

# Discover a world class iron ore opportunity in Nigeria

# Major Nigerian iron ore exploration projects

## World class location

- Projects located in emerging West African iron ore province
- Low sovereign risk and strong government support

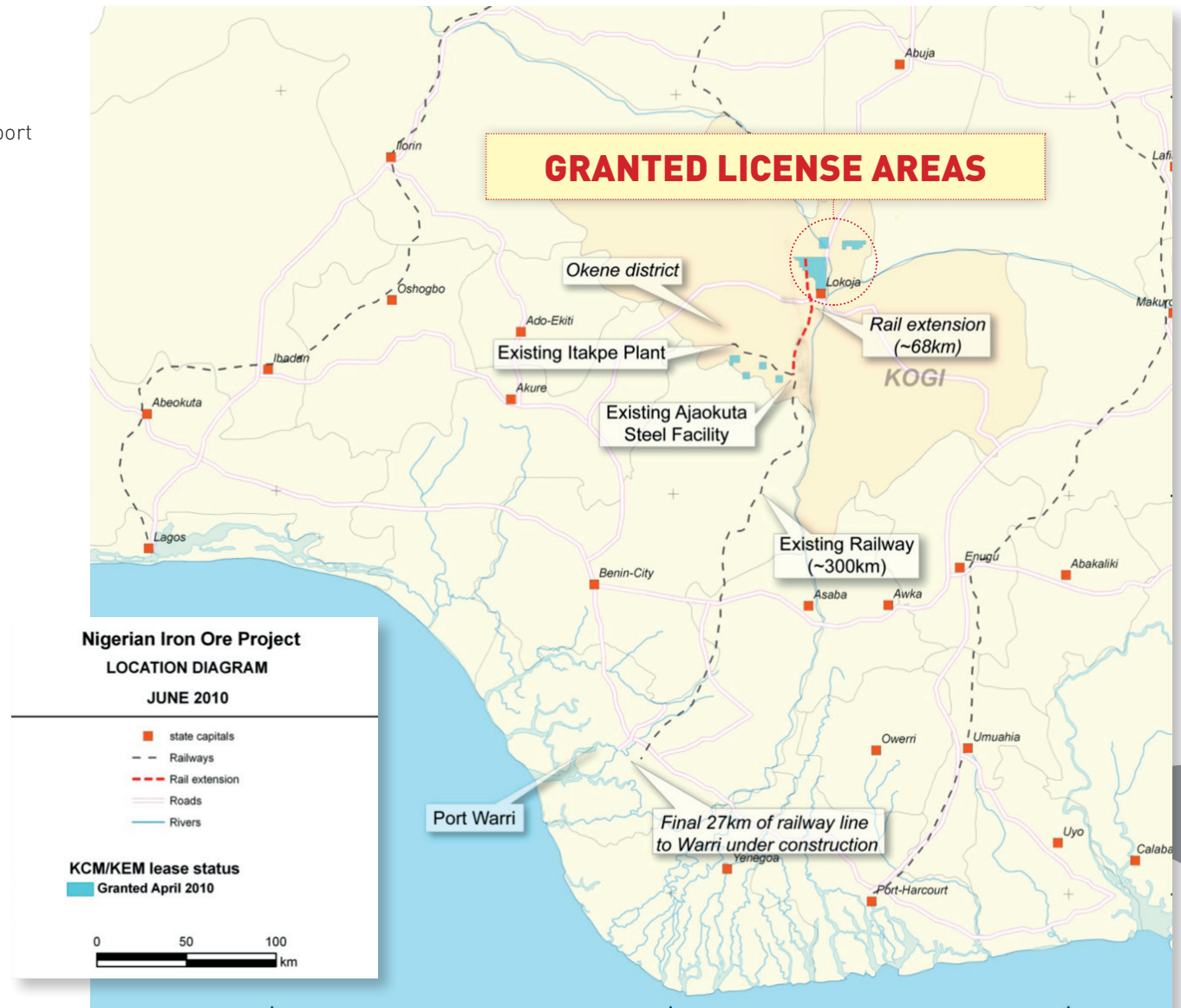
## Large scale resource opportunity

- Prospective iron ore leases adjacent to existing operations
- 1-2 Billion tonne exploration target iron ore resource grading 30-54% Fe\*

