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This document contains statements, opinions and projections, all preliminary in nature, prepared by Ikwezi Mining Limited on the basis of information developed by itself in relation to its Newcastle, Newcastle Phase 2, Waterberg and Acorn coal projects (together the Projects). Such information can be described as at the pre-feasibility stage, due to the limited information provided to date, and may be subject to change. Certain statements, beliefs and opinions contained in this document, particularly those regarding the possible or assumed future performance of Ikwezi Mining Limited and the Projects are or may be forward looking statements. Forward looking statements can be identified by the use of forward looking terminology, including, without limitation, the terms "believes", "estimates", "anticipates", "expects", "predicts", "intends", "plans", "goals", "targets", "aims", "outlook", "guidance", "forecasts", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts. By their nature, forward looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond Ikwezi Mining Limited's ability to control or predict which may cause the actual results or performance of Ikwezi Mining Limited and the Projects to be materially different from the results or performance expressed or implied by such forward-looking statements. Forward looking statements are based on assumptions and are not guarantees or predictions of future performance. No representation is made that any of these statements or projections will come to pass or that any forecast result will be achieved, nor as to their accuracy, completeness or correctness. Similarly, no representation is given that the assumptions upon which forward looking statements may be based are reasonable. Forward looking statements speak only as at the date of this document and Ikwezi Mining Limited disclaims any obligations or undertakings to release any update of, or revisions to, any forward-looking statements in this document.

## INFRASTRUCTURE DISCLAIMER

This presentation makes reference to infrastructure capacity. This does not however mean that the Newcastle Project will produce coal at or up to this capacity. The level of our potential coal production, and our ability to produce coal at all, will be dependent on a number of factors, including us fulfilling the requirements for and being granted a mining right and water use licenses, obtaining access to the infrastructure required to commence mining operations and transport our coal products, mining, metallurgical, economic, marketing, legal, environmental, social and governmental. In particular, while we have JORC Code compliant resources, these are not ore reserves within the meaning of the JORC Code. Accordingly, it is uncertain whether our JORC Code compliant resources can be mined in an economically viable manner to achieve at, or up to, that capacity or at all. There remains insufficient certainty with respect to whether economically mineable mineralisation exists at the Newcastle Project to reliably estimate future production rates.

## GEOLOGICAL ATTRIBUTION

Technical information in this presentation that relates to the Newcastle Project and the Waterberg Project has been reviewed by P.C. Meyer Consulting. The Newcastle Project's Mineral Resources is based on a resource estimate compiled by an independent consultant, P.C. Meyer Consulting whose professional employees are geologists highly experienced in the South African Mining Industry and of sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined by the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and the Ore Reserves'. The Waterberg Project target is conceptual in nature. There has been insufficient exploration to define a mineral resource under JORC guidelines and it is uncertain whether further exploration will result in the determination of a mineral resource. This conceptual target may or may not be outlined with future work, whether in whole or in part. P.C. Meyer consents to the inclusion of the technical information in the presentation in the form and context in which it appears.

# Corporate Overview

Emerging thermal coal producer with plans to create a substantial resources company

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## Corporate Objectives

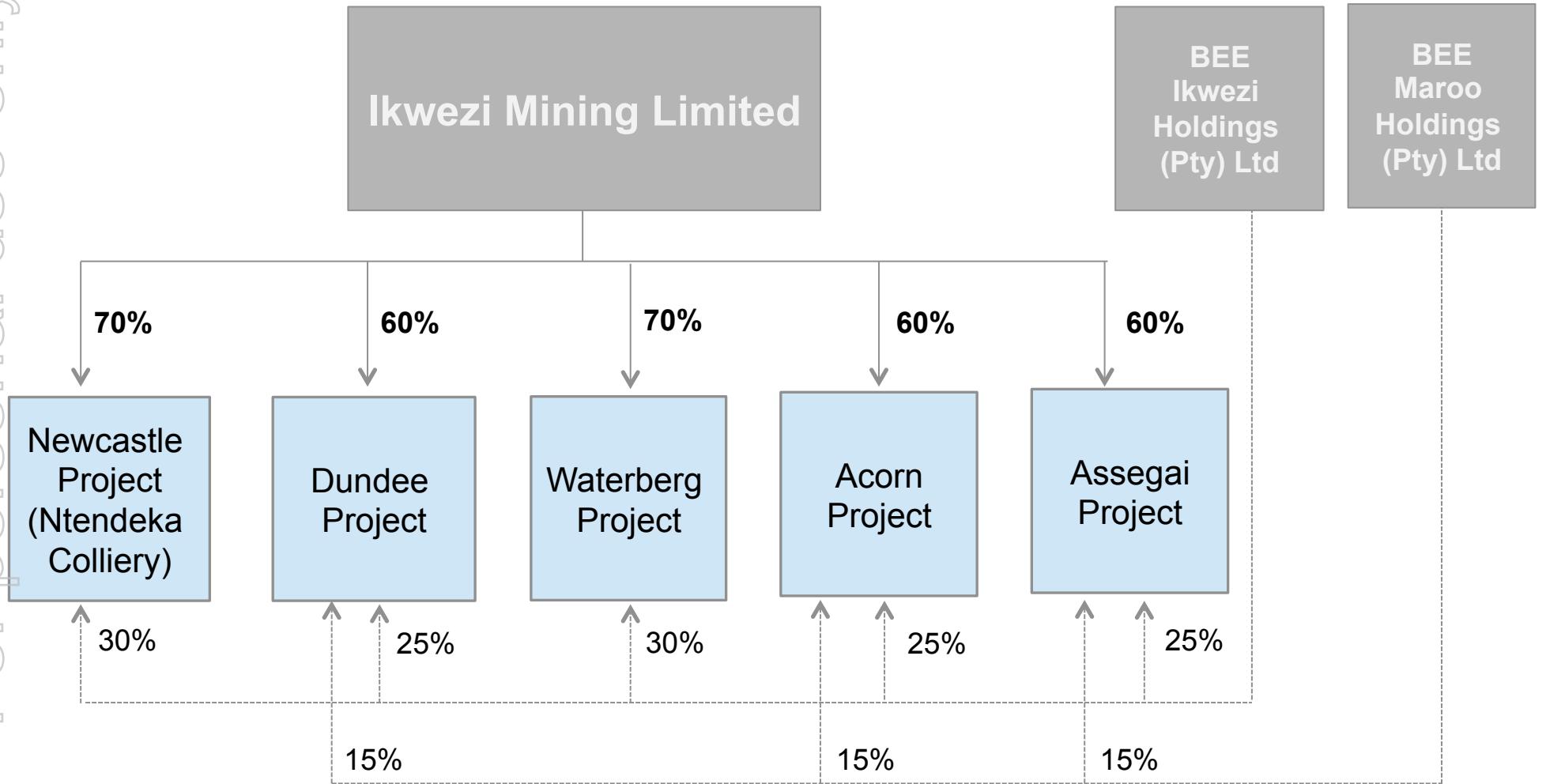
- Leverage our expertise in mine development, logistics and new project generation
- Bring the Newcastle Project into production early 2013
- Utilise our strong relationships with logistics and infrastructure providers to expand production
- Maximise the value of our existing “blue sky” projects
- Build long term scale through developing existing projects and through selective acquisitions and joint ventures

