

AGM Presentation

ASX: AEV ♦ ABN 48 116 296 541

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Compliance Statement

Information in this document relating to Exploration Results or estimates of Mineral Resources or Ore Reserves has been extracted from the reports listed below. The reports are available to be viewed on the company website at: www.avenira.com

Baobab Project

21 January 2016: Technical Report Mineral Resource Estimation for the Gadde Bissik Phosphate Deposit, Republic of Senegal

28 October 2016: September 2016 Quarterly Activities Report

23 February 2017: Baobab Exploration Results Update

2 March 2017: Significant Increase to Indicated Mineral Resource at Baobab Phosphate Project

9 June 2017: Company Update (Strategic Plan)

31 July 2017: June 2017 Quarterly Activities Report

11 September 2017: Baobab Exploration Results Update

12 October 2017: Mineral Resource increase at Baobab Phosphate Project

Wonarah Project

15 March 2013: Technical Report Mineral Resource Estimation for the Wonarah Phosphate Project, Northern Territory, Australia

30 April 2014: Quarterly activities report

Avenira confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Avenira confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Avenira is a phosphate rock mining company. Our flagship asset, the 80%-owned Baobab mine in Senegal, is being positioned for a major capacity expansion.

Avenira owns a producing phosphate rock mine in Senegal

- Senegal is a stable and mining-friendly West African country
- Indicated Resource of 34.9 Mt @ 20.7% P₂O₅, Inferred Resource of 156 Mt @ 18% P₂O₅¹
- Processing-friendly deposit – free dig, well-defined silica and apatite grains
- Well located relative to key infrastructure
- Started production in 2016, with 2 cargoes already shipped

1 Mtpa expansion project to be progressed in the near-term²

- Targeting increased production and enhanced recoveries, to improve product quality and reduce operating costs to a competitive position on the cost-curve³
- Only requires well-understood crushing, flotation, magnetic separation and drying technologies
- High-grade product (~ 35% P₂O₅) expected, aiming to attract prices at a premium to benchmark
- Existing operations extensively de-risk expansion plans
- Hatch upfront capital estimate of US\$53m (to ± 30% accuracy, assuming contract mining), Avenira's 80% share US\$43m⁴

Refreshed Board and management

- Key personnel have deep experience in the phosphate, mining and operating in Africa

Strong and supportive shareholders

- Largest shareholders are Agrifos (currently 24.7%, incl. associates) and Mimran Group (currently 17.4%)
- Agrifos is a privately owned fertilizer development company
- Mimran Group is the largest private-sector employer in Senegal, with interests in sugar refining, agribusiness and mining

Note 1: Refer to the 'Mineral Resource at Baobab Phosphate Project' announcement on the ASX dated 12th October 2017, and the Compliance Statement of page 2 of this presentation.

Note 2: Subject to completion of studies, internal and Government approvals and financing.

Note 3: On a quality-adjusted basis and relative to CRU 2017 estimates for other operations. See further slide 13.

Note 4: Based on initial estimate to +/- 30% accuracy from Hatch conceptual engineering study of US\$53.4m.

Source: CRU Phosphate Rock Cost Report (2017), Profercy Phosphates (12 October 2017).

Phosphate is a key ingredient in fertilisers, which provide essential nutrients to soils, livestock & people, resulting in more food, better nutrition and healthier lives.

