



Sphere Mauritania S.A.
Une filiale de Glencore

Sphere Minerals

Update on Iron Ore Investment in Mauritania

Mark Eames
Head of Iron Ore Assets
Glencore

Mauritanides 2014

Nouakchott

Glencore today

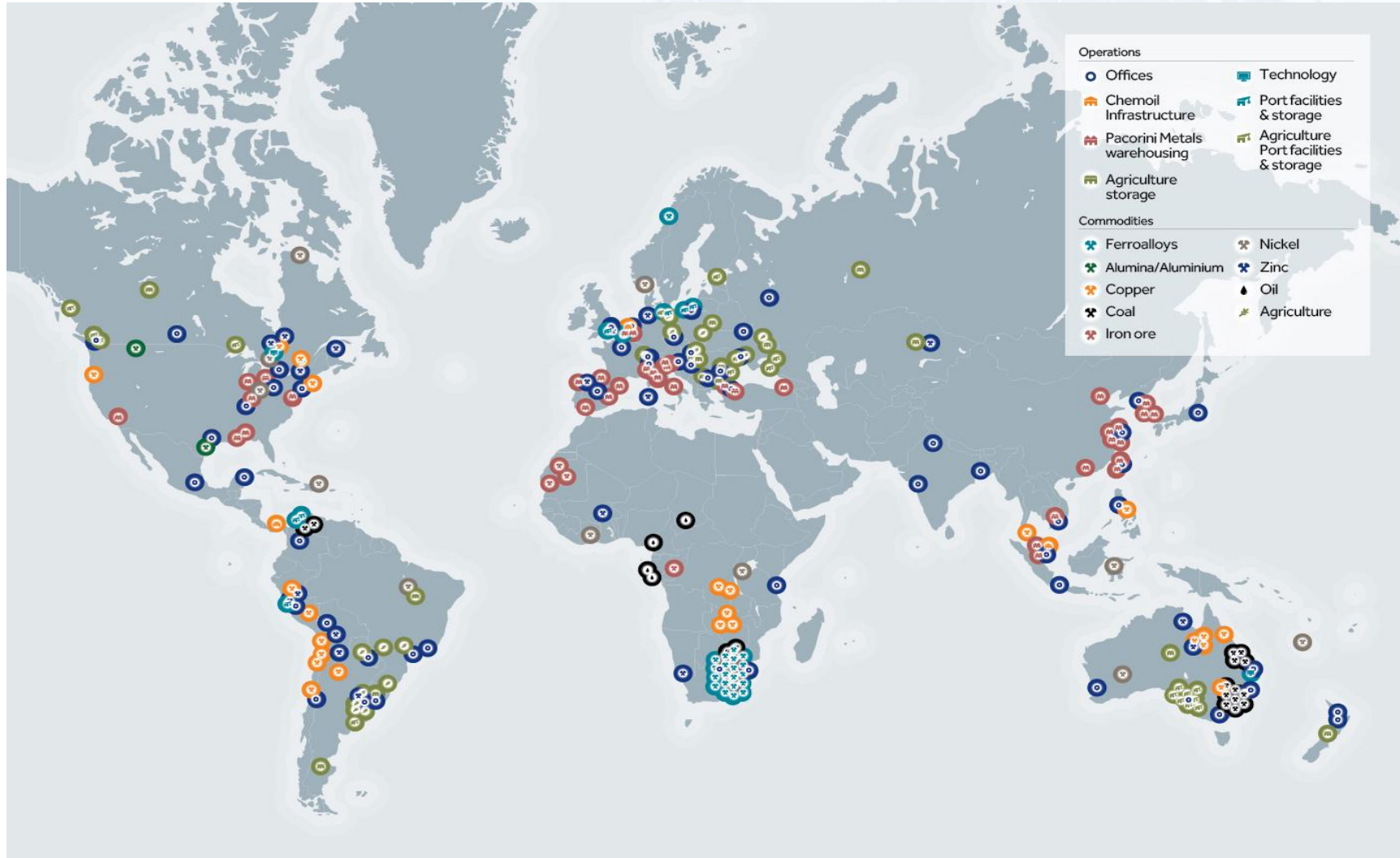
- Major producer and marketer of over 90 commodities, with operations in over 50 countries
- Successful integration of Xstrata complete
- Strong owner-manager culture
- Roll-out of new Values, Code of Conduct and Policies post-Xstrata acquisition.





