METALS of AFRICA
LIMITED

Natural Flake Graphite + MOZ = MTA

ASX: MTA

Africa Downunder – September 2016

Disclaimer & Competent Person Statement

Statements and material contained in this Presentation, particularly those regarding possible or assumed future performance, resources or potential growth of Metals of Africa Limited, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Such forecasts and information are not a guarantee of future performance and involve unknown risk and uncertainties, as well as other factors, many of which are beyond the control of Metals of Africa Limited. Information in this presentation has already been reported to the ASX.

Cautionary Statement

The Company advises that a proportion of the production target referred to in this announcement is based on an inferred mineral resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

Competent Persons Statement

The information in this report that relates to a Concept Study is based on information compiled by Ms. Cherie Leeden, who is Managing Director of the Company. Ms Leeden is a Member of the Australian Institute of Geoscientists and has the relevant experience in the Technical Assessment and Valuation of Mineral Assets of this level of Pre Development study referred Concept Study. Ms. Cherie Leeden also has sufficient relevant experience in the style of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Leeden consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The Maiden JORC Graphite Resource at Montepuez Central Project was announced by the Company 16 November 2015 and 8 December 2015 and should be referred with this report. The Maiden JORC Graphite Resource at Balama Central Project was announced by the Company on 21 March 2016 and should be referred with this report. The information pertaining to the Montepuez Central and Balama Mineral Resource is based on information compiled by Mr Robert Dennis who is a Member of Australian Institute of Geoscientists and a full time employee of RungePincockMincarco Limited. Mr Dennis 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 Dennis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Montepuez Central Concept Study is based on a preliminary technical and economic assessment to test the economic viability of the Montepuez Central Mineral Resource with ±40% accuracy. It includes appropriate assessment of realistically assumed mine development, processing and transport operational factors estimated with presently defined graphite product pricing which supports realistically justified progress to a Pre-Feasibility Study. The Concept Study is not a Pre-Feasibility or Feasibility Study as further comprehensive studies are required to achieve this level of economic confidence including Resource to Ore Reserve conversion and further product testwork.

Mineral Resources

The basis of the Study was the Mineral Resource estimate for the Montepuez Project (Buffalo, Lion and Elephant prospects), which contains 61.6Mt at 10.2% TGC for 6.3Mt of contained graphite at a cut-off of 6% TGC. RungePincockMinarco Limited ("RPM") was engaged to prepare the Mineral Resource estimate in 2015. The Mineral Resource underpinning the production target, classified as Indicated and Inferred, was prepared under the supervision of a Competent Person and reported in November and December 2015 in accordance with the requirements in Appendix 5A (the JORC Code 2012 edition). Classification of the Mineral Resource was carried out taking into account the geological understanding of the deposit, quality of the sampling and density data, and drill hole spacing. Metallurgical considerations of flake size distribution, purity of product and petrographic analyses were also given due consideration.

Vast portions of the VTEM anomalism at the Project remain undrilled. There are opportunities to delineate further Mineral Resources parallel to existing trends at Elephant and Buffalo. All prospects are open along strike and down-dip. Extensional drilling is likely to add tonnes to the Mineral Resource, specifically to the south of known mineralisation at Elephant and Buffalo.

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Corporate Snapshot

Cherie Leeden - BSc Hons - Managing Director

Geologist, successful explorer and developer of mineral resources
Extensive experience working for majors/juniors
Predominantly African based and focussed for past 5 years

Gilbert George – MEc - Non Executive Chairman

Experienced public company director
>30 years international business experience
Corporate funding experience in mining industry

Brett Smith – BSc Hons - Non Executive Director

Geologist
25 years experience in exploration and resource definition
Experienced public company director

Corporate Representation

Head Office	West Perth, Western Australia
Country Office	Maputo, Mozambique

ASX: MTA

Shares on Issue:	**316M**
Market Cap:	**~$16M**
Cash in bank:	**$4.2M (1)**
Share Price:	**$0.052(2)**
Trading Range (12 weeks):	**A$0.046- $0.073**

Options on issue
58M MTAO listed (15 cents, 7 Jan 2017)
11M unlisted (various)