## Proximate to existing infrastructure with latent capacity

- Existing iron ore railway, road and port infrastructure
- 3.3 Mtpa Itakpe iron ore beneficiation facility (Government owned - presently on care and maintenance)
- Ajaokuta steel plant to be in production by 2012 (targeting 10Mtpa production rate by 2020)

## Experienced board with track record of financing and developing large scale resource projects



\* The potential quantity and grade is conceptual in nature at this stage as there has been insufficient exploration to define a Mineral Resource under the JORC code.

# Nigeria

## Resource rich country attracting multi-billion dollar investments

- Former British protectorate independent since 1960
- New constitution adopted in 1999 with peaceful transition to civilian government
- Legal system based on British common law and English language
- Rated lower in political risk than Guinea, Congo, Cameroon and Burkina Faso (Euromoney Country Risk Survey 2010)
- One of Africa's largest oil producers and fifth largest supplier of oil to United States
- Significant mineral deposits, but mining industry still developing
  - Strong growth in mining industry being driven by recent ESSO Government reforms in areas of policy, institutions and legal frame work
  - Recently updated Federal Mining Act driving exploration and development of solid minerals



ExxonMobil

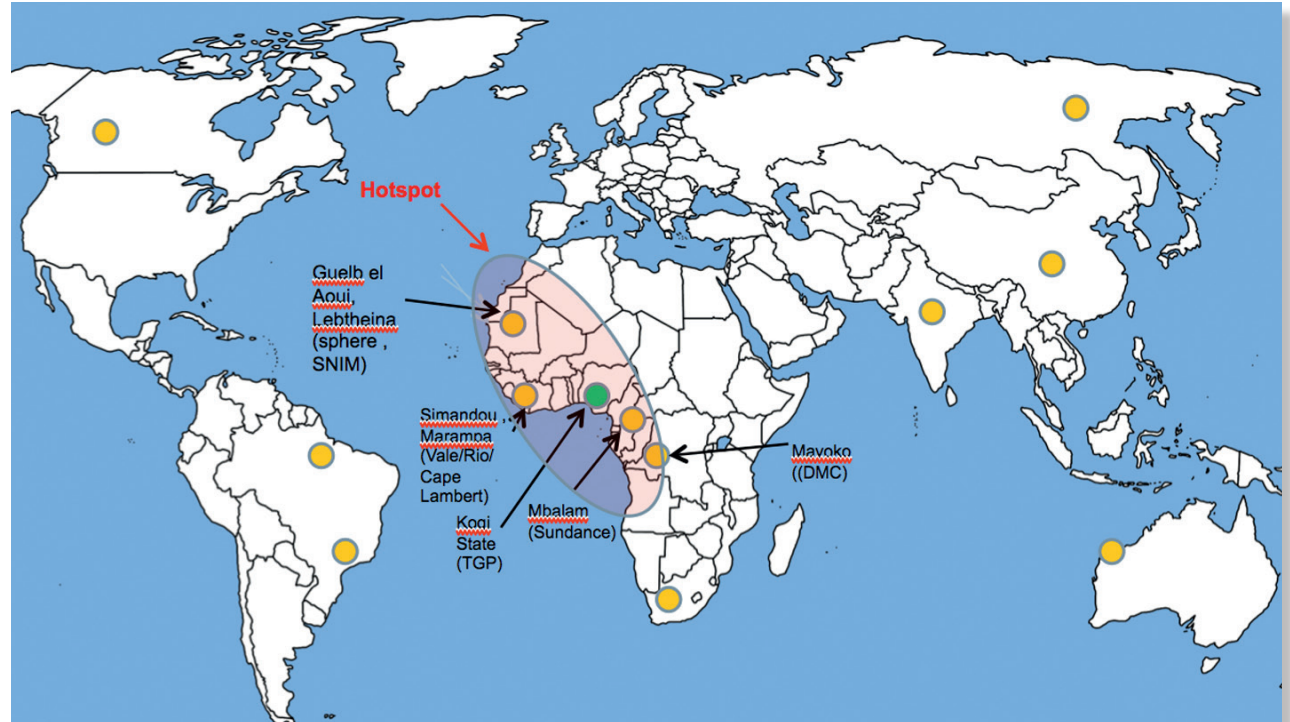
# Major iron ore players are taking positions in West Africa

