

# MIRABELA NICKEL



MIRABELA NICKEL  
LTD

AGM

28 May 2015



# FORWARD-LOOKING STATEMENTS

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# DIRECTORS & MANAGEMENT

## Non-Executive Directors



Richard E.  
Newsted  
**Independent  
Chairman**



Ross Edward  
Griffiths  
**Independent  
Director**



Mark Francis  
Milazzo  
**Independent  
Director**



Alastair Michael  
McKeever  
**Non-Executive  
Director**



## Management



Maryse Belanger  
**CEO & Managing  
Director**



Milson Mundim  
**Chief Financial  
Officer**



Victor Retamal  
**Operations  
Director**



Dr Linda Anne  
Tompkins  
**Legal Counsel &  
Company  
Secretary**

**Results Driven Management Team with Strong Local & Industry Experience**

# DELIVERING ON OUR COMMITMENTS



**Sustaining our Improvements, Financial Discipline, Building on our Partnerships**

# 2014 PERFORMANCE REVIEW

Parameter	Q3 2014	Q4 2014	FY 2014
Material moved (mt)	6.7	6.1	24.5
Material processed (mt)	1.5	1.6	5.9
Nickel production (t)	2,628	3,714	12,047
C1 cash costs (US\$/lb)	9.02	4.82	7.16
Nickel sales (t)	2,823	206	9,321
Nickel grade mined / processed (%)	0.43% / 0.39%	0.47% / 0.45%	0.44% / 0.42%
Nickel recovery (%)	45%	50%	49%

