

Ansongo Manganese

Our First Development

Callabonna Resources Ltd (CUU:ASX)

RRS Gold Coast September 2014

Jeff Williams Director

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This presentation contains a number of summaries of complex agreements and contractual arrangements which do not reflect the agreements in their entirety. Potential investors are cautioned against using the content of this presentation, in isolation, for making investment decisions. This presentation is only an overview of the Company. Before making an investment in the Company, research and the counsel of a qualified financial adviser or accountant are strongly recommended.

The information in this report that relates to Exploration Results is based on information compiled by Michael Raetz. Mr Raetz is a director and employee of the Company. He is member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr Raetz consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The information in this report that relates to mining is based on information compiled by Jeffrey Williams. Mr Williams is a director of the Company. He is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to open pit mining, processing and logistics in West Africa and the type of deposit under consideration and to the activity which he is undertaking. Mr Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Reference to exploration results were included in ASX announcements on 6 May, 10 June, 28 July, 1 August and 15 September 2014. The Company is not aware of any new information or data that would materially affect the information included in previous announcements, referenced herein.

The Company presently holds a direct 3% interest in Ansongo Limited and is earning another 14.2% by spending on the project. The material terms of the agreement were announced to the ASX on 6 May 2014 and the change of scale and nature of activities were ratified by shareholders on 11 July 2014. A direct interest of 17.2% in Ansongo Limited presently equates with a 12.1% indirect interest in the "Project" because Ansongo Limited holds 70.419% of Sahara Manganese Limited which in turn owns 100% of Mali Manganese Limited that holds the Tassiga mining permit 2011/15 District of Ansongo ("the Project"). The Project interest is subject to the mining convention that provides the state a 10% free entitlement.

Ansongo Manganese

Callabonna Mali

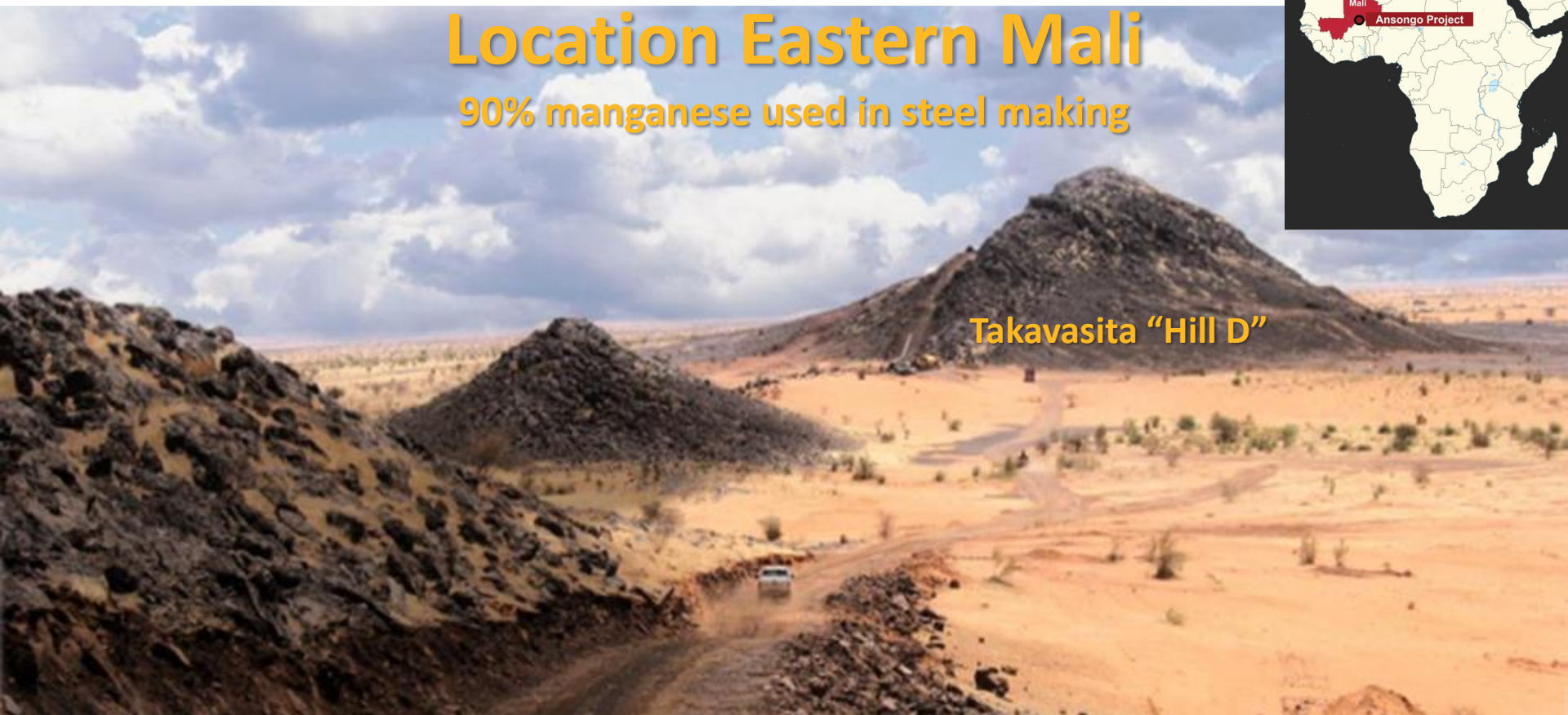
The Company is earning 17.2%* of Ansongo Limited and seeking ways to earn more

Location Eastern Mali

90% manganese used in steel making



Takavasita "Hill D"



** details in ASX announcements 6 May – note a direct interest of 17.2% in Ansongo Limited equates with a 12.1% indirect interest in the "Project". The Company is buying Ansongo Limited shares through expenditure on the Project.*