## To Nigeria's west

- **March 2010:** Chinalco signs a US\$1.35bn earn in deal to secure a 47% interest in Rio Tinto's Simandou Project (2.2Bt)
- **May 2010:** China International Fund announces preliminary agreement to finance Bellzone Mining Plc US \$2.7bn infrastructure development
- **June 2010:** Vale acquire 51% stake in BSG Resources' Zogota and Simandou projects for US\$2.5 billion
- **July 2010:** Shandong Iron and Steel announce intention to acquire 25% interest in African Minerals Ltd's Tonkolili Project for US\$1.5bn
- **June 2010:** BHP Billiton announce proposed development of US\$3bn Liberian iron ore project
- **November 2010:** Xstrata acquires 100% of Sphere Minerals (3.3Bt) for A\$514m
- **February 2011:** Xstrata exercise option to acquire 50% plus one share of the Zanaga iron ore project, Xstrata has invested more than US\$100m, committed to another \$US200m (JV partner Zanaga Iron Ore capped US\$800m in London (LON:ZIOC)

## To the south east of Nigeria

- DMC Mining Limited's 1.3 billion tonne target resource in the DRC recently subject of a bidding war between Cape Lambert Limited and Meijin Energy Group Limited. DMC now trading as African Iron Limited (ASX : AKI) with a market capitalisation of A\$175m
- Sundance (ASX : SDL) in the Cameroon is planning 35Mtpa project, 2.3 Bt resource with a market capitalisation of A\$1.3bn



## China has already committed substantial development funds into West Africa

- China Africa Development Fund US\$1.3bn
- China is Africa's second largest investor behind Europe