## Capitalisation Summary

Shares on issue	338.8m
Market capitalisation @ \$0.045	\$15.2m
Cash (30 Sept 2012)	\$6.8m
Debt	-
Vendor shareholding (Escrow)	50.2%
EV	\$8.4m

# Corporate Overview

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# Directors & Management

## Strong Board and Management team

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**Simon  
Hewetson**

**Chairman**



Simon was co-founder and CEO of NuCoal Mining South Africa (NuCoal) where he was responsible for building the operation up to a 2.5 Mtpa production level before selling the company to Coal of Africa in early 2010. Simon has extensive trading experience in a number of commodities, and the development of junior companies

**David Pile**

**Managing Director / CFO**



David is a Chartered Accountant (registered in South Africa) with comprehensive experience across a number of industries in Sub-Saharan Africa, South East Asia and Australia. Most recently he was the CFO of Minara Resources and prior to that the Chief Financial Officer of Ingwe Collieries, BHP Billiton's South African energy coal operations, where he was also a Director of RBCT.

**Roger Rees**

**Non-executive Director**



Roger brings a wealth of financial and management experience to the Board. Roger has held a number of senior management positions, including serving as the Finance Director of South African engineering and construction business Murray & Roberts Ltd for over 10 years. Roger was also non-executive director of Clough Limited from November 2005 and Deputy Chairman from April 2010 to July 2011

**Ranaldo  
Anthony**

**Executive Director**



Ranaldo is a registered South African geologist and a member of the Geological Society of South Africa. Ranaldo previously worked for BHP Billiton in the mineral resource department of the Energy Coal Division, where he was responsible for the reporting of global coal reserves and resources. Most recently Ranaldo was Deputy CEO of NuCoal.

**Malcolm Ford**

**Chief Operating Officer**



Malcolm is a registered Certificated Mining Engineer, a Fellow of the Southern African Institute of Mining and Metallurgy and the holder of a Mine Managers Certificate of Competency (Coal Mines) issued by the DMR. He has over 30 years experience in managing large opencast and underground coal mines in South Africa including NuCoal. Malcolm also has extensive experience in consulting to the major coal Companies and developing and operating mines in the Mpumalanga and Kwazulu-Natal areas.

**Godfrey  
Mfetoane**

**Corporate Affairs**



Godfrey has a legal back ground and has worked primarily with the DMR. Godfrey was previously the Regional Manager for the DMR for the North West Province and Northern Cape regions in South Africa before being appointed Director: Empowerment Transaction assessment for the DMR.

# Seaborne Thermal Coal Market

## South Africa ideally positioned to deliver into Asia Pacific market

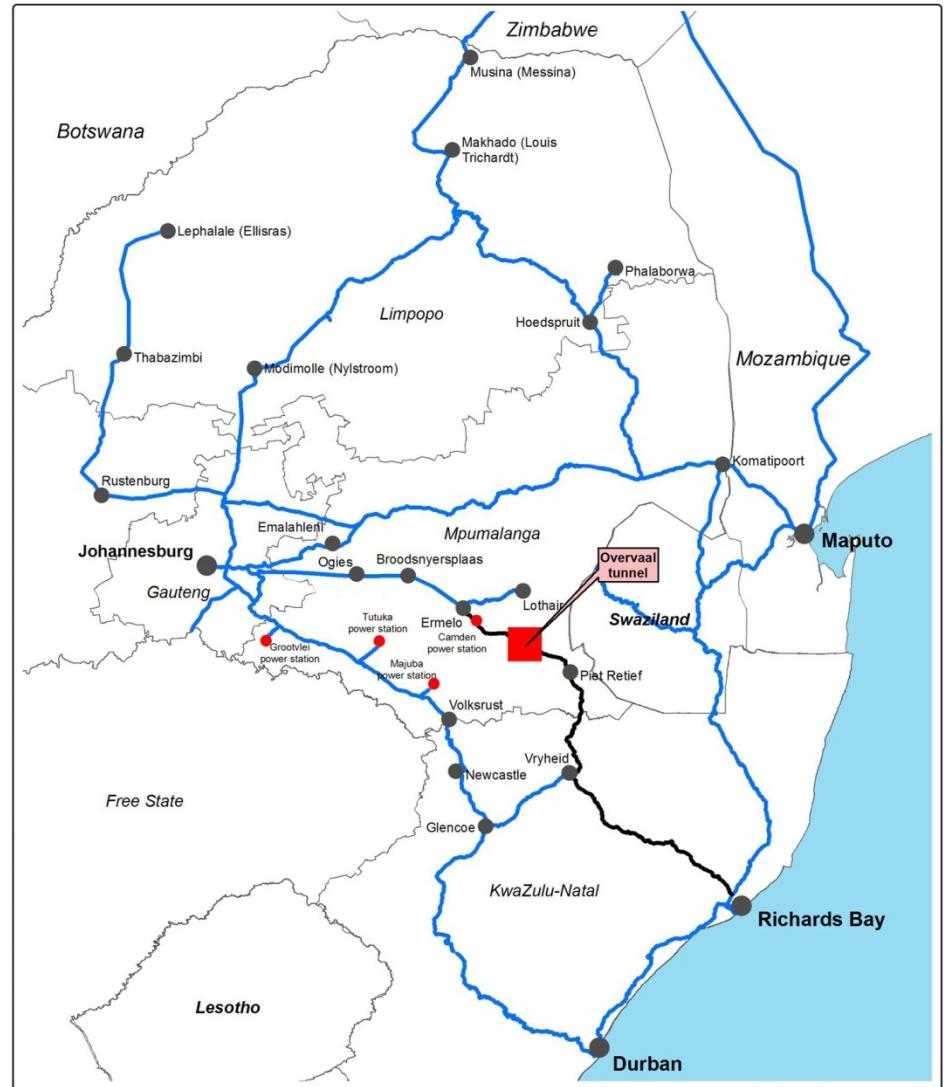
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- Current market weakness due to increase in shale gas production in US driving down gas prices and displacing coal for power generation compounded by slow down in global economic growth
- Has resulted in high inventory levels in US and China with record US coal exports
- Number of analysts see thermal coal market at bottom / close to bottom with number of US / Russian / Australian and Indonesian producers operating below breakeven
- Improvement in coal prices expected as gas prices in US increase and coal production capacity in Indonesia, China and US reduced
- South African coal production not as affected due to depreciation of the ZAR
- China now a large net importer of coal (net exporter as recently 2008) importing 21% of South Africa's thermal coal exports in the 11 months to Nov '11
- India expected require >100Mt of imported coal
- Seaborne thermal coal demand within Pacific will need to grow by an estimated 40Mt by 2025
- Supply growth constrained by infrastructure, escalating capital costs and diminishing coal quality



# Major coal rail routes in South Africa

- Transnet have committed to ZAR300 billion infrastructure spend to improve SA rail and port capacity
- Expected investment on improving coal export capacity of ZAR90 billion with ZAR45,5 billion committed to 2019
- ZAR2 billion to improve Overvaal tunnel + ZAR5 billion on Swaziland rail link with balance on rail capacity expansion with focus on the Waterberg coal field
- Plans in place to expand Maputo + Navitrade facility at Richards Bay

