



Extract Resources Limited

**Developing the Husab Uranium Project, Namibia
Mining Indaba, Cape Town, February 2012**

Jonathan Leslie, MD & CEO, Extract Resources

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The information in this document that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr Andrew Penkethman who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Penkethman is a full time employee of the Company. Mr Penkethman 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 Penkethman consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this document that relates to Mineral Reserves is based on information compiled or reviewed by Mr Steve Craig and Mr Ross Cheyne who are both Fellows of The Australasian Institute of Mining and Metallurgy. Both Mr Craig and Mr Cheyne are open pit mining consultants to the Company and work for their own firm, Orelogy. Mr Craig and Mr Cheyne have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 Craig and Mr Cheyne consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Metallurgy and Process Design is based on information compiled or reviewed by Mr Michael Valenta, who is a Member of the South African Institute of Mining and Metallurgy. Mr Valenta is a consultant to the Company. Mr Valenta has the appropriate relevant qualifications, experience and independence to generally be considered a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Valenta consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

2011 – A year of delivery



Q1

- Environmental Impact Assessment (EIA) approved
- DFS completed, demonstrates technical and economic viability of developing Husab



Q2

- Project Labour Agreement signed
- Resource update defines the world's third largest uranium only deposit: Global resource of 513M lbs U₃O₈



Q3

- Linear Infrastructure EIA approved
- Reserve update: 320M lbs U₃O₈ defined at Zones 1 & 2



Q4

- Mining Licence issued

Corporate overview



Company Snapshot

Listing	ASX / TSX / NSX
Share Price (January 20, 2012)	A\$ \$8.58
Issued Capital	251 M
Market Capitalization (January 20, 2012)	~A\$ 2,155 M
Cash (December 31, 2011)	A\$ 55 M

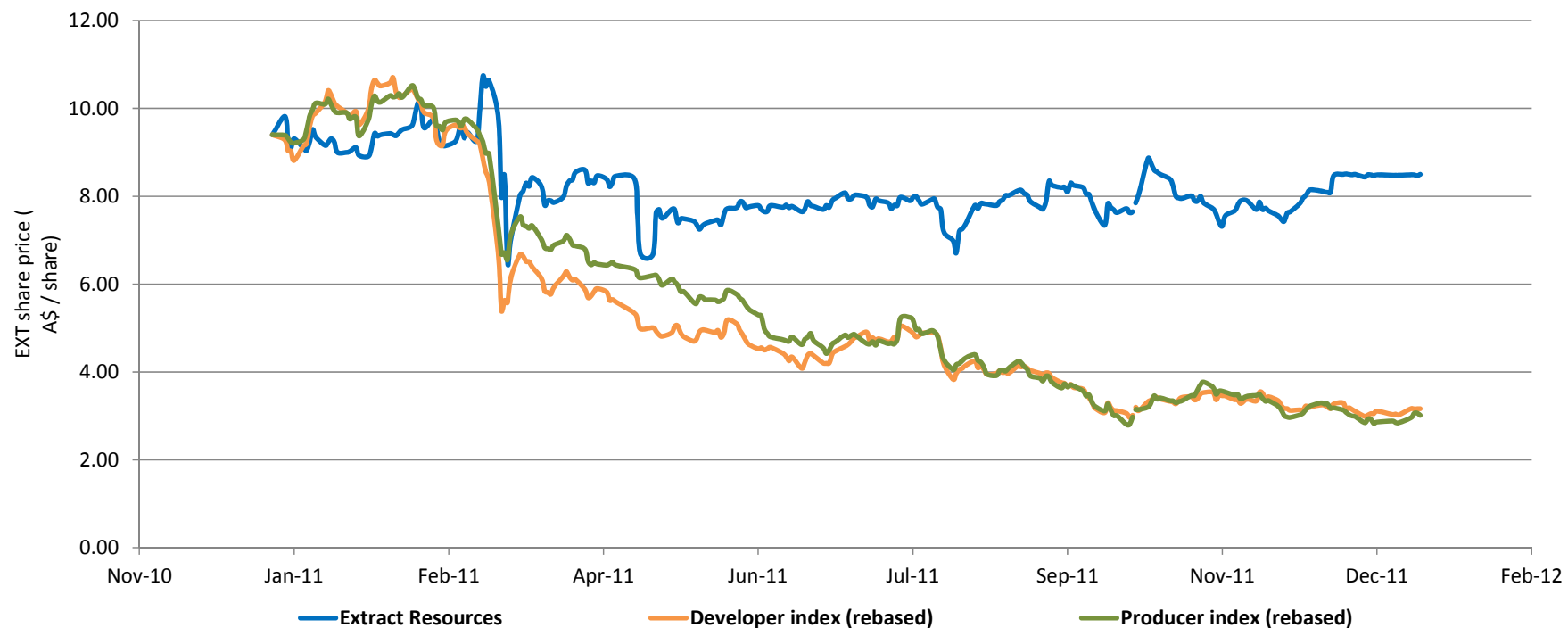
Major Shareholders

Kalahari Uranium Ltd*	42.7%
Rio Tinto	14.2%
Itochu	10.0%

* Kalahari Uranium is a wholly owned subsidiary of AIM listed Kalahari Minerals PLC – EXT holding represents its principal asset.

Extract is the leading ASX listed uranium Company

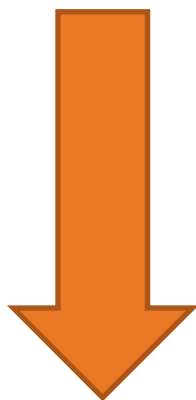
Extract - Share price performance



Significant outperformance of sector peers in 2011

Developer index comprises Bannerman Resources, Berkeley Resources, Deep Yellow, Forsys, Laramide, Uranerz Energy, Uranex, UR-Energy, UEX
 Producer index comprises Cameco, Paladin, Denison, First Uranium, ERA, Uranium One
 Indices converted to A\$, equal weighting

Taurus Offer for Kalahari and Proposed Offer for Extract



December 8, 2011

Taurus (CGNPC-URC & China Africa Development Fund) announced offer for Kalahari at 243.55 GBp / share

