



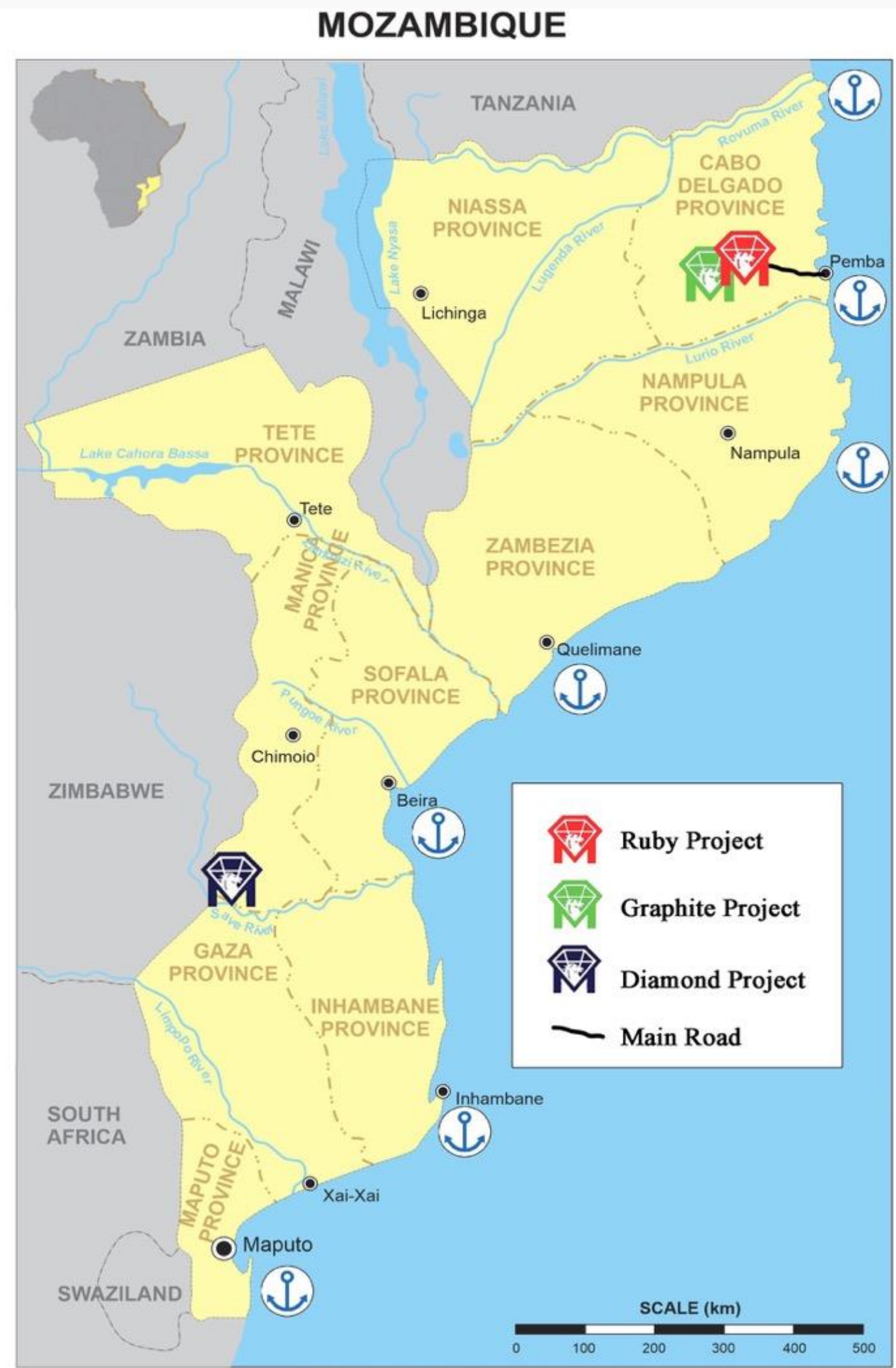
MUSTANG
RESOURCES LTD

Mustang Resources Limited (ASX:MUS)

Focused on developing the
Montepuez Ruby Project, Mozambique

**INVESTOR PRESENTATION
OCTOBER 2016**

Corporate Overview – Mozambique Project Portfolio



Mustang Resources Limited (ASX: MUS) is an emerging gemstone explorer focused on the near-term development of the highly prospective Montepuez Ruby Project in Northern Mozambique

MONTEPUEZ RUBY PROJECT (52% to 60% Interest)

- Located in Cabo Delgado Province in close proximity to the world's single largest ruby deposit held by AIM-listed Gemfields PLC
- Licence areas cover 15,800ha (158 km²);
- High-quality ruby mineralisation discovered by Mustang on license 4143L in July 2016
- First mining of gravels from pit in September 2016
- Bulk sample mining underway, plant wet commissioning commenced in October 2016

BALAMA GRAPHITE PROJECT (60% to 95% Interest)

- Located along strike from Syrah Resources' significant graphite project
- High grade graphite mineralization with large flake sizes confirmed
- Targeting maiden JORC Resource by Q1 2017
- Diamond drilling program started on 7 October 2015

Management & Exploration Team



Christiaan Jordaan - Managing Director

Mr. Jordaan is the former Chief Executive Officer and co-founder of Regius Resources Group Ltd (“Regius”), the Mozambican-focused mining and exploration company that has been operating in Mozambique since 2004. Regius currently holds 9.2% of the issued capital of Mustang. Christiaan has extensive experience in managing mining and energy projects in Mozambique, an intimate knowledge of the Mustang projects from their inception, as well as the local operational environment. He is a Member of the Australian Institute of Company Directors, holds a Commercial Law Degree, and prior to co-founding Regius, he was a director of a financial services group in South Africa where he was responsible for risk management. He is based in Mustang’s Sydney head office.



Cobus van Wyk - Mustang Operations Director

Mr van Wyk is the Chief Executive Officer and co-founder of the Regius group of companies, obtained his Bachelor of Marketing at the Tshwane University of Technology and his MBA at the University of Wales. Mr van Wyk started his career in the financial industry and capital markets in the Bankcorp Group in South Africa. He commenced work on the Johannesburg Stock Exchange (“JSE”) in 1994 and is a qualified portfolio manager and Stockbroker. Mr van Wyk has more than 23 years’ experience in the financial services industry which he is applying to the mining sector. Mr van Wyk has more than 12 years’ experience in mining and exploration ventures in Mozambique (tantalite, coal, diamonds) as well as South Africa (platinum group metals).