PHOSPHATE OVERVIEW

Phosphate rock is mined from igneous apatites, sedimentary phosphates, or guano deposits

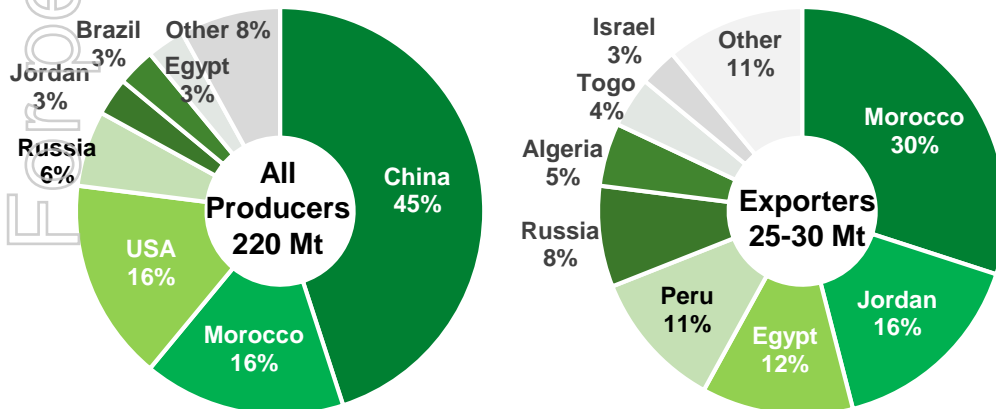
- It is the ingredient for essentially all phosphate products
- > 90% of global demand is in fertilisers

High incidence of vertical integration: only ~ 12-15% of annual global phosphate rock demand is traded

Sector currently at a cyclical low

Demand expected to continue growing as world population grows and standards of living improve

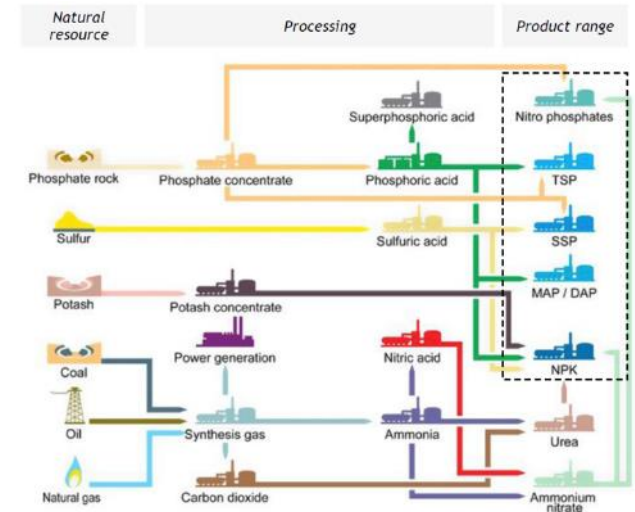
Demand from Africa expected to rise with significant population growth and urbanization driving food production



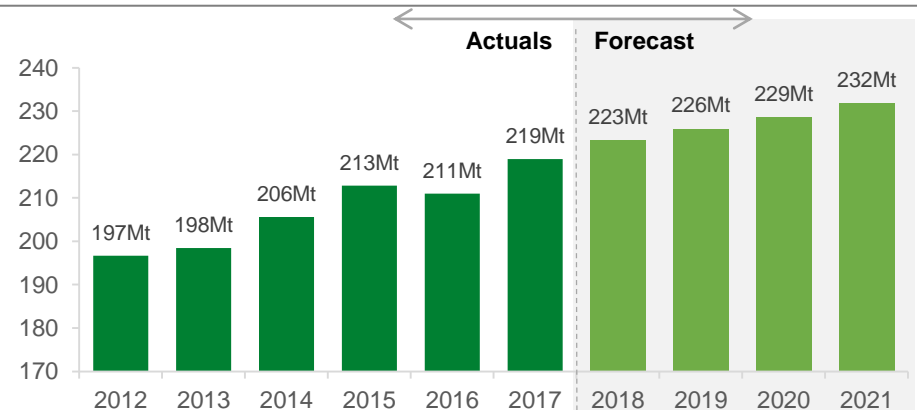
Source: CRU – Phosphate Rock Market Outlook February 2017, IFA, Argus FMB