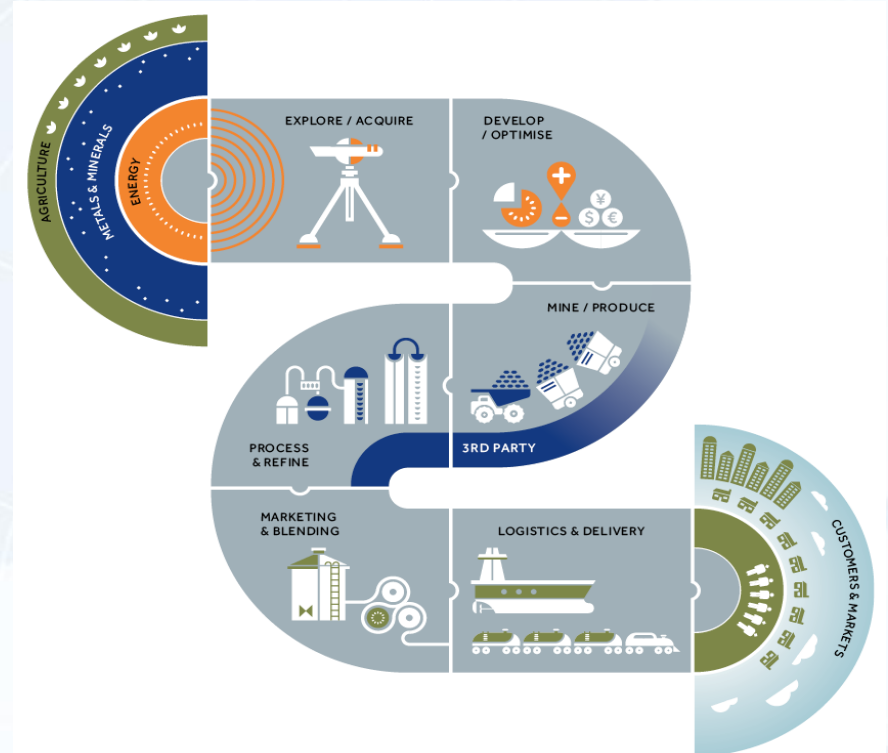
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Glencore - Where we operate