Paul Allan – Independent Consulting Geologist

Paul Allan (BSc Hons., Dip. Bus. M.) has over 25 years experience in multi-commodity geology (predominantly precious stones exploration and evaluation). His initial experience began with Anglo American Research Laboratory (De Beers) in Kimberlite mineral chemistry & petrography and culminated in his role as Project Geologist for Gemfields PLC (GEM:LN) where he was instrumental in the initial development of their Montepuez Ruby Project in Mozambique. During his career in the gemstone industry Paul has also been involved in several diamond related ventures throughout Southern Africa which includes a role as the Regional Exploration Manager for SouthernEra (a Canadian Junior Diamond and platinum company) as well as Senior Project Geologist for Firestone Diamonds (FDI:LN). for several projects throughout Southern Africa, including the BK16 project in Botswana.

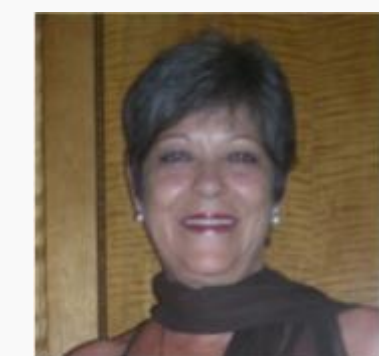


- Expatriate mining team (7); lead by Mr. Gerhard Burger >100years collective hands-on experience of African gemstone mining operations with technical support from Mr. Paulo Cintra a Portuguese industrial & mining engineer with 20 years experience



- Geology field team led by Ms. Sara Turnbull (Msc.) with support from Mr. Paul Alan & local Mozambican geologists

- Logistics & operational support provided by Ms. Graca Calheiros & Mr. Helmer Manjate with >70 years collective Mozambican business experience



Global Ruby Market Overview



- Before the rise of the Montepuez region in Mozambique, supply was highly fragmented and unreliable (Myanmar, Afghanistan, Madagascar)
- Global polished ruby market size estimated at US\$2billion p.a (2014) – total coloured gemstones at US\$8.3 billion p.a (2015)
- Rubies are the most expensive gemstone after diamonds - with fine rubies +5cts extremely rare
- Strong demand from US, Europe, India, Thailand and China
- Consumer demand has caused prices of rubies to increase 63% over past 8 years
- 25.59cts ‘Sunrise’ ruby ring sold for US\$30million in June 2015 at Sotheby’s Geneva auction
- Mozambique alluvial rubies selling for over US\$680 per carat with quality that matches Burmese ‘Pigeon-Blood’ rubies
- Six Gemfields Mozambique ruby auctions held since June 2014 have generated USD 195.1 million
- The Montepuez region in Mozambique is strongly positioned to play a significant role in the growth of the global ruby market over the coming years



The ‘Graff’ Ruby
Carats: 8.62
Sale Price: US\$8,372,094

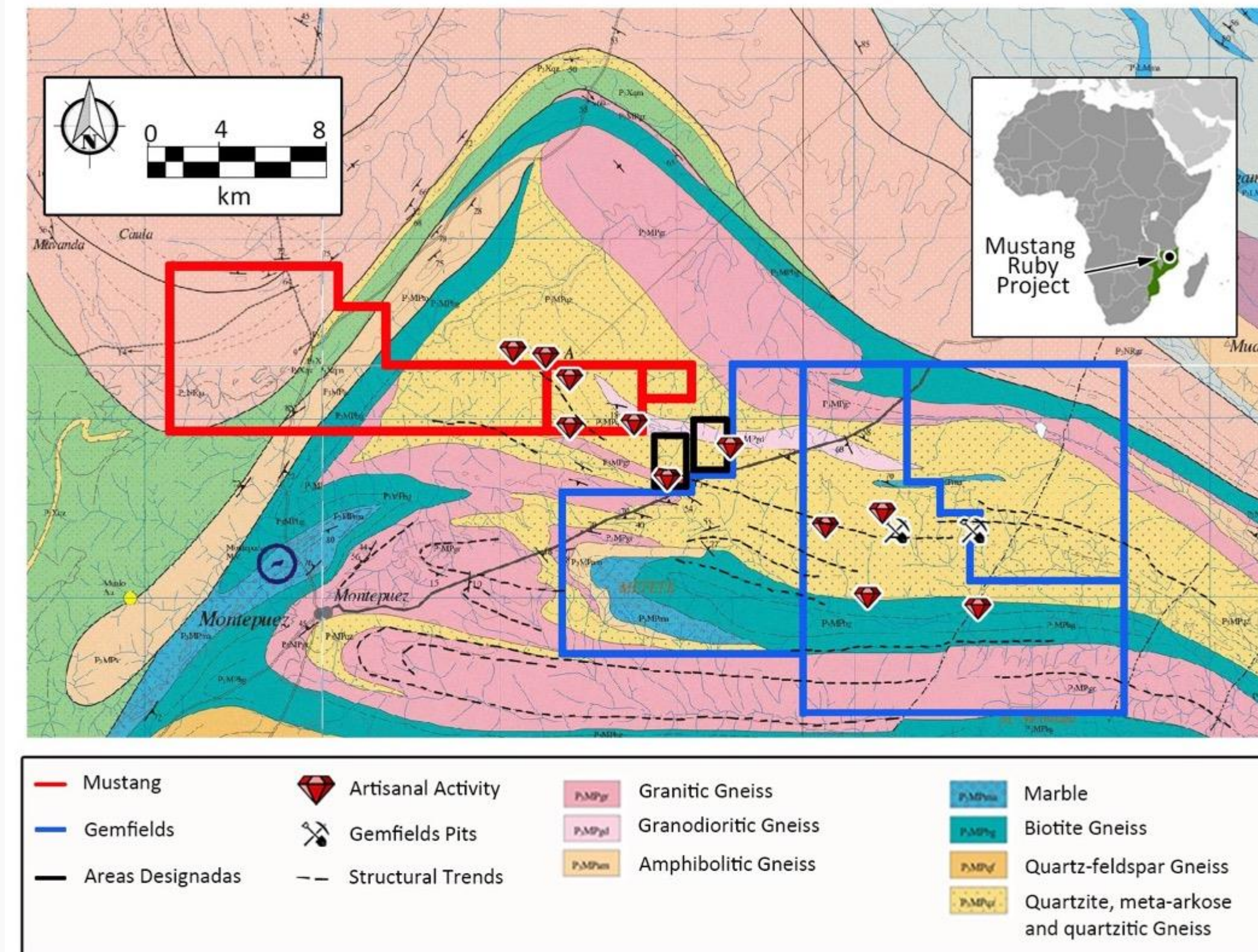


The ‘Sunrise’ Ruby
Carats: 25.59
Sale Price: US\$30,420,000

Replicating the Successful Strategy of Gemfields PLC



- Gemfields PLC listed on AIM (GEM:LSE) with current market cap of ~A\$480 million
- 75% interest in main license (350sqkm) acquired for ~US\$2.5 million in cash in 2012
- US\$195.1 million of ruby sales in 6 auctions to June 2016; all during exploration period
- **August 2012:**
 - Started bulk sampling and exploration of Montepuez Ruby Project, GEM valued at circa £192 million
- **June 2014:**
 - Invested US\$55 million
 - First ruby auction netted US\$33.5million
- **July 2015:**
 - Gemfields JORC Compliant Resource of 467mcts @ 62.3cts/ton average grade; 312% IRR and US\$996 million NPV (post tax)
 - 21 year mine life; US\$305million LOM CAPEX, 300ton/hour processing plant
- **Financials (July 2015 – December 2015):**
 - Dec 2015 ruby auction netted US\$28.8 million for 90,642cts
 - Average US\$ sales price per carat (alluvial rubies; med-high quality)= US\$317.92
 - 2.1million cts produced @ cash cost per carat of US\$6.19
 - Processed average 1,000 ton/day (144,500 H2 total, assumes 24 operational days per month)
- **Q1 2016:**
 - Currently ramping up to full-scale mining following maiden JORC Resource