# Large resource target proximal to infrastructure

## Targeting 1-2 billion tonne iron ore resource grading 30-54% Fe

- Potential for higher grade DSO mineralisation

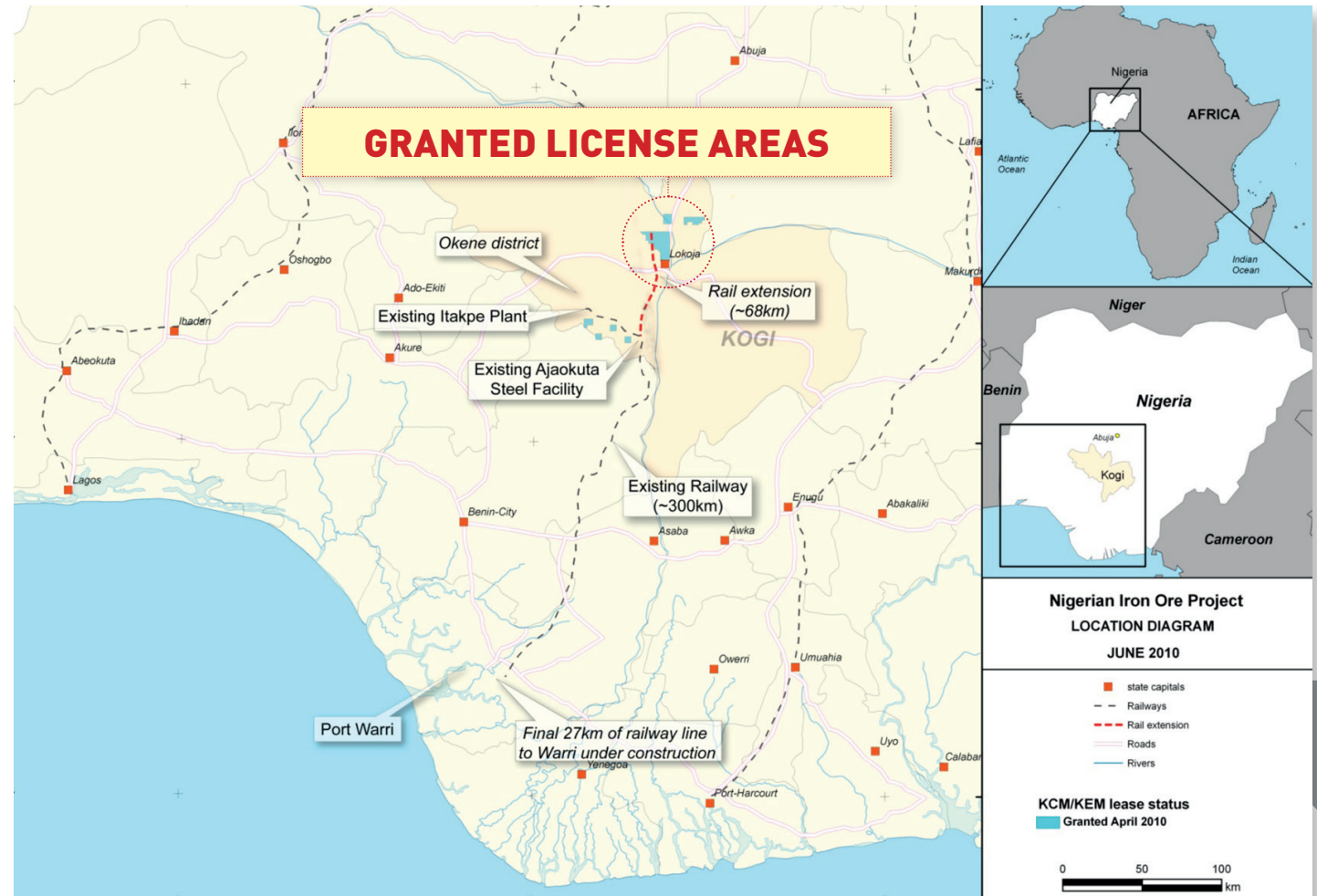
## Large deposits suitable for large scale open pit mining

## Existing iron ore railway, road, power and port infrastructure

- Latent capacity exists through railway and port
- Negotiations to access railway (20Mtpa capacity)
  - 68km Spur line required to access main line
- 10Mtpa port capacity to tranship ore through Wari River port

## Ajaokuta steel facility located on rail line

- Government plans to initiate steel production by 2012
- Government production target of 10Mtpa by 2020