Callabonna - The Company ASX:CUU

Callabonna Mali

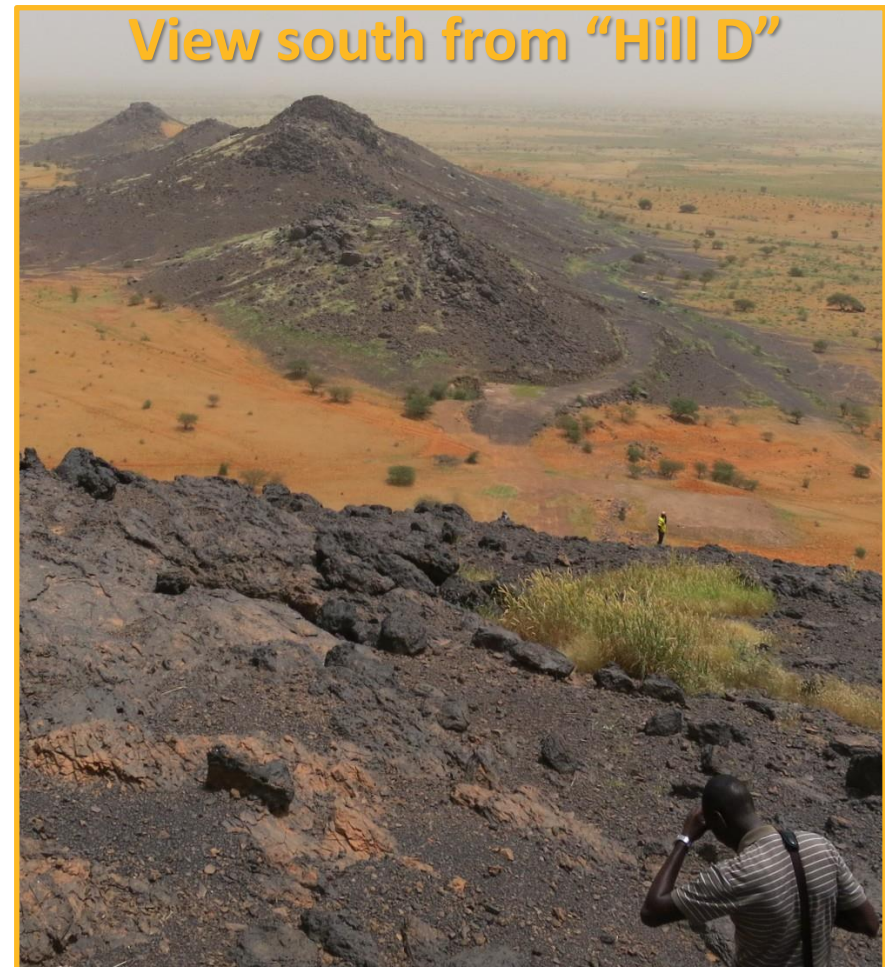
Shares; 110.5 million, 13.3 m 3 c options
Top 20 hold 69%
Share price; 1.5 c, Market Capitalisation; \$1.7m
Capital Needs A\$0.5m 2014 and A\$1.5m to mid 2015

Directors

Jeff Williams - Mining Engineer
Phillip Harman – Ex BHP Geophysicist
Mike Raetz - Ex BHP Geologist
Hyunsoo Kim - GM SK Networks Company Ltd.

Consultants

Mining Plus – Australia
M – Consult - Mali



Geological Formation

Hills of manganese formed 20million years ago by weathering of a manganese carbonate formation

First Phase Drilling to end 2014

\$350,000 drilling budget to confirm mineralisation

Second Phase Drilling to mid 2015

\$1,050,000 drilling budget to maiden JORC resource

Mine Scoping Study by end 2015

To include process test work

Hills of black manganese oxide



Ansongo Manganese – Secure

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The project has government support and the region is secure.

- *In the Liptako-Gourma Authority development region of Mali, Burkina Faso and Niger.*
- *Covers mineral, hydropower and agriculture developments.*