(1) 30 June 2016
(2) as of 8 September 2016

Graphite Project locations - Cabo Delgado Province, Mozambique

Montepuez Project
Balama Central Project

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Location and Profile

- Within the Mozambique graphite mobile belt
- Province of Cabo Delgado, Mozambique
- Company has two world class Natural Flake Graphite projects at this address
- Exceptional concentrate production and recovery grades from sample testing
- Favourable electro chemistry (eChem)/ and metallurgical ("met") properties demonstrated for Lithium Ion Battery ("LiB's") applications
- Logistically favoured
  - Road and port access, community support
- DFS proceeding rapidly on "coat tails" of a robust Concept Study
- Predicted lowest quartile OPEX
- Vertical integration capacity – Coated Spherical Graphite ("C-SPG") Mill proposed in USA

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Highlights and Outcomes - 2016

2016	Rapid Progression and Milestone Achievement
January	High grade (up to 22.7%TGC) NFG results - Balama Central
February	Positive, Robust Concept Study - Montepuez
March	Maiden JORC resource - Balama Central
March	US Spherical Mill purchase; C-SPG consortium invitation
April	Met results confirm easy liberation – Balama & Montepuez
May	Capital raising secures $5.5m to advance projects
June	eChem and Met results confirms LiB potential
June	DFS shifts into gear
July	DFS infill drilling underway
July	Successful “bulk scale” sampling results
August	Achieves chemical-free NFG con. recovery up to 99%

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Montepuez Resource for Definitive Feasibility Study

Montepuez Central Project

61.6 Mt @ 10.3% TGC and 0.26% V2O5

6.3 Mt of contained graphite at a 6% TGC cut-off

Resource remains open along strike and at depth

Montepuez Graphite Project Maiden Mineral Resource Estimate (6% TGC Cut-off)					
Class	Tonnes	TGC	V_2O_5	Cont. Graphite	Cont. V_2O_5
	Mt	%	%	Mt	Kt
Indicated	27.6	10.4	0.23	2.9	62
Inferred	34.1	10.2	0.30	3.5	101
Total	**61.6**	**10.3**	**0.26**	**6.3**	**163**

Note:

1. *Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.*
2. *Flake sizes for the Mineral Resource are tabulated in the Appendix to the presentation*
3. *The Statement of Estimates of Mineral Resources has been compiled under the supervision of Mr. Robert Dennis who is a full-time employee of RPM and a Member of the AusIMM and AIG. Mr. Dennis has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).*
4. *All Mineral Resources figures reported in the table above represent estimates at 21 March 2016. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.*
5. *Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).*
6. *TGC = total graphitic carbon.*

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Balama Central - Maiden Resource

Balama Central Project

16.3Mt at 10.4% TGC and 0.21% V_2O_5 - defined via a 3 week drill program, huge upside

1.7Mt of contained graphite at a 6% TGC cut-off

Resource remains open along strike and at depth

Balama Central Graphite Project Maiden Mineral Resource Estimate (6% TGC Cut-off)					
Class	Tonnes	TGC	V_2O_5	Cont. Graphite	Cont. V_2O_5
	Mt	%	%	kt	Kt
Indicated	8.9	9.3	0.16	836	14
Inferred	7.3	11.8	0.27	863	20
Total	**16.3**	**10.4**	**0.21**	**1,699**	**34**

Note:

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2. *Flake sizes for the Mineral Resource are tabulated in the Appendix to the presentation*
3. *The Statement of Estimates of Mineral Resources has been compiled under the supervision of Mr. Robert Dennis who is a full-time employee of RPM and a Member of the AusIMM and AIG. Mr. Dennis has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).*
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Montepuez Concept Study Highlights

Synopsis

- Analysis completed by RungePincockMinarco +/- 40%; DFS targeted by Dec 2016
- Richest proportion of large & jumbo flake of any graphite deposit in Mozambique
- Low 2.2:1 strip ratio (optimisation being completed as part of DFS)
- Simple, open pit mining methods being targeted
- Production feed rate of 1.2 Mtpa at average grade of 10% Total Graphitic Carbon ("TGC") proposed for first 30 years[1]
- Proposed production rate of 100,000[1] tonnes per annum of product, including:
    i. 25,000 tpa Coated Spheroidal graphite
    ii. 25,000 tpa Carburiser product
    iii. 20,000 tpa Jumbo-Super Jumbo flake
    iv. 30,000 tpa Large flake
- Proposed 60 year mine life
- Very low OPEX circa US$300/tonne, scope for competitive suite of products

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Projects Offer Largest Flake Graphite In Mozambique