Montepuez Ruby Project – Geology



- **Located within the Montepuez Complex** which is part of the Mozambique Belt – a unique geological occurrence
- **Extensive ruby mineralization** is present immediately **to the SE** of the Mustang licences close to the village of Namahaka
- Mustang licences lie along the **established NW-SE ruby mineralization trend** which also transects the Gemfields licences
- **Primary ruby mineralization in the amphibolite** which is considered to have supplied the source of chromium responsible for the rubies' red colourisation
- **Primary mineralization in the Montepuez area grades up to 300ct/ton***
- **Secondary ruby deposits;** initial deposition within one or more **major flooding events** + redistribution of the rubies by alluvial processes (e.g. braided river system)
- **The average gem quality of the secondary rubies is typically much higher than those contained within the primary amphibolite**
- **Secondary mineralization grades: 7 - 22ct/ton ***

**In Gemfields concession area/project. Source: SRK Report, June 2015*



(Primary & Secondary Ruby Mineralization in MRM License area. Photos courtesy of Vincent Pardieu, GIA)

Montepuez Ruby Project – Work Program



- Discovery of high-quality ruby deposit made in July 2016; major breakthrough for Mustang
- Systematic pitting and drilling continuing over priority targets – with strong ruby recoveries recorded to date
- Bulk sample mining = Low CAPEX strategy using mostly existing equipment and reputable local mining contractors
- Pit opened to 9.2m bedrock, ~10,000ton gravel (ore) stockpile
- Bulk sample mining underway, plant wet commissioning started early October 2016 ramp up to 1,300tpd name plate capacity during October
- Mustang will sell rubies through organized tender/auction process; success of sales model proven by Gemfields PLC



WORK PROGRAM– KEY CATALYSTS



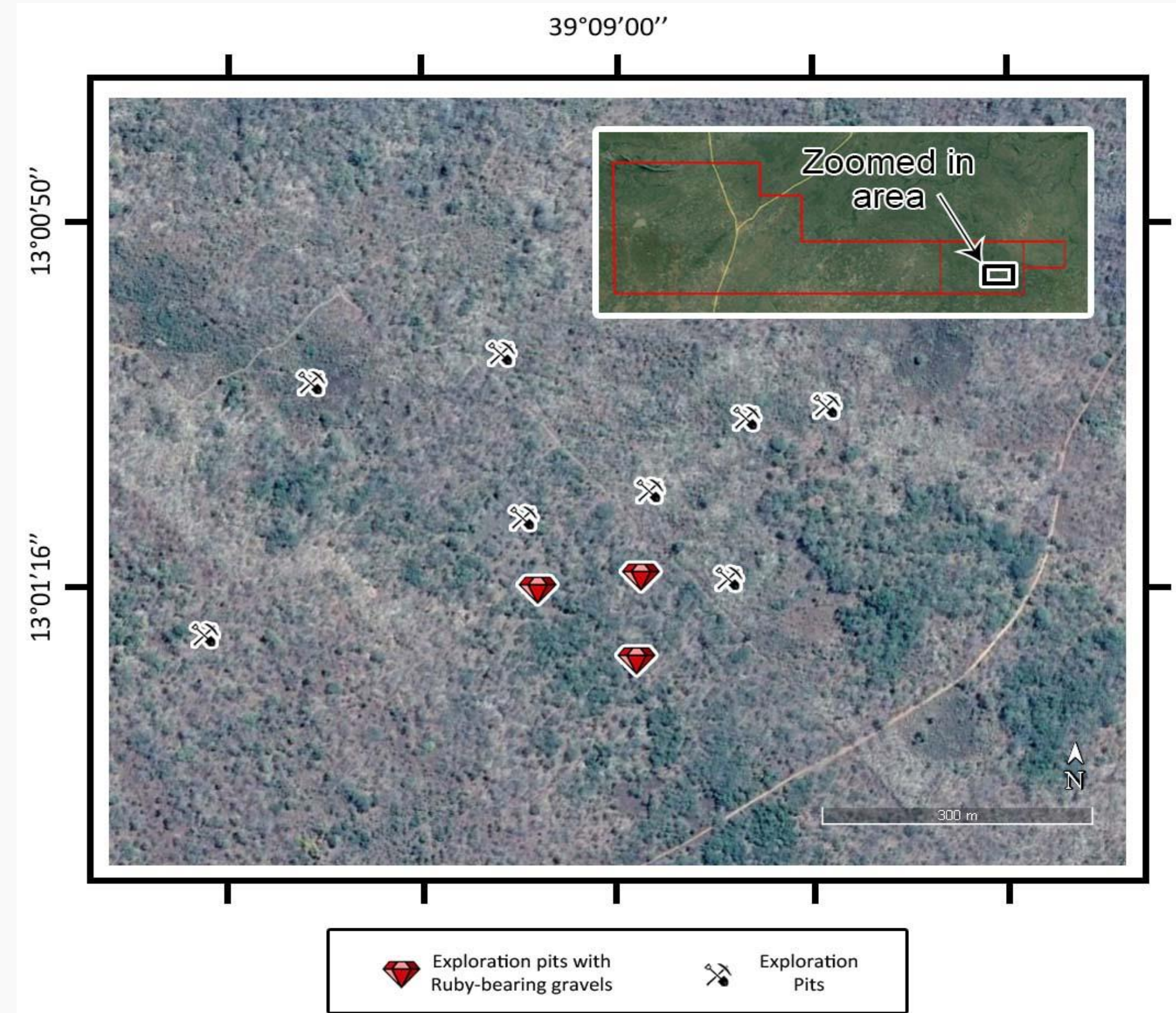
Montepuez Project – A High Quality Ruby Deposit



- Ongoing reconnaissance pitting program at Montepuez Ruby Project confirms secondary (alluvial/colluvial) ruby deposit hosting gem-quality rubies
- Approximately 2.5km South East of the exploration base camp
- Reconnaissance pitting yielded a total of 29 rubies in 5 pits (5.79 cts from ~11 tonnes processed)
- Recovery of high quality rubies in these small samples is extremely positive at such an early stage; a strong leading indicator of a potentially high grade deposit
- Visual assessment confirmed Mustang's rubies are high-quality and equivalent to other secondary deposits mined in the region