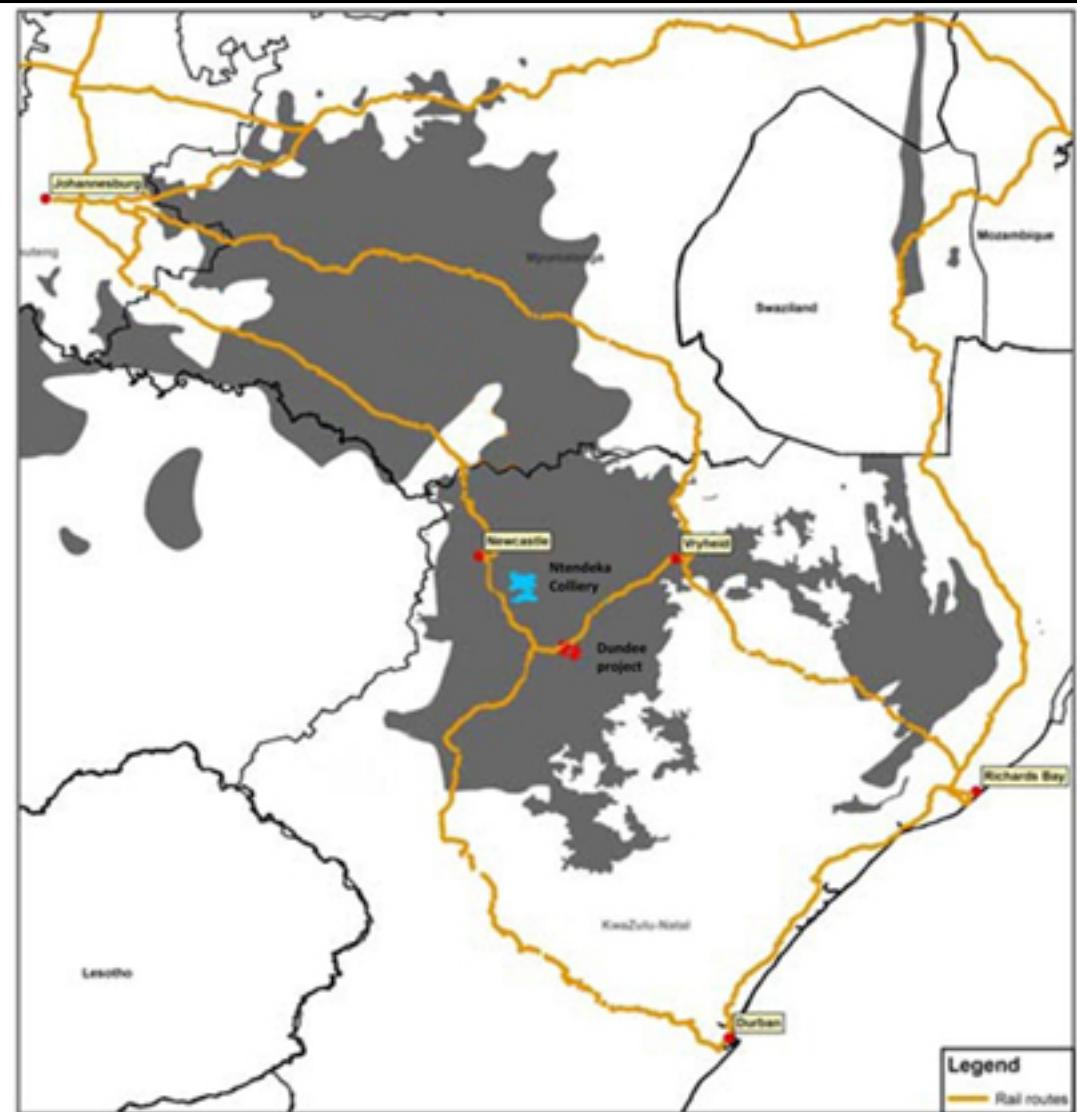


# Newcastle Project (Ntendeka Colliery)

Strategically located to access export and domestic markets

- Klip River coalfield in KwaZulu Natal
- Not constrained by rail capacity
- Retains flexibility to export via Ports of Durban or Richards Bay
- Shorter rail distance to ports
- Possibility to truck to ports
- Large resource base with a platform to expand and consolidate other operations within KwaZulu Natal

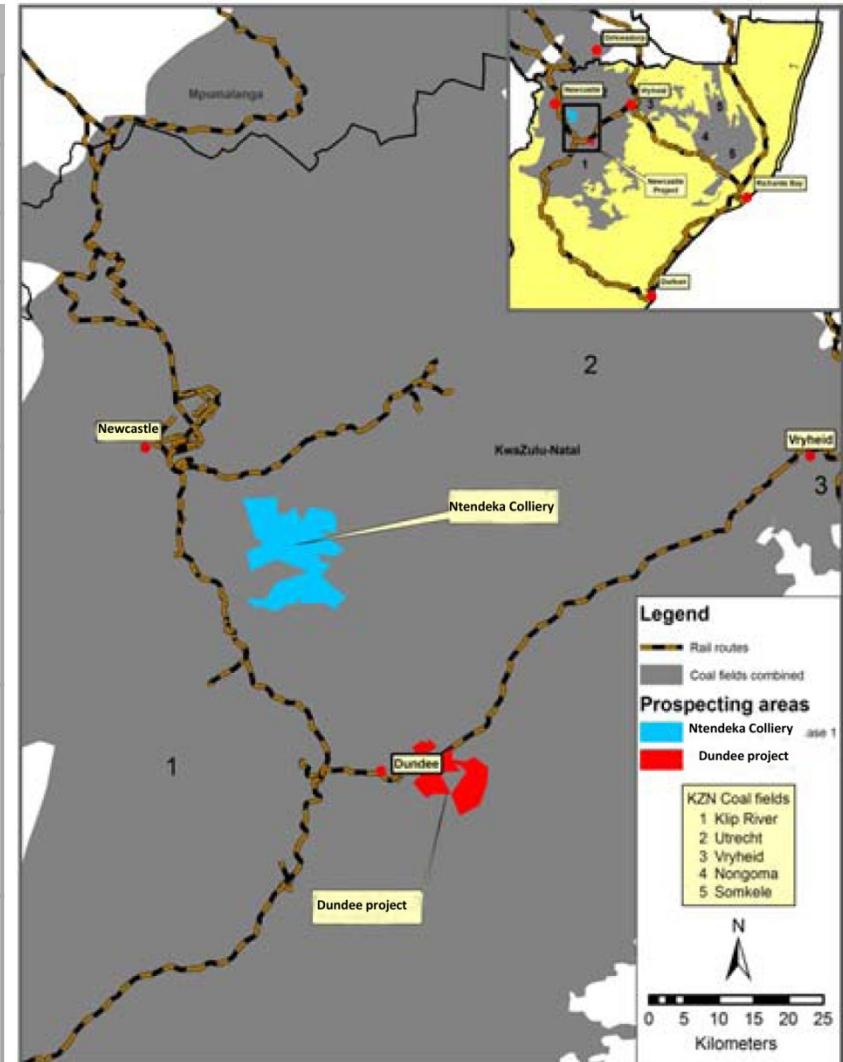
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# Ntendeka Colliery