Montepuez and Balama project – classification and flake distribution

Classification	Sieve Size (µm)	Balama Central (%)	Montepuez Project (%)	Sieve size (~US Mesh)
Jumbo	>300	21.8	8.0	-50
Large	180-300	29.1	20.2	80- 50
Medium	150-180	10.5	10.9	80-100
Fine	75-150	25.1	33.8	100-200
Very Fine/Amorphous	<75	13.5	27.1	200+

- Circa 50% of product is large and jumbo flake
- Final product profile being confirmed within terms of reference for DFS
- Letter of Certification (LOC) and ethical processes with confirmed source of graphite

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Metallurgical Results - Exceptional and No Chemicals

- Flotation testwork achieved 99.2% TGC purity **WITHOUT USE OF ANY CHEMICALS**
- High graphite recovery achieved with coarse primary grind size
- Beneficial flotation parameters create scope to reduce plant capital and operating cost

Image: GS03 Weathered Composite Rougher Flotation without Collector; Chemical free production from MTA's graphite

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Spherical Graphite Mill - USA

Spherical graphite is critical for production of anode-ready material for LiB's

- **MTA selected to participate in the development of a next generation spherical graphite facility**
  - MTA acquired a micronizing and spheronizing mill with a consortium
  - Strategically located in the USA (refer to announcement 30 March 2016 for project partner details)
- **Pilot mill will be tasked to produce high yield battery grade spherical graphite**
  - Offers significant cost savings and reduce environmental impact; best practise processes
  - Designed to produce and test Coated Spherical Purified Graphite ("C-SPG")
  - Production anticipated to commence in October 2016
- **The specific processes being advanced in conjunction with Coulometrics LLC**
  - Coulometrics process/IP developed over 3 years, under stewardship of Dr. Edward Buiel
  - Involves **no chemicals/acids**, providing a potential competitive advantage to traditional spherical graphite production
- **Processes designed to supply of Lithium Ion battery manufacturers as a fully qualified product**
  1. That can be traced 100% back to its source
  2. Provides vital technical verification on the material
  3. Environmentally friendly
- **"Best-practice processes" are currently being legislated in the US and Europe**

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Bulk Sampling - Spherical graphite pilot plant/DFS

High grade graphite mineralisation is at or near to the surface

MTA team extracting samples to be sent for testing at the Company's USA spherical graphite pilot plant

Sample of raw material extracted and to be sent for testing at the Company's USA-based spherical graphite pilot plant

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LiB Testing Results – Montepuez Graphite

Table 1: Tap and ash analysis based on 96% concentrate sample

ID#	Flake Size (mesh)	Tap Density (g/cc)	LOI – Ash Content (% carbon)		
			Sample 1	Sample 2	Sample 3
G16-0049	As Received	0.74	98.63	98.86	98.78
	+50	0.71	98.90	99.00	98.97
	50x100	0.68	98.95	98.97	98.96
	100x200	0.60	98.90	98.38	98.90
	200x400	0.48	98.63	98.70	98.66
	400x635	0.30	98.10	98.05	-
	-635	0.28	Not enough -635 material from this sample.		

Table 2: Electrochemical data based on 96% concentrate sample*

ID#	Flake Size Ground to -635 mesh	eChem Results		
		Rev. Capacity (mAh/g)	Irrev. Capacity (mAh/g)	First Cycle Efficiency (%)
G16-0047	As Received	366	34.1	91.3
	+50	363	29.6	92.3
	50x100	361	30.5	91.9
	100x200	367	35.2	91.1
	200x400	374	37.6	90.8
	400x635	361	50.2	87.6
	-635	Not enough material available after sieving		

*Reversible Capacity is a key criteria to LiB performance, anticipated to increase when 99.99% production grade concentrate is used – current dilution factor of about 4%. As a guide, Reversible Capacity over 350mAh/g is generally considered excellent.

