Executive Summary

- Cavalla Resources Ltd – The exclusive holding company for Jonah Capital’s iron ore assets
- Jonah Capital and Cavalla Resources Ltd chaired by Sir Sam Jonah
- Early cash flow from the Buchanan Project
- Attractive financial performance and “blue-sky” potential
- Highly reputable and experienced management team
- Cavalla Resources Ltd owns two groups of assets:
  - **Buchanan Project**
    - Resource above surface, adjacent to the Buchanan Port - no mining, crushing, or milling cost
    - 82% “measured” category, 11Mt haematite, 45% Fe grade - 4.9Mt contained Fe (JORC compliant)
    - Simple beneficiation process with low capital and operating costs
    - Targeting 1.2Mtpa production of ~65% Fe concentrate, 5-6 year LOM
    - “Quick to cash” – production within 18 months
  - **Mineral Exploration Licenses**
    - Six additional exploration licenses covering more than 4,000km² in highly prospective areas
    - Joint venture entered into with Anglo American/Kumba Iron Ore in August 2012 on two of the licenses
    - Strategy is to acquire other attractive iron-ore assets in other African countries

Unique opportunity, combination of early cash flow, plus significant long-term upside potential
Introduction to Jonah Capital

✓ **Jonah Capital** – founded in 2005, Executive Chairman is Sir Sam Jonah, one of Africa’s most influential and highly respected businessmen with extensive global business and political networks, track record in the mineral resource sector, and unique African footprint

✓ **Experienced management team** – complementary skills and proven capability in Africa, with more than 100 years of collective international and African investment experience

✓ **Local knowledge** – uniquely positioned through extensive business and political networks across Africa, providing access to exceptional investment opportunities

✓ **Proven track record** – in execution capability, value creation, and ability to generate superior returns

✓ **Existing asset portfolio** – 14 mineral resource assets across 10 countries in Africa, holds 100% of Cavalla Resource Limited

✓ **Corporate governance** – Focus on highest levels of governance structures & procedures

✓ **Established local presence** – Offices in Johannesburg, Accra and Monrovia

✓ **Website** – [www.jonahcapital.com](http://www.jonahcapital.com)

Local Knowledge . . . Access . . . Existing Portfolio of Assets . . . Experienced Team Integrity
History of Cavalla Resource Ltd

- Jonah Capital commenced activity in Liberia in 2007, has developed valuable in-country operational and logistical expertise
- Essential network of political, commercial and governmental relationships established
- Cavalla Resource Ltd – 100% owned by Jonah Capital
- 2008 Secured mining licenses over Buchanan iron-ore fines at port of Buchanan
- 2009 Completed PFS for Buchanan Project
- 2011 Commenced Definitive Feasibility Study (“DFS”) on Buchanan Project
- 2011 Secured six new highly prospective Mineral Exploration licenses – exploration underway
- 2012 February - CPR for Buchanan Project issued by Minxcon (Pty) Ltd
- August - Entered into joint venture with Anglo American/Kumba Iron Ore on two exploration licenses

Near term cash flow from Buchanan with exciting exploration upside
Liberia

- Democratic elections in 2005 and 2011 have ushered in a new period of stability.
- Liberia represents a stable, democratic environment with a supportive regulatory environment.
- Existing mining code provides security of tenure and encourages investment.
- Liberia has existing railway & ports facilities - crucial for the development of iron ore resources.
- The government is committed to a transparent process of allowing 3rd party access to rail and port infrastructure.
- Geological setting and historical production has confirmed the iron ore potential of Liberia.
- >613 Mt of iron mined from 1951-1985.
- Globally #3 iron ore exporter in 1960s.
- Many major iron and steel companies are active in the country – ArcelorMittal, BHP Billiton, OAO Severstal, China Union.
Buchanan Project
Buchanan - second largest city in Liberia, major port on Atlantic Ocean

The iron-ore fines are the residue from the mining and transport operation of LAMCO, a Liberian-Swedish-American consortium, over 26 years (1963-1989)

LAMCO mined the high grade (60-70% Fe) Mount Nimba Resource on Liberian/Guinean border

Ore was railed to the washing plant in Buchanan, processed & shipped

LAMCO exported between 12 and 24 Mtpa in total of iron ore and fines from Buchanan port
Pre-Feasibility Study (“PFS”)

✓ **Resource**
  • 11Mt Haematite, 45% Fe grade, 4.9Mt contained Fe
  • 82% in “Measured” category
  • Above surface – no mining required

