



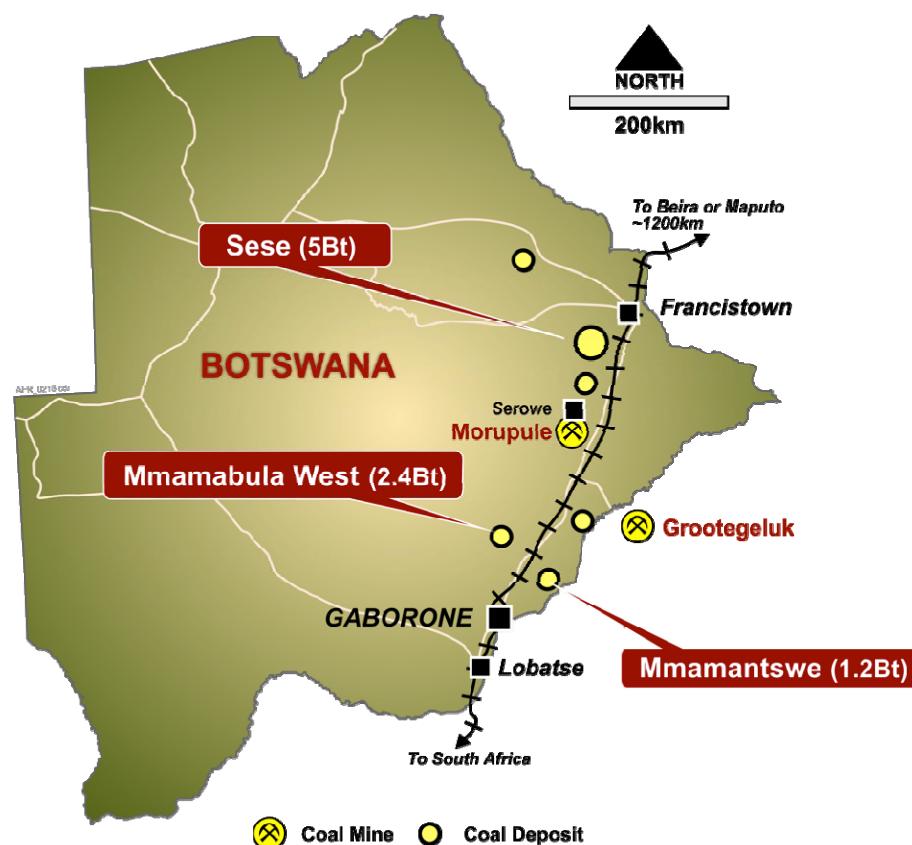
Developing Power Projects in Southern Africa

Annual General Meeting
Presentation 20th November 2015

AFR now participating in the development of three large-scale power projects in Botswana

- ❖ Completion of initial Sese investment by First Quantum Minerals Ltd (FQM) in January 2015
- ❖ Progression of technical, commercial and permitting programs at Sese JV under FQM mgmt
- ❖ Re-alignment of Mmamabula West as a power project and allocation of appropriate funding for AFR to progress development of this project
- ❖ Binding terms agreed for sale of Mmamantswe project to South African developer for USD \$20M
- ❖ Balance sheet strengthened through repayment of all debt, reduction in corporate costs and a healthy residual cash position (~AUD \$8M)
- ❖ Continued on-market support from major shareholders in Top 20
- ❖ Share buy-back announced in November 2015*

