

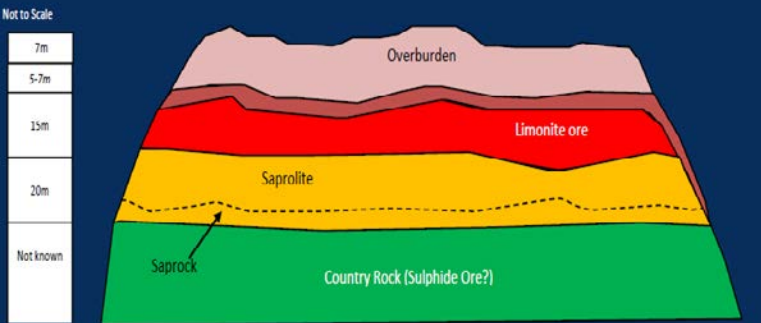
Kermas/Merlin Mineral Resources

FEASIBILITY STUDY PHASE 1

Ni, Cu, Co, PGE

MOSUNGATI

BURUNDI - CENTRAL AFRICA



MUSONGATI : SUMMARY OF RESULTS

draft

Net Present Value (US\$m) as at 1 April 2009 in January 2009 money terms

REAL discount rate	Scenario	1	2	3	4	5	6	7	8
4%		1289	1105	2491	4202	2752	4632	454	1065
5%		923	808	1974	3457	2199	3816	346	846
8%		146	129	896	1877	1038	2095	123	395
10%		-188	-192	439	1191	542	1353	30	207
Internal Rate of Return		8.79%	8.74%	12.89%	16.48%	13.39%	17.11%	10.85%	14%

	Opex (Real) US\$/t Ni	1	2	3	4	5	6	7	8
Mining		\$1 042	\$821	\$1 085	\$1 007	\$1 052	\$826	\$1 678	\$1 567
Electrical		\$152	\$151	\$643	\$611	\$989	\$1 054	\$268	\$351
Processing		\$5 742	\$6 636	\$2 575	\$2 614	\$3 110	\$3 162	\$7 516	\$7 767
Social		\$23	\$16	\$25	\$25	\$25	\$25	\$25	\$25
(Plant Only)		\$5 894	\$6 787	\$3 219	\$3 225	\$4 099	\$4 216	\$7 783	\$8 119
LOM (Years)		23	16	25	25	25	25	25	25

Scenario	Resource	Production Ni kt/a	Process
1	Limonite Only	30	HPAL: Ni Hydroxide
2	Limonite Only	45	HPAL: Ni Hydroxide
3	Saprolite Only	30	PYRO : Matte
4	Saprolite Only	45	PYRO : Matte
5	Limonite + Saprolite	30	PYRO : Matte
6	Limonite + Saprolite	45	PYRO : Matte
7	Limonite	10	HL: Ni Hydroxide