Ansongo linked to coastal ports

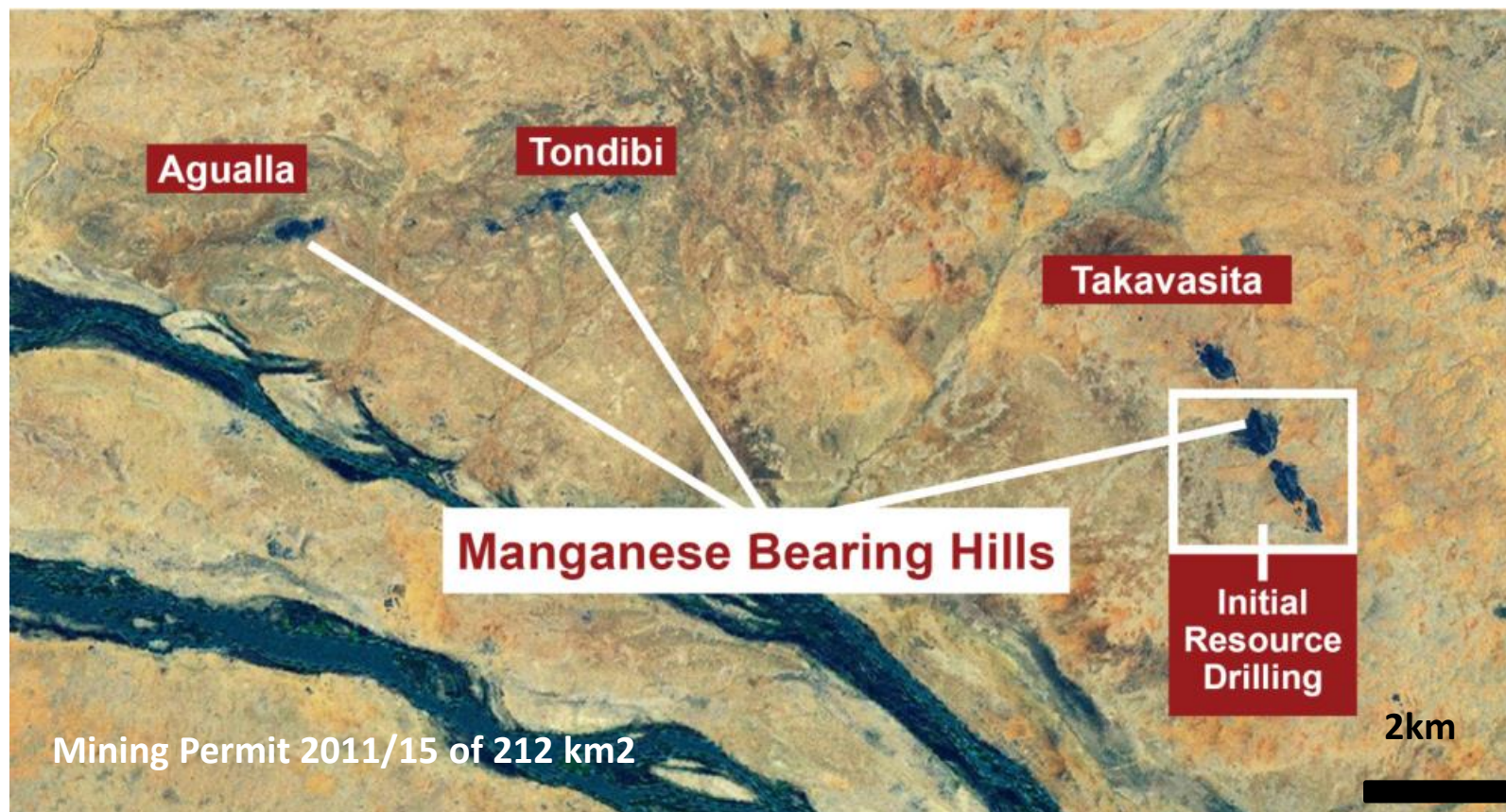
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**Good roads,
with back load
option and
planned new
rail
infrastructure**

Focused on Drilling and Production

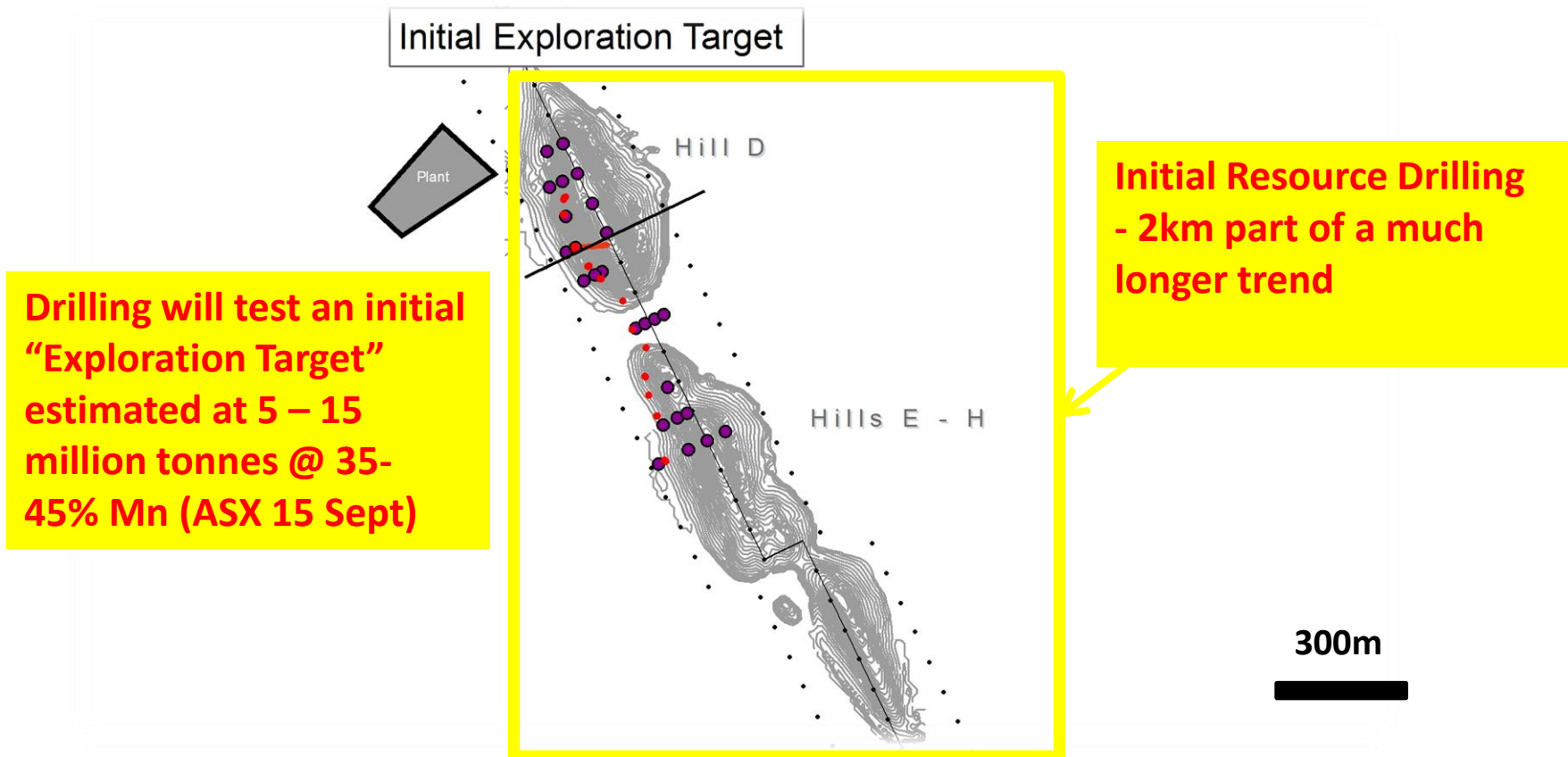
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- Under explored with potential for large manganese tonnage
- Mine Lease near a bitumen road and water
- Satellite photo shows manganese extends some 15-20km