✓ **Standard Process**
  • Modular plant, low risk proven technology
  • Standard “off the shelf” equipment
  • Process 2.3Mtpa to produce 1.2Mtpa concentrate over 5 to 7 years with minimum 62% Fe

✓ **Infrastructure and Market Access**
  • Adequate water and land
  • Proximity to Harbour (<1km)
  • Close to EU, Middle East and South African markets

✓ **Attractive Financial Returns¹**
  • Low CAPEX requirement of US$50 million (equates to capital intensity of US$42/t of annual capacity vs industry benchmark of US$100/t to US$120/t)
  • OPEX in lowest quartile (average over life of mine: US$11.18/t ore treated)
  • Net Present Value of US$190 million at realised price of US$80/t (reference spot price for 62% Fe concentrate as of July 2012 was ~US$135/t)
  • Payback period ~1 year from full production
  • 18 months to production

Note: Financial returns are base case scenario as per PFS (8 February 2009), projected financial returns to be revised following DFS
Resource Statement

Resource statement completed as part of PFS conducted by GRDMinproc:

- Drilled and sampled by Time Mining
- Sample preparation by MSA Geo-services
- Samples assayed in Mintek laboratory and control assayed by SGS Laboratories in Johannesburg
- Preliminary metallurgical test work produced a high grade product (64%+ Fe)
- 3rd phase metallurgical test work produced final product >65% Fe

Independent audit of the resource estimate conducted by SRK who signed-off the Resource Statement as JORC/SAMREC compliant, as follows:

<table>
<thead>
<tr>
<th>Resource</th>
<th>Classification</th>
<th>Dry Tonnes</th>
<th>Fe Content (t)</th>
<th>Fe Dry Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buchanan North</td>
<td>Measured</td>
<td>9,012,627</td>
<td>4,194,147</td>
<td>46.5%</td>
</tr>
<tr>
<td>Buchanan South</td>
<td>Indicated</td>
<td>1,946,792</td>
<td>700,913</td>
<td>36.0%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>10,959,419</td>
<td>4,895,060</td>
<td>44.7%</td>
</tr>
</tbody>
</table>

Source: PFS, GRD Minproc, July 2009
Base Case PFS Financial Projections

✓ PFS Assumptions
  • Capital cost: US$50M
  • Production: 1.2Mtpa
  • Operating cost: US$11.18/t
  • Sales Price, FOB Buchanan: US$80/t (reference spot price as of May 2012 ~US$130/t)

✓ PFS Project economics
  • NPV @ discount rate of 10%: US$190M
  • IRR: 118%
  • Payback period: ~1 year from full production

✓ PFS price sensitivity

<table>
<thead>
<tr>
<th>Realised Price:</th>
<th>US$80/t</th>
<th>US$120/t</th>
<th>US$160/t</th>
<th>US$180/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.0%</td>
<td>190</td>
<td>356</td>
<td>522</td>
<td>605</td>
</tr>
<tr>
<td>12.5%</td>
<td>175</td>
<td>331</td>
<td>487</td>
<td>565</td>
</tr>
<tr>
<td>15.0%</td>
<td>162</td>
<td>308</td>
<td>455</td>
<td>529</td>
</tr>
<tr>
<td>20.0%</td>
<td>139</td>
<td>269</td>
<td>400</td>
<td>466</td>
</tr>
</tbody>
</table>

Source: PFS, GRD Minproc, July 2009
Note: Product specification and cost estimates are to be revised following completion of the DFS
The PFS price sensitivity analysis is based on PFS parameters
Definitive Feasibility Study ("DFS")

- Amec appointed in 2010 as overall study manager/consultant (Johannesburg office)
- Process design improved through use of the established SLon process (licensed to Outotec)
- Pilot scale testing completed by Outotec in Finland, with the following results:
  - Head grade: 47.8% Fe, 27.8% SiO₂, 3.4% Al₂O₃
  - Concentrate grade: 65.0% Fe, 5.3% SiO₂, 1.3% Al₂O₃
  - Recovery: Mass yield: 56.4%, Fe recovery: 77.37%
- Specialist consultants appointed:
  - Fraser Alexander – hydraulic mining and tailings deposition
  - Knight Hall Hendry – geotechnical
  - Royal Haskoning DHV – bulk material handling and port logistics
  - Amec E&E - environmental
- Plant site identified and secured
- Engineering and final design commenced
- Term sheets for pre-production funding in return for off-take rights and royalty obtained from three prospective partners
- Expected DFS completion date: April/May 2013
Buchanan Project - Development Plan