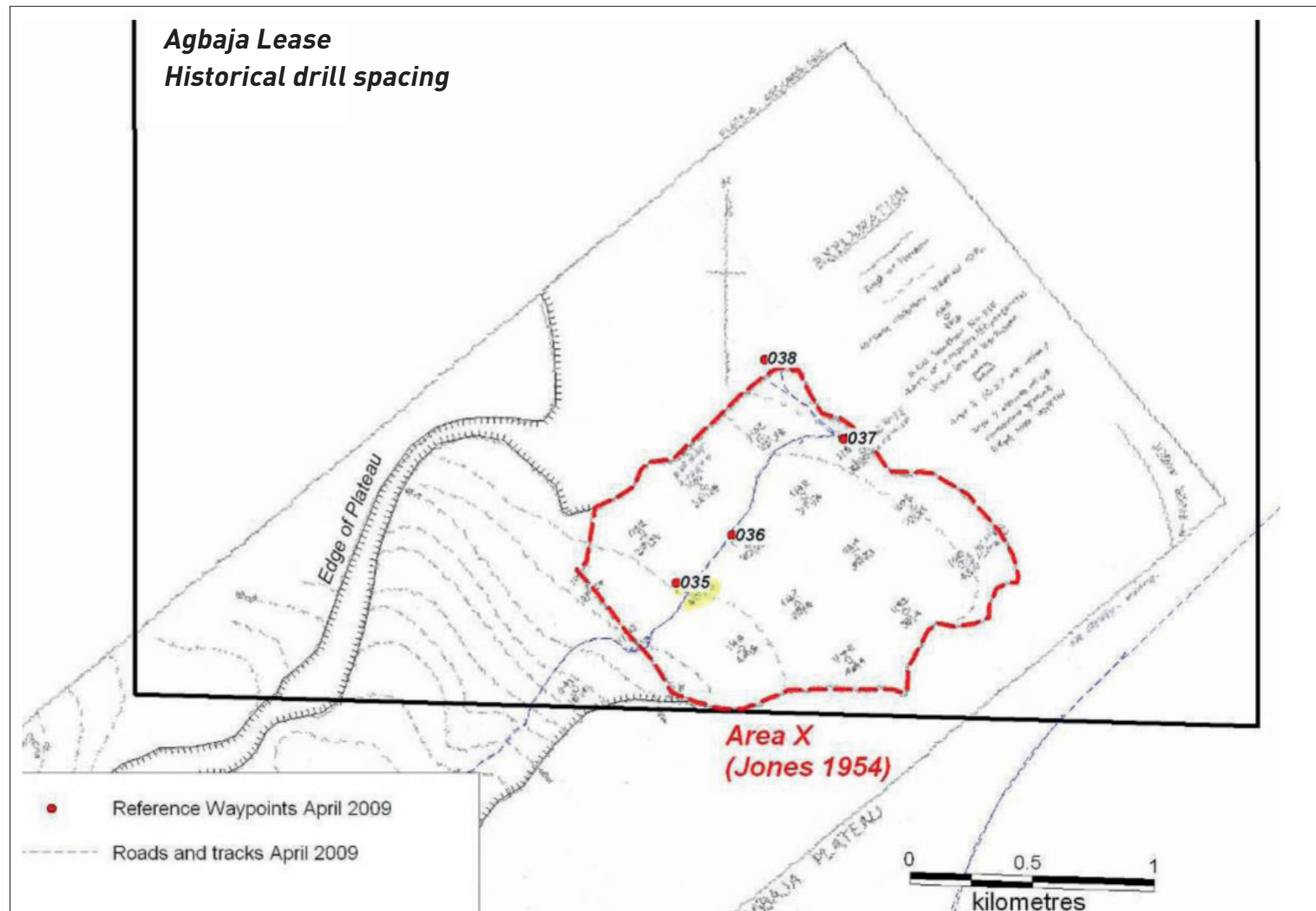


# Initial exploration to focus on Agbaja Plateau

## **Agbaja Plateau iron ore project**

- Large scale potential
- Ridges/plateau prospective for iron mineralisation
- Scoping Study of 10 Mtpa open cut mining operation utilising railway and transshipping from Warri River port.
- Rock chip assays have returned grades of up to 55% Fe
- Ground surveys underway with drilling to commence in April 2011

# Earlier (1954) drilling over a small area of Agbaja Plateau shows large scale potential



# Exploration Program

- Comprehensive geophysical survey currently underway
  - Results expected end March
- Field program underway focussing on Agbaja Plateau
  - Results expected in Q2
  - Historical assay grades of up to 55% Fe
- 20,000m reverse circulation and diamond drilling program to commence in late April
  - Currently sourcing suitable drill rigs (RC and CORE capability)
  - Preliminary assay results expected in Q3
- Targeting maiden JORC resource in Q1 2012



# Accessible by road

**The Agbaja Plateau project can be accessed via road, rail and (air) from the company's Nigerian head office in (Lagos)**

**A network of sealed bitumen roads exist throughout the target project areas**

**Roads form part of the national highway system**

- Sealed highway to within 80km of Agbaja Plateau
- Roads in excellent condition with latent capacity



