

Forbes & Manhattan



**A Premier Merchant Bank Focused on
Building Resource Companies**

www.forbesmanhattan.com

February 2012

Cautionary Note Regarding Forward Looking Statements

All statements, other than statements of historical fact, contained in this presentation constitute “forward-looking statements” and are based on the reasonable expectations, estimates and projections of the Company as of the date of this presentation. Forward-looking statements include, without limitation, possible events, trends and opportunities and statements with respect to possible events, trends and opportunities, including with respect to, among other things, global market trends, expected industry demands, the Company’s business strategy and investment criteria, the nature of potential business acquisitions, costs and timing of business acquisitions, capital expenditures, successful development of potential acquisitions, currency fluctuations, government regulation and environmental regulation. The words “plans,” “expects,” or “does not expect,” “is expected,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “anticipates,” or “does not anticipate,” or “believes,” or variations of such words and phrases or statements that certain actions, events or results “may,” “could,” “would,” “might,” or “will be taken,” “occur” or “be achieved” and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions contained in this presentation, which may prove to be incorrect, include, but are not limited to, the various assumptions of the company set forth herein. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to fluctuations in global supply and demand, changes in competitive pressures, including pricing pressures, timing and amount of capital expenditures, changes in capital markets and corresponding effects on the company’s investments, changes in currency and exchange rates, unexpected geological or environmental conditions, changes in and the effects of government legislation, taxation, controls and regulations and political or economic developments in jurisdictions in which the Company carries on its business or expects to do business, success in retaining or recruiting officers and directors for the future success of the Company’s business; officers and directors allocating their time to other ventures; success in obtaining any required financing; develop an acquired business; employee relations, and risks associated with obtaining any necessary licences or permits. Many of these uncertainties and contingencies can affect the Company’s actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this presentation are qualified by these cautionary statements. These factors are not intended to represent a complete list of the factors that could affect the Company. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. The reader is cautioned not to place undue reliance on forward-looking statements.

Company Overview



Our Business Model



Our Delivered Results



Leading Private Merchant Bank **Focused on the Natural Resources Sector**

Successful track record of identifying high quality assets
and advancing them from discovery through to production

World-class, multi-disciplined team of professionals

Access to timely capital

We finance natural resource companies from early-stage to exploration to development

Fast time to close

Immediate access to capital enables swift closings

Integrated leadership

Direct involvement at the management, board and technical levels

Extensive investment banking / capital raising relationships

Our network spans leading institutional and private equity funds, investment banks and retail brokers across the globe

Headquartered in Toronto, Canada

With offices, operations and assets worldwide

Integrated Team Built on Technical and Operational Expertise and Accomplished Financial Markets Professionals



Executive Committee

Stan Bharti, P.Eng, Founder, Executive Chairman and CEO

Internationally educated as a professional mining engineer, Mr. Bharti has over 30 years of experience in operations, public markets and finance. He has been instrumental in acquiring, restructuring and financing numerous mining assets worldwide generating billions in market capitalization. Mr. Bharti is bottom line driven with an enormous capacity to manage multiple complex transactions.

Agriculture

David Argyle

Legal

Pat Gleeson

Corporate Finance

Fred Leigh

Mining

Mark Eaton

Investments

David Stein

Oil & Gas

Ahmed Said

General John Abizaid, U.S. Army (Ret.)

Served for 34 years in U.S. military; was Commander of US Central Command from 2003-2007

Peter Boot, South America

25 years financial markets experience; 15 years with ING Group in Brazil, Curacao, Venezuela, Paraguay and Bolivia

General Jay Garner, U.S. Army (Ret.)

Served for 35 years in the U.S. military; Command of Air Missile Defense Units during the Gulf War

General Ron Hite, U.S. Army (Ret.)

Served 33 years in the U.S. military; Senior Military Advisor to the Army Chief of Staff

Larry King, U.S.A.

American icon; Former Host of CNN's *Larry King Live*

General Lewis MacKenzie, Canadian Army (Ret.)

Served in the Canadian Forces for 35 years; led the UN peacekeeping mission in Sarajevo

Hon. Pierre Pettigrew, Canada

Served as Canadian Federal Minister of Foreign Affairs and Minister of International Trade

General Sir Michael Rose, British Army (Ret.)