## Near term production - under development

Project Overview	
Ownership	<ul style="list-style-type: none"><li>• 70%<sup>1</sup></li></ul>
Location	<ul style="list-style-type: none"><li>• Northern KwaZulu Natal</li></ul>
Tenure	<ul style="list-style-type: none"><li>• Mining Right (granted), Water Use License (4Q12)</li></ul>
Size	<ul style="list-style-type: none"><li>• 12,182 ha</li></ul>
Reserve Resource	<ul style="list-style-type: none"><li>• Initial JORC Reserve 14 Mt</li><li>• JORC Resource 221 Mt (upgrade expected 4Q12)</li></ul>
Production	<ul style="list-style-type: none"><li>• 1.25mtpa (saleable)</li></ul>
Off-take	<ul style="list-style-type: none"><li>• Offered off-take agreements to purchase all production and provide port facilities for 3 years</li><li>• Competing off take offers received</li><li>• To be documented after IWUL &amp; NEMA approvals received</li></ul>
Product	<ul style="list-style-type: none"><li>• Export grade thermal coal</li><li>• Generally has elevated sulphur levels and slightly lower volatiles, but a high CV</li><li>• Strong demand expected from India, China and Turkey in particular</li></ul>
Logistics & Infrastructure	<ul style="list-style-type: none"><li>• Wash plant commissioned with 2.1 Mtpa ROM capacity</li><li>• Rail contract signed with Transnet Freight Rail</li><li>• Export capacity at Ports of Durban &amp; Richards Bay has been offered to Ikwezi with commitment reqd. in Q4 2012</li></ul>



Note 1: Ikwezi is funding 100% of the Newcastle Project development costs. The BEE share of these costs will be recouped from future profits of the Newcastle Project.

# Ntendeka Colliery

## Project Status Update

### Targeting first production Q2 13

- Market conditions improving with average API4 Richards Bay +\$90 for 2013
- Mining Right granted
- Resource upgraded to 221Mt with an initial Reserve of 14 Mt
- EIA for the Ikwezi Siding has been approved
- Department of Water Affairs has advised verbally that the issuing of the Integrated Water Use License (IWUL) is imminent
- Delays in the issue of the Integrated Water Use License due to processing delays in the licensing process in South Africa
- As at 20 March 2012, South Africa has 53 mines operating without Water Use Licenses (June 2010 : 125 mines were operating without Water Use Licenses)<sup>1</sup>
- Government focussing on issuing licenses under their “Project Letsema” to these mines i.e. mines in operation or applications received pre-2010
- Continued ongoing interaction with the Department at all levels has assisted the Company in expediting the licensing process
- Coal Wash Plant complete and dry commissioned
- Major power infrastructure complete
- Water source identified with infrastructure build awaiting receipt of IWUL
- Haul road upgrade linking wash plant to siding complete
- Siding design has been approved by TFR and restoration to commence on granting of IWUL
- Alternate siding available as an interim solution

Note 1: <http://www.da.org.za/newsroom.htm?action=view-news-item&id=10467> – Response to Democratic Alliance question in the South African Parliament

# Ntendeka Colliery

## Project Status Update

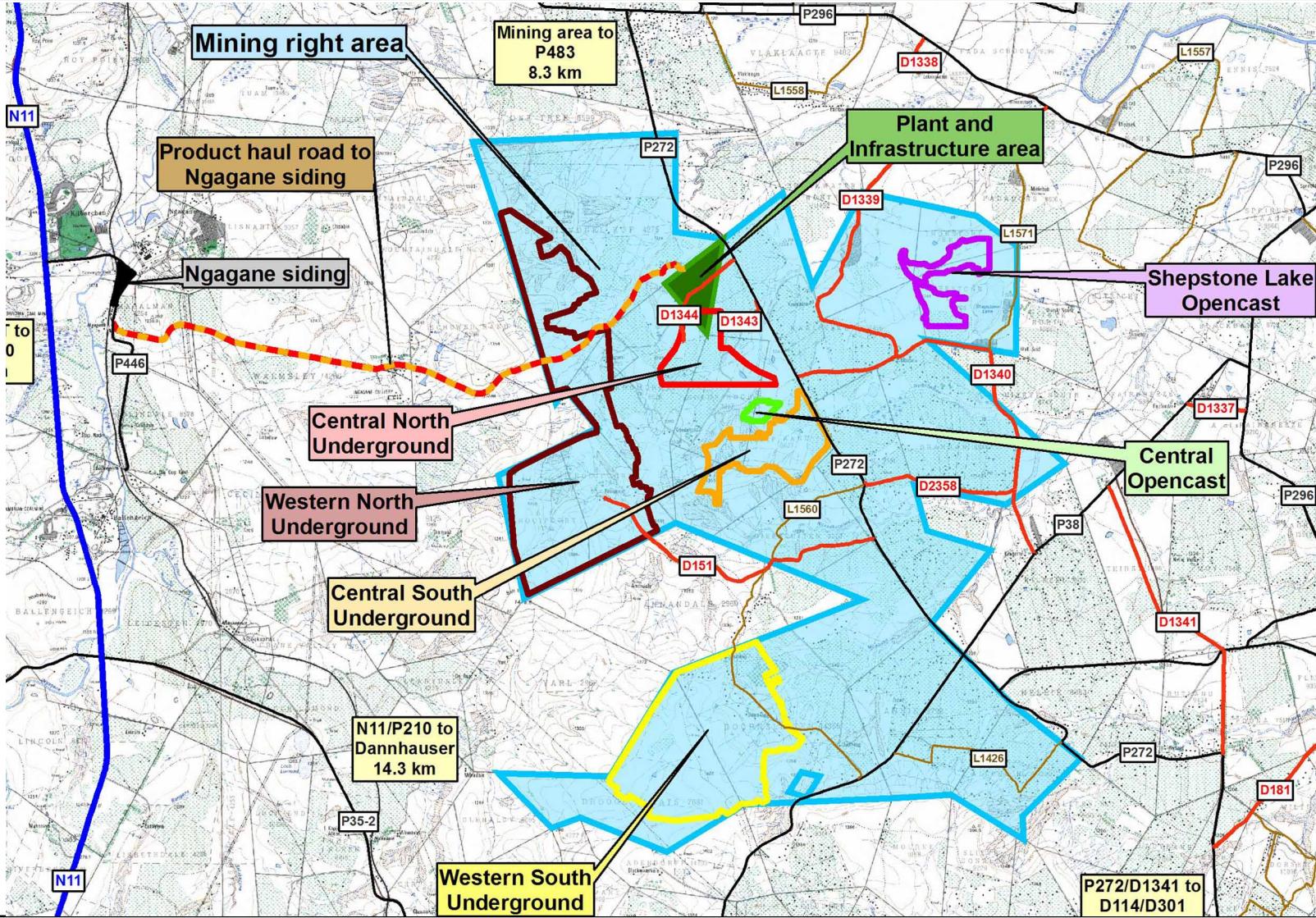
- Decision to commit to offer of port allocation in Ikwezi's own right on take or pay basis at Durban and Richards Bay to be made in Q4 2012
- Off take discussions advanced with a number of parties
- Port allocation to be provided pursuant to one of the off take agreement offers
- Final decision on off take together with port allocation to be concluded subject to IWUL and NEMA approvals being received
- Planned to expand production to 2.5 Mtpa saleable product start 2015 on installation of main Eskom power for under ground operations