* Subject to shareholder approval at today's AGM



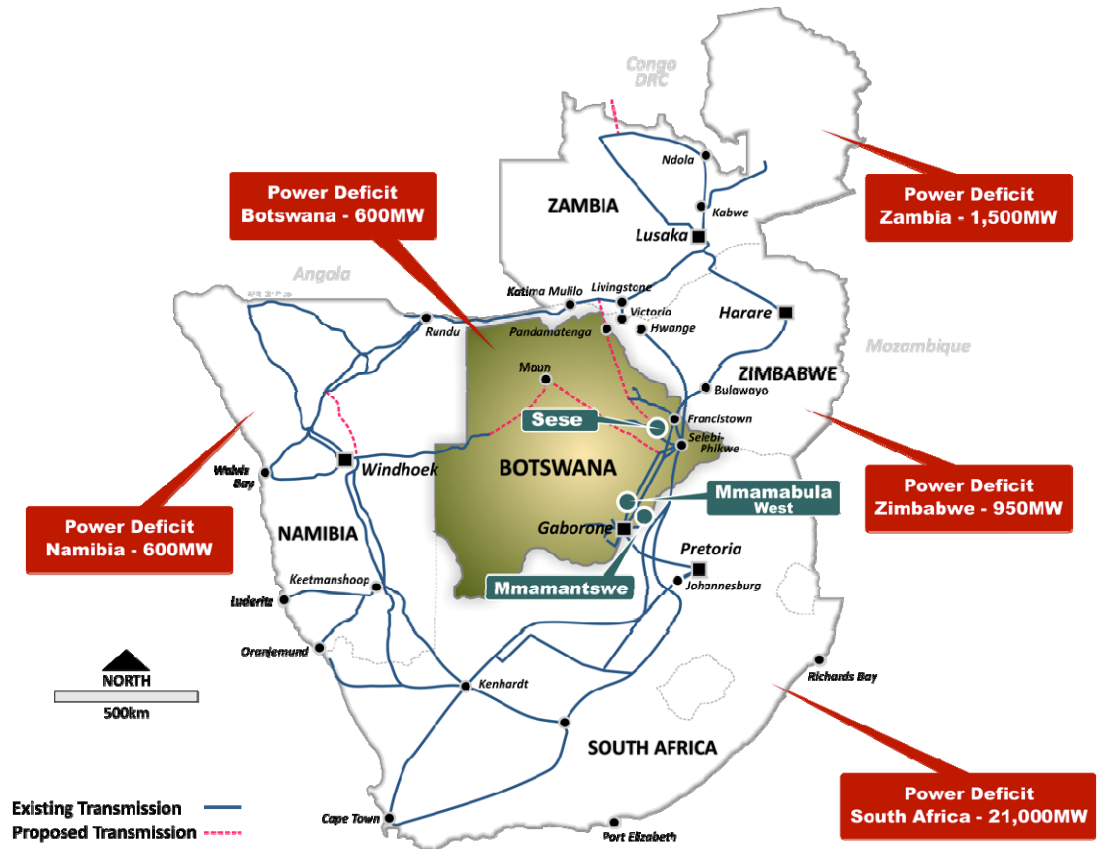
Positioning the Company to focus on regional power demand

Surrounded by robust demand for power: every country in SADC is chronically short of reliable, affordable base-load power

Regional hub: AFR's projects are centrally located within the SAPP transmission grid

Easy access to core infrastructure: AFR's projects in close proximity to grid connection

Stable business environment: Botswana provides the most secure/stable fiscal and political setting in southern Africa



Sese JV

- Advanced project
- Measured resource*
- Approved EIA for 300MW
- Water allocation approved
- Surface rights approved
- First Quantum Minerals earning up to 75% interest
- AFR's 25% interest loan carried to commercial operation of power station

Mmamabula West

- Indicated/inferred resource*
- Good quality thermal coal suitable for power generation and export
- EIA under amendment to include 300MW + 300MW
- Project being developed for submission in RSA coal-fired IPP procurement program
- AFR is the lead developer
- Export potential to RSA/Asia

Mmamantswe

- Advanced project
- Measured resource*
- Approved EIA for 2,000MW
- Water source registered
- Project consortium to submit bid into South Africa's coal-fired IPP procurement program
- AFR to sell project for \$20M if project bid is shortlisted and taken to financial close

* Refer to resource table in Appendix 1

The Sese JV: Summary

First Quantum Minerals Limited will invest up to \$20M in the Sese JV

- AUD \$8M invested by FQM to take a 51% interest and management of the JV
- FQM sole funding the next AUD \$12M to increase interest to 75%
- This funding is being used to investigate the development of a fully integrated coal mine and mine-mouth power station
- FQM are responsible for sourcing all additional funding beyond the initial \$20M investment
- AFR's 25% share of additional funding will be loaned to it by FQM, and carried to commercial production
- Technical, permitting and commercial programs making good progress



Sese JV - project development tasks underway

TECHNICAL Transmission study on existing Tx options between Botswana and Zambia

Confirmation of critical power plant (boiler) technology, unit size and layout

Drilling and test-work to finalise fuel specification

PERMITTING Execute Land Lease Agreement (surface rights approval in place)

Complete Water Supply Agreement (2.8 GL p.a. water allocation approved)

