



Developing high grade flake graphite  
projects in Brazil.

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Corporate advisor:



Investor Presentation

December 2014

## Forward-looking statements

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# Executive Summary

Developing high grade flake graphite projects to meet the demand in Brazil and the World.

## EXCITING OPPORTUNITY

- The Company has acquired an 80% interest in the Caninde Graphite Project Brazil.
- The Project area covers high-grade metamorphic lithologies with massive flake graphite identified.
- Multiple prospects identified, sampled and trenched.
- Analysis of surface grab samples has carbon contents as high as **42.04%**.

## LOCATED IN BRAZIL, A FORCE IN GRAPHITE

- Brazil is a leading global producer and end user of graphite.
- Strategically located to major export markets - Europe, U.S and South America.

## PROVEN MANAGEMENT TEAM WITH TRACK RECORD IN BRAZIL



# What is Graphite?

Graphite is an essential material for modern life with broad industrial applications due to its unique properties.

Graphite is a very versatile non metallic mineral.

There are three types of graphite found naturally: flake, lump, and amorphous.

**Flake graphite** commands the highest demand due to the versatility of use. Large flake graphite commands the **highest price and lowest supply**.

Graphite declared a critical strategic mineral in UK, Europe and USA.



Highest  
natural  
strength

Lightest  
weight of all  
reinforcements

High electrical  
conductivity

High resistance  
to corrosion

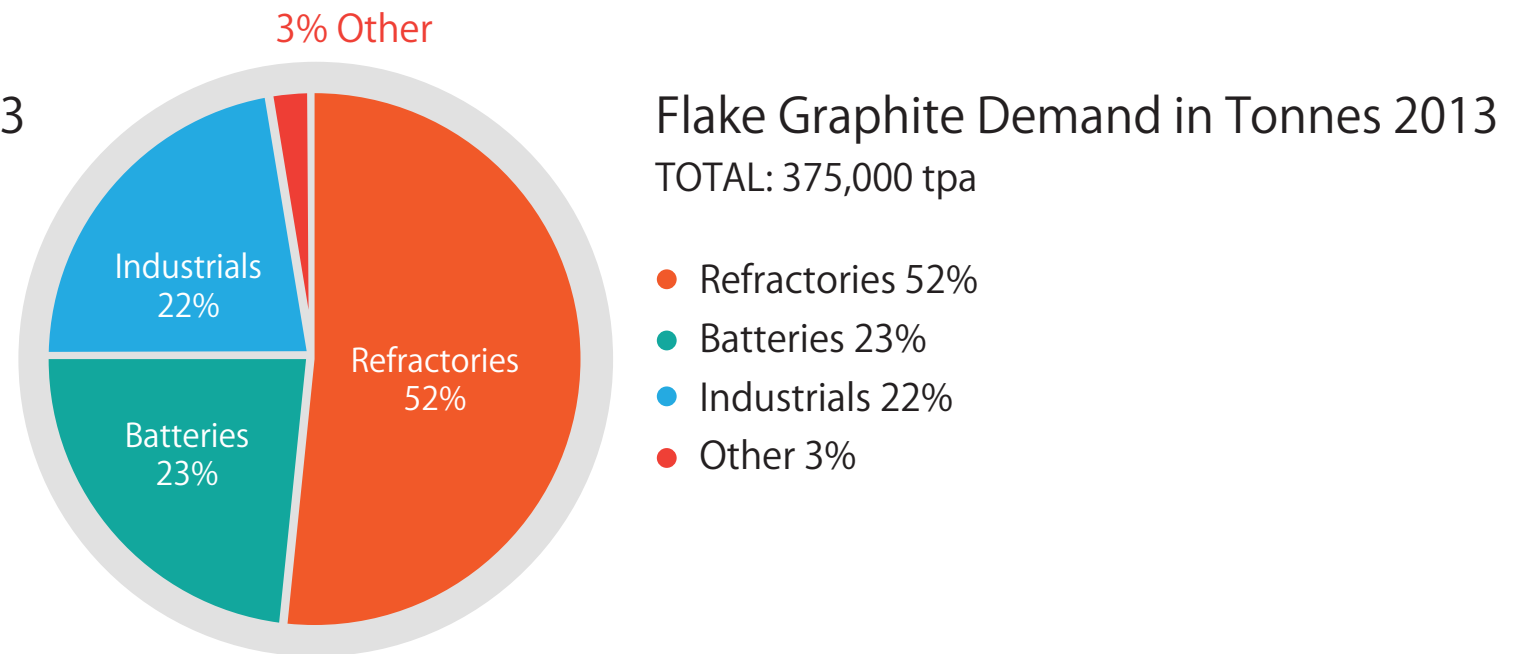
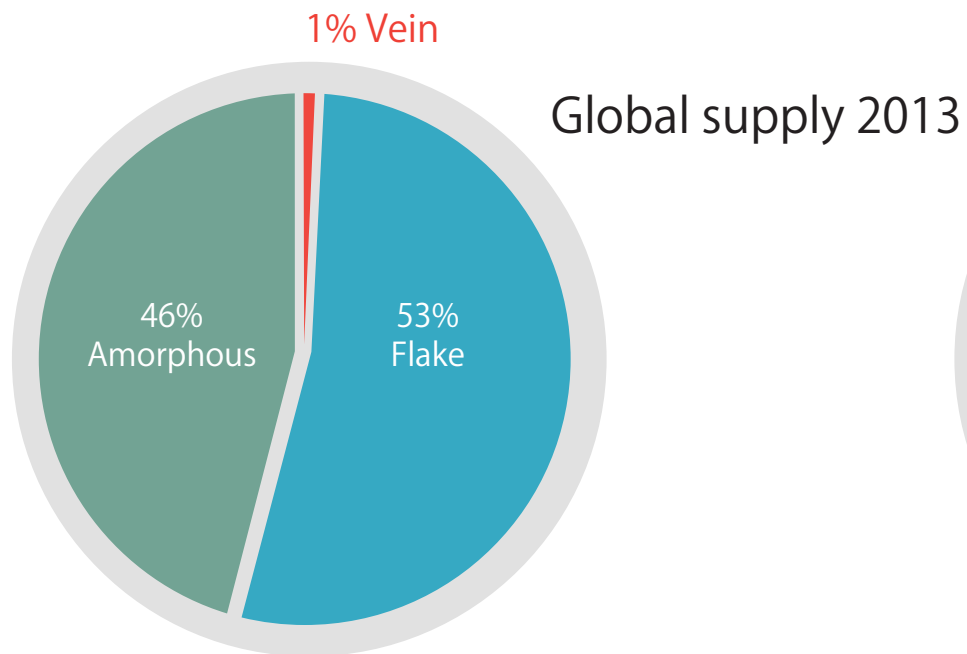
Low frictional  
resistance

# The Graphite Market

Graphite market is more than 50 times larger than the lithium and rare earths markets.

Supply for graphite can be grouped into two major categories:

- 46% of graphite supply is in amorphous-form
- 53% of graphite supply is in flake-form