### Company Finances

- Construction of wash plant, rebuilding of haul road to siding and refurbishment of siding at Ngagane to be funded by Ikwezi
- Will result in lowering operating cost per ton as well as reducing the social impact of operations on surrounding community
- Increased capital cost of these initiatives to be funded via debt facility of approx. ZAR200 million which will also provide an additional working capital buffer for the operation
- Discussions have been ongoing and are well progressed with financial institutions in this regard
- The Company has been negotiating a non-recourse debt facility / share placement at above market as part of the off take arrangements
- Company is currently debt free

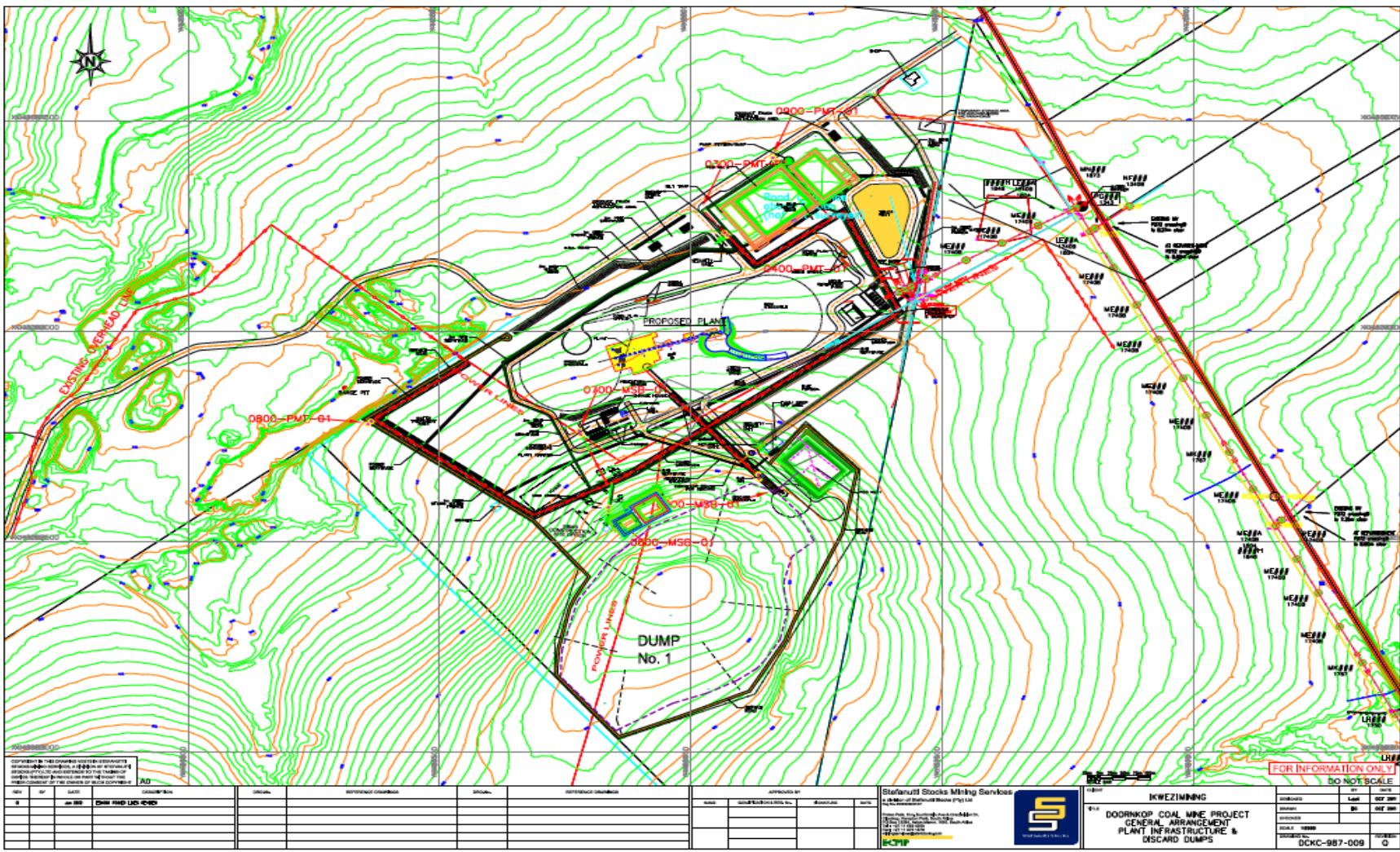
# Ntendeka Colliery

## **Local Infrastructure and overall mine plan layout**



# Ntendeka Colliery

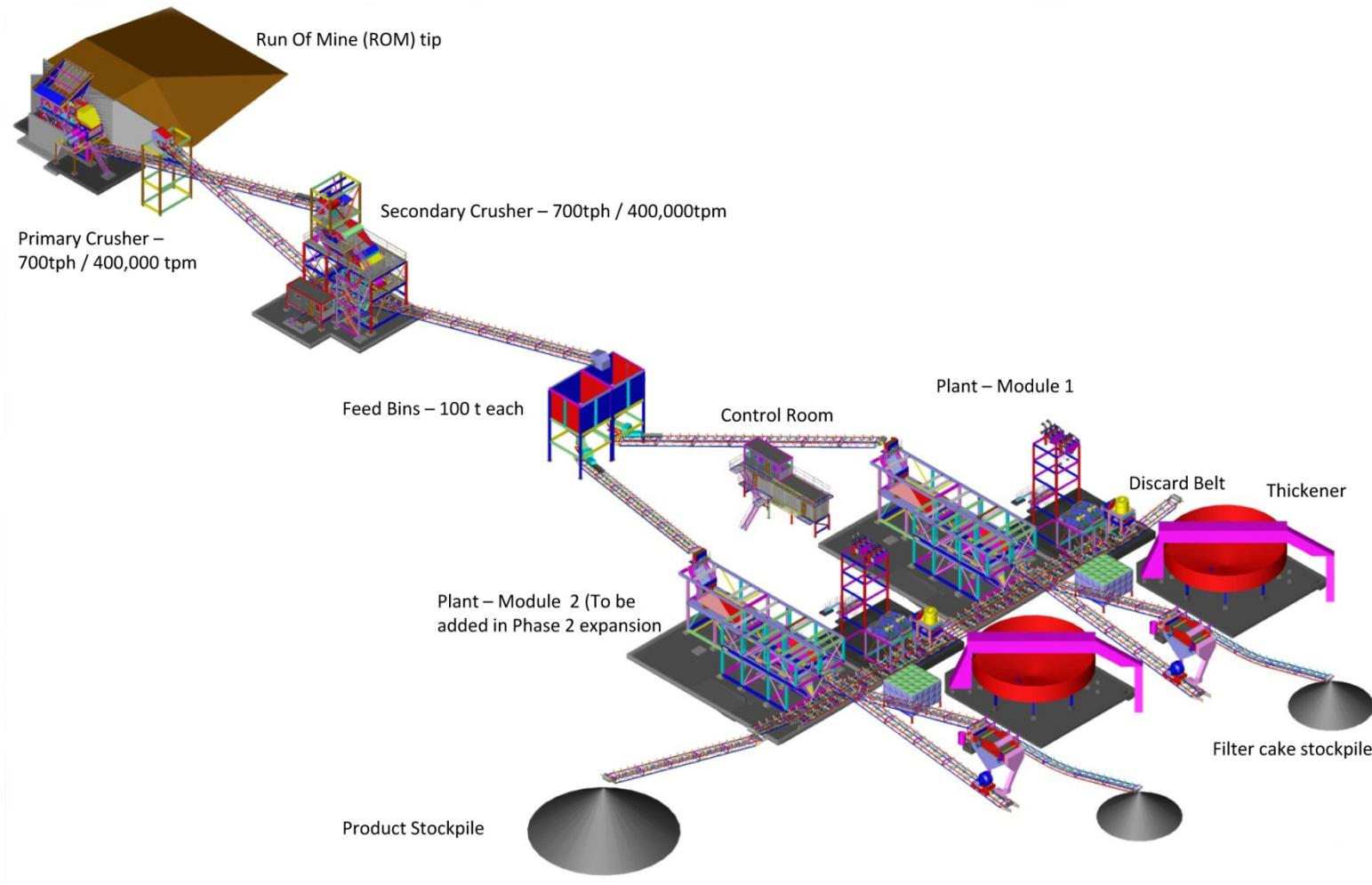
## Plant Area Layout



# Ntendeka Colliery

## Ntendeka coal wash plant – Layout

Newcastle Project – Ntendeka wash plant layout including phase 2 expansion



# Ntendeka Colliery

Ntendeka coal wash plant and haul road to Ngagane Siding completed <sup>1</sup>

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1: The wash plant has been dry commissioned. Installation of the water supply system to the wash plant to commence on receipt of Integrated Water Use License (IWUL)