**Q4 Performance Reflects Improvement Efforts and Operational Delivery**



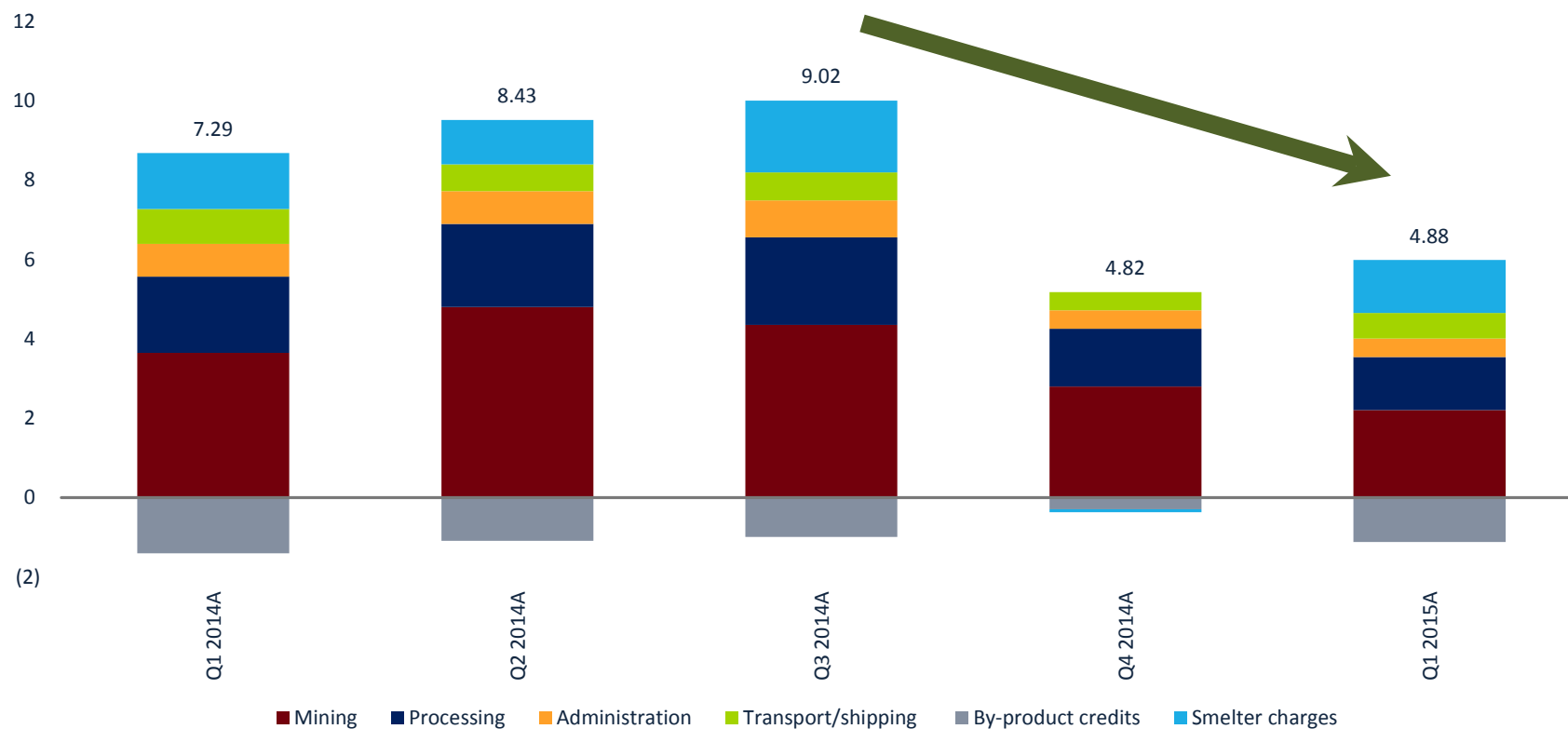
# Sustainable Improvements in 2015

- ✓ Mirabela remains on track to meet 2015 guidance
  - ✓ C1 cash costs \$ 4.50- \$5.00;  
Production 16,500-18,000 t Ni
- ✓ Excellent safety record
- ✓ Cash positive open pit mine in tough nickel market
- ✓ Sales continue with offtake partners
- ✓ Visible executive leadership



# QUARTERLY PERFORMANCE

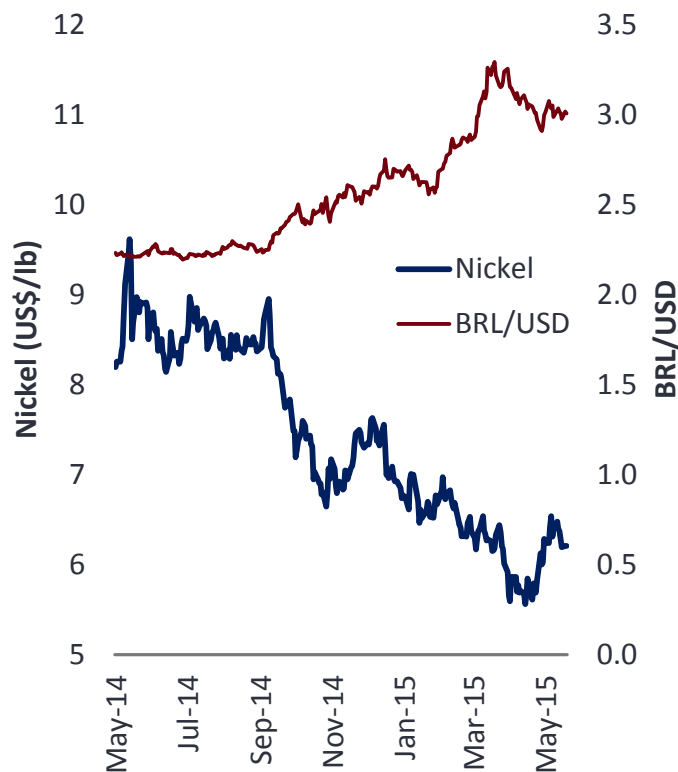
## C1 cash cost improvements (US\$/lb)



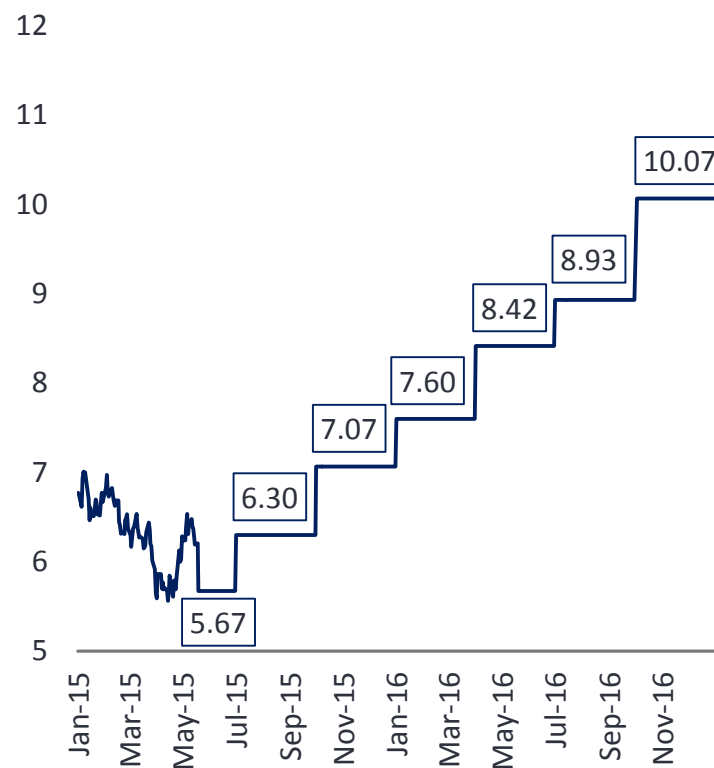
**Material Operational Improvements have Resulted in a Significant Reduction in C1 Cash Costs Over the Last Two Quarters**