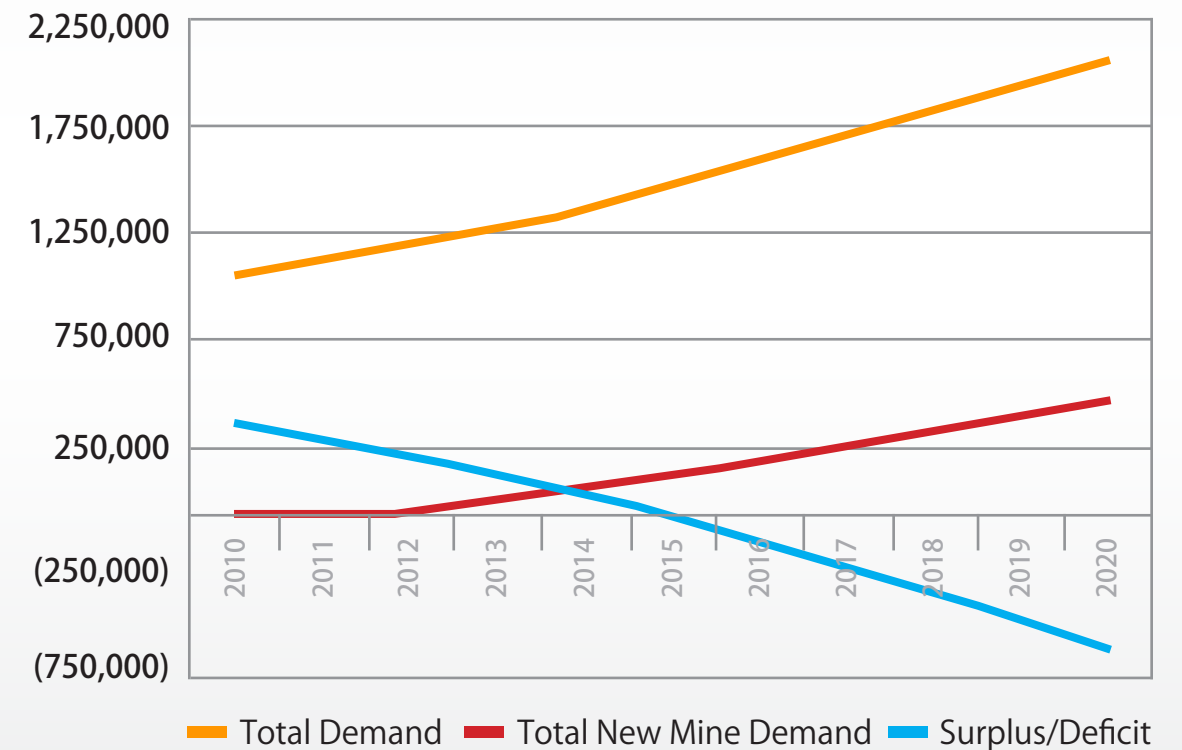
25 new 40,000t graphite mines are needed before 2020.

# Global Graphite Supply

Global graphite supply is in decline.

- Natural Graphite Global Production 2011 - 1.01mt.
- Natural Graphite Global Production 2013 - 700,000t.
- Flake Graphite Production 2013 – 375,000t .
- Chinese production dominates the graphite market.
- China is closing uneconomic and polluting mines.
- +20% of China's flake capacity lost in the last two years.
- China has instituted a 20% export duty on graphite and a 17% VAT.
- China has instituted an export licensing system.

