IRR %</b> (pre/post-tax)*	99% / 76%	<b>91%</b>
<b>Average Annual Production</b>	18,657t Cu & 1,370t Co (Cu/Co-in-concentrate)	18,657t Cu & 1,370t Co (8 yrs) (Cu/Co-in-concentrate) 10,230t Cu & 2,400 Co (7yrs) (Cu cathode and Co hydroxide)
<b>LOM Production</b> (Cu/Co-in-concentrate)	149,258t Cu & 10,964t Co	<b>221,000t Cu &amp; 28,100t Co</b> (Cu/Co-in-concentrate & Cu cathode/ Co hydroxide)
<b>LOM</b> (years at 1Mtpa throughput)	8 years	<b>14 years</b>
<b>External Funding US\$</b> (excluding working capital, ±15% accuracy)	US\$53M	<b>US\$53M</b> (US\$220M Funded from cashflow)

**Key point :- Design considerations of Stage 2 were included as part of FEED works for the Stage 1 project**

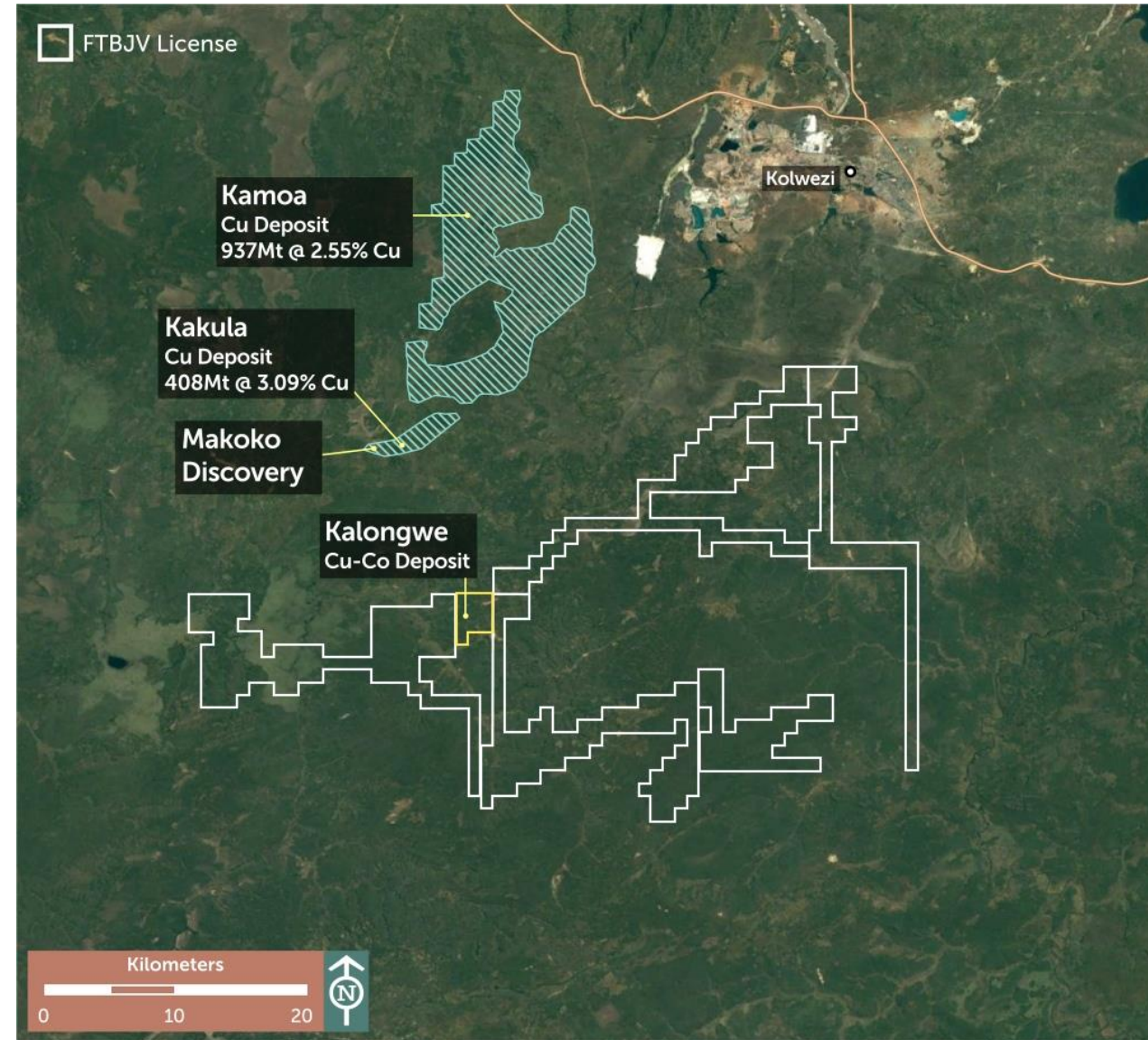
*Note:- Refer to the cautionary statement on page 3. For full disclosure regarding the assumptions underpinning the production targets and forecast financial information in respect of the Preliminary Economic Analysis for Kalongwe Stage 2, refer to the Company's announcement of 16 April 2018 entitled "Updated stage 1 feasibility study delivers significantly enhanced financial returns".*