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Recent Market Intelligence and Product Considerations

- **Asia based offtake meetings completed in August 2016, confirming:**
  i. Markets seeking “best products at best/most competitive price point”
  ii. Product profile needs to match market needs (which remains dynamic)
  iii. Operations/methods must align with “green” graphite product uses

- **Pressure on aspiring Graphite producers to perform in respect of:**
  i. Low Capex/Opex will be key within a cost competitive landscape
  ii. Flexible processing capabilities will be required to respond to changing market needs
  i. Vertically integrated processes will be required for “optionality” and production of higher value graphite products

- **Asia & USA based offtake follow-up meetings scheduled for September - October:**
  i. Advanced LiB battery due diligence test work is ongoing
  ii. Bulk sample concentrate currently being prepared and processed

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Graphite – The Clean Energy Revolution Platform

- Reliable, cheap sources of high quality graphite concentrate is key
  - i. Rapid growth of the market for electric vehicles (EV's) using LiB's
  - ii. Rapidly growing Energy Storage System (ESS) market
  - iii. Portable electronic appliances, phones and laptops
- Synthetic graphite dominated LiB anode market, NFG is becoming a disruptor
  - i. Due to cost differentials, supply and purity
- Mega factories transitioning from Syn Graphite to NFG as a cost saving push
  - i. Tesla, LG, Samsung, Panasonic, Google, BMW at the forefront of this paradigm shift
  - ii. Global ESS market will be worth about US$34bn by 2023[1]
- Graphite demand for batteries is predicted to increase by about 40% pa[1]
- Average LiB prices falling
  - i. Prices fell 53% between 2012 and 2015
  - ii. HIS forecasts by 2019 they will decline by half again
  - iii. Being largely driven by natural/cheaper input material
- Country specific policy change will significantly increase battery demand
  - i. Globally significant enterprises and governments (China/USA) are publically promoting battery storage/green energy initiates and EV use

Low cost production will be a critical requirement

1. Source: Benchmark Minerals Intelligence, 2015

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Goals for Code of Conduct and Product

- MTA is focussed on developing a transparent, verifiable operation, including:
  i. "100% traceable graphite";
  ii. Ethical, sustainable operational practices; and
  iii. Being socially responsible with local engagement.

- Near term goal to produce high quality Natural Flake Graphite to supply:
  i. Natural flake (jumbo/large) markets;
  ii. Carburiser products; and
  iii. Spherical Graphite options being explored.

- Undertaking testing to produce Coated Spherical Purified Graphite ('C-SPG") for LiB with following characteristics targeted:
  i. high yield (>50%);
  ii. high tap density (>1.0g/cc);
  iii. Low surface area(6m2/g) for anode graphite; and
  iv. Heat preferred over chemical purification to >99.95% concentrate.

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Committed and making a continuing positive difference

Local initiatives already undertaken and ongoing:

- Opening and repair of water bores/wells
- Repair of roads and schools
- Commitment to ongoing training of local labour and staff
- Government geologists training program
- Proud sponsor of a local soccer team
- Hygiene education program

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Target Outcomes for the remainder of 2016

- Corporate rebrand of Company to align with Graphite and Battery market focus
- Secure binding offtake agreements for natural flake graphite (NFG)
- Develop SPG/C-SPG opportunities with USA Consortium
- Lodge and progress Mining License application
- Progress financing options
- Complete DFS, transition to pre-production status
- Key board appointments to complement Company transformation

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Defining Attributes of MTA

- **Resource Quality Demonstrated**

i. Projects within Mozambique's Cabo Delgado graphite province

ii. Definition of JORC Resources with high proportion Large/Jumbo flake and high TGC confirmed

iii. Spherical graphite potential, ideally suited for "green energy" EV battery applications

- **Robust Concept Study Metrics allowed progress to DFS**

i. Robust concept study outcomes achieved

ii. Optionality, scalability and scope for capital and operating expenditure refinements being made during DFS

- **Robust Operating Landscape and Logistics**

i. Logistics, power, water, mining code, corporate taxes and regulations favourable for investment

- **Clear Development Pathway**

i. Resources defined, Definitive Feasibility Study underway (PFS bypassed, saving time and funds)

ii. Graphite Offtake discussions and end-user test work underway

- **Spherical Graphite Vertical Integration Opportunity**

i. Natural flake graphite to disrupt synthetically derived spherical graphite (presently dominant supply in LiB's)

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Additional Information

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Montepuez JORC Resource Statement

Montepuez Graphite Project
November 2015 Mineral Resource Estimate (6% TGC Cut-off)

Deposit	Type	Indicated Mineral Resource				
		Tonnes Mt	TGC %	V_2O_5 %	Cont. Graphite Mt	Cont. V_2O_5 Kt
Buffalo	Weathered	2.9	9.8	0.23	0.3	7
	Primary	21.0	10.3	0.21	2.2	45
Lion	Weathered	0.6	11.4	0.26	0.1	1
	Primary	3.1	11.3	0.32	0.3	10
	Total	**27.6**	**10.4**	**0.23**	**2.9**	**62**