Natural Graphite Supply / Demand

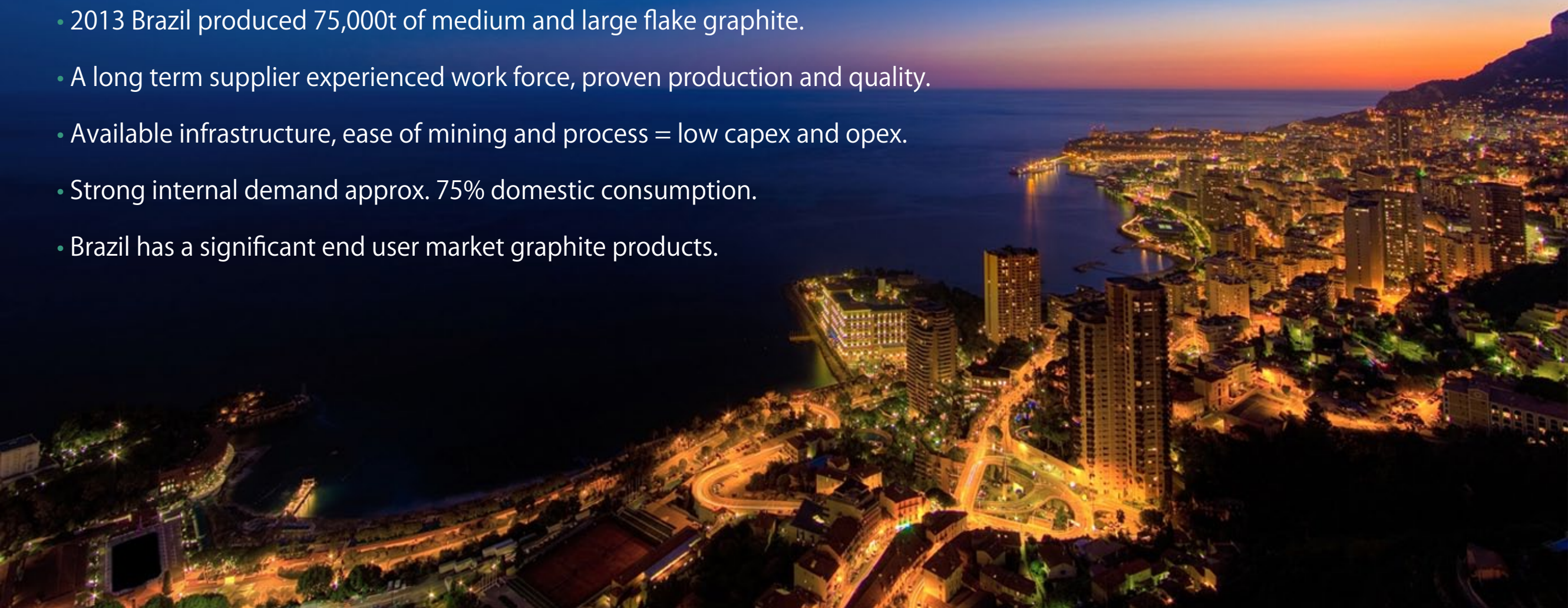




# Why Brazil?

Brazil is the world's 2nd largest producer of flake graphite behind China.

- Brazil is the only producing country in South America.
- 2013 Brazil produced 75,000t of medium and large flake graphite.
- A long term supplier experienced work force, proven production and quality.
- Available infrastructure, ease of mining and process = low capex and opex.
- Strong internal demand approx. 75% domestic consumption.
- Brazil has a significant end user market graphite products.





# Caninde Graphite Project

The Company has acquired an 80% interest in the Caninde Graphite Project located in Ceara State, Brazil.