Highly decorated former SAS Commander for the British Army

Bernard Wilson

Corporate Finance and Investment Banking advisor with substantial experience in financial restructurings

The F&M Group at a Glance

Market Capitalization of F&M Group Companies*

>\$8B

Employees & Consultants

>200

Group Companies

>40

Total Funds Raised by Group Companies in last 4 Years

>\$5B

Number of Resource Projects in F&M Group

>90

Number of Producing Assets in F&M Group

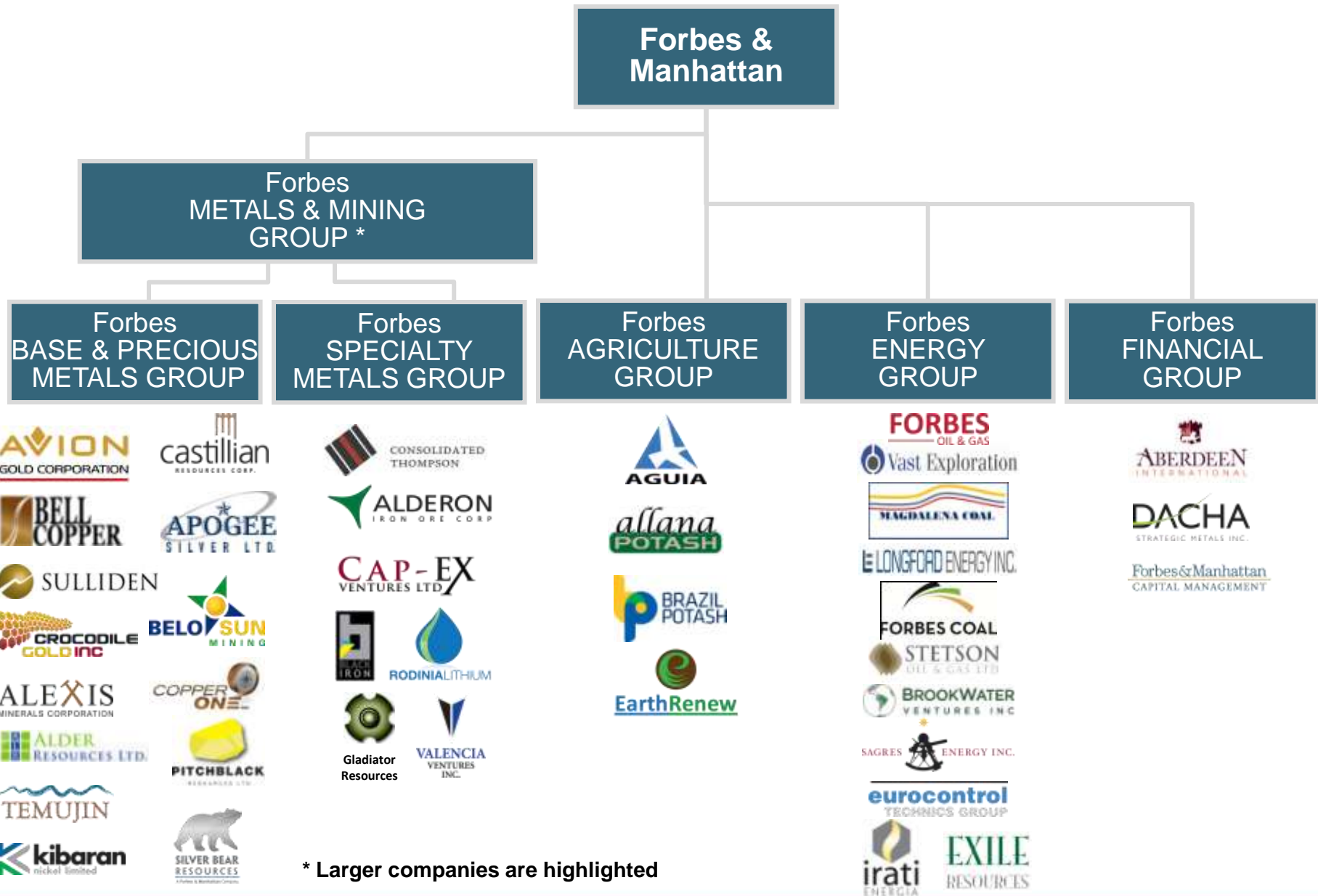
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Number of Countries F&M Group has Projects

29

* Includes historical successes

The F&M Group At A Glance



* Larger companies are highlighted

Company Overview



Our Business Model



Our Delivered Results



Asset Builders, Not Stock Traders

- Technical specialists with a track record of identifying superior, undeveloped or under-developed assets
- Experienced financial, legal and back office teams to support assets at all stages from concept to production