Gem-quality Rubies from Mustang License 4143L

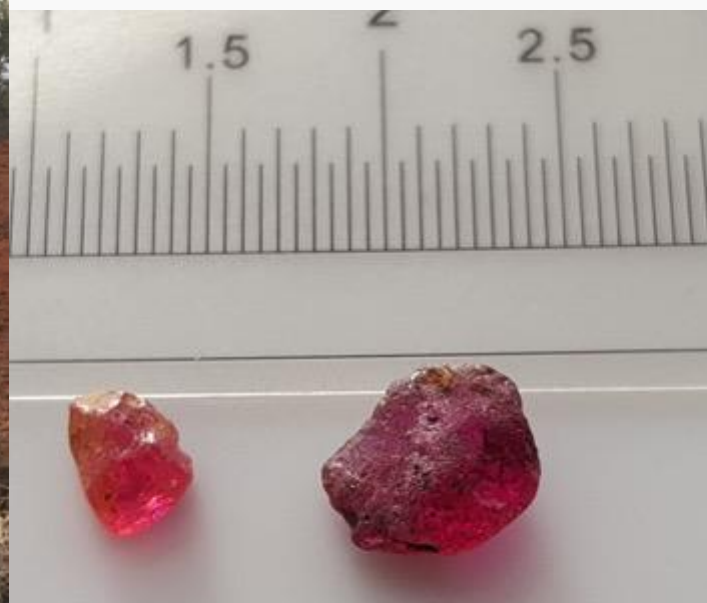


Area of High-quality ruby deposit in Mustang License 4143L

Montepuez Project – A High Quality Ruby Deposit

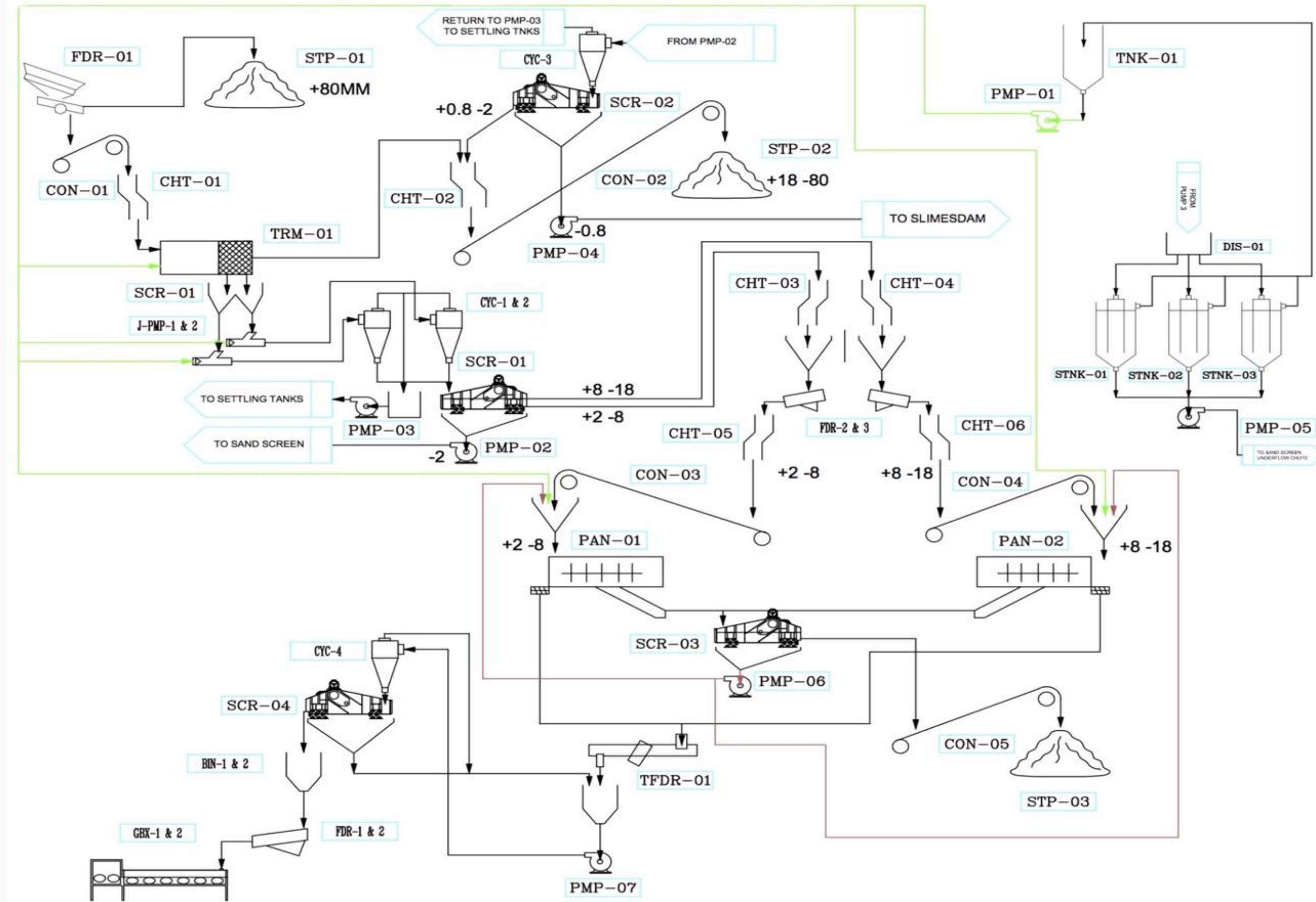


- A soft soil cover of approximately 8 to 10 metres overlays a gravel layer of between 0.40 and 1.80 metres (found in clay rich soil) which sits above the weathered bedrock
- GIA (Gemological Institute of America) led by Mr. Vincent Pardieu head field gemmologist confirmed:
 - Mustang rubies *“are of high quality with some gemstones showing variety of colour, size and clarity”*
 - Work done to date by Mustang is *“very encouraging and indicative of a secondary ruby deposit similar to some other deposits GIA has studied in the Montepuez area”*
(with consent of Mr V. Pardieu)



Stratigraphy of Secondary Ruby Deposit on License 4143L; Images of EXPIT 021; (i.) Composite profile showing the change in colouration and material; (ii.) NW Face, showing gravel from 7.3 to 7.7m, with larger clasts; (iii.) SE face showing dip of gravel to north; (iv.) NE face showing approximately 40cm layer of gravel.