- **Stage 1:** Independent scoping study - completed 2008
- **Stage 2:** Pre-Feasibility Study - completed 2009
- **Stage 3:** Definitive Feasibility Study:
  - Commissioned: 13 Dec 2010
  - Target completion date: 1Q 2013
- **Stage 4:** Capital raising for construction
  - Process has commenced
  - Target closing: 3Q 2013
- **Stage 5:** Construction and plant commissioning:
  - Target commencement of construction: 4Q 2013
  - Target plant commissioning: 3Q 2014
  - Target full scale production: 4Q 2014
Mineral Exploration Licenses ("MELs")
Background to MELs

- Jonah Capital took the strategic decision to pursue primary iron ore resource opportunities in Liberia, West Africa in 2009.
- Five reconnaissance licences were secured in highly prospective areas of Gbarnga, Grand Gedah, Kalasi, Goye Town and Wontor in 2010 and converted to exploration licences in July of 2011, with a three year initial term.
- The licences covered an area of over 4000km² making Jonah Capital the largest holder of iron ore exploration properties in Liberia.
- In August 2012 an earn-in agreement with Anglo America Corporation plc and Kumba Iron Ore Ltd was entered into over the Gbarnga and Kalasi concession areas which secured both projects’ exploration funding.
- Jonah Capital continues to seek early stage iron ore opportunities in the emerging iron ore region of West and Central Africa as well as like minded partners to assist in their development.
Approximate MEL Locations

- Gbarnga
- Wesehn/Wonton
- Grand Gedeh (1) and (2)
- Goye Town
- Kalasi
Work Programme

An initial programme comprising aerial geophysical surveys and ground truthing surveys was conducted by Minxcon (Pty) Ltd in early 2011 to evaluate the exploration potential of the six MELs (Phase 1).

Assay results from testing of surface samples collected from the license areas confirm the presence of iron ore on all license areas at Fe grades of 35% to 52%.

The results of this initial programme, which included a proposed 2nd phase exploration programme, were presented in a report dated 30 June 2011 and submitted to government on 14 October 2011. The Phase 2 exploration programme was approved by government on 14 November 2011.

The second phase exploration programme commenced in the last quarter of 2011 on the Gbarnga concession.

<table>
<thead>
<tr>
<th>Name</th>
<th>License Number</th>
<th>Surface Area (km²)</th>
<th>Approx Location</th>
<th>Approx. Distance from Railway</th>
<th>Issue Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kalasi</td>
<td>MEL 12015</td>
<td>147.9</td>
<td>270km northeast of Monrovia and 75km SE of Ganta City</td>
<td>80km from Nimba / Buchanan existing railway</td>
<td>14-Jul-11</td>
</tr>
<tr>
<td>Gbarnga</td>
<td>MEL 12016</td>
<td>995.0</td>
<td>130km northwest of the port of Buchanan</td>
<td>100km from Bong existing railway</td>
<td>14-Jul-11</td>
</tr>
<tr>
<td>Goye Town</td>
<td>MEL 12017</td>
<td>574.6</td>
<td>230km northeast of Monrovia</td>
<td>5km from Nimba / Buchanan existing railway</td>
<td>14-Jul-11</td>
</tr>
<tr>
<td>Wontor/We sehn</td>
<td>MEL 12018</td>
<td>745.8</td>
<td>140km east of Buchanan</td>
<td>80km from Nimba / Buchanan existing railway</td>
<td>14-Jul-11</td>
</tr>
<tr>
<td>Grand Gedeh (1)</td>
<td>MEL 12019</td>
<td>694.7</td>
<td>350km east of Monrovia</td>
<td>60km from proposed railway</td>
<td>14-Jul-11</td>
</tr>
<tr>
<td>Grand Gedeh (2)</td>
<td>MEL 12020</td>
<td>938.4</td>
<td>350km east of Monrovia</td>
<td>60km from proposed railway</td>
<td>14-Jul-11</td>
</tr>
</tbody>
</table>
Work Programme - Gbarnga

- Camps built and fully operational.
- Full team of Minxcon geologists on site.
- Extensive mapping and trenching either complete or underway.
- Iron formation intersected and further targets identified.
- 1802 metres of drilling complete by E Global.
- 7km road being constructed with completion expected by March 2013
- Indicative grades from XRF and sampling range from mid 30’s to mid 40’s
Initial Drilling Programme - Gbarnga