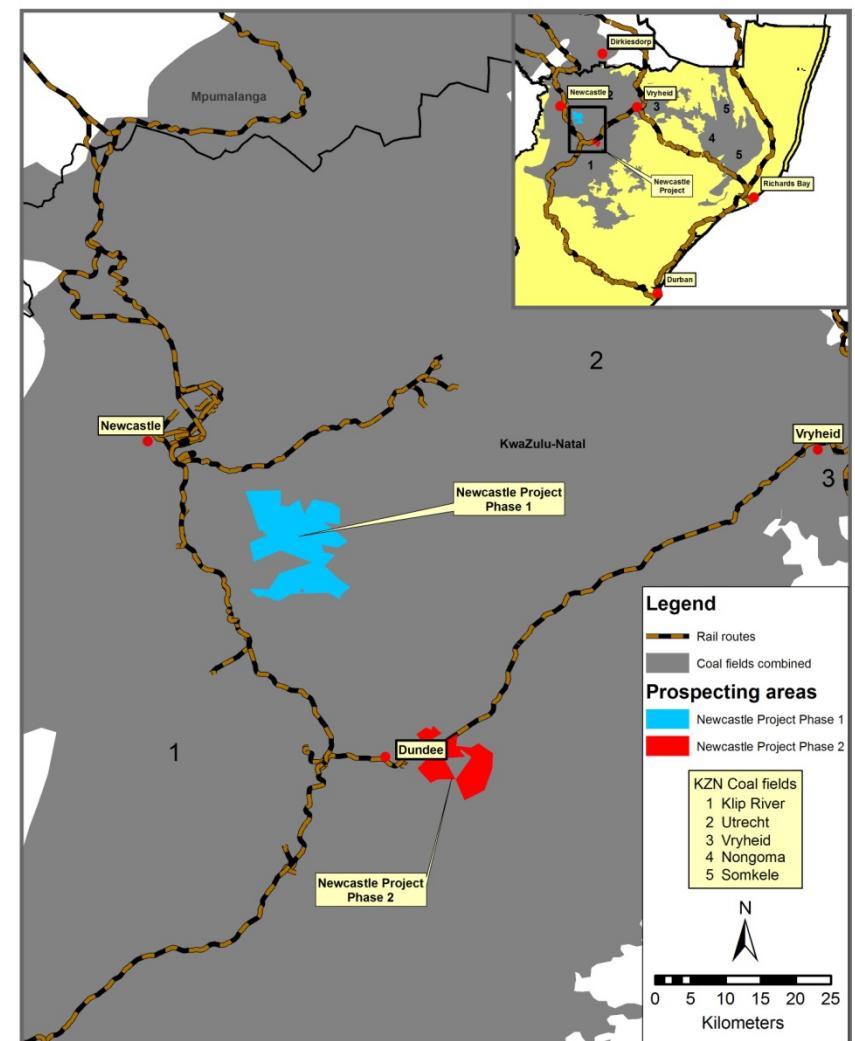
# Ntendeka Colliery

## Haul Road to Ngagane Siding upgrade and culvert rehabilitation completed



# Newcastle Phase 2 Expansion

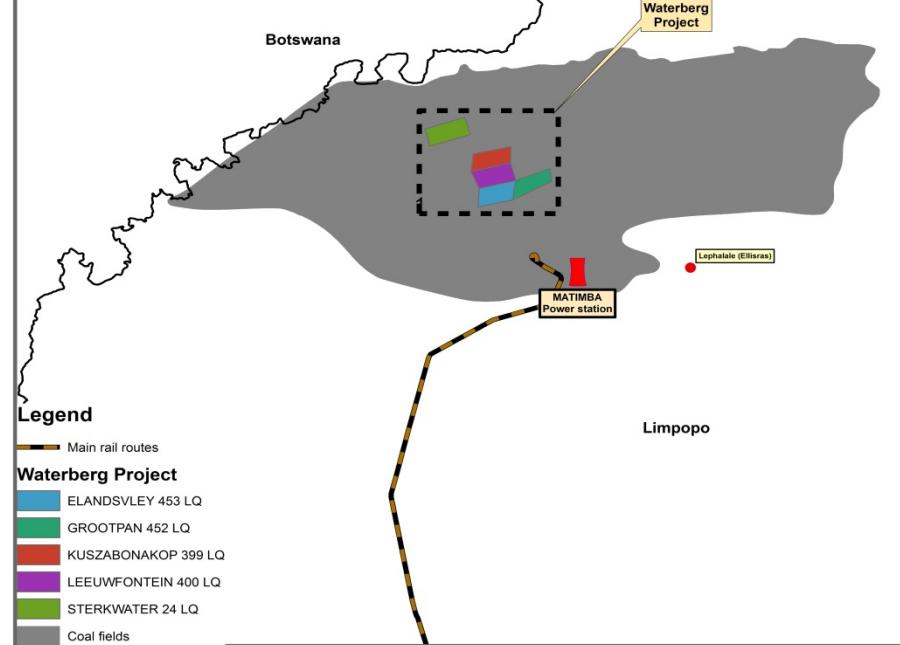
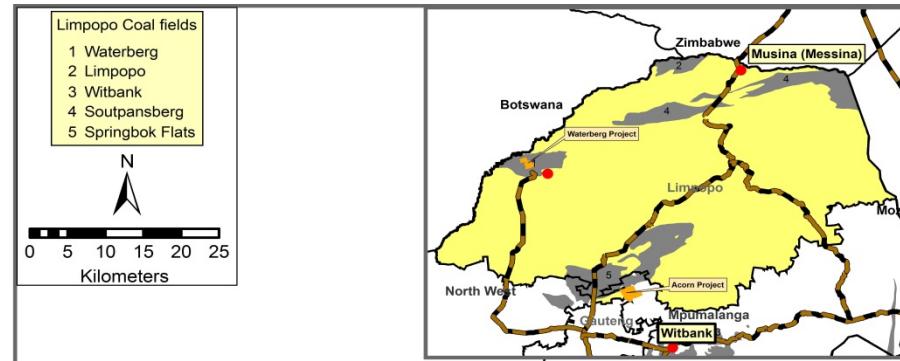
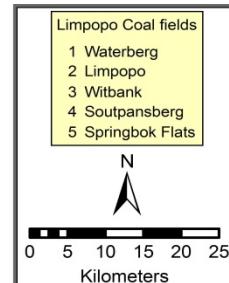
Project Overview	
Ownership	<ul style="list-style-type: none"> <li>• 60%</li> </ul>
Location	<ul style="list-style-type: none"> <li>• Northern KwaZulu Natal</li> </ul>
Tenure	<ul style="list-style-type: none"> <li>• Prospecting Right</li> </ul>
Size	<ul style="list-style-type: none"> <li>• 4,664 ha</li> </ul>
Resource	<ul style="list-style-type: none"> <li>• Exploration potential</li> </ul>
Product	<ul style="list-style-type: none"> <li>• Export grade thermal coal</li> <li>• Anthracite</li> </ul>
Project Highlights	<ul style="list-style-type: none"> <li>• Area well known to management</li> <li>• Expect to demonstrate good quality, low phosphorous coal</li> <li>• Proximity to rail sidings with capacity</li> <li>• Newcastle Phase 1 (Ntendeka Colliery) planned ramp up to 2.5 Mtpa saleable product from 2015</li> <li>• Newcastle Phase 2 expected to add to this</li> </ul>
Exploration	<ul style="list-style-type: none"> <li>• Exploration program commenced</li> <li>• Drill to a 1,000m borehole spacing grid</li> <li>• JORC Resource drilling to commence following initial programme</li> </ul>



# Waterberg Project

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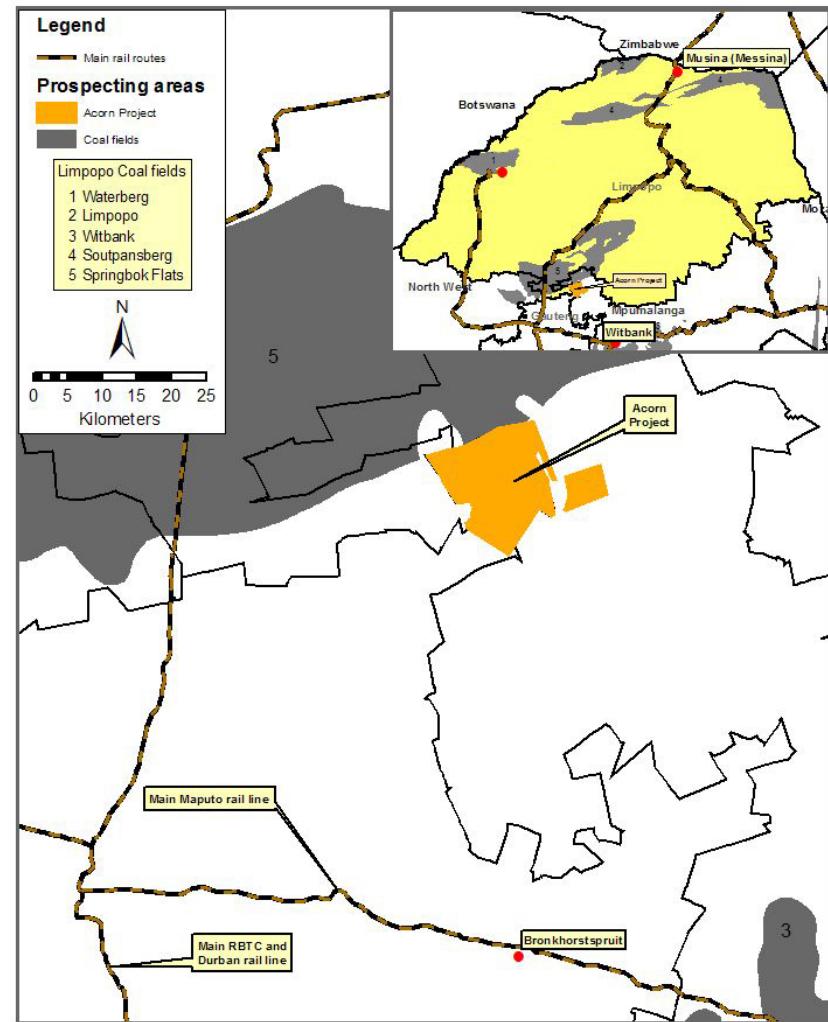