Montepuez Ruby Project – Bulk Sampling



MUSTANG RESOURCES RECOVERY

ITEM	DESCRIPTION
FDR-01	GIRZZLEY FEEDER
FDR-02	FINES PAN FEEDER
FDR-03	MIDDLING PAN FEEDER
FDR-04	PANS CONCENTRATE TUBE FEEDER
FDR-05	GLOVEBOX FEEDER 1
FDR-06	GLOVEBOX FEEDER 2
SCB-01	SCRUBBER 1
TRM-01	TROMMEL 1
CHT-01	SCRUBBER INLET CHUTE
CHT-02	TROMMEL OVERSIZE DISCHARGE CHUTE
CHT-03	DEWATERING SCREEN OVERFLOW CHUTE +2-6MM
CHT-04	DEWATERING SCREEN OVERFLOW CHUTE +6-18MM
CHT-05	FINES PAN FEEDER TRANSFER CHUTE
CHT-06	MIDLINGS PAN FEEDER TRANSFER CHUTE
CON-01	SCRUBBER FEED CONVEYOR
CON-02	TROMMEL OVERSIZE DISCHARGE CONVEYOR (+18 -80)
CON-03	FINES PAN FEED CONVEYOR
CON-04	MIDLINGS PAN FEED CONVEYOR
CON-05	PANS WASTE DISCHARGE CONVEYOR
TFDR-01	PANS PRODUCT DISCHARGE TUBULAR FEEDER
STP-01	GRIZZLEY FEEDER OVERSIZE STOCKPILE (+80)
STP-02	TROMMEL OVERSIZE STOCKPILE (+18 -80)
STP-03	PANS WASTE STOCKPILE
SCR-01	DOUBLE DECK SCREEN
SCR-02	SAND SCREEN
SCR-03	PAN DEWATERING SCREEN
SCR-04	RECOVERY PLANT DE-WATERING SCREEN
PAN-01	FINES PAN
PAN-02	MIDLINGS PAN
TNK-01	CLEAN WATER STORAGE TANK
PMP-01	CLEAN WATER BOOSTER PUMP
PMP-02	SAND PUMP
PMP-03	EFFLUENT PUMP
PMP-04	SLIMES PUMP
PMP-05	MUD TRANSFER PUMP
PMP-06	PUDDLE FEED PUMP
PMP-07	PANS CONCENTRATE TRANSFER PUMP
CYC-01	DEWATERING CYCLONES
CYC-02	SAND SCREEN CYCLONE
CYC-03	SAND SCREEN CYCLONE
CYC-04	RECOVERY PLANT DE-WATERING CYCLONE
J-PMP-01	SCRUBBER JETPUMPS
J-PMP-02	SCRUBBER JETPUMPS
BIN-01-02	GLOVEBOX BIN 1 AND 2

ASSOCIATIVE CLIENT NUMBER :

- Bulk sample mining of identified deposit started September 2016, **major value catalyst for Mustang**
- 2X 16ft Rotary Pans @ 1X 8 hour shift
- Capacity to move to double shifts
- Wet- commissioning commenced early October 2016
- Ramp up to full production during October
- Full production: 1,300 tpd feed rate
 - 800 tpd through processing plants (rotary pans)
- Potential to generate substantial cash flows for Mustang



Montepuez Ruby Project – Bulk Sampling



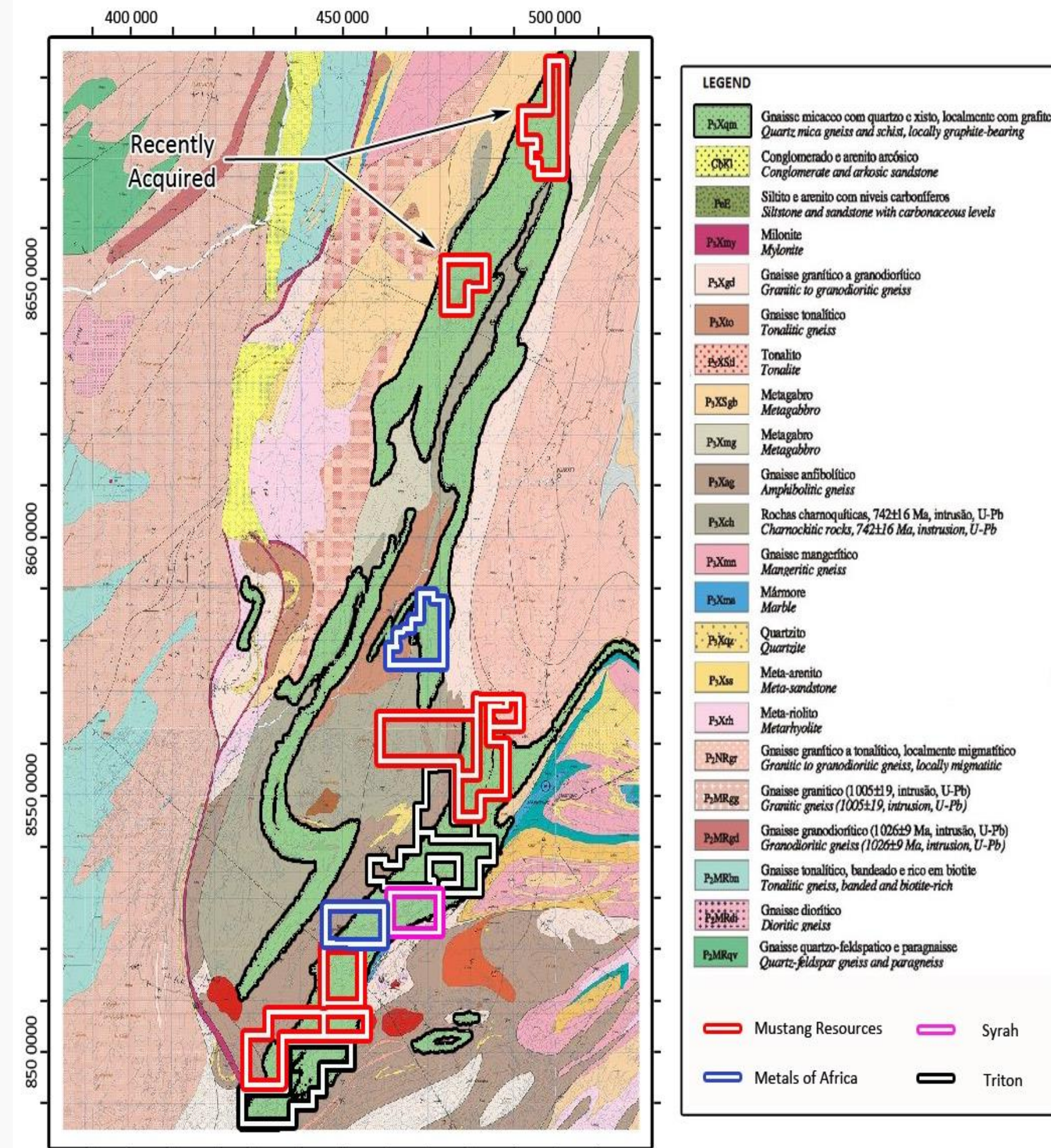
Bulk sample mining underway - production phase imminent