DEMAND DRIVERS & PRODUCT RANGE

- ✓ **Population growth and food demand**
- ✓ **Declining arable land per capita**
- ✓ **Increasing farming intensity**
- ✓ **Lack of substitutes**
- ✓ **Undernutrition** (over 2 billion people)



PHOSPHATE ROCK DEMAND FORECAST



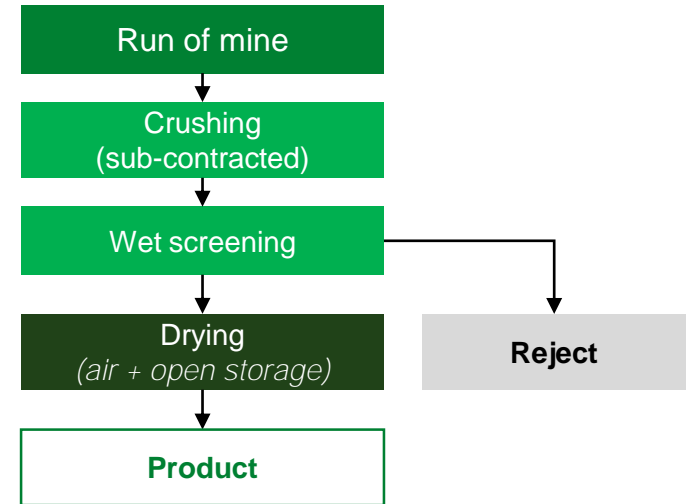
EXPANSION OVERVIEW

- Current plant sub-optimal due to simple washing technique being used
 - Low product recovery and production volumes, resulting in high unit costs and sub-optimal product quality
- Major plant upgrade planned, including **new crushing plant, flotation unit, magnetic separation, drying and covered staging storage**
- Plant designed to process approximately 2.4 Mtpa of nominal grade 20.6% P₂O₅ feed to produce approximately 1.0 Mtpa with product grade of ~ 35% P₂O₅**
- Mining concession to be expanded to targeted 75 km² (upon grant of LMP) – all permits and applications lodged for Large Mine Permit (LMP), which is expected to be granted by Q1 CY18

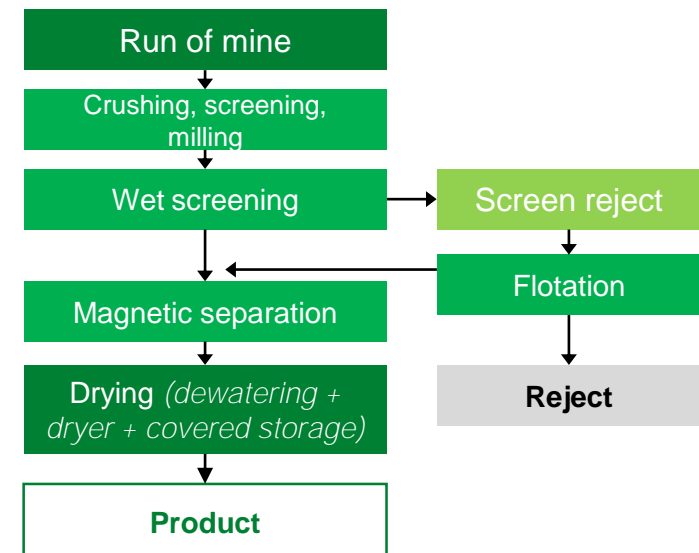
TARGETED EXPANSION OUTCOMES

- Targeting year round production with capacity of ~ 1 Mtpa
- Targeting an increase in phosphate recovery from ~ 50% to ~ 70%
- Targeting significantly improved product specifications to attract a higher price
- Seeking to reduce moisture from 4% to 3% and to achieve a competitive MER and silica assay
- Seeking to produce higher grade (~ 35% P₂O₅) product with a low CaO:P₂O₅ ratio (< 1.4)