Western drilling underway – more positive results with iron enriched oxide zone

Stratigraphic drilling to determine geology

Eastern drilling intersect some IF at depth with thin oxide capping
Target areas - Gbarnga

Initial drilling

More drilling planned

7 Km road construction to GSW2 underway
GSW2 Work Programme - Gbarnga

- Initial reconnaissance mapping undertaken to determine drilling target;
- Trenching in process – initial XRF values in diagram;
- Oxidised capping found in trenches;
- Detailed mapping to follow;
- Drilling to commence in March 2013
Complete road construction by March 2013;
Main focus on detailed mapping – first for NE extent and then surroundings;
Develop access routes for the NE portion of anomaly (block 1);
Mapping and drilling to develop a geological and mineralisation model and for more drilling targets;
Road and Bridge Construction on GSW2
Current Work Programme - Kalasi

- Community entry has been completed;
- New camp site area cleared and construction has begun;
- Currently fly camp is set up in the village of Nanlah;
  - 27 lines planned (51 km);
  - 5 lines complete (13.3 km);
- Initial mapping has identified BIF outcrops on the northern ridge and possible area of oxide capping;
- Southern ridge to date has identified mainly Fe enriched Amphibolite as well as iron formation (IF);
- Grab samples from the scouting (first 5 lines) are indicating hand held XRF grades ranging from 37 to mid 60's;
- Determine access route into the NE portion of Kalasi which also represents a target area;
- Continue with detailed mapping to determine the geological and mineralisation model to define drilling targets for the next season.
Initial targets areas – KSW1 and KSW2

Additional target area in the NE along a line of ridges

20 – 30m thick BIF outcrop observed along ridge dipping 80 degrees to the SE

More BIF outcrop

Geomagnetics with grab sampling
The 2\textsuperscript{nd} phase exploration programme commenced in January 2013 with the focus to determine the potential areas and to aid in the future strategic planning of the programme:

The data gathered will include the following:

- Reconnaissance float and outcrop mapping of the target areas;
- Float sampling;
- Outcrop sampling;
- Limited trenching for mapping and sampling;
- Geological mapping;
- Geological interpretations;
- Compilation of historical data;
- GIS illustrations
- Exploration potential and recommendations
- Expected completion by March 2013
Grande Gedeh & Goye Town Target Areas

Two target areas GGC1 and GGC2

Initial target area
Wesehn Target Areas

Second target area

First target area
Corporate Structure
Management & Board of Directors
Management

✓ Current Status

• Jonah Capital acquired the assets and has managed the development of these assets to date, and continues to manage the development plans for the Buchanan Project and for the six exploration licenses

• **Jonah Capital team:**
  - *John Barton-Bridges* – CEO of Jonah Capital, Interim Managing Director of Cavalla Resources Ltd
  - *Fidel Jonah* – Founder and Executive Director of Jonah Capital, Executive Director of Cavalla Resources Ltd, primarily responsible for in-country relationships and exploration programme
  - *Alun Frost* – CFO of Jonah Capital, Interim Financial Director of Cavalla Resources Ltd
  - *David Renner* – Chief Operations Officer of Cavalla Resources Ltd, contracted by Jonah Capital as full-time on-site manager

  • CVs included in Appendix

• **Primary Consultants:**
  - Amec contracted to conduct DFS, and to manage specialist consultants
  - Minxcon (Pty) Ltd contracted to manage field work for exploration programme, and to manage specialist consultants

✓ Ongoing Management

• Jonah Capital will continue to manage the assets through completion of the DFS

• Dedicated, independent management team to be installed prior to production
Board of Directors

- **Sir Sam Jonah** - Non-Executive Chairman
- **Mark Bankes** - Independent, Non-Executive Director
- **John Barton-Bridges** - Interim Managing Director
- **Fidel Jonah** - Executive Director
- **Alun Frost** - Interim Financial Director
- **David Renner** - Chief Operations Officer

- CVs included in Appendix

- Discussions are currently underway with a number of candidates for independent, non-executive directorships
Appendix
Management & Board of Directors