# EIO board & advisors

## Board members

- **Nathan Taylor (Chairman)**  
Partner of StoneBridge Group
- **Don Carroll (Director)**  
Former president BHP Billiton Japan and India, 29 years with BHP Ltd
- **Kevin Joseph (Director)**  
Formerly director of operation for OANDO, major Nigerian energy supplier
- **Dr Ian Burston (Director)**  
Former MD of Portman and Hamersley Iron, director Fortescue Metals Ltd, African Iron Ltd, Mincor Resources NL, NRW Holdings Ltd
- **Athan Lekkas (Director)**  
Founder of Soaring Securities

## Chief Executive Officer

- Search underway

## Advisors to the board

- **Ian Whiteley**  
Geophysicist and former executive with Bank of America and Woodside Petroleum Ltd
- **Iain Dickie**  
Former High Commissioner to Nigeria (2004-2010)  
Former High Commissioner to Malta (2000-2003)  
Former Counsellor in Brussels (1990-1994)

# Corporate snapshot

## Energio Limited (ASX: EIO)

Shareholders ..... 1,800

### Significant shareholders

Board of directors ..... 11%

T Lebbon and Associates ..... 5%

**Top 20 shareholding ..... 35%**

Cash ..... A\$8m

**Debt ..... Nil**

# Corporate structure

## **Energio Limited (ASX: EIO)**

<b>Fully paid ordinary shares</b> .....	<b>1,101,666,485</b>
<b>Unlisted options (various expiry and exercise prices)</b> .....	<b>205,804,000</b>
<b>Vendor shares</b> .....	<b>830,000,000</b>
<b>Fully diluted market capitalisation*</b> .....	<b>A\$105,737,354</b>

\* Assumes share price of A\$0.05/share

# Key takeaways

**Multiple 100% owned large scale exploration projects in Nigeria**

**Positioned within an emerging iron ore province which is attracting significant investment**

**Proximal to existing road, rail and port infrastructure with latent capacity**

**Low sovereign risk**

**Experienced board with track record of developing and financing large scale resource projects**

# Deliverables for 2011

**Complete ground survey to identify key targets in Q1**

**Commence drilling program in Q2**

**Complete metallurgical test work**

**Seek access agreements for rail and port**

# Energio Limited

## ASX : EIO

### Australia

Level 27, Governor Phillip Tower,  
1 Farrer Place, Sydney NSW 2000  
+61 2 8336 7440

### Nigeria

KCM Mining Limited  
139B Eti-Osa Street  
Dolphin Estate  
Ikoyi,  
Lagos, Nigeria

#### Field Office Address:

KCM Mining Limited  
4, Olu Oworo Road  
GRA, Opp. A Division  
Lokoja,  
Kogi State