Focused on Drilling and Production

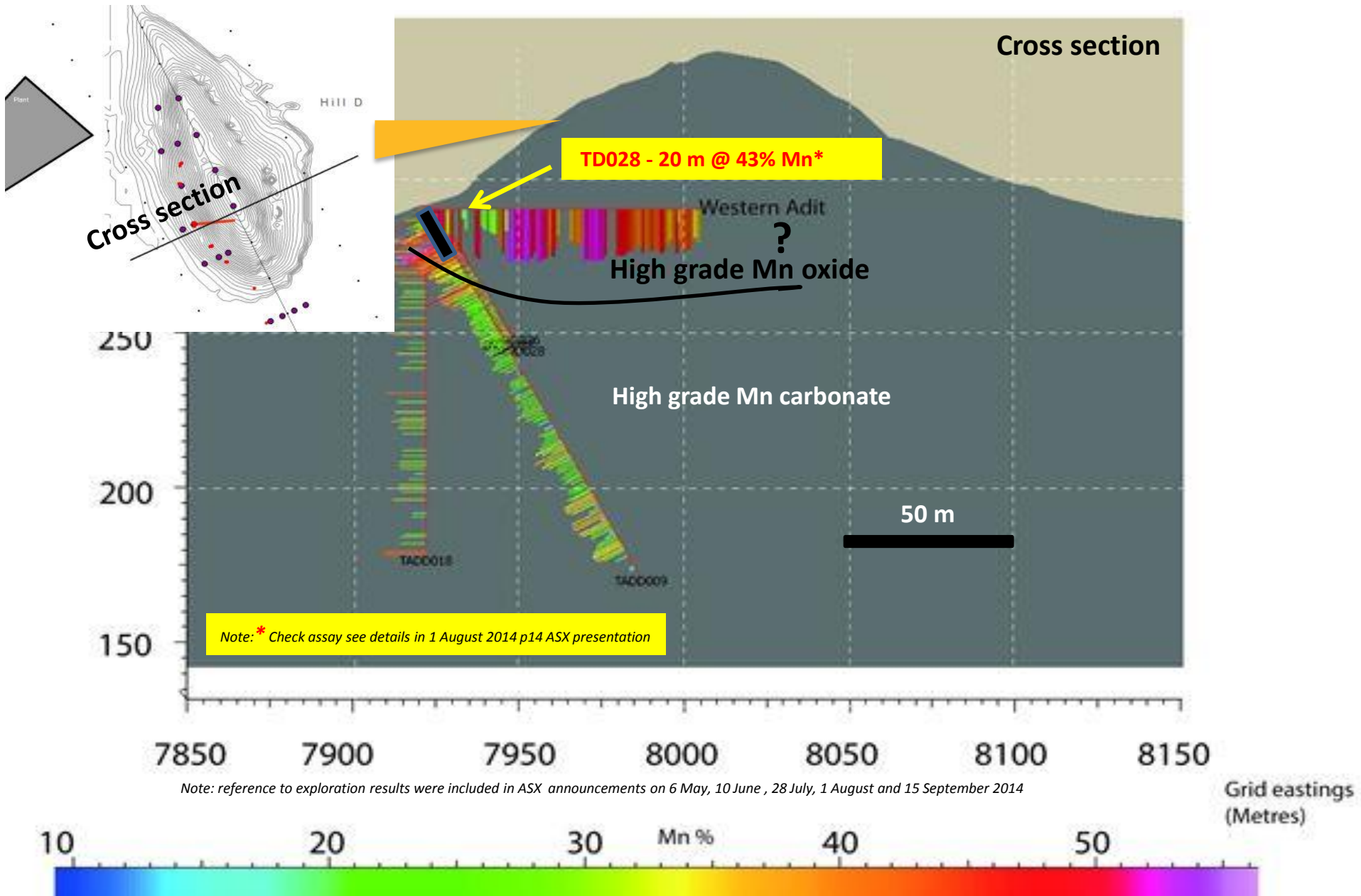
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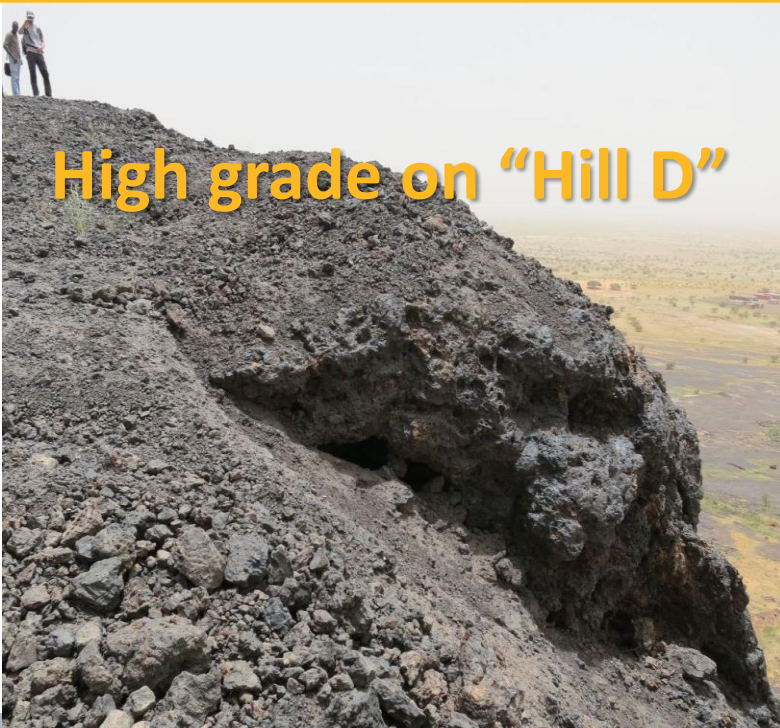