Project Overview	
Ikwezi ownership	<ul style="list-style-type: none"> <li>• 70% - subject to completion of various conditions precedent including a S11 approval</li> </ul>
Location	<ul style="list-style-type: none"> <li>• Limpopo Province</li> </ul>
Tenure	<ul style="list-style-type: none"> <li>• Prospecting Right</li> </ul>
Size	<ul style="list-style-type: none"> <li>• 5,699 ha</li> </ul>
Resource	<ul style="list-style-type: none"> <li>• Exploration potential</li> </ul>
Product	<ul style="list-style-type: none"> <li>• Thermal coal</li> </ul>
Project Highlights	<ul style="list-style-type: none"> <li>• Exploration target of between 2 to 4 billion tons* approx. 11km from existing rail infrastructure</li> <li>• Expected to be the next major coal field to be developed in South Africa if infrastructure becomes available</li> <li>• Ikwezi MOU with Transnet in process</li> <li>• Transnet committed to increase rail capacity in the Waterberg coalfield from 4 Mtpa to 23 Mtpa</li> <li>• Ikwezi is in discussions on port capacity at Matola and for off-take</li> </ul>
Exploration	<ul style="list-style-type: none"> <li>• Initial program planned to commence Q1 '13</li> </ul>



\* This target is conceptual in nature. There has been insufficient exploration to define a mineral resource under JORC guidelines and it is uncertain whether further exploration will result in the determination of a mineral resource. This conceptual target may or may not be outlined with future work, whether in whole or in part