International Network

- Global network of technical specialists to identify high quality projects
- International network of investors
- Track record of securing off-take agreements and long-term project financing

Results

- **Ability to raise capital to develop projects on time and on budget resulting in superior returns**

A clear focus: “stick to the knitting”
we focus on what we know best

**Disciplined investment
and technical approach**
clear criteria

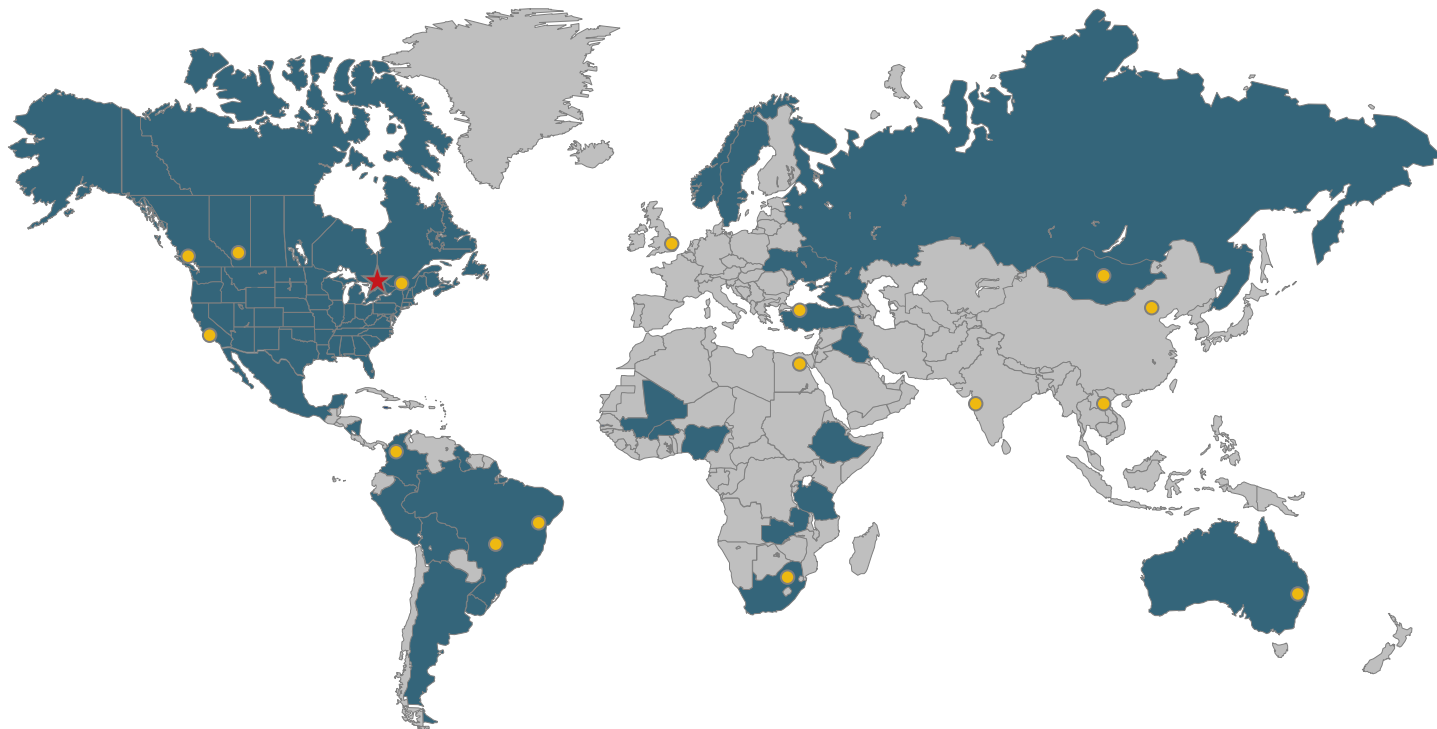


Deliver excellent returns

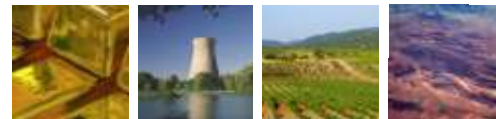
Build assets
strong active management

Resource Companies Are Our Core Business

>40 companies with assets in 29 countries



Full range of resource investments:
precious metals, energy, fertilizer, bulk commodities