CURRENT FLOW SHEET



IMPROVED FLOW SHEET



CAPITAL COST ESTIMATES

Concept level engineering work undertaken by Hatch indicates a **capital cost estimate of US\$53.4 million for the expansion and upgrade of the processing plant ($\pm 30\%$ basis, assuming contractor mining)**

- Includes direct costs of US\$28.9 million, indirect costs of US\$13.8 million and a contingency of US\$10.7 million
- **Avenira's 80% share estimated at US\$42.7 million**

Excludes mobile equipment, mine infrastructure, site buildings or camp, site security and site communication systems

Key engineering scope assumptions:

- Existing water supply is sufficient for plant demand
- Existing tailings impoundment area is sufficient for life of mine
- No incremental capital costs associated with securing increased electrical power requirements

Mobile fleet required for owner-mining estimated upfront capital cost of approximately US\$40 million (reviewed by Hatch)



Notes:

1. The Company does not anticipate capital costs being less than US\$53.4m. Further work to refine this estimate will be undertaken in the next phase of study.

POST EXPANSION PRODUCT SPECIFICATIONS

Most important characteristics for phosphate rock are:

- P_2O_5 content (higher is better)
- $CaO:P_2O_5$ ratio (lower is better)
- Minor Elements Ratio, or MER (lower is better)

Differences in quality can impact manufacturing costs of downstream products, and value of downstream products themselves

Following expansion and upgrade project, the plant should be capable of producing phosphate rock concentrate with the following specifications:

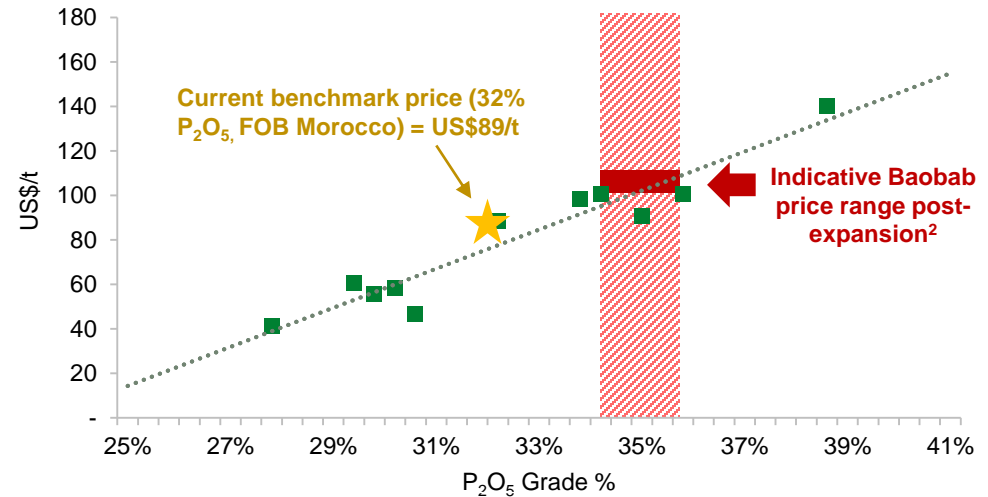
- High P_2O_5 content of ~ 35%
- Low $CaO:P_2O_5$ ratio of < 1.4
- Low organic content and corrosivity
- Competitive MER and silica content

Based on CRU methodology set out in CRU Phosphate Rock Cost Report, these improved specifications could potentially attract a ~ US\$10/t premium to the current Moroccan 31% P_2O_5 FOB price of ~ US\$ 80/t^{1,2}