Complete Coal Supply Agreement and submit ML application

COMMERCIAL Prepare and submit Development Approval Order

Confirm design and cost estimate for fully integrated power project



Mmamabula West: Power Development Opportunity



Mmamabula provides an immediate development opportunity for power generation

- 2.47 billion tonnes in two main coal seams, each ~5m thick, 100-130m deep
- Geometry and coal quality provides multiple options for **power generation and/or export** of coal
- AFR re-aligning this project to bid into South Africa's IPP procurement program
- AFR evaluating potential for direct IPP supply to large-scale industrial users and mining houses
- Budget approved for immediate work program to reduce development risk of power generation at this project
- Surface rights being prepared, water supply options under study, EIA being amended, grid connection study

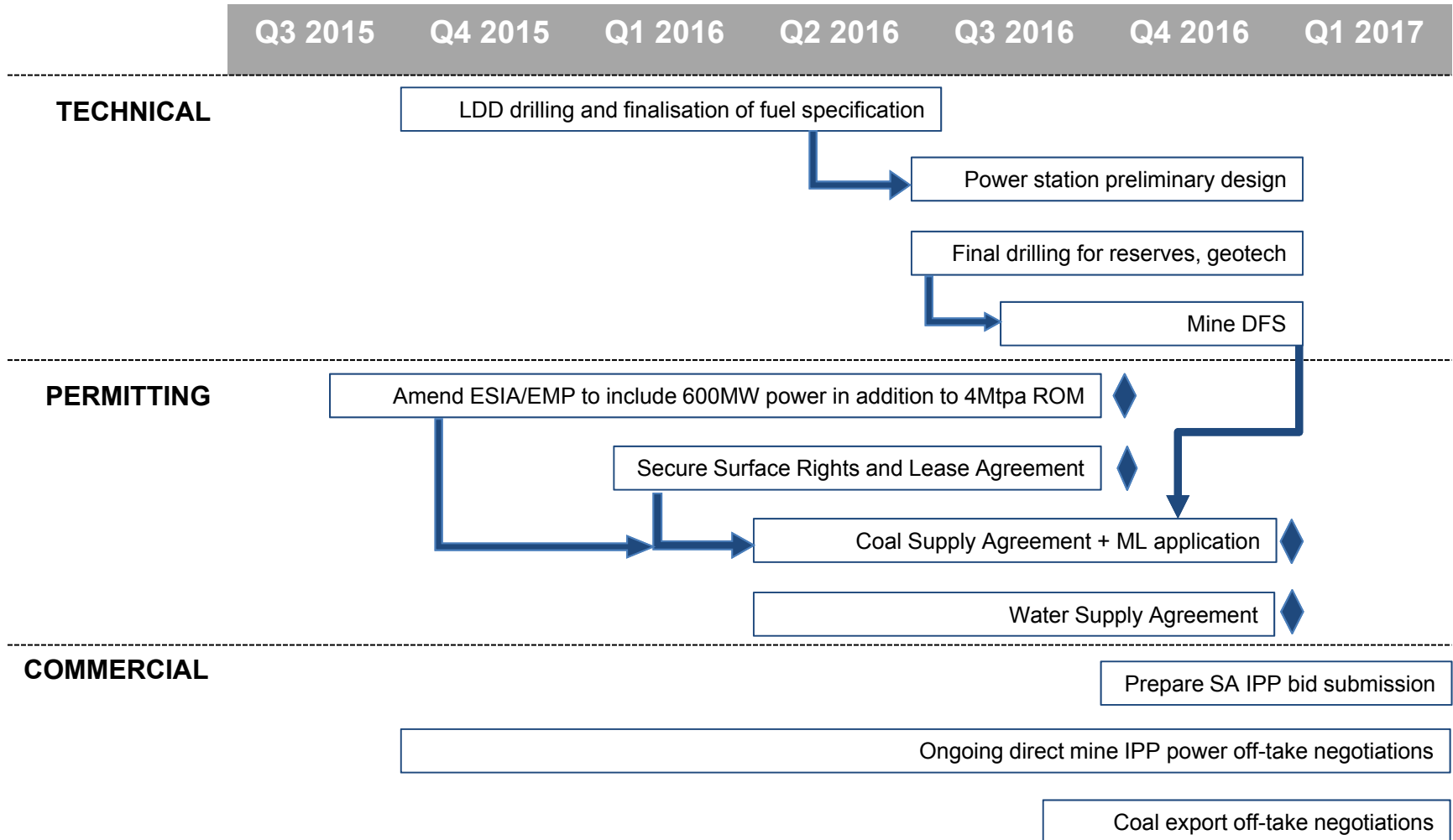


Mmamabula West: Fuel Specification Program

Large diameter drilling cores from which a power station fuel specification will be derived