★ Corporate Headquarters

● Regional Offices

We Know What We Are Looking For

Exceptional assets

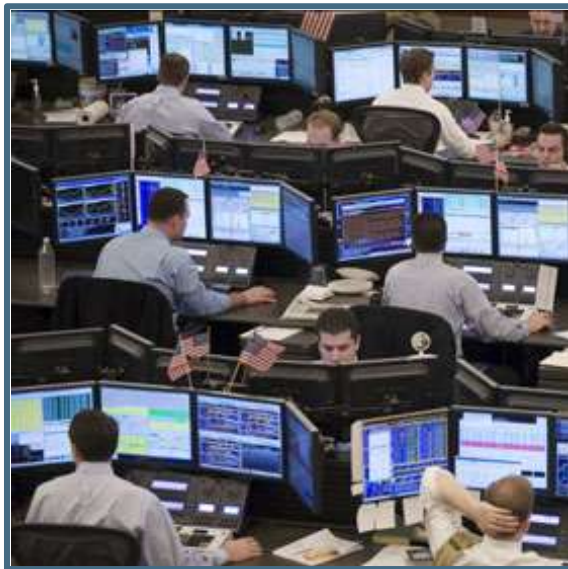
Significant growth potential

Strong local and political relationships

Ability to build assets

Potential exit in 3-6 years

We are **NOT** traders...



We **BUILD** Assets



VISION

To use technical and operational excellence to source and develop mineral, energy and agriculture projects that have high potential for value growth

To couple capital with technical and operational expertise for high quality resource projects in order to create shareholder wealth

**QUALITY
PROJECTS**

+

**TECHNICAL &
OPERATIONAL
SKILLS**

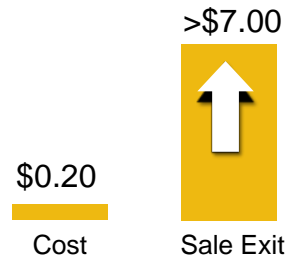
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CAPITAL

Deliver Excellent Returns...

HISTORY

CURRENT



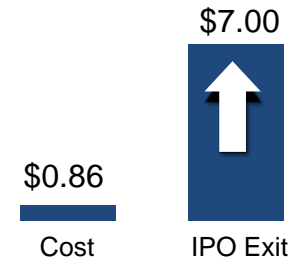
- 3400% return in 4 yrs
- Sold to Yamana Gold for \$735M



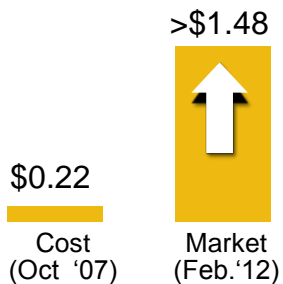
CONSOLIDATED THOMPSON



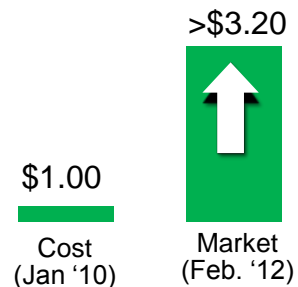
- >7700% return
- Sold to Cliffs Natural Resources for \$4.9B



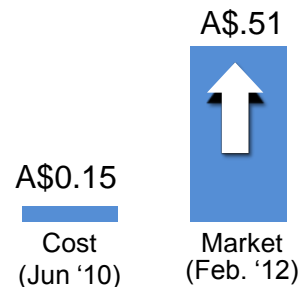
- 715% return in 2 yrs
- Market cap \$1.5B



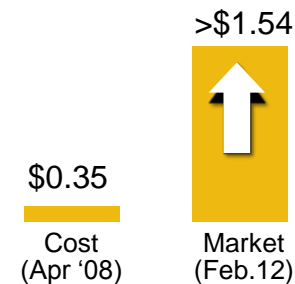
- 573% return
- Market cap \$653M



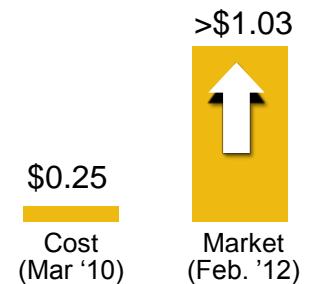
- 220% return
- Market cap \$319M



- 240% return
- Market Cap A\$41M



- 340% return
- Market cap \$375M



- 312% return
- Market Cap \$217M

What Sets Forbes & Manhattan Apart

- **Extensive Network**
 - Political leaders, industry experts, strong technical and developmental team, financial experts, high net-worth individuals and institutional investors
- **Ability to attract financing on a large scale and secure international off-take agreements**
- **Proven Business Model**
 - First class team of specialists take projects from concept to operating success. Model has been replicated numerous times
- **Excellent Results**
 - Secure assets, capital and develop projects to realize superior returns on investment