Sir Sam Jonah (61) – Non-Executive Chairman

- **CEO, Ashanti Goldfields Company (1986 – 2004)**
  - Built company from single, underperforming mine to successful multi-national operation
  - Listed on Ghana and London stock exchanges in 1994
  - Listed on NYSE in 1996 – 1st operating African company to list in USA
- **President, AngloGold Ashanti (2004 – 2006)**
  - Merged Ashanti Goldfields with Anglo American Gold in 2004
- **Chairman, Jonah Capital (2007 to date)**
  - Active in the acquisition, development and exit of junior mining opportunities
- **Current & Past Directorships**
  - Current: Vodafone plc, Range Resources Ltd
- **Key awards**
  - 2003 – KBE conferred by Queen Elizabeth II
  - 2006 – Awarded Companion of the Order of the Star of Ghana (OSG), Ghana’s highest award
  - 2010 – Commonwealth Business Council Lifetime Achievement award for outstanding contribution to the development of the private sector in Africa
  - 2013 – Appointed to the Bank of America Global Advisory Council (the sole African on the council)
Management & Board of Directors (cont.)

Mark Bankes, Consultant to Norton Rose LLP, owner Bankes Consulting EUR

- Worked as a solicitor for Norton Rose for over 25 years with extensive work across sub-Saharan Africa particularly in the mining industry
- Consistently receives industry recognition including Chambers and Legal 500 and was included in the Lawyer Hot 100
- Non-Executive Director of Centamin Egypt Limited, and founder of Bankes Consulting EUR

John Barton-Bridges, (54) Interim Managing Director - MBA (INSEAD), M.Sc. (Imperial College, DIC), B.Sc. Civil Eng (UCT)

- More than 30 years professional experience in mining, infrastructure, project finance, and private equity in Africa, Europe, USA, Canada, Latin America, and Asia
- Previously Vice President at AIG Investments, involved in AIG’s $400 million Africa Infrastructure Fund, including serving on the fund’s Investment Committee
- 10 years with International Finance Corporation, the private-sector arm of the World Bank Group and the largest multilateral source of equity and loan financing for private sector projects in emerging markets, served in the Oil, Gas and Mining Division
- 12 years as an engineer with SRK, and other firms, working in the mining sector in Africa, Canada and the USA
- Non-executive director of several of Jonah Capital’s subsidiaries. Previous directorships include; Proparco (DBSA’s representative Director), Cathay Capital Company Ltd (JV between AIG and Deutsche Bank), Municipal Infrastructure Investments Unit
Management & Board of Directors (cont.)

Alun Frost, (46) Interim Financial Director - BCom, Grad Dip Acc (UCT), Post Grad Tax (UNISA) CA (SA)
- More than 20 years of commercial experience including 17 years in private equity and venture capital working with owner-managed businesses in Southern Africa.
- Involved in seven IPOs and over 35 investment transactions

Fidel Jonah, (40) Executive Director – MBA (City Univ, London), B. Econ. (Greenwich University)
- Fidel is a founder and Director of Jonah Capital and a board member of the PA Group, Africa’s largest mortgage originator. In 2009 Fidel was appointed as a Young Global Leader (YGL) by the World Economic Forum.
- Career includes working with Deloitte & Touche Consulting in Ghana, Balfour Williamson & Sons (UK) as International Buyer and Citland LLC, an American mining supplies company as the Regional Representative for West Africa
- Previously worked at Sterling Africa, a corporate finance advisory house in Tanzania, as the Business Development Director. At Sterling, Fidel was part of the team that advised the Tanzanian Government on a variety of mandates.

David Renner, (46), Chief Operations Officer, MBA (Wits), MSc Geo Eng (Newcastle-upon-Tyne), BSc (Hons) Civ Eng (Kumasi, Ghana)
- More than 30 years professional experience on operating mines in West Africa (26 years), and East Africa (3 years)
- Former Managing Director of AngloGold Ashanti’s Iduapriem Mine in Ghana for 8 years, responsible for operational budget of ~US$130 million and capital budget of US$25 million
- Most recently, Managing Director of Sadiola and Yatela Gold Mines in Mali, a joint venture between Iamgold Corp and the government of Mali
Infrastructure

Buchanan Railway

Port of Buchanan

Port of Buchanan (Old Iron Ore Pier)
Buchanan Iron-ore Fines Deposit
Overview of Buchanan Tailings Resource (as at 8 Feb 2009)*

- **Domain 1 tailings resource** - approx 10Mt @ 45% Fe
- **Domain 2 tailings resource** - within existing LTI concession
- **Approx southern boundary of LTI concession**
- **Tailings to Savage River found here - swampy**
- **Further tailings here - wet but not swampy** (need to apply (if possible) for additional ground up to line of green flags)

*date of PFS

Source: PFS