Balama Graphite Project – Overview



- Licenses located along strike from world-class Syrah Resources (ASX: SYR) and Metals of Africa (ASX:MTA) deposits
- Exploration program confirmed wide, high grade intervals of up to **22% Total Graphitic Carbon (TGC)**
 - License 6678L: **67m wide high grade graphite zone** with 23 samples above **15% TGC**, including intervals @ **22% TGC** and **20.7% TGC**
 - License 4661L : **74m high grade graphite zone**, including intervals @ **16.5% TGC** and **18.8% TGC**
- Focusing JORC Resource definition work on license 6678L (MUS 80% interest)
 - Local partner (20%) carried only until end of exploration program
- Next phase of work will include extensive metallurgical testing & product optimisation
- Field assessment has highlighted the potential of large flake sizes
- **Diamond drilling program started 7 October 2016**

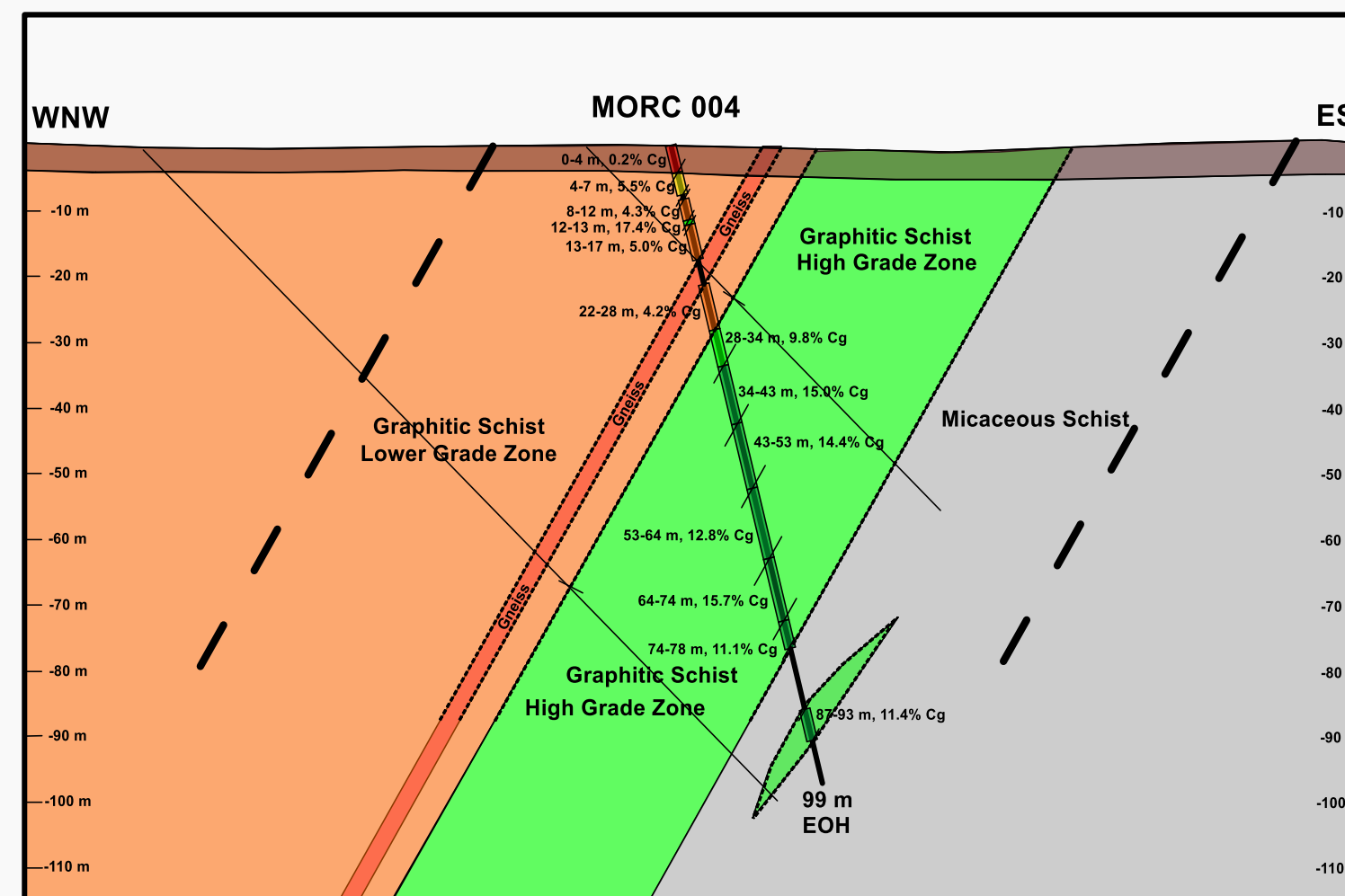


Balama Graphite Project

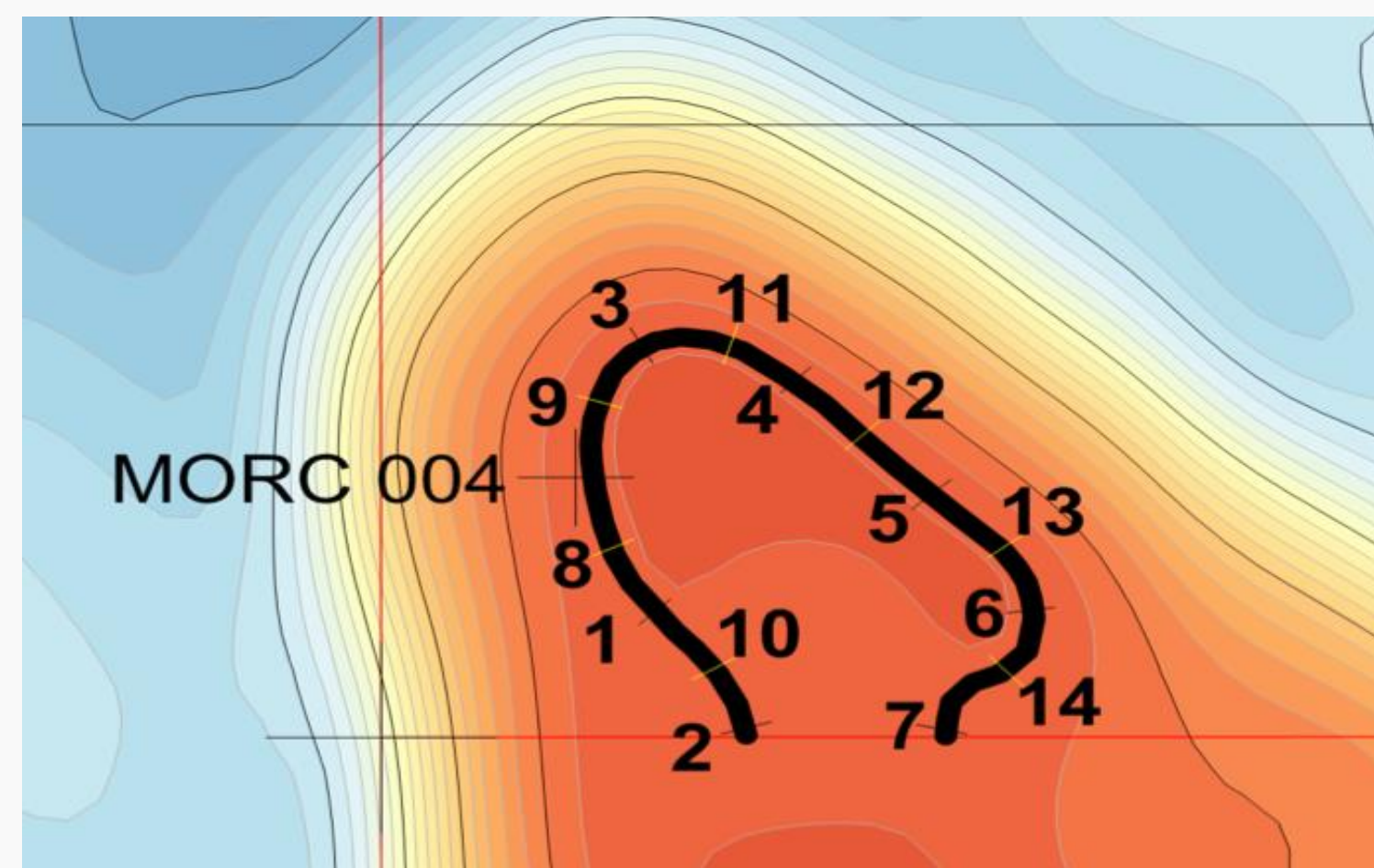
Targeting a High Grade Graphite Resource