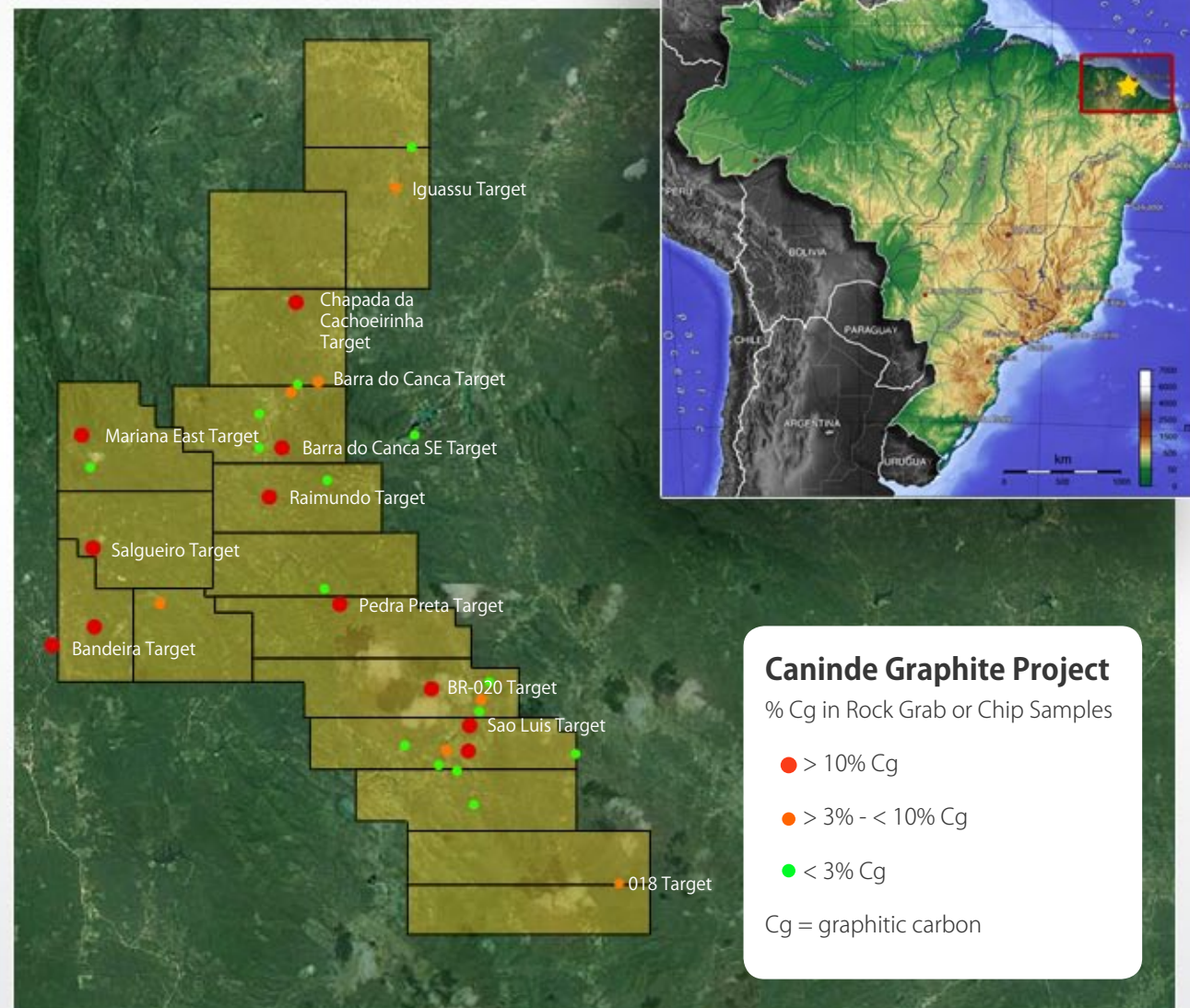
The project area covers 15,600 Ha high grade metamorphic lithologies that are host to bodies of both disseminated and **massive flake graphite mineralization**.

Multiple prospects identified, sampled and trenched.

Analytical results for surface grab rock chip samples as **high as 42.04% Cg**.

Aggressive drilling programme planned to commence in the first quarter of 2015.

## Caninde Mineral Properties





# Caninde Graphite Project

In 2014 a programme of shallow trenching into bedrock totalled 538 metres and tested 11 target areas. High grade trenching results:

PEDRA PRETA PROSPECT	SAO LUIS PROSPECT	SALGUEIRO PROSPECT	MARIANA PROSPECT
25.3 metres at 13.29% Cg,	12 metres at 5.5% Cg	1.5 metres at 30.2% Cg	4.5 metres at 8.25% Cg
incl 9.3 metres at 20.76% Cg	6 metres at 4.44% Cg	2 metres at 23.13% Cg	
7.2 metres at 13.01% Cg,	4 metres at 8.93% Cg		
3 metres at 8.9% Cg			

The programme indicated the presence of significant zones of graphite mineralization that warrant further systematic trenching and drilling.

# Caninde Graphite Project

## Graphite occurrences



Stratabound massive coarse graphite-rich beds



Massive discordant Graphite lenses or veins



# Caninde Graphite Project

The Company is planning a series of drilling programmes at the Caninde project.

The first being a diamond drilling programme at the Pedra Preta prospect to commence late January 2015.

Assay results and results from metallurgical test work are expected to be received progressively during Q1/Q2 2015.

## First half of 2015

- Commence diamond drill programme at Pedra Preta prospect.
- Drill metallurgical test holes at Pedra Preta prospect.
- Samples submitted for laboratory assay, metallurgical and mineralogy testing.
- Results of Graphitic Carbon assays expected to be returned.
- Results of metallurgical test work to determine flake size and distribution expected to be returned.
- Trenching Sao Luis, Mariana East and Salgueiro to identify initial drill targets.