# Exploration upside – 343km<sup>2</sup> FTBJV with Ivanhoe Mines



- Fold and Thrust Belt JV – extensive strategic ground position of 343km<sup>2</sup> surrounding Kalongwe deposit
  - Located near Ivanhoe's world-class discoveries
  - Recent drilling success targeting pipeline of near-mine resource targets within 2-4km radius of Kalongwe:
    - *Monwezi 2 – shallow oxide copper, Exploration Target of between ~1Mt and 2.5Mt grading between 0.8% and 1.5% copper. Located just 3.6km from the planned Kalongwe open pit*
    - *Shallow high-grade cobalt mineralization, 800m from Kalongwe*
- The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to generate a Mineral Resource estimate for the Monwezi 2 prospect and it is uncertain if further exploration will result in the estimation of a Mineral Resource.\**



\* Refer to Page 2 for additional information

# Summary – Key Investment Takeaways



ASX-listed copper-cobalt developer/explorer with a strong growth outlook

## Right metals .... Right place .... Right time

### HIGH QUALITY PROJECTS – COPPER AND COBALT

### NEAR-TERM PRODUCTION OPPORTUNITY

- Kalongwe Feasibility Study Complete
- Near-surface oxide JORC resource of 302,000t Cu, 42,000t Co
- 235kt Cu / 27kt Co JORC reserve
- Low CAPEX, simple open pit mining/processing

### STRONG DISCOVERY POTENTIAL IN A TIER-1 BELT

- Fantastic location relative to huge recent discoveries and operating Tier 1 assets
- Multi-pronged exploration campaign advancing rapidly
- Initial encouraging results

### STRONG SHARE REGISTER, WELL-FUNDED

- Strong balance sheet, no debt
- Strong cornerstone shareholders include Tembo Capital and Huayou Cobalt
- Strong platform for project funding and ongoing exploration



**NZURI**  
COPPER LIMITED  
ASX Code: NZC

## CONTACTS & APPENDICES

[www.nzuricopperlimited.com.au](http://www.nzuricopperlimited.com.au)

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**121** MINING  
INVESTMENT  
23-24 OCTOBER 2018 HONG KONG

# Company History



Listed as Regal Resources (ASX: RER) 23 June 2005

2005 - 2014

Primary focus on gold project exploration and development

Apr 2015

MOA signed to earn up to 90% interest in Fold and Thrust Belt (FTB) JV.

Jul 2016

Capital raising to fund debt, FTBJV exploration & Kalongwe DFS

Oct 2016

Exploration recommences at FTBJV

Jan 2017

Company name changed to NZURI COPPER (ASX: NZC) Share consolidation

Dec 2017

Nzuri secures A\$10M cornerstone investment from major cobalt player, Huayou Cobalt

Apr 2018

Updated Kalongwe Stage 1 Feasibility Study delivers significantly enhanced financial returns based on revised pricing and point-of-delivery

## Copper / Cobalt Focus

Acquired 30% interest in the **Kalongwe Copper/ Cobalt** project; Completed positive Scoping Study

Nov 2013

Acquisition of a further 40% of Kalongwe Project

Jul 2016

Acquisition of a further 15% of the Kalongwe Project from GICC, bringing Nzuri's total ownership to 85%

Oct 2016

New management team on board

Nov 2016

Kalongwe Stage 1 Feasibility Study demonstrates robust, low-cost copper-cobalt project with strong financial returns

