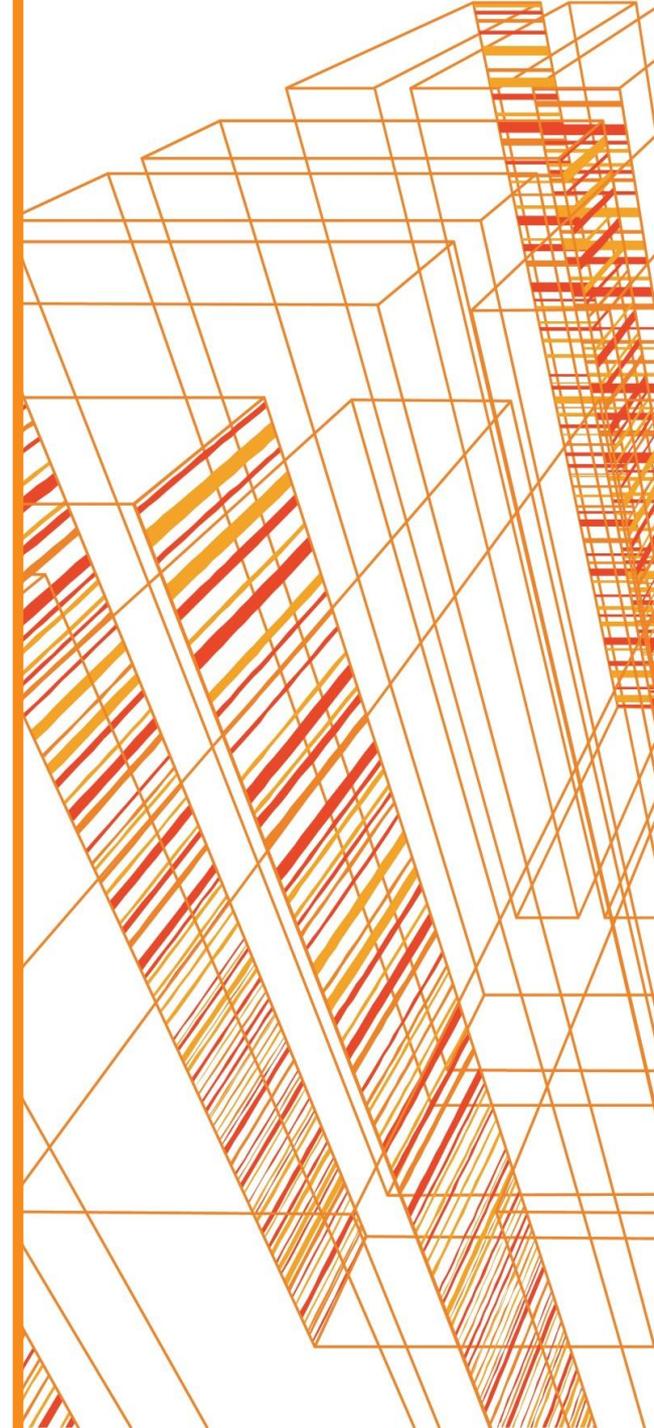


Fe-Ti-V RESOURCE PROJECT

SYNOPSIS FOR THE SALE OF 17 MILLION TONS Fe-Ti-V RESOURCE

EMALAHLENI (WITBANK), SOUTH AFRICA

15 April 2016





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Introduction

- ❑ Fe-Ti-V Resource (“Resource”) includes:
 - ❑ Iron and Titanium
 - ❑ Soluble Vanadium
- ❑ Classified as hazardous, due to soluble vanadium salts contained in the Resource.
- ❑ Resource covers 35 hectares with a height of 38 metres.
- ❑ Estimated 17 million tons of the Resource.
- ❑ Good economics and potential upside.
- ❑ Three major income streams with a potential for others.
- ❑ Located eMalahleni (Witbank), Mpumalanga Province, South Africa.