Deposit	Type	Inferred Mineral Resource				
		Tonnes Mt	TGC %	V_2O_5 %	Cont. Graphite Mt	Cont. V_2O_5 Kt
Buffalo	Weathered	1.1	8.2	0.19	0.1	2
	Primary	3.4	8.8	0.20	0.3	7
Lion	Weathered	0.1	12.6	0.34	0.0	0
	Primary	0.4	12.1	0.34	0.1	1
Elephant	Weathered	2.7	10.5	0.32	0.3	9
	Primary	26.4	10.3	0.31	2.7	81
	Total	**34.1**	**10.2**	**0.30**	**3.5**	**101**

Deposit	Type	Total Mineral Resource				
		Tonnes Mt	TGC %	V_2O_5 %	Cont. Graphite Mt	Cont. V_2O_5 Kt
Buffalo	Weathered	4.0	9.4	0.22	0.4	9
	Primary	24.4	10.1	0.21	2.5	52
Lion	Weathered	0.6	11.5	0.27	0.1	2
	Primary	3.5	11.4	0.32	0.4	11
Elephant	Weathered	2.7	10.5	0.32	0.3	9
	Primary	26.4	10.3	0.31	2.7	81
	Total	**61.6**	**10.3**	**0.27**	**6.3**	**163**

Table 2 Buffalo Weathered Material Type Flake Size Classification

Classification	Sieve Size (µm)	% in Interval	Cumulative %
Very Fine	<75	16.0	100.0
Fine	75-150	21.6	84.0
Medium	150-180	8.1	62.4
Large	180-300	25.2	54.3
Jumbo	>300	29.0	29.0

Table 3 Buffalo Primary Material Type Flake Size Classification

Classification	Sieve Size (µm)	% in Interval	Cumulative %
Very Fine	<75	11.3	100.0
Fine	75-150	18.8	88.7
Medium	150-180	7.8	69.9
Large	180-300	24.6	62.1
Jumbo	>300	37.5	37.5

Table 4 Lion Weathered Material Type Flake Size Classification

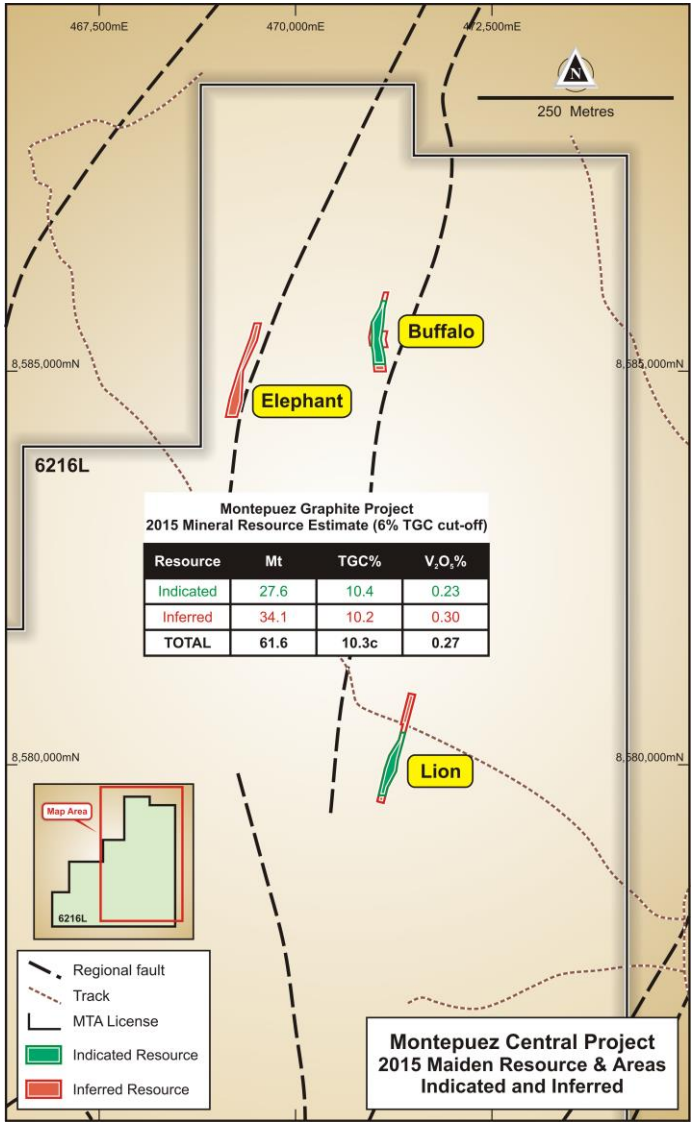
Classification	Sieve Size (µm)	% in Interval	Cumulative %
Very Fine	<75	20.6	100.0
Fine	75-150	22.8	79.4
Medium	150-180	7.9	56.6
Large	180-300	23.2	48.7
Jumbo	>300	25.5	25.5