Base and Precious Metals Group

Company Name	Primary Country of Operations	Main Product(s)	Market Cap (Recent)
Alder Resources Ltd	Nicaragua	Copper/Gold	\$ 19M
Alexis Minerals Corp	Canada	Gold	\$30M
Apogee Silver Ltd	Bolivia	Silver	\$51M
Avion Gold Corp	Mali / Burkina Faso	Gold	\$653M
Bell Copper Corp	U.S.A. / Mexico	Copper	\$16M
Belo Sun Mining Corp	Brazil	Gold	\$217M
Castillian Resources Corp	Canada	Gold	\$30M
Copper One Inc	Canada / U.S.A.	Copper	\$18M
Crocodile Gold Corp	Australia	Gold	\$171M
Kibaran Nickel Ltd	Tanzania	Nickel	A\$2M
Pitchblack Resources Ltd	Canada	Gold	\$3M
Silver Bear Resources Inc	Russia	Silver	\$23M
Sulliden Gold Corp	Peru	Gold	\$375M
Temujin Mining	Mongolia	Gold	Private

Specialty Metals Group

Company Name	Primary Country of Operations	Main Product(s)	Market Cap (Recent)
Alderon Resource Corp	Canada	Iron Ore	\$319M
Black Iron Inc	Ukraine	Iron Ore	\$88M
Cap-Ex Ventures Ltd	Canada	Iron Ore	\$64M
Consolidated Thompson Iron Mines Ltd	Canada	Iron Ore	\$4,900M (Sold May'11)
Gladiator Resources Ltd	Uruguay	Iron Ore	A\$16M
Rodinia Lithium Inc	U.S.A./ Argentina	Lithium	\$27M
Valencia Ventures Inc	Canada	Uranium	\$8M

Agriculture Group

Company Name	Primary Country of Operations	Main Product(s)	Market Cap (Recent)
Agua Resources Ltd	Brazil	Phosphate	A\$41M
Allana Potash Corp	Ethiopia	Potash	\$165M
Brazil Potash Ltd	Brazil	Potash	Private (Market Cap \$150M)
Earth Renew Corp	Canada	Bio-solid remediation	Private

Energy Group

Company Name	Primary Country of Operations	Main Product(s)	Market Cap (Recent)
Brookwater Ventures	Brazil	Oil & Gas	\$20M
Eurocontrol Technics	Global	Energy Services	\$8M
Exile Resources Inc	Africa	Oil & Gas	\$7M
Forbes Coal Corp	South Africa	Coal	\$63M
Irati Energy Ltd	Brazil	Oil Shale	Private
Longford Energy	Kurdistan (Iraq)	Oil & Gas	\$29M
Magdalena Coal	Colombia	Thermal Coal	Private
Sagres Energy Inc	Colombia	Oil & Gas	\$7M
Stetson Oil & Gas Ltd	USA	Oil & Gas	\$3M
Vast Exploration Inc	Kurdistan (Iraq)	Oil & Gas	\$16M

Financial Group

Company Name	Primary Country of Operations	Main Product(s)	Market Cap (Recent)
Aberdeen International Inc	Global	Resource Investments	\$52M
Dacha Strategic Metals Inc	Asia	Rare Earth Investments	\$39M
F&M Capital Management	Global	Resource Investments	Private

Forbes&Manhattan

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If you wish to submit or discuss a specific idea, please submit your company information or business proposal to:

bplans@forbesmanhattan.com

Company Overview



Our Business Model



Our Delivered Results



Founded Consolidated Thompson Iron Mines



CONSOLIDATED
THOMPSON

- World Class Iron Ore Project in Quebec
- Built from exploration stage in 2005 through to production in 2010
 - Completed scoping study, 3 feasibility studies, secured off-take and financing agreements with China.
- Market cap when F&M got involved was \$1 million; sale price market capitalization of \$4.9 billion
- Raised approximately \$1 billion, including a strategic US\$240 million investment from Wuhan Iron & Steel Co. (WISCO)