Glencore - Our values

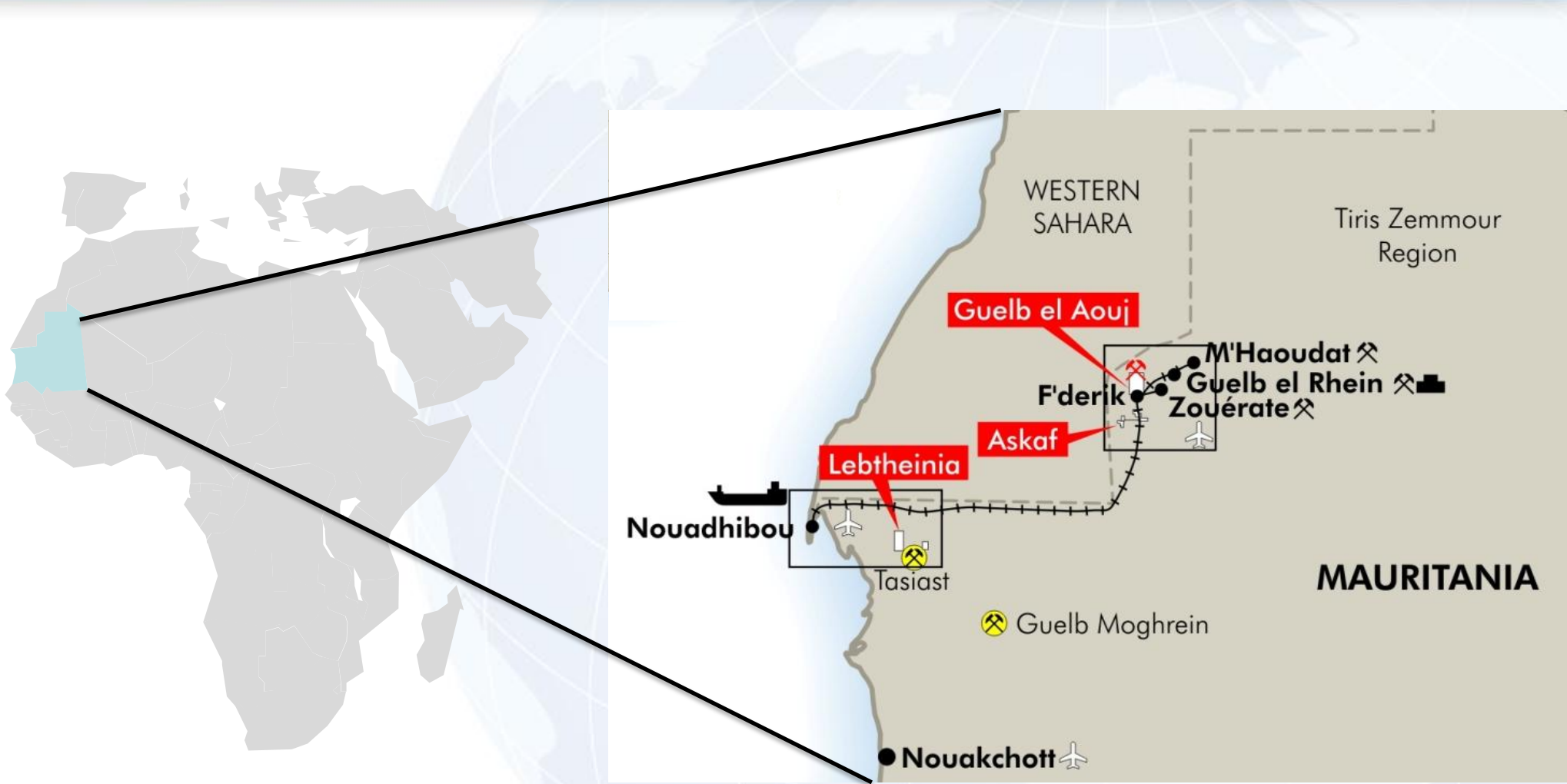
- **Entrepreneurialism**
 - Our approach fosters the highest level of professionalism, personal ownership and entrepreneurial spirit in all our employees while never compromising on the safety and well-being of our people. This is important to our success and the superior returns we aim to achieve for all our stakeholders
- **Simplicity**
 - We aim to achieve our key deliverables as a path to industry-leading returns, while maintaining a clear focus on excellence, quality, sustainability and continuous improvement in everything we do
- **Safety**
 - Our first priority in the workplace is to protect the health and well-being of all our workers. We take a proactive approach to health and safety; our goal is continuous improvement in preventing occupational disease and injuries
- **Responsibility**
 - We recognise that our work can have an impact on our society and the environment. We care profoundly about our performance in compliance, environmental protection, human rights and health and safety
- **Openness**
 - We value relationships and communication based on integrity, co-operation, transparency and mutual benefit, with our people, our customers, our suppliers, governments and society in general





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Through Sphere Glencore has a significant presence in Mauritania