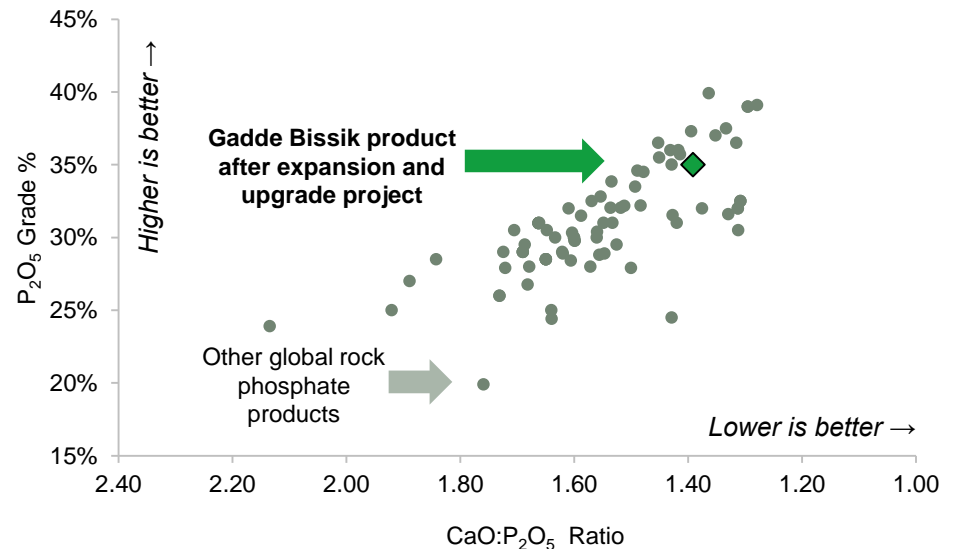
- Premium will ultimately depend on terms negotiated with off-take partners, and new entrant discounts may apply initially

Note 1: Price relationship as at 12 October 2017, as per the Profercy Phosphates Report.
Note 2: CRU Phosphate Rock Cost Report (2017), CRU Phosphate Rock Outlook (August 2017).

PRICES VS. P_2O_5 CONTENT¹



P_2O_5 GRADE VS. $CaO:P_2O_5$ RATIO



EXPANSION ESTIMATES

- The expansion and upgrade project aims to place the Baobab mine in a globally competitive unit operating cost position
- Hatch’s engineering estimates (based on mining experience, contractor quotes and engineering projections) indicate **FOB cash operating costs** in the range of **US\$46-56/tonne**
 - Low-end assumes owner-mining, high-end assumes contractor mining
 - Processing costs estimated by Hatch and Avenira
 - Other costs based on refreshed quotes and company estimates for country-specific input costs (based on existing operations) and royalty rates
 - Avenira’s experience operating the mine gives additional confidence to these estimates

CASH UNIT OPERATING COST ESTIMATES

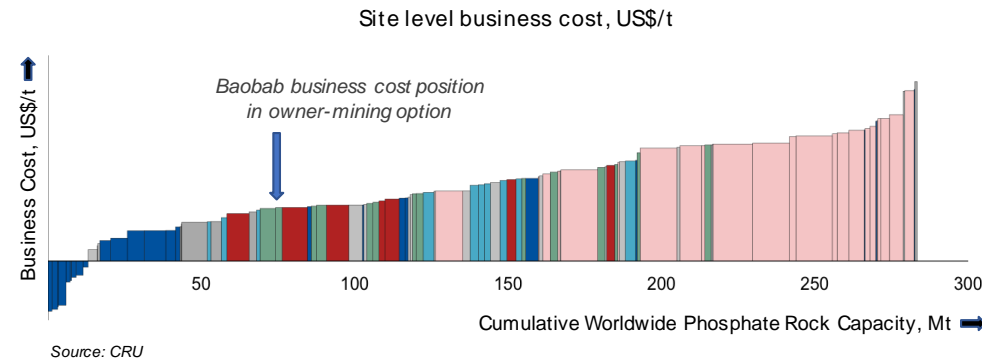
US\$/t, FOB vessel & before quality adjustments	Contract-mining	Owner-mining
Mining	22	12
Processing Plant	14	14
Transport, Logistics & Royalties	20	20
Total	US\$56/t	US\$46/t

Source: CRU Phosphate Rock Cost Service Report (2017), Profercy Phosphates (12 October 2017).