January 5, 2012

Offer document posted to Kalahari shareholders

February 2, 2012

Close of Offer to Kalahari shareholders



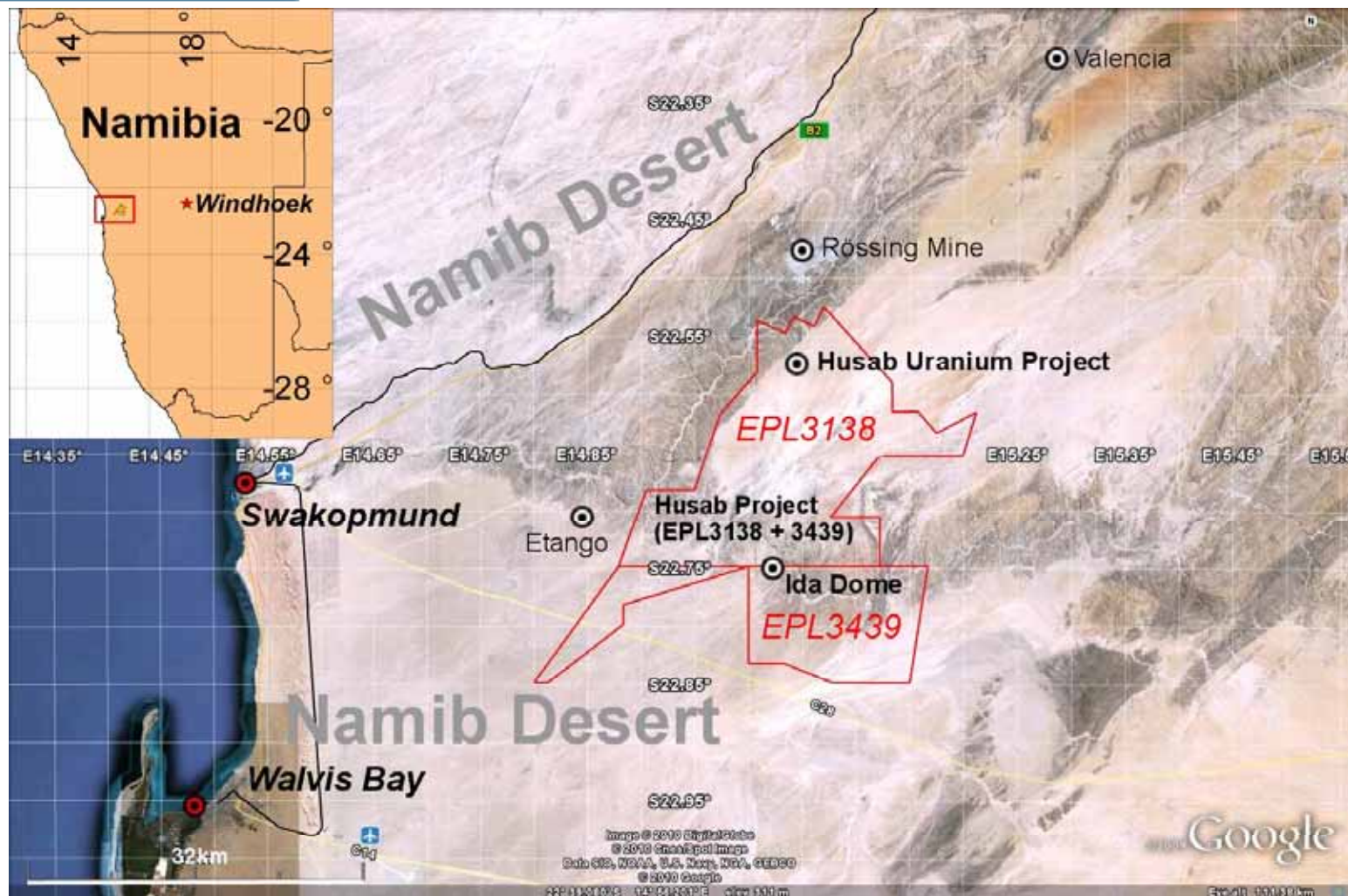
If Taurus receives >50% acceptances from Kalahari shareholders:

Within 4 weeks

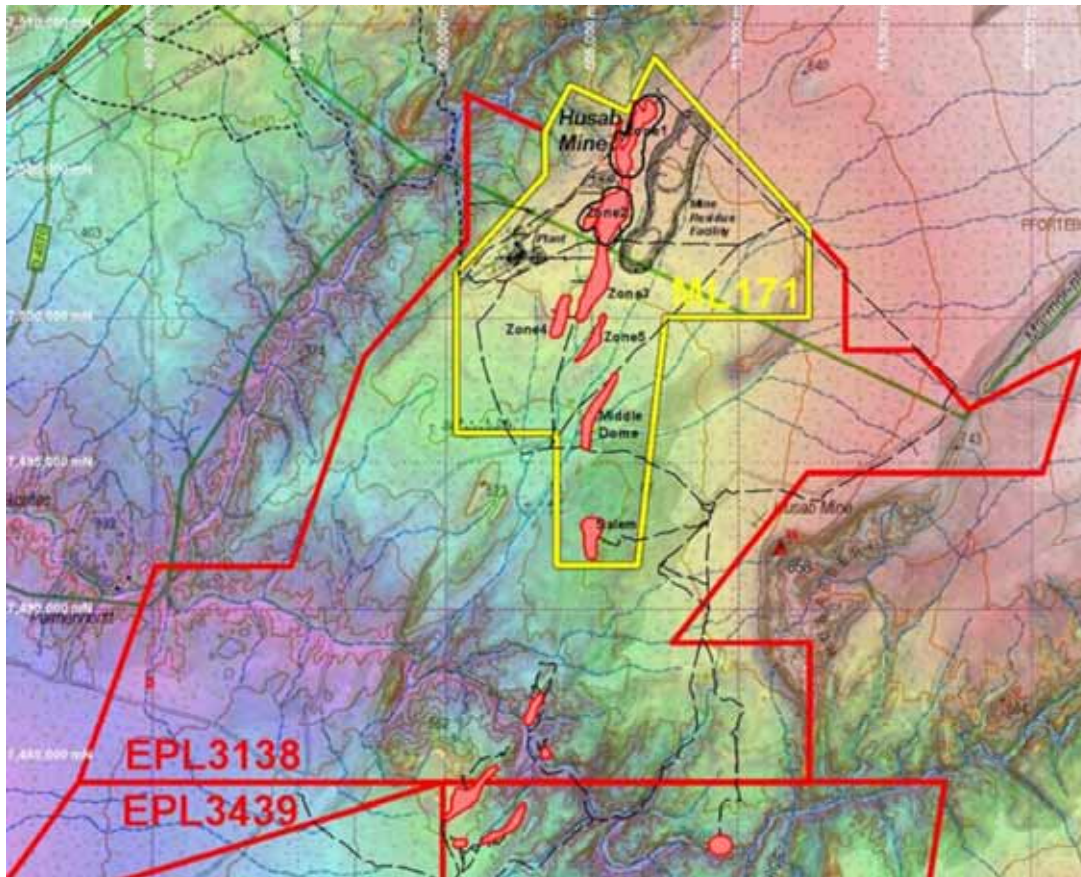
ASIC ruling leads to downstream cash offer to EXT shareholders at A\$8.65 per share.
Completion subject to certain conditions

Extract's Independent Directors are reviewing all available opportunities to maximise shareholder value before making a recommendation to Extract shareholders regarding the proposed offer