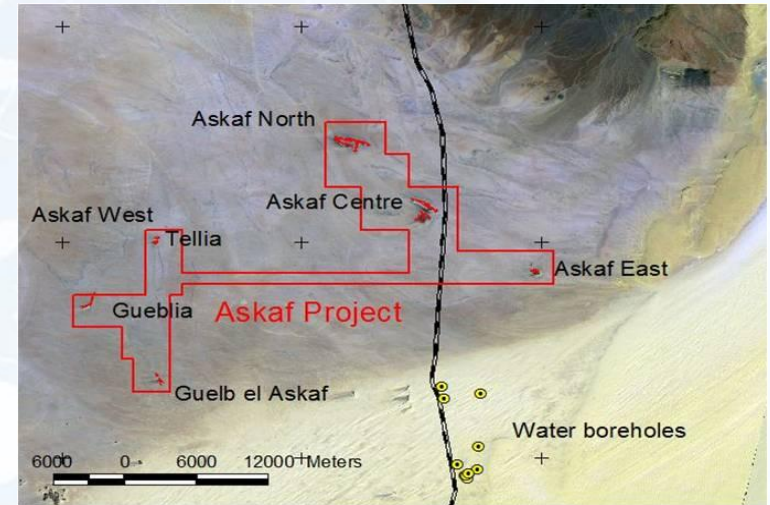
Introduction

- Sphere's shareholders support investment in Mauritania
 - High level of security and stability, especially given regional issues
 - Access provided to State controlled infrastructure
 - Available workforce
- Sphere and SNIM are strong business partners
 - Marketing relationship
 - Working together on El Aouj
- Askaf is Sphere's first iron ore project...
 - A major step for both Sphere and Mauritania
- ...But we have other large resources
 - El Aouj (50% SNIM) is our flagship project and progressing well
 - Lebtheinia has significant potential
 - Other Askaf Guelbs provide expansion/ extension potential (resource upgrades imminent)
- Askaf is a win-win project that will act as a catalyst for economic development and further investment in Mauritania



Askaf – our launch project

- Optimised Feasibility Study (FS) outcome
 - 7.5 Mtpa average production
 - Capex ~US\$900 Million
 - 66% Fe, low impurity, 7% silica concentrate
- Strengths
 - Life/scale upside
 - Unique coarse mineralogy
 - Competitive material movements
 - Existing rail and Cape-capable port
 - Competitive costs