BUSINESS COST COMPARISON

- CRU estimated ‘business cost’ curve for phosphate rock production includes site-based costs, transport costs and location and quality adjustments
- Baobab Project to potentially be in the lowest quartile of CRU’s 2017 “business cost” curve (in an owner-mining scenario)
 - Includes US\$10/t quality adjustment described on page 12
- Baobab would lie in a competitive cost position post expansion and upgrade relative to the global market

CRU QUALITY-ADJUSTED COST-CURVE (US\$/t)



DOWNSTREAM PROCESSING CAPACITY

■ Ultimate goal of Baobab project is to have downstream capacity in addition to phosphate rock mining

- Feasibility studies will be commenced in the medium term to support the expansion

■ Phosphoric acid capacity – likely using the IHP technology (if successfully commercialised) to which Avenira has exclusive rights for Senegal and Australia

■ Fertilizer capacity will be studied in detail as soon practically possible

■ Expansion project is consistent with and sets the stage for this longer term downstream plan

■ Africa is a key development continent for fertilizers

- Population growth, current low application rates, urbanization
- Downstream manufacturing capacity will open this domestic market to Avenira

POTENTIAL PARTNERS AND ATTRACTIVENESS

Non-integrated fertilizer producers needing rock or processed fertilizers in their systems are potential partners in the project through

- Long-term offtake commitments
- Equity share in the project

**The Baobab Project is of world scale
and provides a strong foundation for such
downstream development**



Now

Entitlement and Placement Offers

- Entitlement offer and placement offer to raise between A\$13-15 million (before costs)
- 9-for-20 at a price of 4.8 cents / share
- Foster Stockbroking Pty Ltd appointed as lead manager

Support from Existing Shareholders

- Close to fully underwritten, with commitments from existing shareholders of ~ A\$12.34m including;
 - Tablo (affiliate of Groupe Mimran) – A\$4.20m (incl. underwriting of A\$1.94m¹)
 - Agrifos – A\$2.80m
 - Agrifields – A\$5.14m (incl. underwriting of A\$4.65m), and with a minimum commitment of A\$2.49m

Use of Funds¹

- Repayment of shareholder loans (A\$6.4 million)
- Completion of engineering studies for expansion / optimisation
- Finalisation of Large Mine Permit application
- Potential lease down payment at new Bargny Port
- Working capital and costs of raising

Next 6 – 12 Months: Expansion & Upgrade Project

Expansion Funding

- Combination of debt and equity, supported by off-take agreements
- Debt – preliminary interest from local and international banks, and DFIs to-date
- Equity – targeting private equity, off-takers and other strategic investors to cornerstone equity component

Avenira holds 100% of the Wonarah concession – a phosphate deposit in the Northern Territory. It also owns a 7% stake in JDC Phosphate, and has the exclusive rights to use its IHP technology in Senegal and Australia.

WONARAH PROJECT

- 100% owned by Avenira, and one of the largest phosphate deposits in Australia
- Measured Resource of 65 Mt @ 22.4% P₂O₅, Indicated Resource of 133 Mt @ 21.1% P₂O₅, Inferred Resource of 352 Mt @ 21 % P₂O₅ (15% cut-off)
- Requires JDCP's IHP process (if successfully commercialised) to make mine economically attractive
- Infrastructure in place, including road, rail and gas pipeline



Notes:

- As at 30 June 2017 - refer to the Avenira 2017 Annual Report on the ASX dated 2nd October 2017, and the Compliance Statement of page 2 of this presentation.