Husab: Location

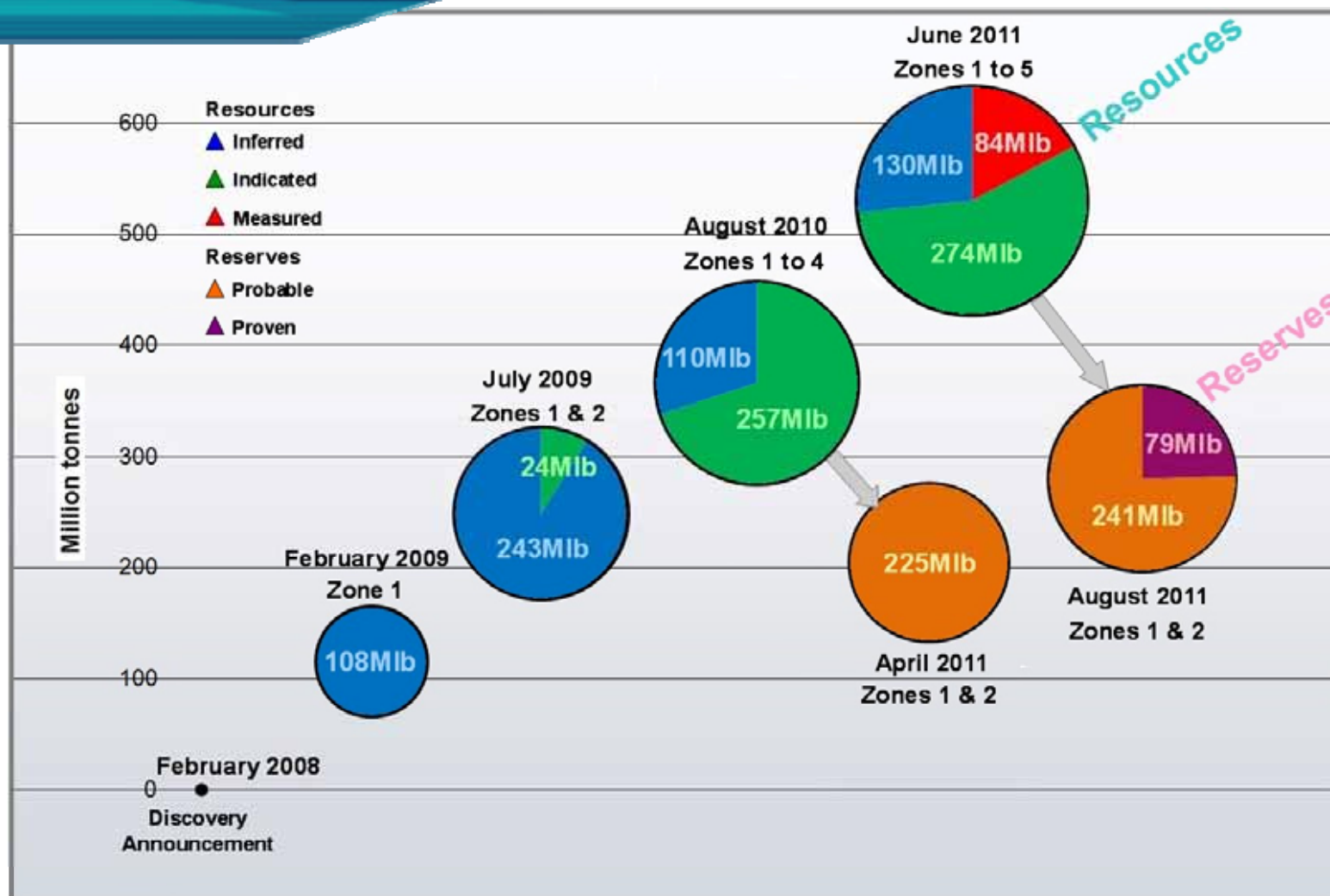


Husab Mining Licence



- Mining Licence (ML 171) issued in December 2011
 - Valid for initial period of 25 years
 - Covers area of 110km²
- Area covered by ML 171 encompasses:
 - Reserves at Zones 1 & 2
 - Resources at Zones 3 – 5
 - Middle Dome , Salem and other prospective areas
 - Footprint for processing plant, MRF and ancillary works

Husab: Reserve and Resource Evolution

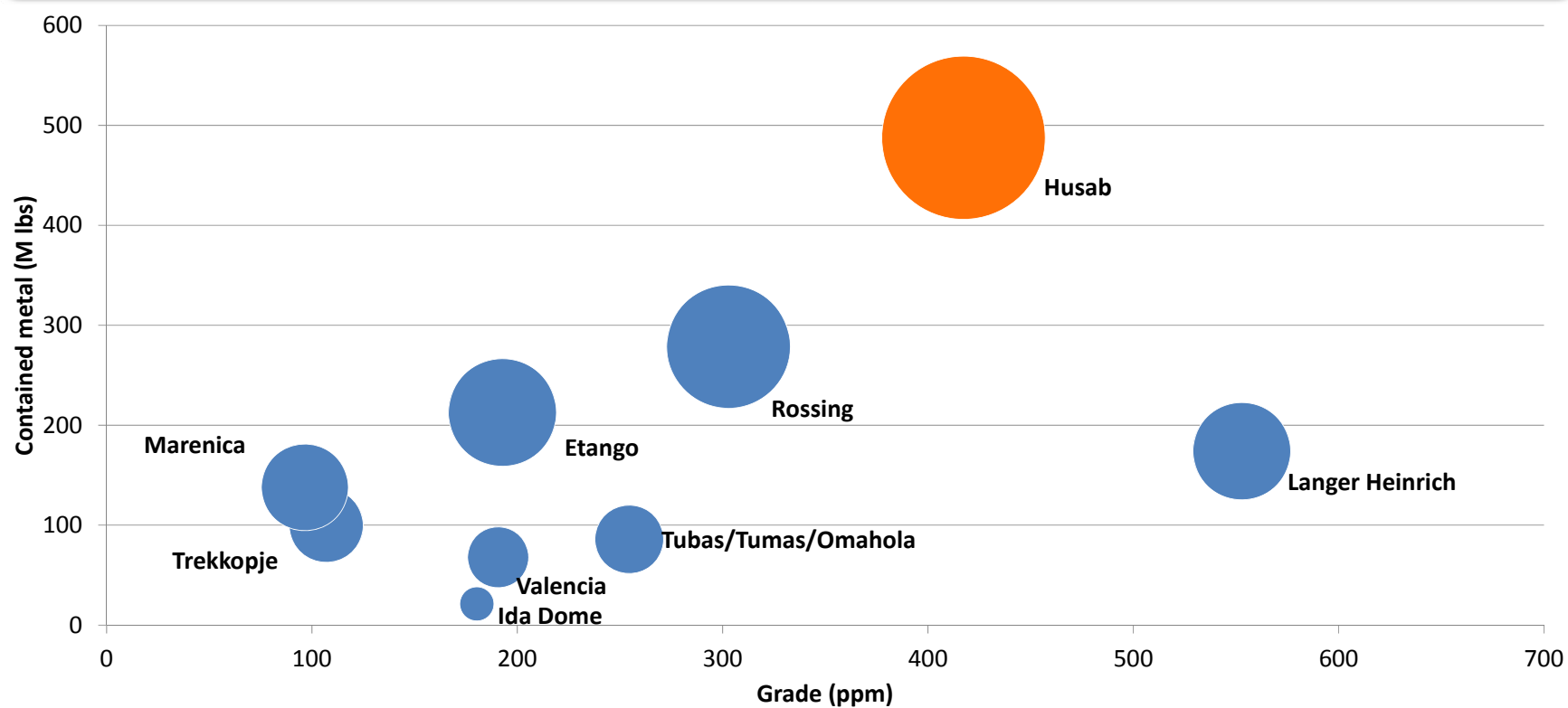


Charts show resources in Zones 1-5, and exclude Ida Dome. Refer to June 7, 2011 resource update and August 10, 2011 reserve update ASX releases for full details.