Ownership and Origin of the Resource

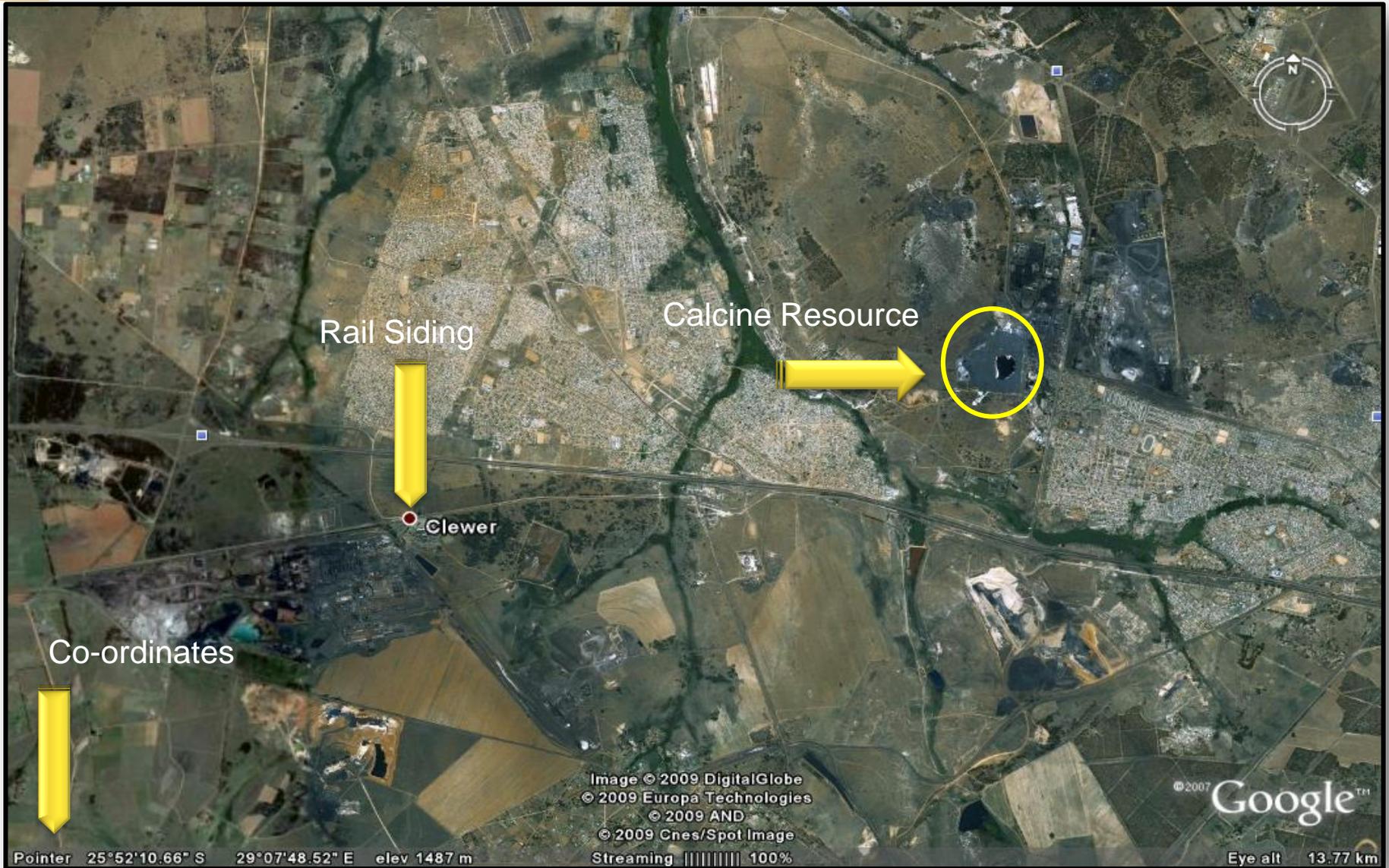
Ownership

- ❑ EVRAZ Highveld Steel and Vanadium Limited (Evraz Highveld), currently in business rescue has beneficial ownership and legal responsibility for the Resource.