- Further drilling at Balama Graphite Project started on 7 October 2016
- Targeting maiden JORC resource on 6678L by Q1-2017
- License 6678L (MORC-004): **Exploration Target of 18.66 Mt** (at an average grade of **13.6% C_g**) to **29.84Mt** (at an average grade of 9.7% C_g)*
 - 1120m program: 14 drill holes (RC & Core) + assays over 2-3 months
 - Exploration Target based on SkyTEM survey & RC drilling
- Refer to **ASX Announcement Dated 27 June 2016 & supplementary announcement dated 18 July 2016 for full details**



Graphite License 6678L, Drill hole MORC-004 & position of 14 planned drill holes for targeted maiden JORC Resource



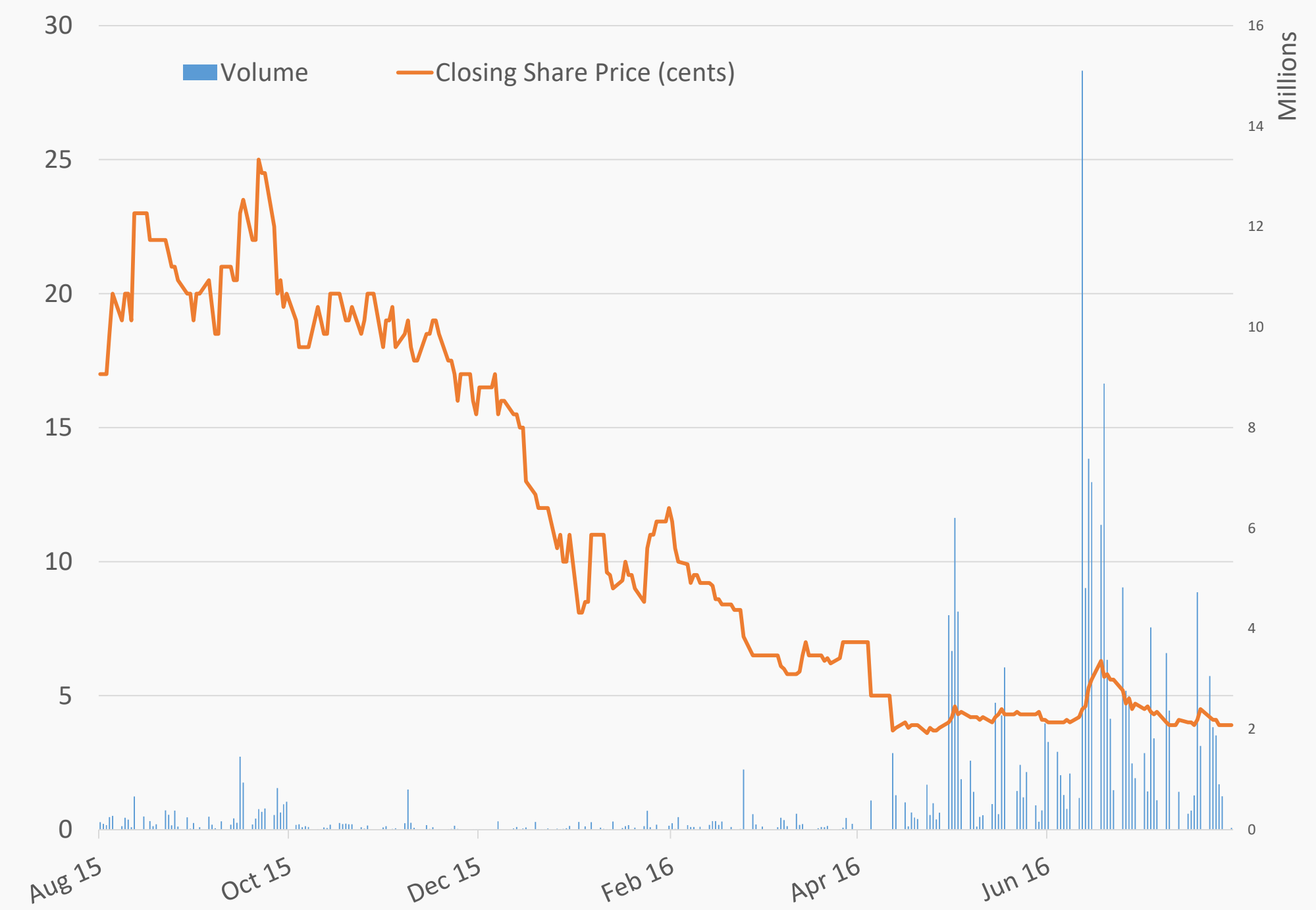
*The potential quantity and grade is conceptual in nature, in that there has been insufficient exploration to estimate a Mineral Resource it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Company is not aware of any new information or data that materially affects the information included in this market announcement and, in the case of estimates of *mineral resources or *ore reserves, The Company confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement (dated 27 June 2016) continue to apply and have not materially changed. Please refer to the Disclaimers slide for further important information on forward looking statements

Corporate Overview - *Delivering Value to Shareholders*



MUSTANG RESOURCES LTD	
ASX Code	MUS
Shares on Issue	323,749,913
Unquoted Performance Rights*	14,000,000
Options (Weighted Average Exercise Price \$0.1738)	82,962,240
Management & Directors' Shareholding	17.1%
Share Price (as at 6 October 2016)	A\$0.038
Market Capitalization	A\$12.30 million

LARGEST SHAREHOLDERS	
Citicorp Nominees Pty Limited	9.8%
Regius Resources Group Ltd, Mr. C van Wyk & Mr. C Jordaan	9.2%
Elba Investments Pty Ltd, Mr. F Petruzzelli	7.9%
BNP Paribas Nominees Pty Ltd	4.7%
Alimold Pty Ltd	4.6%



*Class E Performance Rights in favour of vendors of Balama Graphite. Vest upon proving a 50Mt JORC Compliant Inferred & Indicated Resource @ >5% TGC on any of the graphite licenses held by Balama.