Husab: Namibia's largest currently known uranium deposit...



Major uranium deposits in Namibia

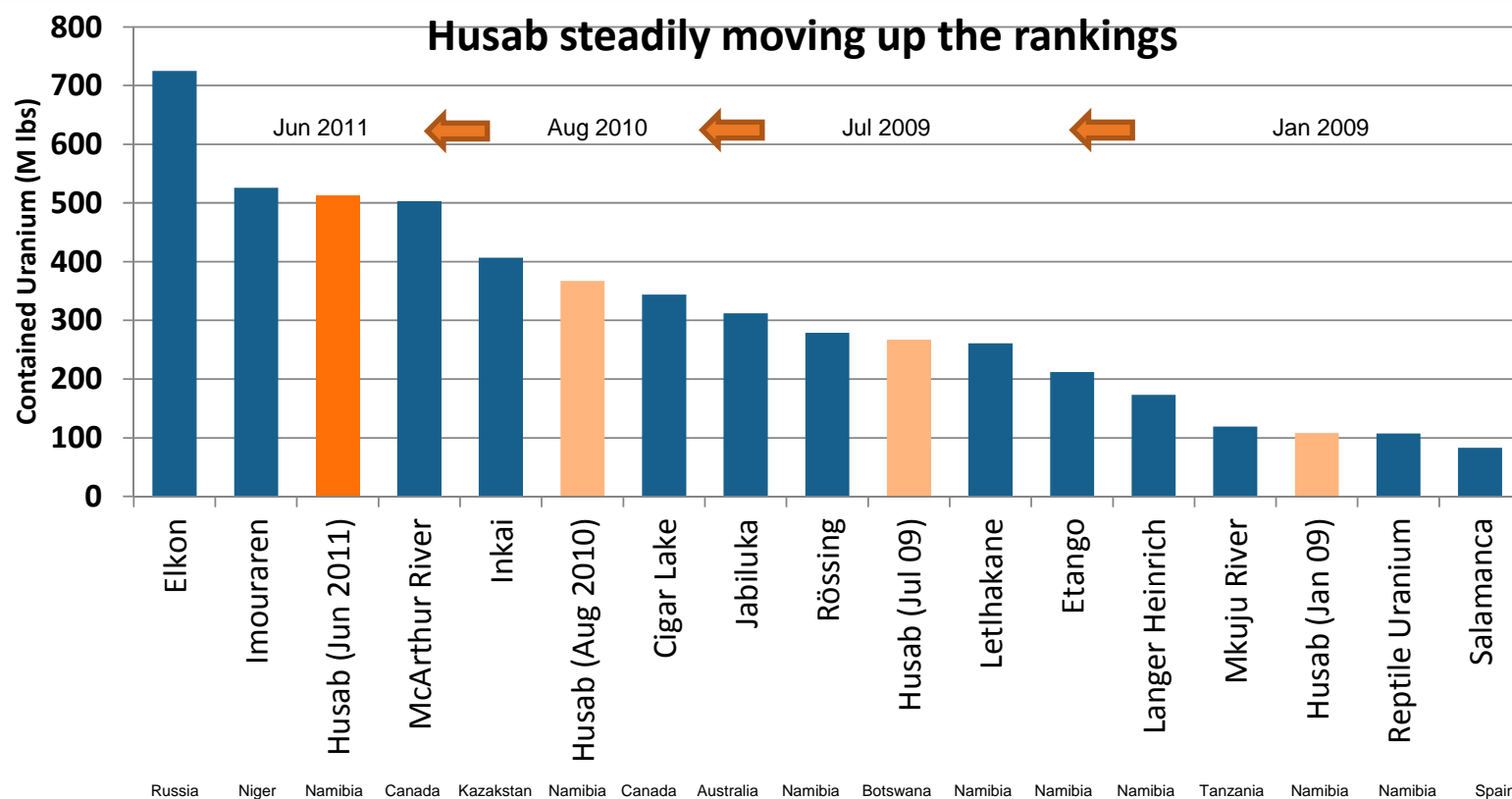


Source: Company data
Size of bubble represents contained metal
Excludes by-product or co-product uranium projects

...and the 3rd largest uranium-only deposit in the world



In Situ Uranium (Mlbs)