# NICKEL PRICE PERFORMANCE AND OUTLOOK

LTM historical performance (US\$/lb; BRL/USD)



Outlook (US\$/lb)<sup>1</sup>



➔ The poor performance in the nickel price over the last 6 months continues to be largely offset by the depreciation of the Real ...

➔ ... however, the outlook for nickel remains positive given increasing supply constraints

Source: Factset, Wood Mackenzie  
Notes

1 Outlook reflects the quarterly forecast from Wood Mackenzie as of May 19, 2015



# CONTEXT AROUND THE SHUT DOWN

## Plant operations

- ✓ Brazilian Ministry of Labour inspected Santa Rita in late April and determined our conveyors required immediate guarding - all work to be completed by July 2015
- ✓ Mirabela already had a project plan in place to implement permanent barriers (seen below), temporary guarding was also installed, addressing the potential hazard enabling a return to production



## Warehousing & shipping of bulk conc.

Possible occupational health concerns associated with concentrate handling

- ✓ Discussions are ongoing with the Ministry of Labour regarding the warehousing, transport and shipping of concentrate in bulk methods
- ✓ The Company is assessing all available options to resolve these issues
- ✓ CEO and other management have met with experts and officials - Management directed action plans are underway

**There Were No Workforce Safety Incidents Triggering the Shut Down**

Mirabela expects to maintain sufficient liquidity in 2015, based on:

- ✓ 2015 production plan focused on maximizing operating cash flow in a weak nickel price environment
- ✓ 2015 cash costs forecast to improve materially over 2014 due to sustainable operational improvements and optimizations as well as an enhanced production profile
- ✓ Current weak nickel prices offset by depreciation of the Brazilian Real by 12% over the last 6 months<sup>1</sup> (positively impacting the MBN cost profile)
- ✓ Numerous cost initiatives underway
- ✓ An improved capex profile given the significant progress made on the tailings dam and retendering of the tailings dam contract

# RESERVES UPDATE (31 DECEMBER 2014)

- ✓ The projected mine life based on Reserves is 14 years
  - The final phase of the previous ultimate pit and lower-grade mineralized material will not be mined or processed under current assumptions and as such have been re-classified as Mineral Resources
- ✓ Ore Reserve assessment completed by RPA demonstrated economic viability under the following assumptions
  - A pit discard Net Smelter Return (NSR) cut-off grade of US\$8.81/tonne
  - Mining extraction of 95% and 5% dilution at zero grade

Category	Tonnage (kt)	Ni (%)	Cu (%)	MgO (%)
Proven	4,840	0.58	0.14	31.2
Probable	94,407	0.52	0.15	27.0
Total Proven and Probable	99,247	0.52	0.15	27.2
Measured and Indicated (inclusive)	137,526	0.54	0.15	27.6
Inferred	1,506	0.53	0.16	27.6
Waste	683,802			



# SUMMARY

- ✓ Demonstrating that operational and financial improvements over historical performance are not only possible, but sustainable, at Santa Rita
- ✓ A new mine plan has been developed focused on increasing operational efficiencies and streamlining various processes
  - 2015 production plan focused on navigating a weak nickel price environment
- ✓ 2015E contained nickel production is envisaged to increase by 30-50% over 2014 levels, largely due to material improvements in nickel grade and recovery
- ✓ C1 cash costs in 2015 are forecast to decrease by 30-37% over 2014's figure of US\$7.16/lb – forecast to be US\$4.50-5.00/lb in 2015