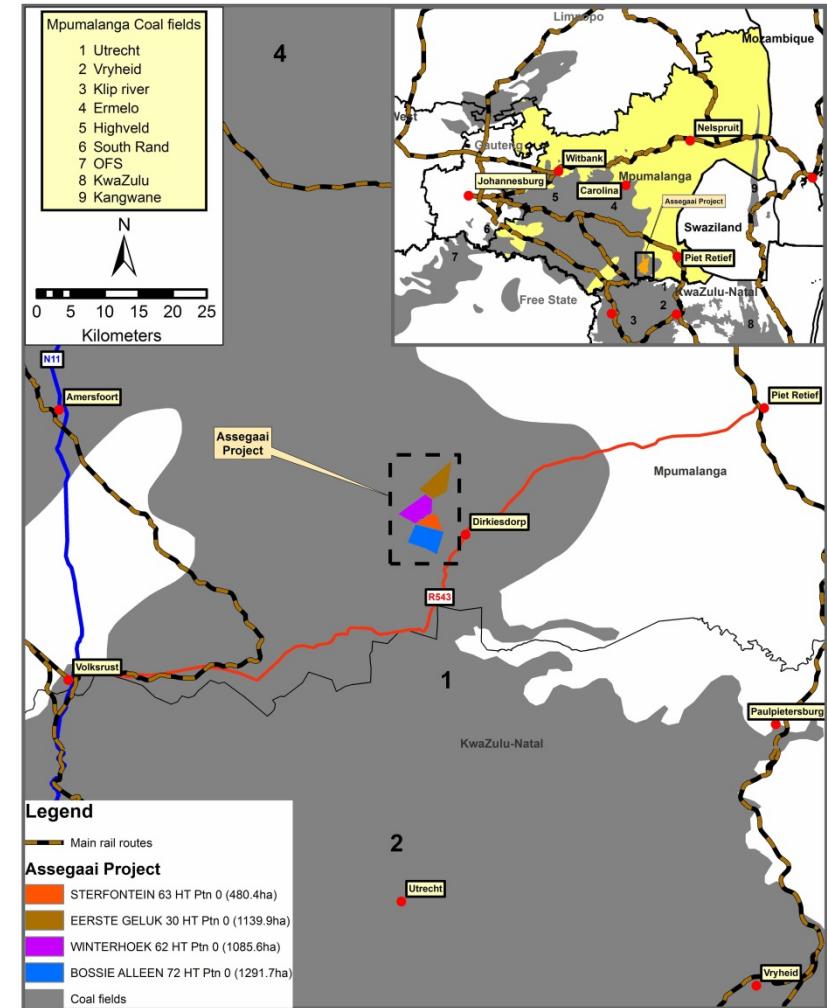
# Acorn Project

Project Overview	
Ikwezi ownership	<ul style="list-style-type: none"><li>• 60%</li></ul>
Location	<ul style="list-style-type: none"><li>• Gauteng Province</li></ul>
Tenure	<ul style="list-style-type: none"><li>• Prospecting Right</li></ul>
Size	<ul style="list-style-type: none"><li>• 20,758 ha</li></ul>
Resource	<ul style="list-style-type: none"><li>• Exploration potential</li></ul>
Product	<ul style="list-style-type: none"><li>• Thermal coal</li></ul>
Project Highlights	<ul style="list-style-type: none"><li>• Coal fields in region show similar characteristics to Waterberg</li><li>• Utilities (e.g. Eskom) planning to increase activities in region</li><li>• Potential to unlock significant value if infrastructure becomes available</li></ul>
Exploration	<ul style="list-style-type: none"><li>• Initial program commenced</li></ul>



# Assegai Project

Project Overview	
Ikwezi ownership	<ul style="list-style-type: none"> <li>• 60%</li> </ul>
Location	<ul style="list-style-type: none"> <li>• Mpumalanga Province</li> </ul>
Tenure	<ul style="list-style-type: none"> <li>• Prospecting Right</li> </ul>
Size	<ul style="list-style-type: none"> <li>• 3,998 Ha</li> </ul>
Resource	<ul style="list-style-type: none"> <li>• Exploration potential</li> </ul>
Product	<ul style="list-style-type: none"> <li>• Thermal coal</li> </ul>
Project Highlights	<ul style="list-style-type: none"> <li>• Exploration target of 150 million tons*</li> <li>• Number of existing operations in area with known coal qualities and logistics in place</li> <li>• Expected to be a complimentary operation to Ikwezi's Ntendeka colliery from a blending perspective</li> </ul>
Exploration	<ul style="list-style-type: none"> <li>• Initial program commenced</li> </ul>



\* This target is conceptual in nature. There has been insufficient exploration to define a mineral resource under JORC guidelines and it is uncertain whether further exploration will result in the determination of a mineral resource. This conceptual target may or may not be outlined with future work, whether in whole or in part.

## Investment Highlights

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- ✓ Experienced Board & Management team
- ✓ Ntendeka Colliery offers near term production and expansion potential
- ✓ Strategically located to access key export and domestic markets
- ✓ Infrastructure and logistics at an advanced stage
- ✓ Good project pipeline and ability to add substantially to this



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## APPENDIX

# Newcastle Project

## Resources and Reserves as at 23<sup>rd</sup> December 2011

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RESOURCES										
RESOURCE CLASS	GIST	MIST	SEAM THICK	RAW QUALITIES (air dried)						
	(Mt)	(Mt)	(m)	RawRD	Ash	Moist	Vols	Carb	Sulph	CV
Measured	40	32	2.72	1.56	25.50	1.99	16.52	55.99	2.23	24.70
Indicated	16	13	2.27	1.55	24.93	1.81	14.87	58.40	2.29	25.35
Inferred	165	132	1.74	1.58	25.91	1.65	15.63	56.82	2.37	24.78
<b>TOTAL RESOURCES</b>	<b>221</b>	<b>177</b>	<b>1.96</b>	<b>1.57</b>	<b>25.77</b>	<b>1.73</b>	<b>15.73</b>	<b>56.78</b>	<b>2.34</b>	<b>24.81</b>

RESERVES										
RESERVE CLASS	ROM	MINING METHOD	PRODUCT QUALITIES @ 16.0 Ash							PRODUCT YIELD
			WashRD	Ash	Moist	Vols	Carb	Sulph	CV	
Proven	8.68	OC	1.62	15.95	2.25	20.89	60.92	1.40	28.22	69.70
Proven	4.57	UG	1.62	15.99	2.17	18.53	63.30	1.49	28.30	72.69
Probable	0.89	UG	1.67	15.98	2.37	17.37	64.28	1.36	28.37	79.03
Total Underground	5.45	UG	1.63	15.99	2.20	18.35	63.46	1.47	28.31	73.72
<b>TOTAL RESERVES</b>	<b>14.13</b>		<b>1.63</b>	<b>15.97</b>	<b>2.23</b>	<b>19.59</b>	<b>62.22</b>	<b>1.43</b>	<b>28.27</b>	<b>71.76</b>

- GIST: Gross in Situ tons MIST: Mineable in Situ tons
- Coal is non standard with the relatively high sulphur content, and lower volatiles offset by improved coal quality (in particular high CV), logistical advantages and access to export markets
- Mining will be a combination of opencast and underground methods.



## CONTACT DETAILS

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