Source: Company data

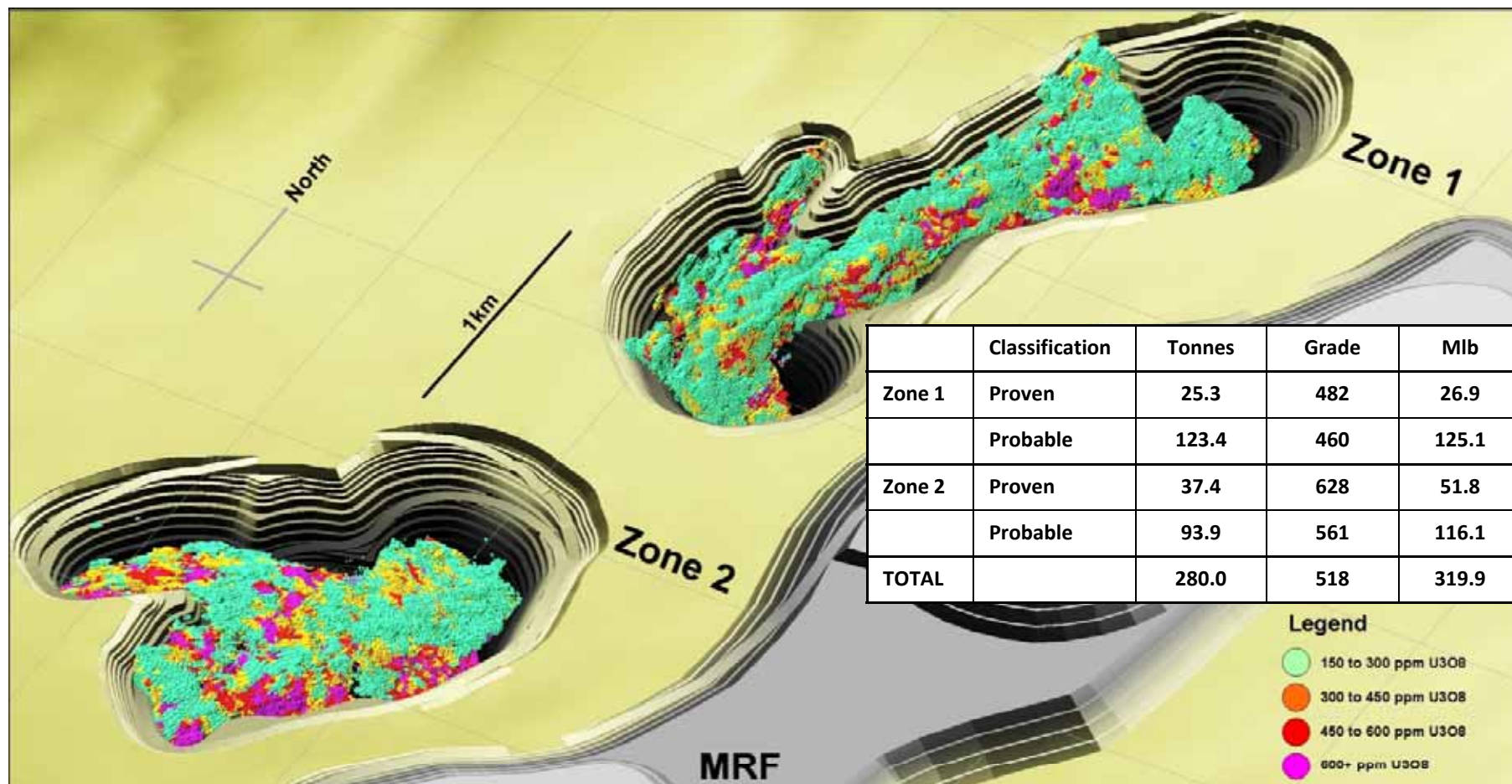
Note: Excludes by-product or co-product uranium projects. Global resource comparison for insitu uranium

Developing the resource: DFS & MORE



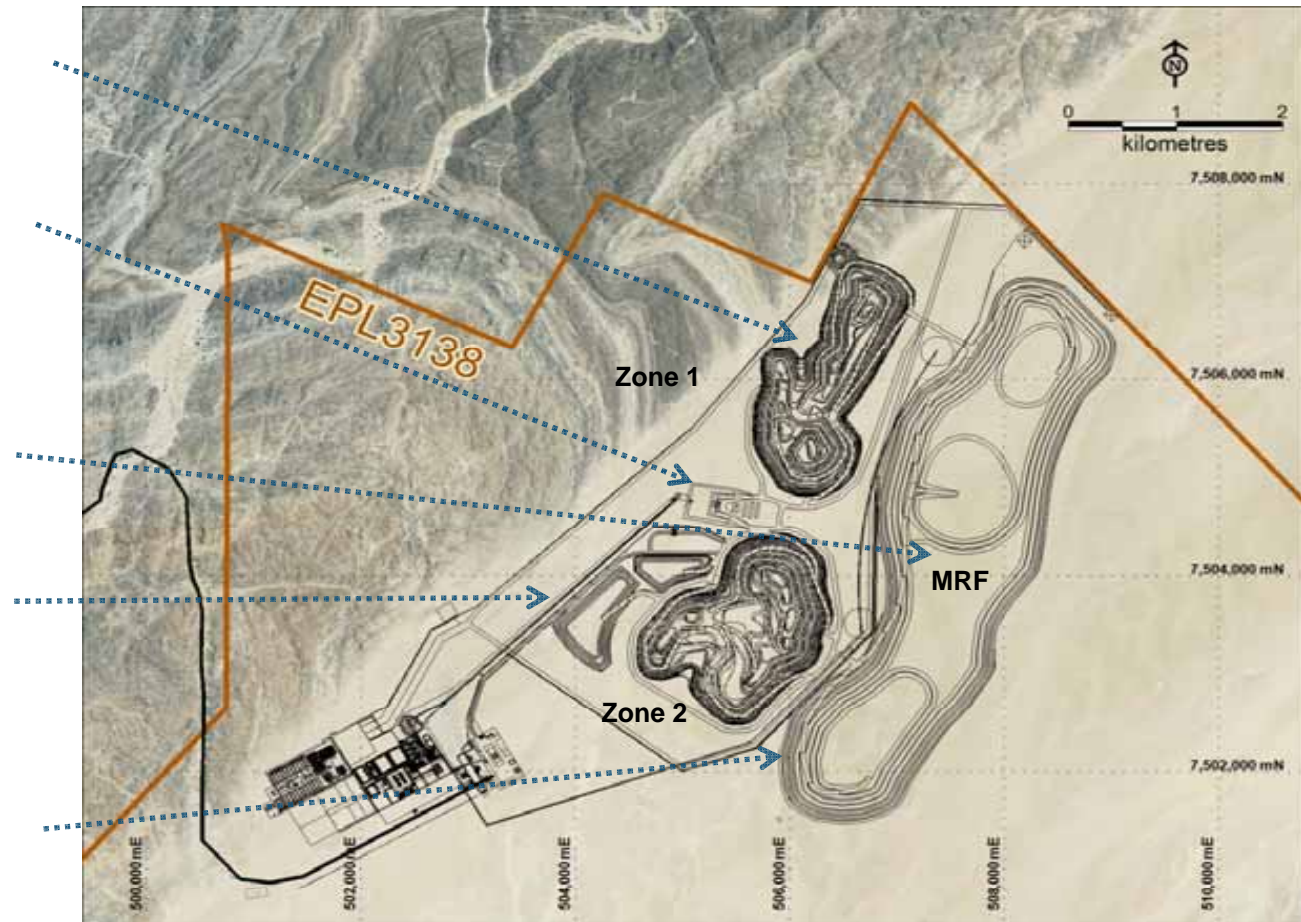
- ❖ DFS completed in Q1 2011; three years from initial Zone 1 discovery
 - Based on August 2010 resource model, assuming mining of Zones 1 & 2
 - Total project cost estimated at \$1,659 million
 - Operating cost estimated at \$32.0 / lb U_3O_8
 - Demonstrates technical and economic viability of developing Husab
- ❖ Mine Optimisation and Resource Extension (**MORE**) programme
 - Aimed at increasing mine life, optimising the mine plan and achieving process enhancements
 - Resource and reserve updates announced (June and August 2011)
 - Drilling programme continues; further resource update expected Q2 2012
 - Further process enhancements under consideration