Table 5 Lion Primary Material Type Flake Size Classification

Classification	Sieve Size (µm)	% in Interval	Cumulative %
Very Fine	<75	16.0	100.0
Fine	75-150	20.6	84.0
Medium	150-180	6.6	63.3
Large	180-300	21.7	56.8
Jumbo	>300	35.1	35.1

Table 6 Combined Montepuez Project Flake Size Classification

Classification	Sieve Size (µm)	% in Interval	Cumulative %
Very Fine	<75	15.5	100.0
Fine	75-150	20.7	84.5
Medium	150-180	7.5	63.8
Large	180-300	23.5	56.3
Jumbo	>300	32.7	32.7



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Montepuez JORC Resource – Cut-off grade chart

Montepuez Graphite Project
November 2015 Mineral Resource Estimate

Grade Range TGC%	Incremental Resource Tonnes t	TGC %	V_2O_5 %	Contained Graphite (t)	Contained Vanadium (t)	Cut-off Grade TGC%	Cumulative Resource Tonnes t	TGC %	V_2O_5 %	Contained Graphite (t)	Contained Vanadium (t)
1.0 - 2.0	80,302	1.97	0.05	1,582	44	1	83,527,774	8.81	0.23	7,357,009	190,620
2.0 - 3.0	1,396,495	2.55	0.06	35,639	887	2	83,447,472	8.81	0.23	7,355,427	190,576
3.0 - 4.0	2,653,909	3.69	0.09	97,805	2,466	3	82,050,977	8.92	0.23	7,319,788	189,689
4.0 - 5.0	7,529,132	4.53	0.12	340,970	9,296	4	79,397,068	9.10	0.24	7,221,983	187,223
5.0 - 6.0	10,245,400	5.50	0.14	563,119	14,849	5	71,867,936	9.57	0.25	6,881,012	177,927
6.0 - 7.0	7,146,042	6.51	0.17	465,033	12,497	6	61,622,536	10.25	0.26	6,317,894	163,079
7.0 - 8.0	7,505,020	7.54	0.20	566,217	14,861	7	54,476,494	10.74	0.28	5,852,861	150,582
8.0 - 9.0	8,431,197	8.52	0.22	718,663	18,307	8	46,971,474	11.26	0.29	5,286,644	135,721
9.0 - 10.0	10,464,986	9.53	0.23	997,611	24,367	9	38,540,277	11.85	0.30	4,567,981	117,415
10.0 - 11.0	9,586,488	10.47	0.26	1,003,564	25,024	10	28,075,291	12.72	0.33	3,570,370	93,048
11.0 - 12.0	5,790,582	11.51	0.29	666,225	16,595	11	18,488,803	13.88	0.37	2,566,806	68,024
12.0 - 13.0	3,523,078	12.38	0.31	436,144	10,973	12	12,698,221	14.97	0.41	1,900,581	51,428
13.0 - 14.0	2,104,757	13.44	0.36	282,811	7,583	13	9,175,143	15.96	0.44	1,464,437	40,455
14.0 - 15.0	2,488,293	14.81	0.46	368,471	11,403	14	7,070,386	16.71	0.46	1,181,626	32,872
15.0 - 20.0	4,101,168	17.47	0.47	716,360	19,148	15	4,582,093	17.75	0.47	813,155	21,469
> 20.0	480,925	20.13	0.48	96,796	2,321	20	480,925	20.13	0.48	96,796	2,321
Total	**83,527,774**	**8.81**	**0.23**	**7,357,009**	**190,620**						

Note:

1. Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.

2. Flake sizes for the Mineral Resource are tabulated in Tables 2 to 6 below.

3. The Statement of Estimates of Mineral Resources has been compiled under the supervision of Mr. Robert Dennis who is a full-time employee of RPM and a Member of the AusIMM and AIG. Mr. Dennis has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).