- Outcropping Manganese suggests a very low to non existent stripping ratio
- Bulk 280 tonne sample showed good product for customers
- Capable of producing plus 40% Mn suggesting up to US\$200 selling price
- Project partners HEM and POSCO have existing smelters
- 100km from worlds richest Manganese project at Tambao

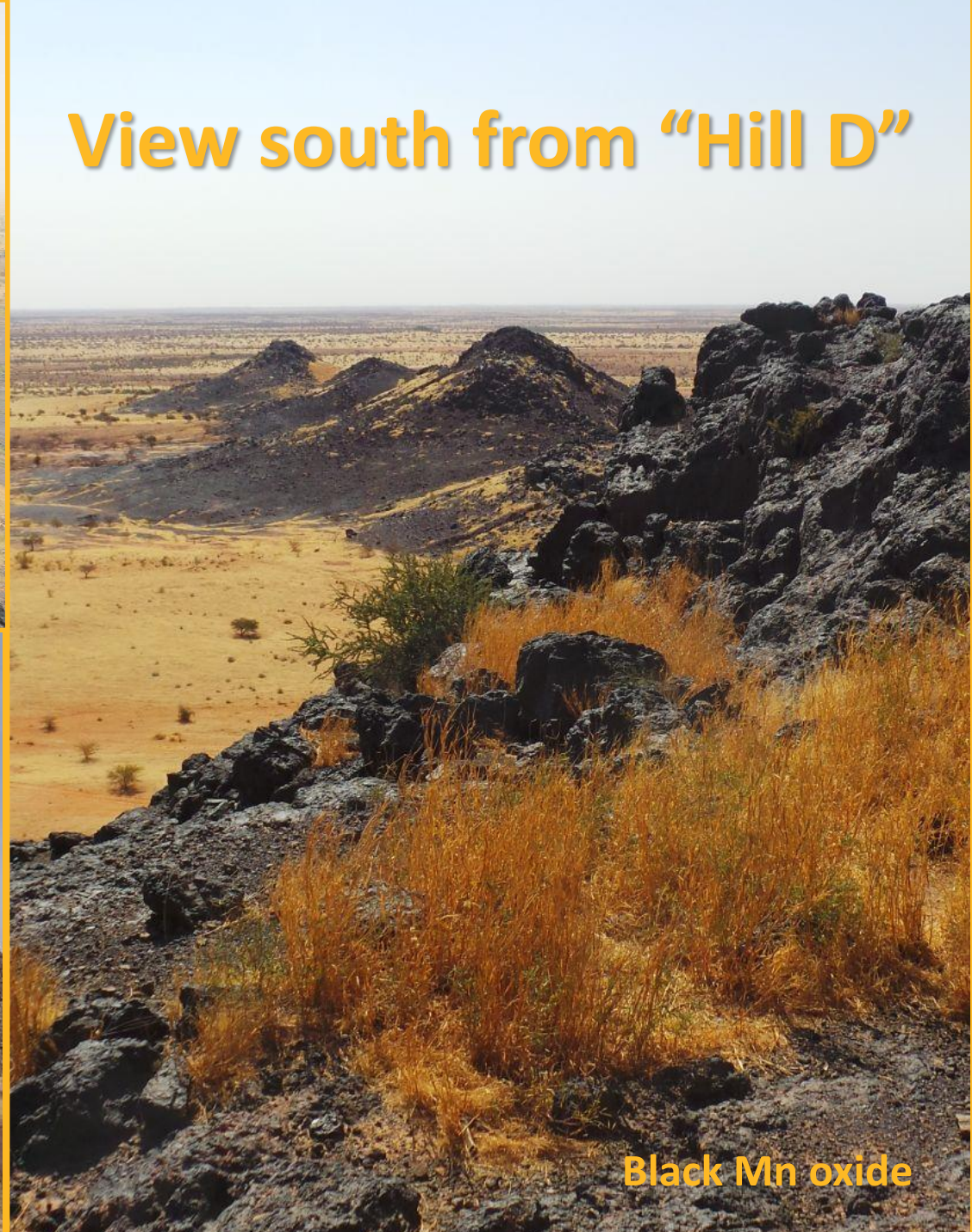
High Grade Manganese Oxide confirmed at “Hill D” above Manganese Carbonate