Reserve Update August 2011

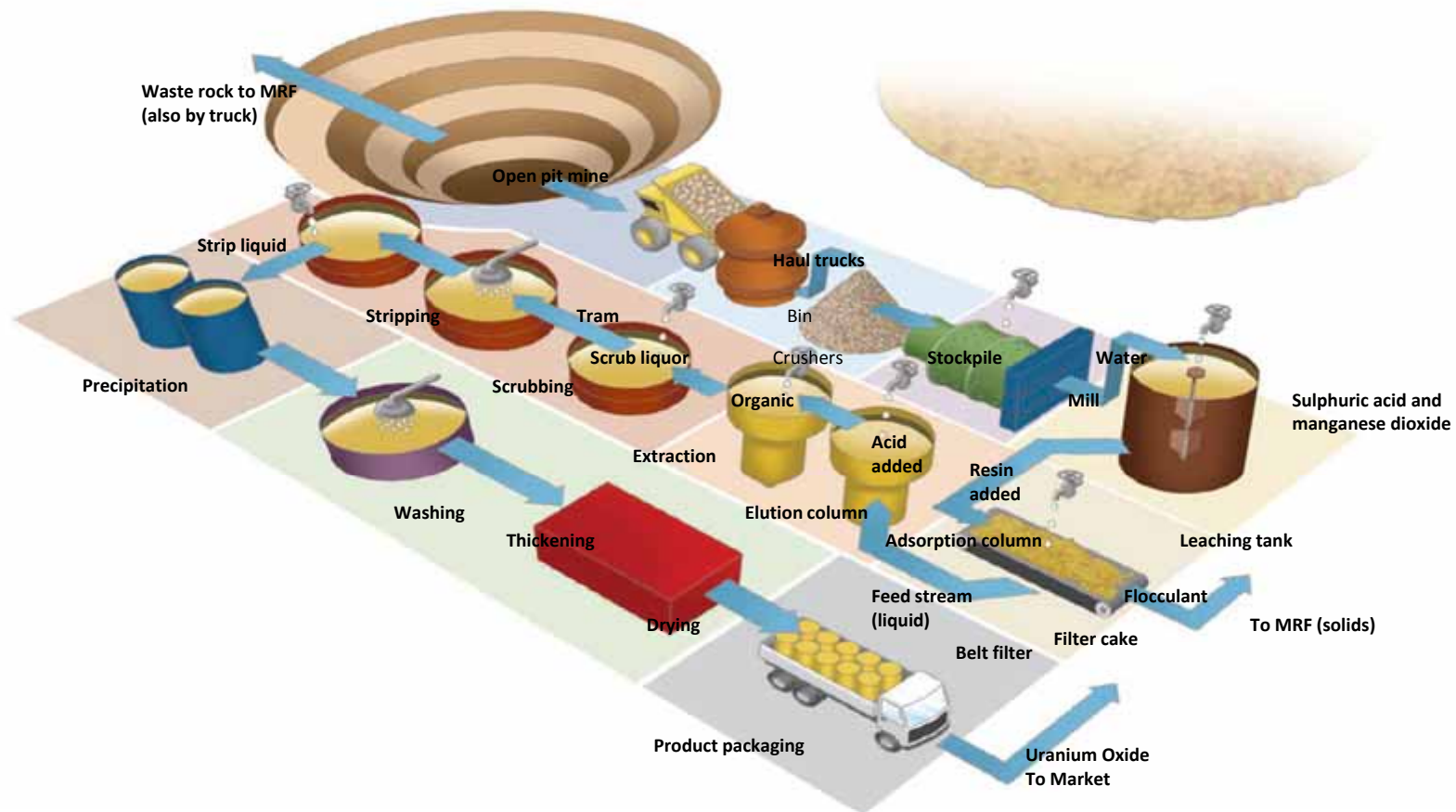


Mining: proposed site layout

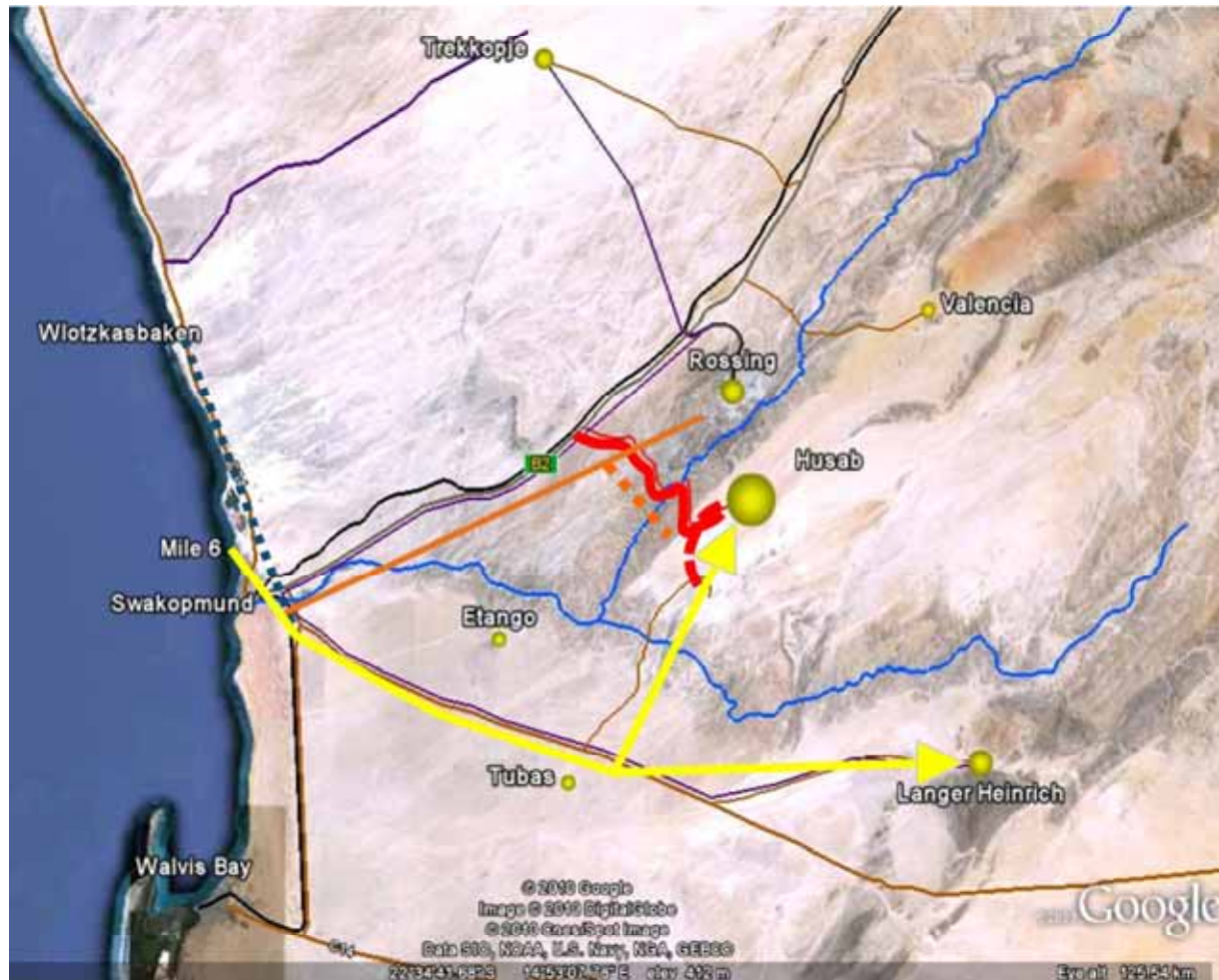
- Truck and shovel mining from two open pits
- Ore hauled to crusher stockpile
- Waste rock to adjacent Mine Residue Facility (MRF)
- Ore conveyor to plant
- Tailings conveyed to MRF and disposed of with waste rock