## Q3 2015

- Commence diamond drill programme at Sao Luis prospect.
- Drill metallurgical test holes at Sao Luis prospect.
- Samples submitted for laboratory assay, metallurgical and mineralogy testing.
- Results of Graphitic Carbon assays expected to be returned.
- Results of metallurgical test work to determine flake size and distribution expected to be returned.
- Planning follow up diamond drill programme at Pedra Preta.

# Company Directors

Extensive experience in Brazil and South America.

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**Anthony Reilly**     **Managing Director**

Mr Reilly has over 20 years experience in financial markets, financial risk management and corporate finance. Working in investment banking, his clients have included a number of global corporations and fund managers based in Australia, the UK and Europe. He was a founding Director of a private Brazil incorporated gold exploration company. He has also served as an Executive Director of an ASX listed resource Company.

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**Brian McMaster**     **Non-Executive Director**

Mr McMaster is a Chartered Accountant, a registered and official liquidator and has almost 20 years' experience in the area of corporate reconstruction and turnaround and performance improvement. Mr McMaster's experience includes numerous reorganisations and turnarounds, including being instrumental in the recapitalisation and listing of 12 Australian companies on the ASX. Mr McMaster's experience includes significant working periods in the United States, South America, Asia and India. Mr McMaster is also a director of a number of ASX listed companies.

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**Dr Nicholas Lindsay**     **Non-Executive Director**

Dr Lindsay has substantial experience in the global mining industry, and the technical and commercial assessment, and development of copper, gold and iron ore projects in Australia, South Africa, Mongolia and Chile. He has been associated with both the major and junior mining sectors in Chile for over 20 years. He is Managing Director of Castillo Copper Limited and a Director of Laguna Resources Limited. Dr Lindsay is a Member of the AusIMM and the Australian Institute of Geoscientists.

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**Paulo Brito**     **Senior Exploration Geologist**

Mr Paulo Brito is a senior geologist with over 30 years experience in the mining industry, dealing primarily with gold, base and industrial metals for major and junior mining companies. Mr Brito is a Principal of consulting group Brasgeo and was until recently Exploration Manager of ASX listed Paringa Resources Limited. Previously, he worked as a senior geologist with WMC Resources Ltd for 18 years. Mr Brito holds a B.Sc Geology from Universidade do Estado do Rio de Janeiro and is a member of AusIMM and a member of AIG. Mr Brito will drive the company's aggressive exploration programs at the Caninde Project.



# Peer Comparison

## ASX listed graphite companies

ASX companies	Location	Market capitalisation	Enterprise Value	Resource	Grade
Syrah	Mozambique	\$606m	\$582 m	1.15Bt	10.20%
Triton	Mozambique	\$78m	\$74m	1.457Bt	10.70%
Talga	Sweden	\$36m	\$32.5m	7.6Mt	24.40%
Lamboo	WA	\$45m	\$44.5m	7Mt	4.73%
Kibaran	Tanzania	\$19m	\$16.5m	12.8Mt	10%
Sovereign	Malawi	\$14m	\$12m	86Mt	7%
Buxton	WA	\$6m	\$4m	4Mt	16.20%
Archer	SA	\$13m	\$9m	5.27Mt	7.60%
Paradigm	Brazil	\$1.5m	\$0.6m	*7-10Mt	13-15%

\*Caninde conceptual target resource of \*7-10Mt at 13-15% Cg

\*The potential quantity and grade of the exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource calculated in accordance with the JORC code.

ASX listed graphite companies - Source ASX and company websites 28/11/2014

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## Competent Persons Statement

The technical information in this release is based on compiled and reviewed data by Mr. Paulo Brito. Mr. Brito is a consulting geologist for Paradigm Metals Limited and is a Member of AusIMM-The Minerals Institute, as well as, a Member of Australian Institute of Geoscientists.

Mr. Brito has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken 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". Mr. Brito consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Mr. Brito accepts responsibility for the accuracy of the statements disclosed in this release.