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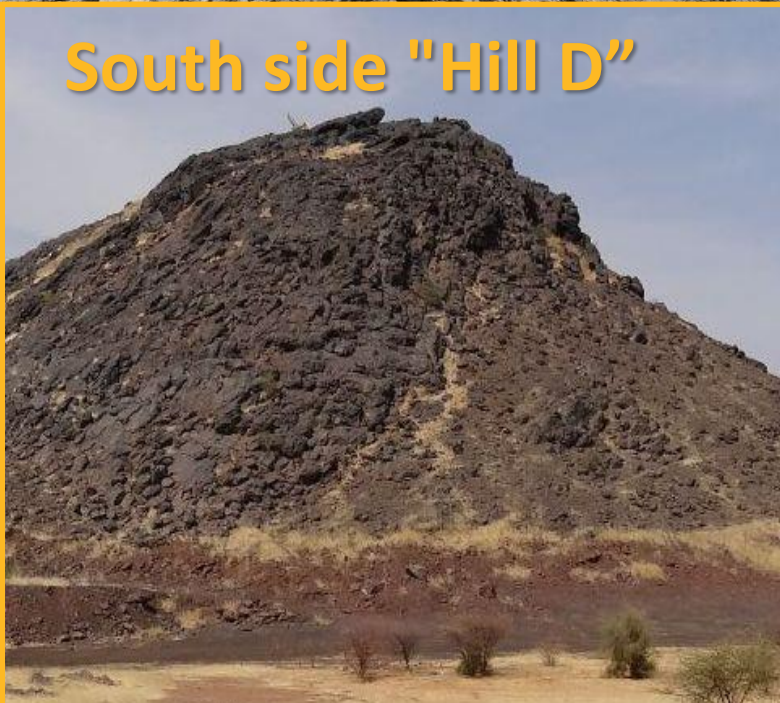




High grade on "Hill D"



View south from "Hill D"



South side "Hill D"

Black Mn oxide

Ansongo Hills demonstrate potential use of simple mining

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Takavasita “Hill D” South Face



60H x
200W

Manganese Prices

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High grade Mn ore basis USD/dmtu CIF China

Source of historic and forecasted manganese prices: CRU, Macquarie Research, www.ferro-alloys.com

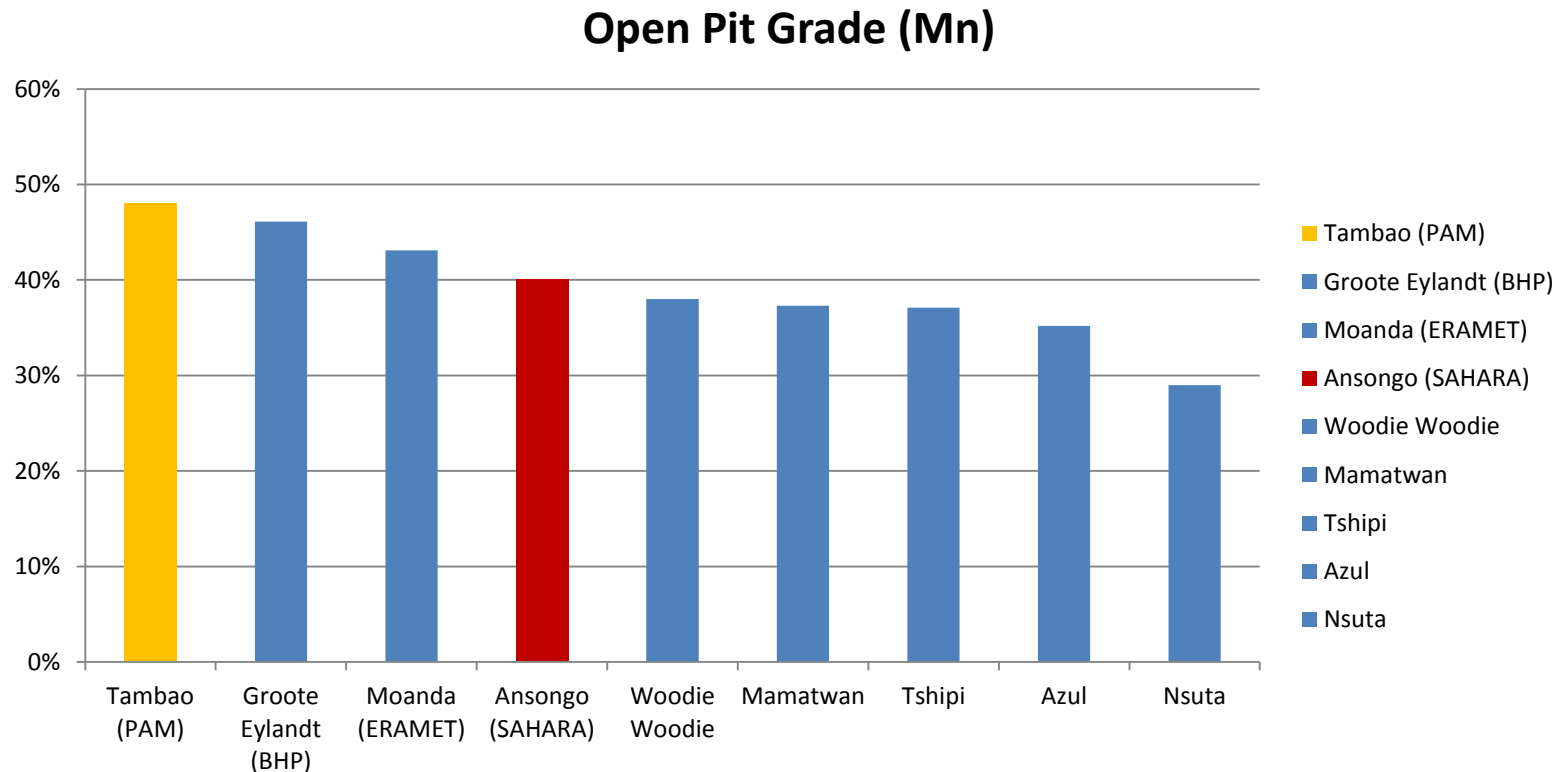


Example: Current comparable Mn ore (Australian 44% lump) price = 4.80 USD /DMTU CIF China
(source: www.ferro-alloys.com 19.Sept. 2014)

$\$4.8/\text{DMTU} \times 44\% \text{ Mn} \times 100 = \text{USD } 211.20/\text{tonne}$

Ansongo – Mn target grade v Producers

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- **Ansongo target grade is above the mid range of open pit producers**
- **Tambao is the highest grade in the world (Pan African Minerals)**