Directors: I. Daymond (Chairman), C. Jordaan (Managing Director), F. Petruzzelli (Non. Exec), JS. van Wyk (Non. Exec)

Investment Highlights



- Focused on becoming a **near-term gemstone producer** at the Montepuez Ruby Project
- Montepuez Ruby Project is located in a world-class ruby province, adjacent to world's largest ruby deposit, held by Gemfields PLC
- 52.5% to 60% interest in three highly prospective ruby licences covering 158 km²
- Mustang's July 2016 reconnaissance pits confirmed the presence of gem-quality rubies in alluvial (secondary) deposit:
 - **29 rubies recovered to date, alluvial deposit identified for bulk sample mining**
- Bulk sample mining underway, wet commissioning of plant commenced in early October 2016
- Ruby market fundamentals remain very robust, with Mustang perfectly positioned to become a major ruby supplier
- MUS also committed to progressing its high quality graphite portfolio in Mozambique, along trend from **Syrah Resources (ASX: SYR)** and **Metals of Africa (ASX: MTA)** deposits; targeting maiden JORC Resource in Q1-2017 (60% to 95% interest in licenses)



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Competent Person's Statement



Information in this report that relates to the Montepuez Ruby Project's Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Paul Allan, a Competent Person who is a registered member of the South African Council for Natural Scientific Professions (SACNASP), which is a Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Mr. Allan is an independent consultant who was engaged by the company to undertake this work. Mr. Allan has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Allan consents to the inclusion of the data in the form and context in which it appears

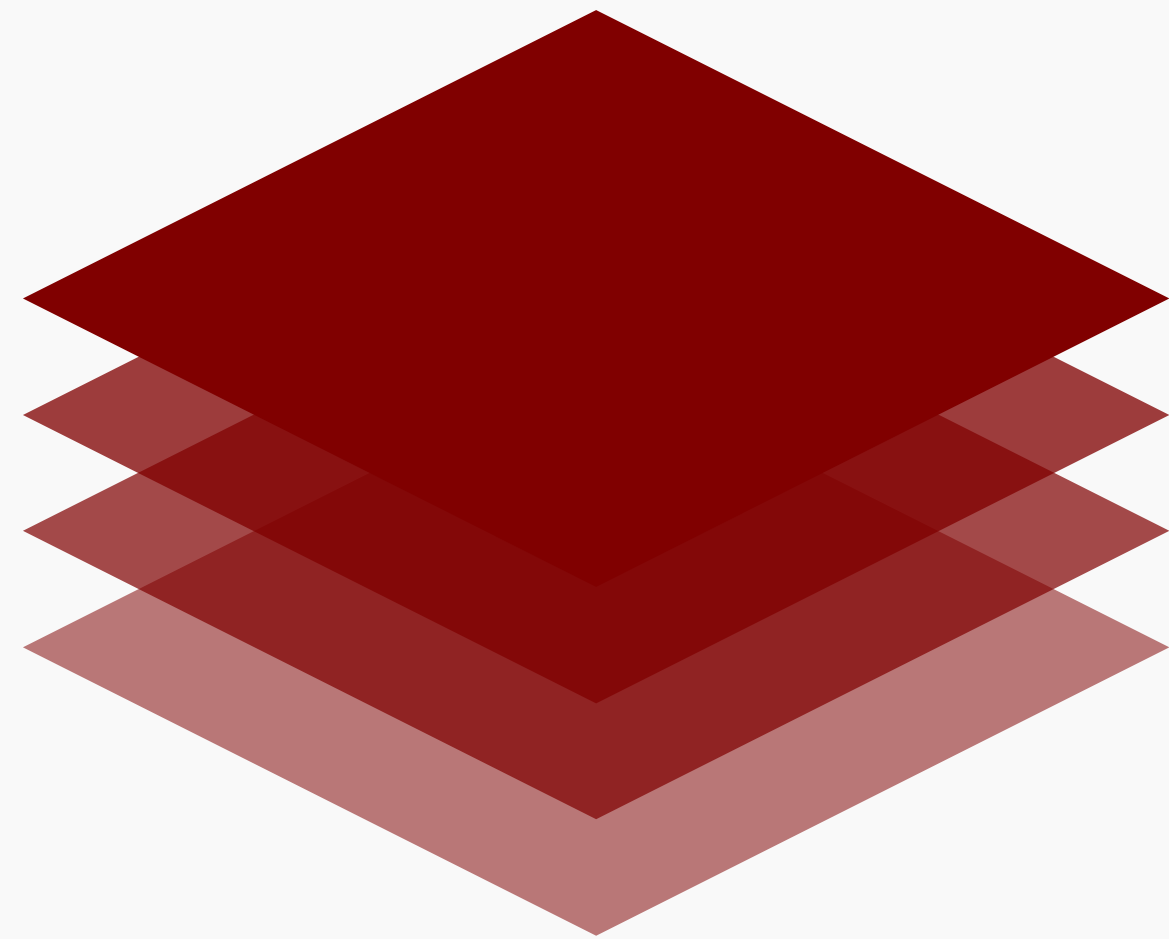
In this report, the information that relates to the Balama Graphite project's Exploration Targets and Geophysical Exploration Results and analysis, is based on information compiled by Mr Christiaan Mouton, a Competent Person who is a registered member of the Australian Institute of Geoscientists and also a registered member of the South African Council for Natural Scientific Professions (SACNASP), which is an Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Mr Mouton is a consultant with Applied Scientific Services and Technology (ASST) which was engaged by the company to undertake this work. Mr Mouton has sufficient experience in the application of geophysical methods and techniques that is relevant to the exploration of this style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results. Mr Mouton consents to the inclusion of the data in the form and context in which it appears.

Information in this report that relates to the Balama Graphite Project's Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Johan Erasmus, a Competent Person who is a registered member of the South African Council for Natural Scientific Professions (SACNASP) which is a Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Mr Erasmus is a consultant of Sumsare Consulting, Witbank, South Africa who was engaged to undertake this work. Mr Erasmus has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results. Mr Erasmus consents to the inclusion of the data in the form and context in which it appears.

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