4. All Mineral Resources figures reported in the table above represent estimates at 12th November, 2015. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

5. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

6. Reporting cut-off grade selected based on other known economically viable deposits in the region. For further details, refer to grade tonnage information contained within Table 7 above.

7. TGC = total graphitic carbon.

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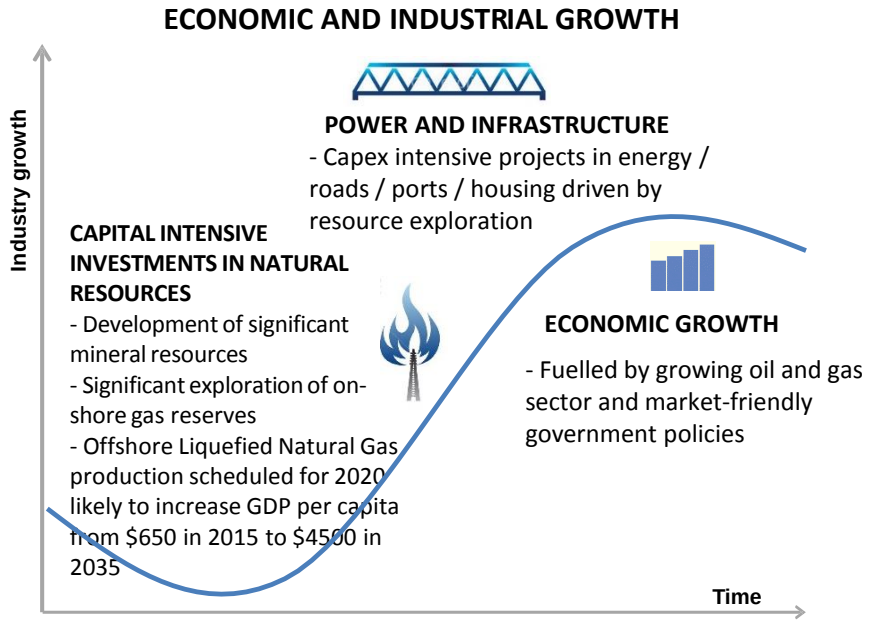
Mozambique - Snapshot

OVERVIEW
Stable multi-party democracy since 1994
Population - 27 million

ECONOMY
One of Africa's five fastest growing economies and consistent Growth expected to remain at 7-9%p/a; next 5 years

STRATEGIC POSITION
Access to markets – China, India as well as Europe
Strategic access to markets in SADC - 270m people

RESOURCES
Energy - Hydro, Gas and Thermal
Minerals - Coal, Gold, Graphite, Heavy Sands, Rare Earths, Precious Stones



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Mozambican - Foreign Direct Investment

Foreign Direct Investment – 2009-2014 $31bn ($4.9bn in 2014)

$1.5bn non-concessional loans for infrastructure in process

Credit Rating (Fitch) B-; Outlook stable
Corporate Tax - 32%

Investment Incentives / protection

- Legal protection for investors (incl. property/ intellectual rights)
- No restrictions on loans/interest payments abroad
- Multilateral Investment Guarantee Agency (MIGA) plus Overseas Private Investment Corporation (OPIC) insurance on investment risk
- Tax incentives for projects (exemption from payment of customs duties and VAT and tax credit for 5 fiscal years)

MEGA PROJECTS (1998 – 2013)		
Company	Investment	Project
BHP Billiton (1998)	$2.2 bn	Aluminium Smelter (1-3)
SASOL (2002)	$1 bn	Pande and Temane (PSA + PPA) On shore gas
KENMARE (2004)	$330 m	Titanium and Zircon
Vale (2007)	USD 4.4 bn	Moatize Coal mine and related Infrastructure
Anadarko + ENI (2009)	$40 bn	Areas 1 + 4 – LNG
SASOL (2012)	$800 m	Phase 4 – Off shore gas
JSPL (2013)	$300 m	Chirodzi Coal mine
Gigawatt Mozambique (2013)	$235 m	Gas fired power station

Sovereign risk: Near-term liquidity challenges due to increase of public debt to 55% of GDP in 2014 and fall in mineral prices, however strong growth is anticipated over the long term to support sovereign risk rating

Regulatory: Mozambique's mining law revised in 2014 guaranteeing security of tenure and allowing companies to repatriate profits

Further pro-business reforms including deregulation and decentralisation of political power anticipated

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