### Perth

52 Kings Park Road  
Level 2, West Perth, WA, 6005

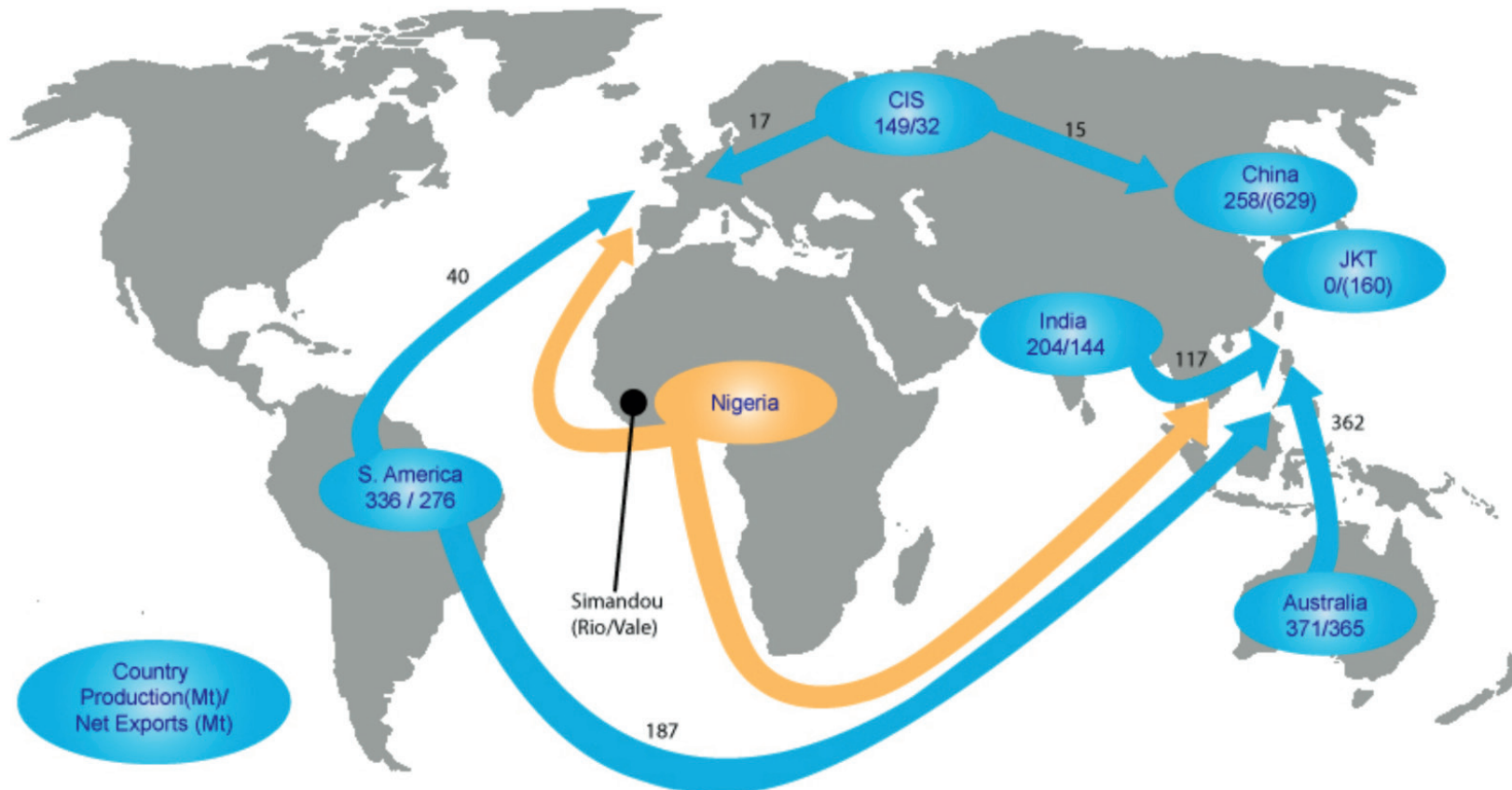


# Appendix



# Nigeria is competitive in the global market

## 2009 major trade flow (Mt) - iron ore



# Ian Burston

Ian Burston's career includes former positions as Managing Director of Portman Limited, Managing Director and Chief Executive Officer of Aurora Gold Ltd, Chief Executive Officer of Kalgoorlie Consolidated Gold Mines Pty Ltd, Vice President – WA Business Development of CRA Ltd and Managing Director of Hamersley Iron (one of the worlds largest iron ore producers). Ian is also a director of Fortescue Metals Group and is Chairman of NRW Holdings Limited, a substantial provider of mining services to the resource sector.

He was a non-executive Director of the Esperance Port Authority for 10 years and was Chairman of Cape Lambert Iron Ore Ltd, a non-executive Chairman of Broome Port Authority and Imdex Ltd and a non-executive Director of Mincor Resources NL.

Ian has a Bachelor of Engineering (Mech) degree from Melbourne University and a Diploma in Aeronautical Engineering from Royal Melbourne Institute of Technology. He has completed the INSEAD Management Course in Paris and the Harvard Advanced Management Program in Boston.

He was awarded the Western Australian Citizen of the Year (category of Industry and Commerce) in 1992, the Order of Australia (General Division) in 1993 and an Honorary Doctor of Science (Curtin) in 1995.