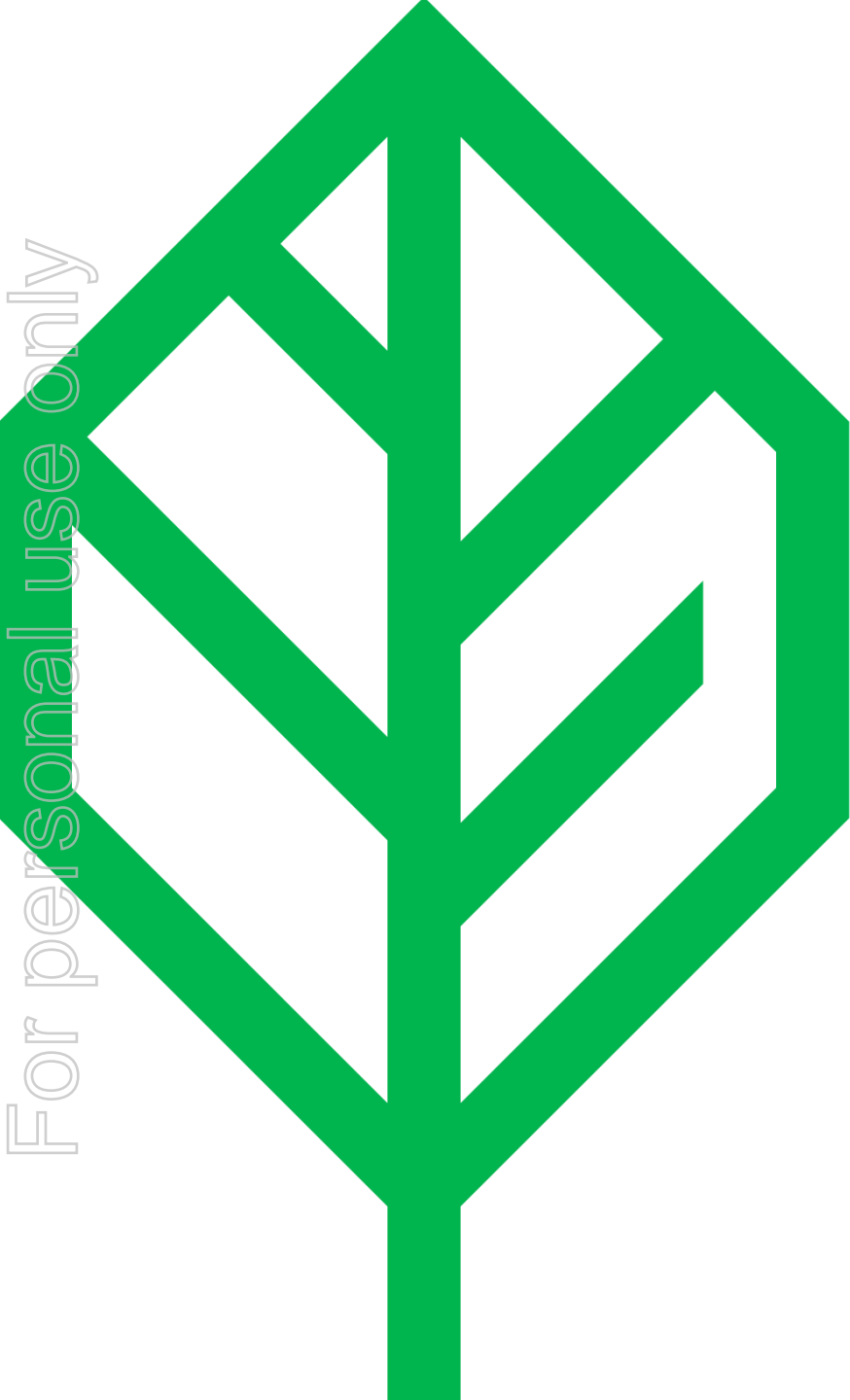
JDC PHOSPHATE

- Progressing “Improved Hard Process” technology for superphosphoric acid production
- Has potential to provide a number of advantages across the value chain relative to existing technology
- JDCP recently announced that it had secured funding to accelerate the next step to commercialize IHP technology
 - Expect to complete plant modifications by early 2018



JDC Phosphate plant in Florida

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