Origin

- ❑ The Resource arose from the divestiture of a Company that produces various types of vanadium products from titaniferous magnetite ore.
- ❑ The ore was crushed and washed at a nearby mine and transported to the vanadium processing plant. The ore was then processed through the following unit operations:
 1. Ball mill.
 2. Magnetic separator .
 3. Belt filter to dewater the milled ore.
 4. High temperature kiln.
 5. Leach to dissolve the vanadium pentoxide (V_2O_5).
 6. The recovered V_2O_5 concentrated solution is further processed to produce vanadium products.
 7. The resultant solids (Fe-Ti-V Resource) is stockpiled.

Location of Resource Stockpile



Aerial View of Fe-Ti-V Resource Stockpile





Analysis of the Resource

- Below is an average analysis of the Resource. A detailed analysis is available after signing of a Non Disclosure Agreement and particle size distribution is presented in Annexure 1.

Material	% wt
SiO ₂	3.44
Al ₂ O ₃	3.7
Fe (Total)	52.96
Fe ₂ O ₃	75.73
TiO ₂	12.41
CaO	0.12
MgO	1.19
V	0.2
V ₂ O ₅	0.5
Zn	0.03



Opportunity

Fe units - Pig Iron - Steel

- ❑ Iron used mostly to make steel, technology available to extract iron from this resource taking advantage of the fine size and waste coal.
- ❑ Long-term demand for steel expected to grow with China and emerging markets leading the way, including the African continent.

Titanium Dioxide

- ❑ TiO₂ pigments account for significant portion of mineral sales.
- ❑ Pigments into paint industry, paper, plastics and cosmetics.
- ❑ Demand expected to increase significantly beyond 2015.

Vanadium Pentoxide

- ❑ Sound economics for V₂O₅ recovery.
- ❑ Upside on FeV production at low capital expenditure.
- ❑ Demand is from a range of forms to strengthen steel (China is mandating higher quality and driving growth).

Demand emerging from new generation vanadium redox batteries.

Corporate Social Responsibility

- ❑ This project has many potential spin offs in terms of community development and CSR.

□ Work completed on the project

- Concept designs drafted for a proposed soluble V washing plant.
- EIA completed for the proposed washing plant.
- Department of Environmental Affairs supportive of the reworking concept.
- Technology exists and trial work done to extract Fe from the washed calcine.



Pictures of the resource





Infrastructure Highlights

- ❑ Rail siding of Clewer is approximately 12 km from location of Resource.

- ❑ Two export port options:
 - ❑ Rail - Clewer to Maputo (Mozambique)

 - ❑ Rail - Clewer to Richards Bay (South Africa)



Annexure 1: Particle Size Distribution

Sizing	
+400 μm	44.97%
+300 μm	8.00%
+150 μm	24.00%
+75 μm	17.67%
-75 μm	5.36%



Environmental compliance

- The prospective bidder must determine all environmental legal responsibilities, in line with the prevailing legislation as may be amended from time to time, relating to the processes and activities to be undertaken by the prospective bidder and, if successful, to ensure full environmental compliance with such identified responsibilities. All planned processes and activities including any identified environmental responsibilities in relation thereto, will be made clear to Highveld in writing, as part of the bid process, to ensure a transparent relationship and agreement on the environmental compliance requirements. The prospective bidder must lead any discussions with the relevant environmental authorities and obtain the required environmental authorisations relating to the various environmental compliance requirements. The prospective bidder will carry all costs associated with such authorisations and discussions. Any supporting information required from Highveld relating to environmental concerns and compliance requirements must be identified by the prospective bidder and, if available, will henceforth be supplied by Highveld and not be unreasonably withheld, to support the drive of the prospective bidder towards environmental compliance.