Building Bloom Lake Iron Ore Mine

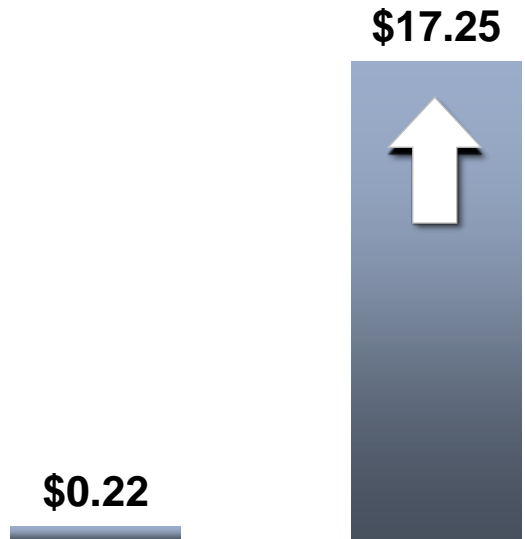


Production: Q1 2010

Case Study: Consolidated Thompson Forbes & Manhattan

Value Realized:

Acquired by Cleveland Cliffs Natural Resources Inc. for \$4.9billion



CONSOLIDATED
THOMPSON

- ~7,700% return over 4 years



Founded Avion Gold Corp

- Acquired Tabakoto / Segala mine in Mali, West Africa mid-2008 from Nevsun Resources for US\$ 20 million
 - Over US\$150 million in infrastructure was invested by Nevsun: brand new mill, accommodations, roads and power facilities
- Avion's expert team turned around the operation and put the property back into production. We build value in struggling assets where other cannot – our technical team is one of the best in the world
 - 4.8 million ounce resource with significant exploration upside
- Result: **current market cap \$653 million**



AVION
GOLD CORPORATION



We Build Value Where Others Cannot

Milling Facility – 96% Au recovery



Fuel Supply – contracted



Camp – houses 200 staff

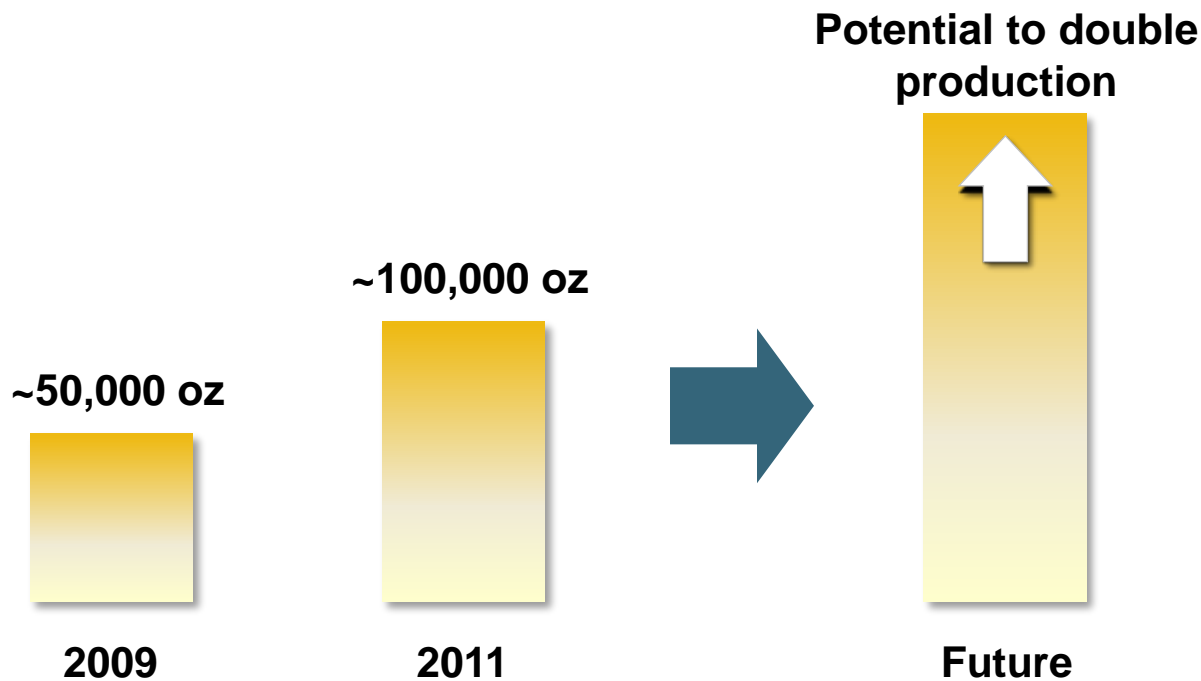


Power Supply – purchased 2008



Production Ramping Up

Gold Production (000's oz)



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