Processing: a conventional design



Infrastructure



- Access
 - New access Roads from North and South
- Water
 - Temporary supply
 - Permanent supply from 3rd party desalination facility at Mile 6
 - Shared pipeline to site
 - Also consider supply from EDC facility at Wlotzkasbaken
- Power
 - Temporary & permanent supply from connections to existing grid

Environment, social & uranium industry



Environment

- Q1 2011 Mine & Process Plant SEIA and EMP approved
- Q3 2011 Linear infrastructure SEIA and EMP approved
- SEIAs to Equator principles / IFC Standards



Social

- Regular stakeholder engagement
- Established Swakop Uranium Foundation
- Set up bursary scheme for local students



Extract's technical and marketing functions have established strong industry links

- International: World Nuclear Association
- Namibia: Chamber of Mines, Uranium Stewardship Committee
- Australia: Australian Uranium Association





Husab ready for development

- 🏗️ 33 months from “Go ahead” to plant hot commissioning¹
- 🏗️ Critical path items include:
 - Infrastructure (water & power)
 - Procurement (particularly mine fleet)

			Year 1				Year 2				Year 3			
Months			3	6	9	12	15	18	21	24	27	30	33	
Go Ahead			↓											
Engineering & Procurement														
Construction														
Start of overburden stripping							↓							
Mechanical Completion														
Cold commissioning														
Hot commissioning														
Commercial Production														↓

¹ Estimate based on information provided for the DFS; procurement timetable may be reassessed at time of placing orders

DFS development & operating costs



PROJECT COSTS	US\$ Million ¹
Initial Mine Fleet & Infrastructure	407
Processing plant	529
Mine Residue Facility	71
Infrastructure & Temporary facilities	210
Indirect costs (EPCM, Owners costs, other)	158
Contingency	105
Total Capital Cost	1,480
Pre-Strip and Pre-production opex	179
Total Project Cost	1,659

¹ Cost estimate excludes escalation, financing costs and working capital

OPERATING COSTS	US\$ / lb U ₃ O ₈ ¹
Mining	13.9
Processing	13.4
G&A	1.2
Cost of Production	28.5
Royalties ²	2.0
Transport & Marketing	1.5
Total Operating Cost	32.0

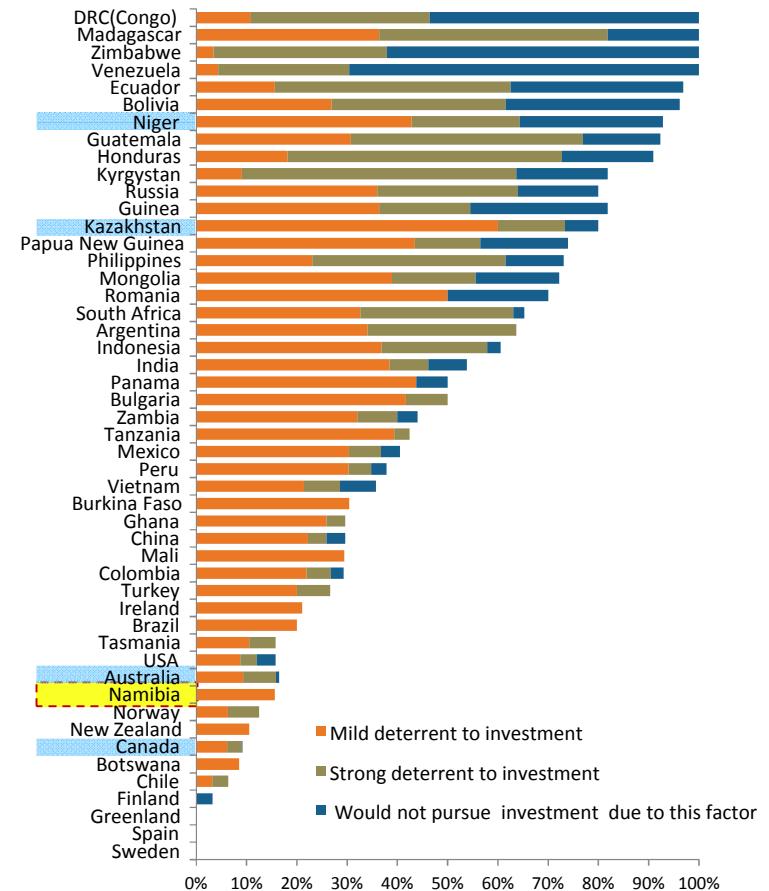
¹ Cost estimate excludes escalation

² Estimated royalty payment based on current market price

Namibia: Supportive investment climate

- Namibia ranked 10th in Fraser Institute annual mining survey
- Of the top 5 uranium producing countries, only Canada is ranked higher than Namibia
- Ranked 2nd of all African countries in survey

Political Stability ¹



Contribution to Namibia's economy



Extract's investment in Husab:

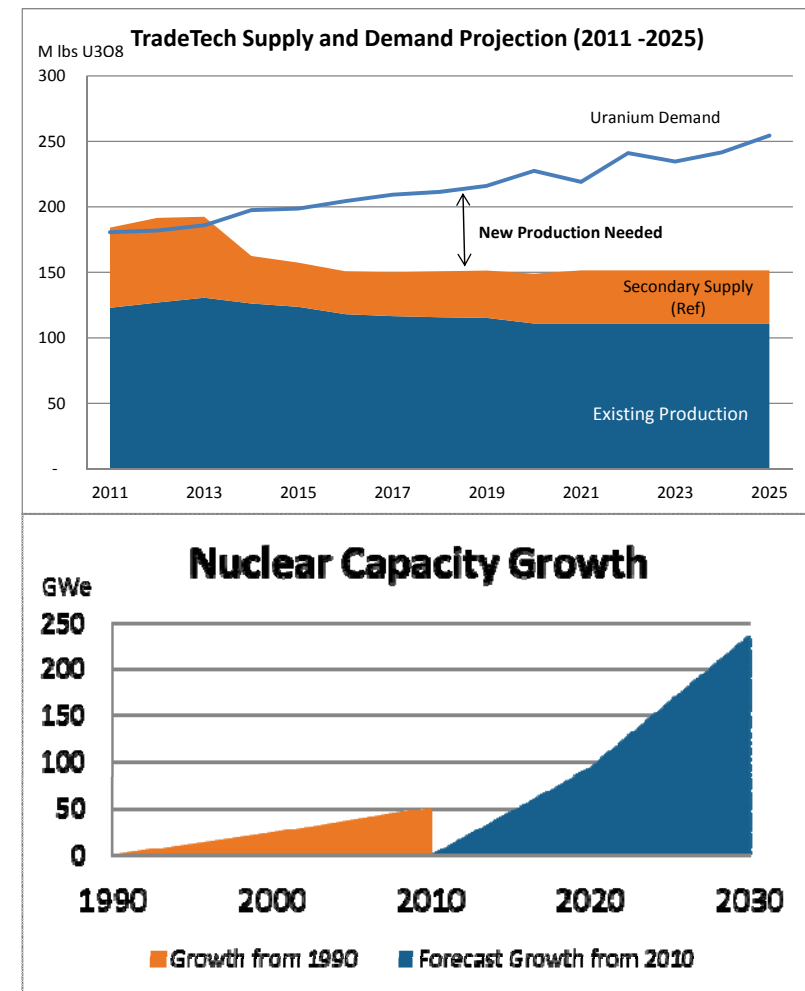
- 🇳🇲 Represents 34% of one year's total national investment
- 🇳🇲 Will contribute 5% to the Namibian GDP and 20% to the country's merchandise exports*
- 🇳🇲 N\$2,200-million per year in corporate tax (5-6% of total government income) and N\$220-million p/a in royalties*
- 🇳🇲 Will create 1,100 permanent employment opportunities and 4,000 temporary jobs during construction
- 🇳🇲 Will create up to 8,000 indirect jobs in Namibia
- 🇳🇲 Will increase the number of people employed in the mining sector by ~17%

*Assuming uranium price of \$65/lb and 7.5 NAD:USD



Uranium market: fundamentals remain attractive

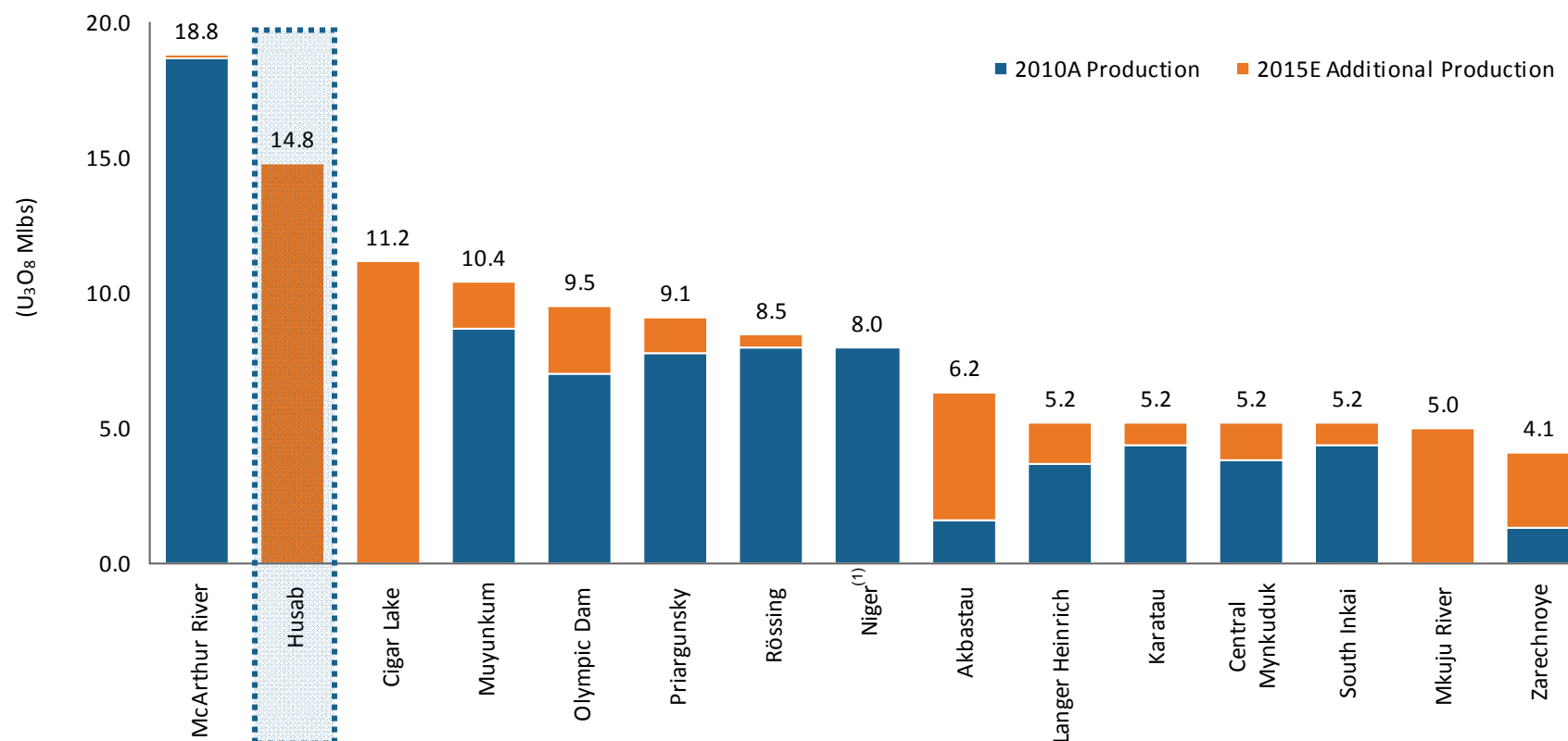
- Growth in global energy demand and switch to low carbon fuels
- Nuclear capacity forecast to increase by 60% by 2030 with consequent increase in uranium demand
- Currently there are 433 reactors operating in 31 countries, 62 reactors under construction in 14 countries with a further 156 reactors planned for construction
- China, India, Russia and South Korea are the main drivers of growth
- Uranium supply from existing mines is declining and the end of the HEU agreement in 2013 will reduce availability of predictable secondary supplies
- New supply is needed to meet demand



Building a world class uranium mine



Annual Production of Major Uranium Assets



Source: RBC Capital Markets, company estimates
 (1) Arlit and Akouta mines combined

Strategically positioned for success



Tier 1 asset

- Husab is a world class deposit with size and grade

Development

- Conventional open pit mining & processing
- Experienced team with a proven track record of success

Timing

- Husab forecast to come into production as uranium supply gap widens

A photograph of a desert landscape. In the foreground, a gnarled, reddish-brown tree stands on a rocky, sandy ground. The background shows a vast, flat desert floor with some distant hills under a clear sky.

Thank you