

SPHERE MINERALS LIMITED

A SUBSIDIARY OF
GLENORE

ASX Release

24 April 2014

ASKAF PROJECT AND SHAREHOLDER LOAN APPROVAL

The Board of Directors of Sphere Minerals Limited ("Board") have approved the 7 million tonnes per annum Askaf North iron ore project ("Askaf") in Mauritania. The forecast construction costs for the project is US\$0.9 billion (real basis, 2014 dollars) and first production is expected in early 2017.

The approval follows confirmation of key fiscal terms by the Mauritanian Government (including the application of the 2002 Model Mining Convention) and finalization of contractual arrangements for the provision of rail and port services for Askaf by Société Nationale Industrielle et Minière de Mauritanie ("SNIM").

The Independent Directors of Sphere Minerals Limited ("Sphere") have also approved an increase in the loan agreement with Glencore Australia Holdings Pty Limited ("Glencore") for a maximum draw down amount of US\$186M to fund the ongoing project works in Mauritania on the same terms and conditions as announced on 19 March 2014.

As the project progresses it is expected that Sphere will source further funding through loans and/or rights issues.

While key fiscal terms have been confirmed, Sphere has agreed with the Mauritanian Government that, in coming months, it will negotiate a new convention for Askaf based on the 2012 Model Mining Convention.



Nicholas Talintyre
Company Secretary
Sphere Minerals Limited