Ansongo target grade is based on the mid range of the Exploration Target announced 15 September. An Exploration Target is an estimate of mineralisation where the potential quantity and grade is conceptual in nature, because there has been insufficient exploration to estimate a mineral resource and it is uncertain if further exploration will result in the estimation of a mineral resource

World Manganese Producers

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Name	Location	Owner	Mn Ore (mt)	Grade (Mn)	Mining
Tambao	Burkina Faso	PAM	36	48%	OP
Groote Eylandt	Australia	BHP, Anglo American	75.6	46%	OP
Wessels	South Africa	BHP, Anglo American, Ntsimbintle	64	44%	UG
Moanda	Gabon	Eramet, Gabon Gvt	100	43%	OP
Nchwaning/ Gloria	South Africa	African Rainbow Minerals , Assore	165	42%	UG
Gravenhage	South Africa	Aquila Resources, Tawana Resources	13	40%	UG/OP
Woodie Woodie	Australia	Private Group	16.7	38%	OP
Mamatwan	South Africa	BHP, Anglo American, Ntsimbintle	46	37%	OP
Tshipi	South Africa	JMS, Ntsimbintle	60.5	37%	OP
Azul	Brazil	Vale	15	35%	OP
Nsuta	Ghana	Privat Group	24.4	29%	OP
Zhairem	Kazakhstan	Eurasian Natural Resources	54.2	24%	OP

Ansongo – The existing plant will be upgraded

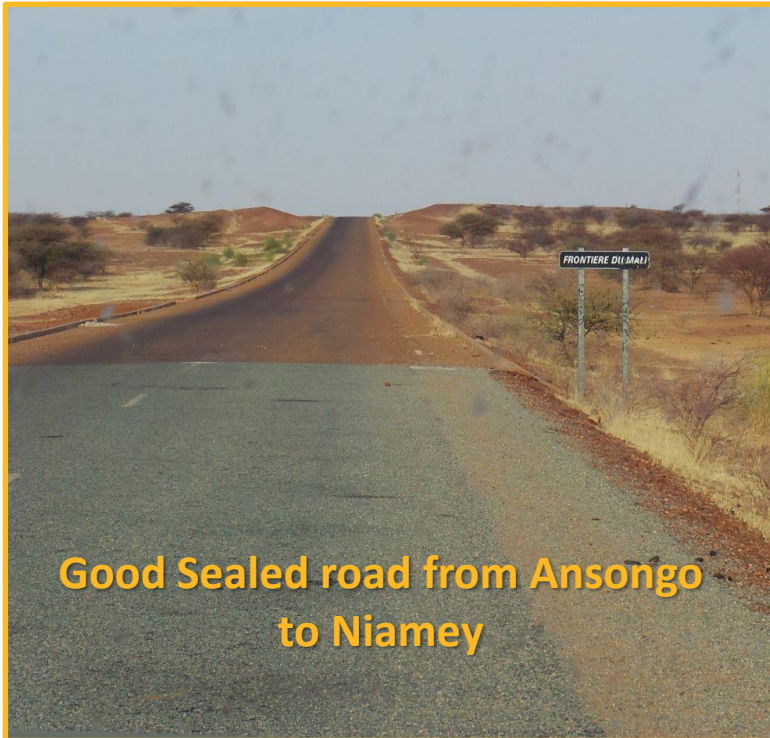
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- **NEXT STEPS TO MINING**
- Resource drilling Hills D-H and mine scoping - 2015
- Heavy media test on 5 tonne sample
- Shipping crushed Mn lump to test logistics and markets

Ansongo – has good road links and future rail to port

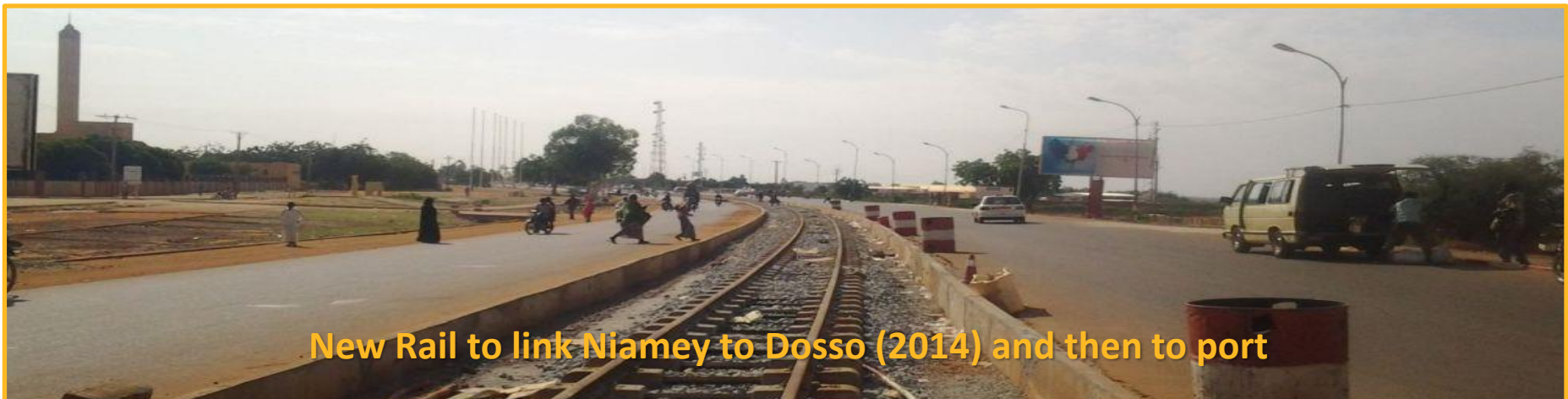
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Good Sealed road from Ansongo to Niamey