# Don Carroll

Don Carroll has extensive experience in the international resources business primarily in the marketing and development of minerals. In a career spanning 29 years with BHP Billiton, and prior to that Rio Tinto, he has held a number of senior positions including President BHP Billiton Japan, President BHP Billiton India and Group General Manager Marketing Asia based in Hong Kong. He has been active in the development of coal, bauxite and iron ore resources as well as the marketing of most mineral and energy products. He has experience in the merger and acquisitions sector including the merger of BHP with Billiton. He was Vice President Investor Relations for BHP Billiton in Australia. He holds a degree in mining engineering from Sydney University, is a long-standing member of the Australian Institute of Mining and Metallurgy and is a member of the Australian Institute of Company Directors.

# Kevin Joseph

Kevin Joseph has extensive experience in Nigeria and the West Africa region. As an expatriate resident for 17 years in Nigeria he has been able to develop a valuable network of business associates and is highly experienced in the fields of importing/exporting and business development. Before joining TGP, he was Executive Director Operations for OANDO, a major integrated energy solutions provider, which comprises a group of companies operating within Nigeria and the African energy sector. He headed up Supply Chain Development in Nigeria and the West African Region, responsible for all commercial aspects of new business development involving major oil companies and service companies. He has been instrumental in introducing opportunities to TGP which are now the subject of due diligence and scoping studies.

# Ian Whiteley

Ian Whiteley, who is a resident of Perth, Western Australia, has over 35 years experience in the industrial, mining and hydrocarbon sectors, including key executive roles with Bank of America and Woodside Petroleum. He is a former President of the Federal Executive of the Petroleum Exploration of Australia and is a Fellow of the Australian Institute of Mining and Metallurgy. His prior experience also includes Project Management for Sundance Resources Ltd's Mbalam Iron Ore Project in West Africa.

# Iain Dickie

Mr Dickie is a career officer with the Department of Foreign Affairs and Trade. He was appointed as High Commissioner for Nigeria in February 2004 and retired from that post at the end of 2010. Prior to that he had served as High Commissioner in Malta (2000-03), and as Counsellor in Brussels (1990-94).

In Canberra, Mr Dickie held the position of Director, EU and European Institutions Section (1997-2000); Director, Agricultural Trade Policy Section (1994-97); Director, GATT Projects Section (1987-89); and Assistant Director, West Europe Section, Department of Trade and Resources (1983-85).

Mr Dickie has also held the position of Acting Manager, Europe Branch in the Australian Trade Commission (1985-86) and worked in the Trade Relations and Markets Division in the Department of Trade and Resources (1979-85) and as a Senior Research Officer in the Bureau of Agricultural Economics (1970-79).

# Itakpe iron ore mine

**Government July 2001  
tender document claimed:**

“Geological Proven reserve of 200 Mt”

**Itakpe plant was producing  
1Mtpa in 2008 before being  
put on care and maintenance  
after removal of operating  
Indian company**

**Itakpe Iron Ore Concentrate,  
64% Fe Grade**

Fe<sub>T</sub> 64.23 , Fe<sub>2</sub>O<sub>3</sub> 91.85  
LOI 0.08, SiO<sub>2</sub> 6.30,  
Al<sub>2</sub>O<sub>3</sub> 0.66, CaO 0.42,  
MgO 0.28 , H<sub>2</sub>O 4.2



# Ajaokuta Steel Company

**Main plant on care and maintenance**

**Government has plan to initiate steel production by 2012 and aims to achieve a target production rate of 10Mtpa by 2020**

**51km on train line from Itakpe**





# Competent Person's Statement

The information in this report which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brian Varndell, who is a corporate member of the Australasian Institute of Mining and Metallurgy and independent consultant to the Company. Mr Varndell is an associate of Al Maynard & Associates and has over 35 years of exploration and mining experience in a variety of mineral deposit styles including iron ore mineralisation.

Mr Varndell 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 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Varndell consents to inclusion in the report of the matters based on his information in the form and context in which it appears.