Oct 2017

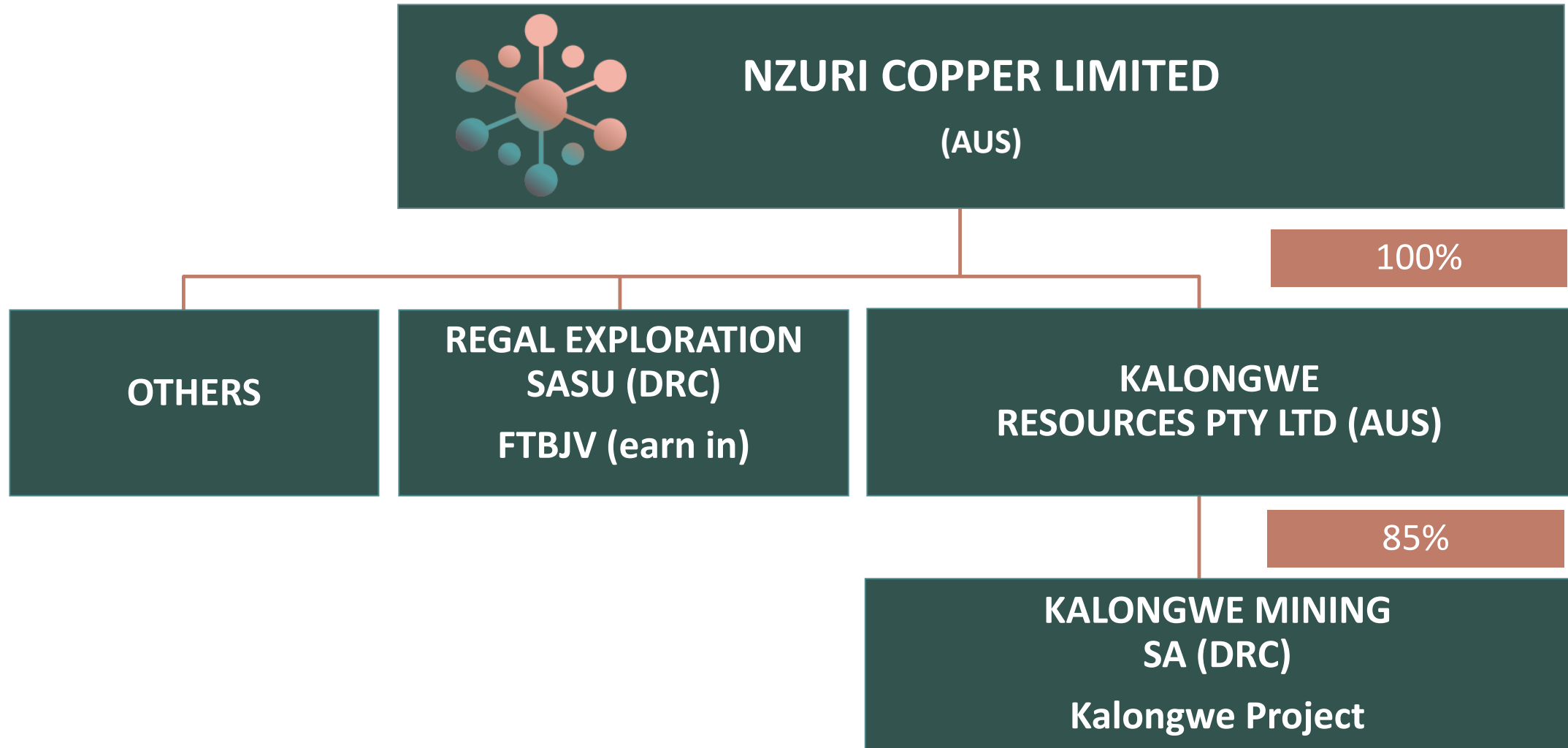
Completes expenditure to earn-in to 80% of the FTBJV

Apr 2018

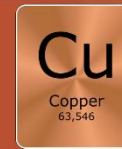
Highly encouraging results from Kalongwe Stage 2 Preliminary Economic Analysis based on an SX-EW driven staged expansion

Apr 2018

# Appendix – Nzuri Corporate Organisation



# Appendix – Kalongwe Mineral Resource Estimate



Weathering profile	Domain	Measured	Indicated	Inferred	Total Tonnage (Mt)	Ave. Cu (%)	Ave. Co (%)	Tonnes Cu	Tonnes Co
Oxide	Cu Only <sup>1</sup>	1.24Mt @ 3.35% Cu	2.45Mt @ 2.27% Cu	1.24Mt @ 1.60% Cu	4.94	2.37	-	117,200	-
	Mixed <sup>3</sup>	2.07Mt @ 3.76% Cu	1.67Mt @ 2.72% Cu	0.35Mt @ 1.98% Cu	4.08	3.19	0.66	130,000	26,800
Primary	Cu Only <sup>1</sup>	-	1.20Mt @ 2.65% Cu	0.41Mt @ 1.63% Cu	1.61	2.39	-	38,400	-
	Mixed <sup>3</sup>	-	0.51Mt @ 3.06% Cu	0.03Mt @ 2.22% Cu	0.54	3.02	0.52	16,400	2,800
	<b>Total Cu in Cu Only and Mixed Domains</b>	<b>3.31Mt @ 3.61% Cu</b>	<b>5.83Mt @ 2.55% Cu</b>	<b>2.03Mt @ 1.70% Cu</b>	<b>11.17</b>	<b>2.70</b>		<b>302,000</b>	
	<b>Total Co in Mixed Domains<sup>4</sup></b>	-	-	-	<b>4.62</b>	-	<b>0.64</b>	-	<b>29,700</b>
Oxide	Co Only <sup>2</sup>	0.37Mt @ 0.66% Co	1.34Mt @ 0.59% Co	0.38Mt @ 0.43% Co	2.09	-	0.57	-	11,900
Primary	Co Only <sup>2</sup>	-	0.18Mt @ 0.53% Co	0.02Mt @ 0.43% Co	0.2	-	0.52	-	1,000
	<b>Total Co Domains</b>	<b>0.37Mt @ 0.66% Co</b>	<b>1.52Mt @ 0.58% Co</b>	<b>0.40Mt @ 0.43% Co</b>	<b>2.29</b>	-	<b>0.57</b>	-	<b>13,000</b>
	<b>Total Co in Mixed &amp; Co-only Domains<sup>5</sup></b>				<b>6.91</b>	-	<b>0.62</b>	-	<b>42,700</b>