Ample back loading from Niamey to port



New Rail to link Niamey to Dosso (2014) and then to port

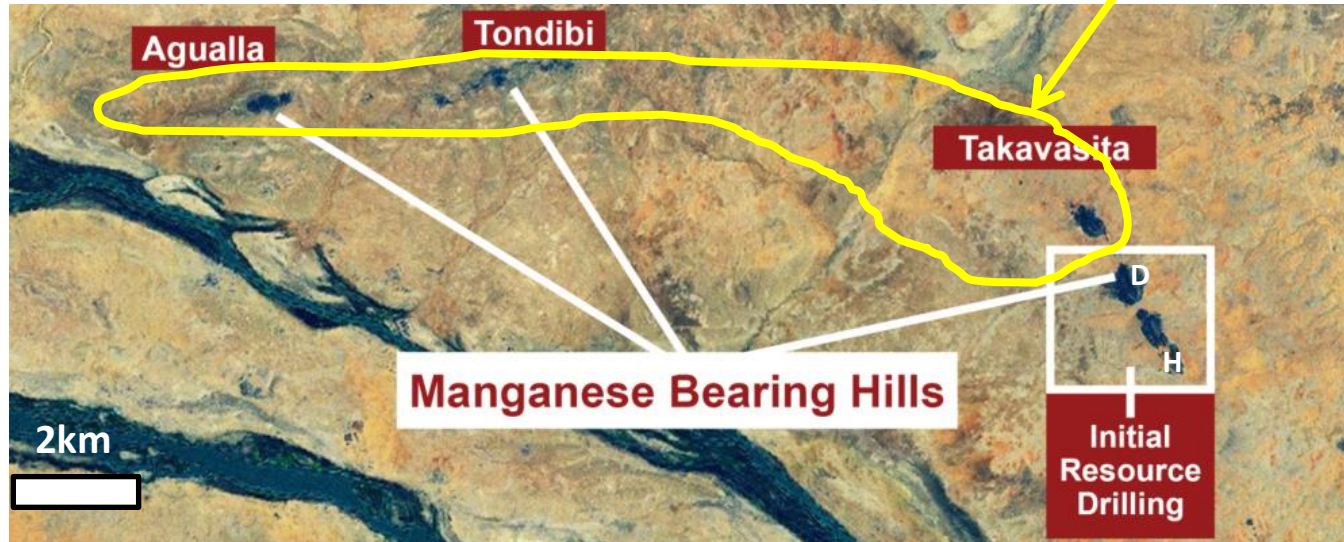
Ansongo - has upside resource potential

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Agualla - High Grade Manganese Outcrops



The western exploration area



West of "Hill D"

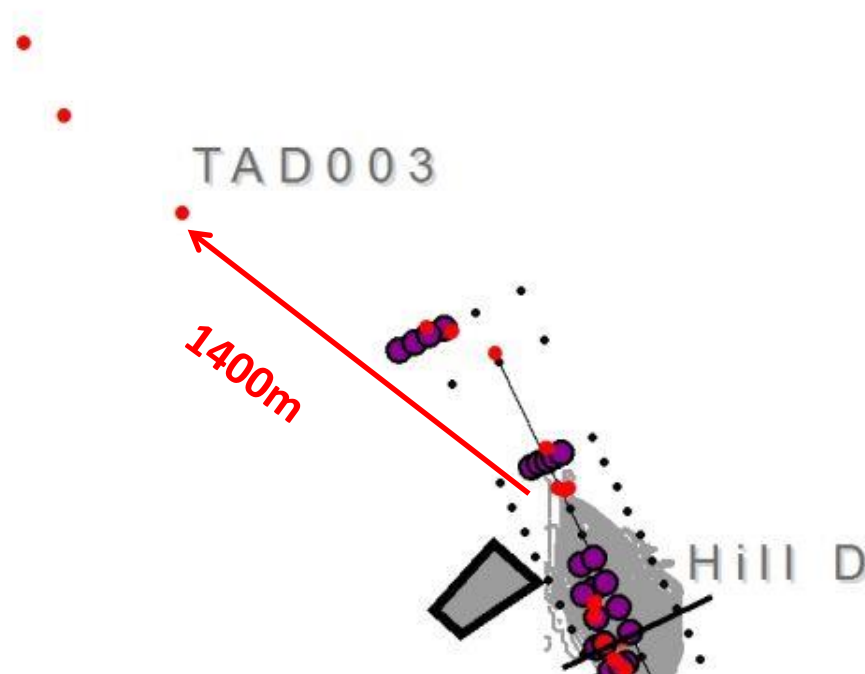


Explore western area with mapping, geophysics and drilling

Ansongo – high manganese grade at TAD003 and Agualla

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Hole TAD003 located 1400m from Hill D contains high grade manganese over 20 m vertical in a folded mineralised formation



Agualla - High Grade Manganese Outcrops



Outcrops at Agualla have never been drilled and have assayed up to 50% at surface*

Note: reference to exploration results were included in ASX announcements on 6 May, 10 June, 28 July, 1 August and 15 September 2014

* Specifically sample WPT44 collected by Coffey noted on page 16, Table 2 in the Report by the Independent Geologist included in the 10 June 2014 Announcement

Ansongo –Next steps and “News Flow”

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- **By end 2014**
 - 2000m confirmation of mineralisation drilling
 - First results in December on ASX
- **By Mid 2015**
 - Maiden JORC Resource for Hills “D to H”
 - Results progressively released on ASX
- **By end 2015**
 - Complete scoping study

As well as other Mining Lease Activities

- Keep shipping stockpile to test logistics and markets
- Test 5 tonne sample by Dense Media Separation

Ansongo Manganese



ASX Code: CUU
www.callabonna.com.au

29/08/2014