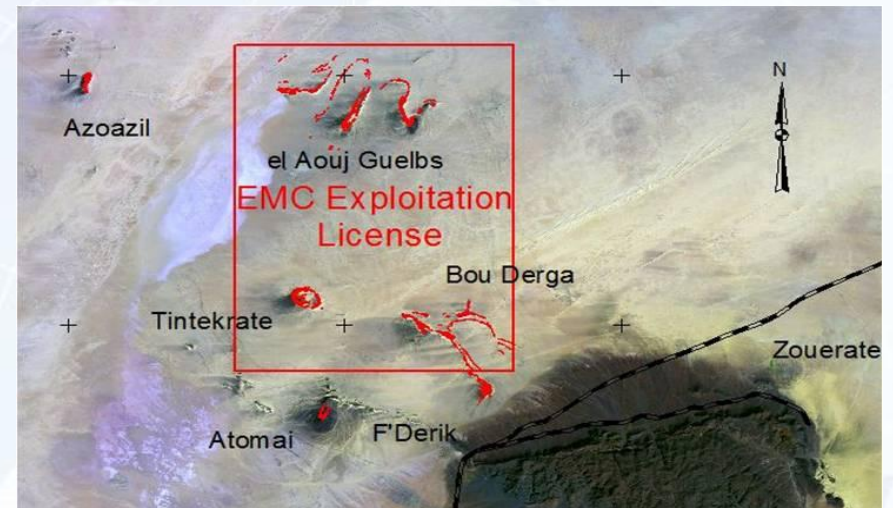


Askaf - Mobilising



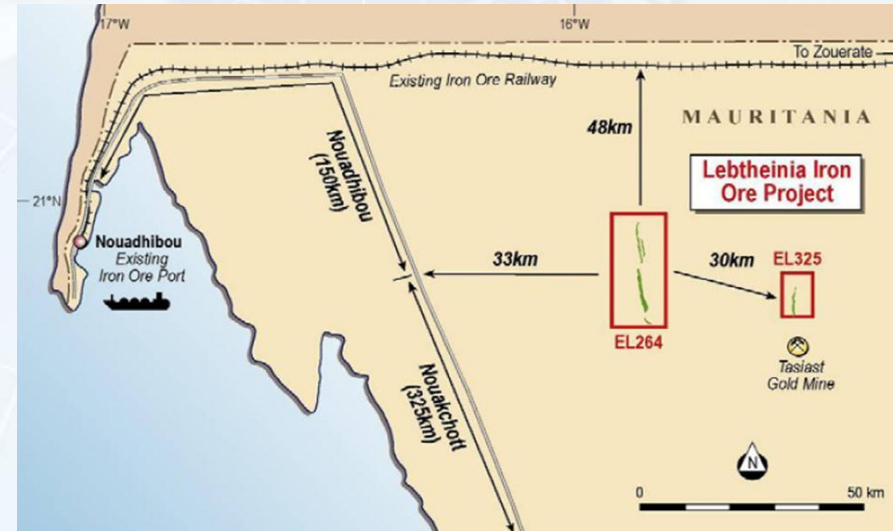
El Aouj – large resource and scale potential

- Glencore ownership 44% (Sphere 50%; SNIM 50%)
 - Cooperation model - independent management with seconded employees
 - EMC General Manager and Chairman are SNIM employees
 - Technical Director and Study Manager are Sphere employees
- PFS completed March 2014
 - Outstanding results for a staged development case, starting at 10Mtpa and building up to a potential well over 40Mtpa
- Strengths
 - Very significant scale and life potential
 - Coarse mineralogy similar to Askaf
 - Multiple product options
 - Existing rail and Cape-capable port



Lebtheinia – phased potential, near coast

- 2.7Bt magnetite BIF resource
 - In-site grade of 32% Fe
 - Fine liberation size
 - Currently carrying out Feasibility Study into phased production
- Currently carrying out Feasibility Study into phased production buildup
 - Laterite cap samples show potential for 0.5-2Mtpa DSO operation – drilling for samples carried out in July 2013
 - Pit optimization shows potential for 2-3Mtpa pellet feed with 0.6 average strip and 32 years LOM – water and yield require optimisation
 - Viable water source and gas power access vital to success



Coarse grained magnetite at Askaf El Aouj provides unique product optionality

Our partnerships are vital

Mauritanian Government

- Contact and discussion at all levels with key ministerial departments; including but not limited to the Ministries in charge of Mines, Finance, Environment, Labour, and Interior:
 - Firm support for project development.
- Permit and approvals negotiations continue with inter-ministerial representation.

SNIM

Rail & Port negotiations with SNIM are in an advanced stage
Term Sheet signed for product transport
Term Sheet progressing for general freight transport



Aided by strong community / SD / HSEC programmes



- Health and Safety protocols in place
 - SafeWork Program
 - Fatal hazard Protocols & Golden rules
 - Introduction of SLAM pre-task risk assessment
 - Leadership, hazard & risk management training for targeted supervisors and managers
 - Introduction of medical, health and hygiene standards
 - Use of ICAM investigation processes
 - Introduction of Security Management Plans and upgraded Security arrangements (MRT)
 - Crises management plan

Summary

- After more than 10 years in Mauritania and three years in partnership with Glencore, Sphere is ready to start construction of Askaf
 - 600 operating employees and 2000 construction jobs
- We have solved many problems together already
- We have a world class Mining Convention and Mining Code, which will stabilise and regulate the mine