1 The Cu only domains were reported by selecting blocks with Cu  $\geq$  0.5%.

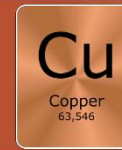
2 The Co only domains were reported by selecting blocks with Co  $\geq$  0.2%.

3 The Mixed Domains (blocks located within overlapping Cu and Co domains) were reported by selecting blocks with Cu  $\geq$  0.5%. The Co grade from these blocks was also reported.

4 The total Co tonnes and grade within the Mixed Domain are reported from blocks where Cu  $\geq$  0.5%, and are not additional to the total Cu Mineral Resources quoted from the Mixed Domain.

5 The total Co tonnes and grade from the Mixed and Co-only Domains are presented as total tonnages only, without reference to JORC classification. The tonnes are not additional to the total Cu Mineral Resources quoted from the Mixed Domain.

# Appendix – Kalongwe Mineral Reserve Estimate



The Updated Ore Reserve for Kalongwe is set out below :

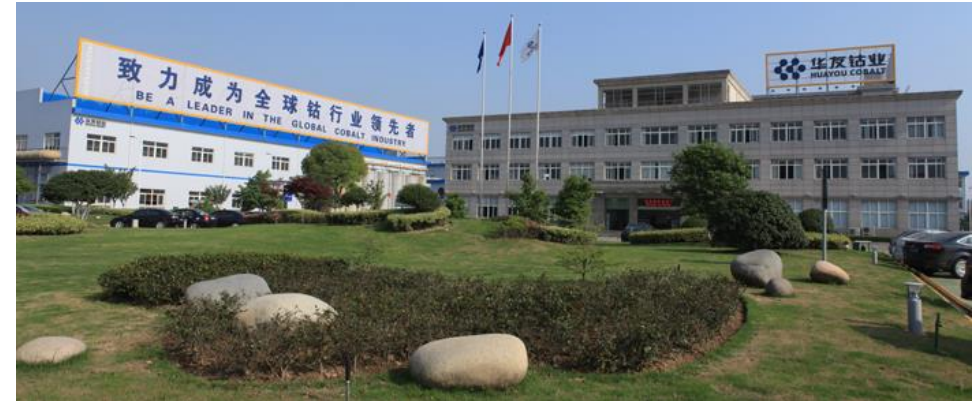
## Ore Reserve

Category	Total		
	Mt	Cu %	Co %
Proved	3.58	3.42%	0.43%
Probable	4.41	2.56%	0.27%
Proved and Probable	7.99M	2.94%	0.34%
Waste (Mt)	16.645		
Total (Mt)	24.631		

# New Strategic 14.8% Investor – Huayou Cobalt



- Market capitalisation of US\$9.3 billion
- Independent integrated industrial business incorporating copper/cobalt mining, processing and refining – essential to the downstream production of Li-ion batteries
- Extensive experience operating in the DRC for over 10 years – runs several copper/cobalt operations
- Main products include cobalt tetroxide, cobalt oxide, cobalt hydroxide, cobalt sulphate
- Largest cobalt chemicals producer in the world, with annual production of 25,000 tons of these products (approximately 1/4 of total global cobalt production)





# Appendix – Simple and Robust Processing Flowsheet



- Good gravity recovery from DMS/ Spiral Circuit
  - Ability to produce saleable 10%, 15% & 20% **DMS Cu concentrates** and 4-8% **Spiral Cu Concentrate**
  - Average Overall Cu recovery of 64% for FS base case
  - Contained Co grades in concentrate of 0.3-2.5%
- Test work demonstrated excellent leach recoveries
  - Extraction of acid soluble copper was 98% within four hours
  - Co recovery was 90% recovery in two hours
- Excellent ore characteristics
  - Low clay content, non-typical for DRC copper/cobalt deposits
- Excellent potential product
  - Extremely low leachable impurities, highly attractive to potential customers

High quality product with low impurities