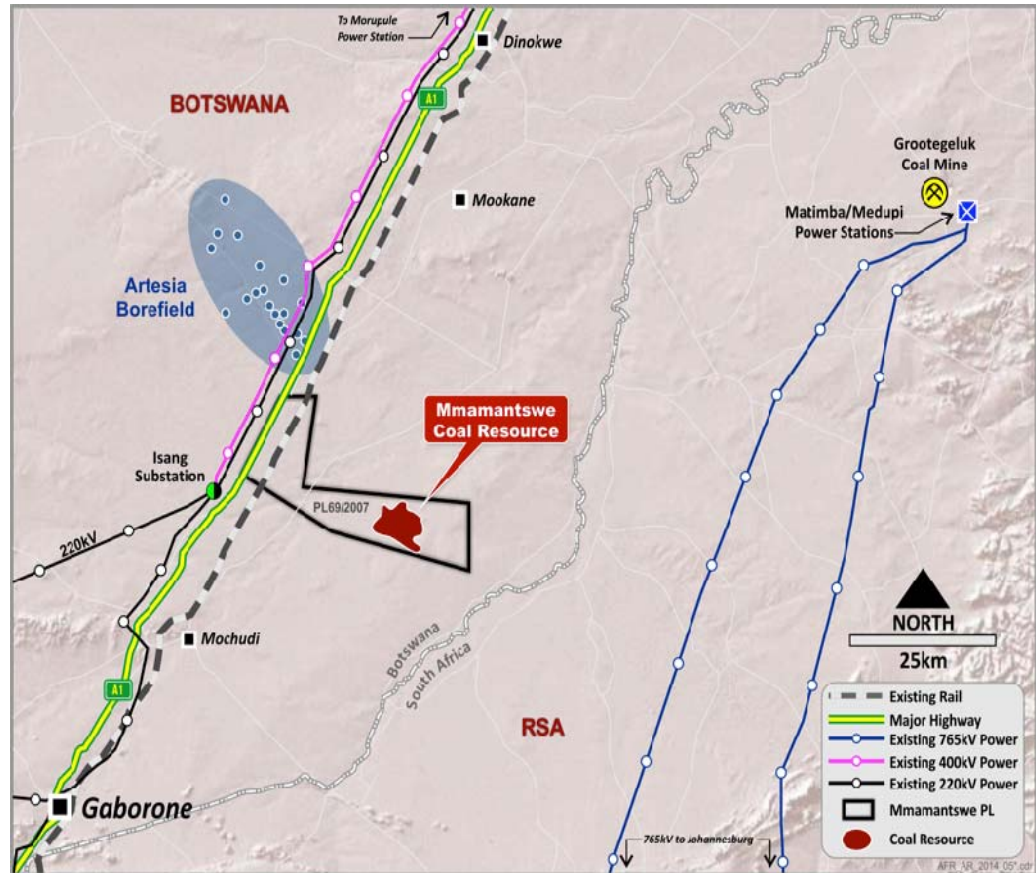
Mmamabula West: Indicative Development Plan



Mmamantswe - \$20M Sale Opportunity

South Africa is seeking 600MW of cross-border, coal-fired baseload IPP

- Very few bids shortlisted for the domestic portion of the IPP program
- Cross-border IPP proposals thus likely to receive close attention
- Binding term sheet executed to sell Mmamantswe to an experienced SA developer who intends to submit a bid:
 - Qualifying criteria and the documentation (RFP) for cross-border projects to be released late 2015/early 2016
 - Developer has formed a bid consortium and will sole fund bid preparation/submission
 - AFR will sell the project company to the development consortium for USD \$20M if the consortium wins the tender and is able to achieve financial close



Summary – Project Pipeline



Sese JV

FQM evaluating the development of an integrated mine and power station

FQM earning-in, AFR loan carried to production from power station

Mmamabula

Multiple power project potential with future coal export potential

AFR sole funding pre-development activities prior to introducing partner(s)

Mmamantswe

Binding terms agreed for a Share Sale to a South African developer

Potential \$20M short-term return, conditional upon SA IPP bid success



Corporate Summary



ASX Code

AFR

Shares on issue

620 million

Market Cap (@ \$0.055)

AUD \$34M

Cash (30 Sep 2015)

AUD \$7.9M

Debt

Nil

Major Shareholders

The Sentient Group

23%

First Quantum Minerals

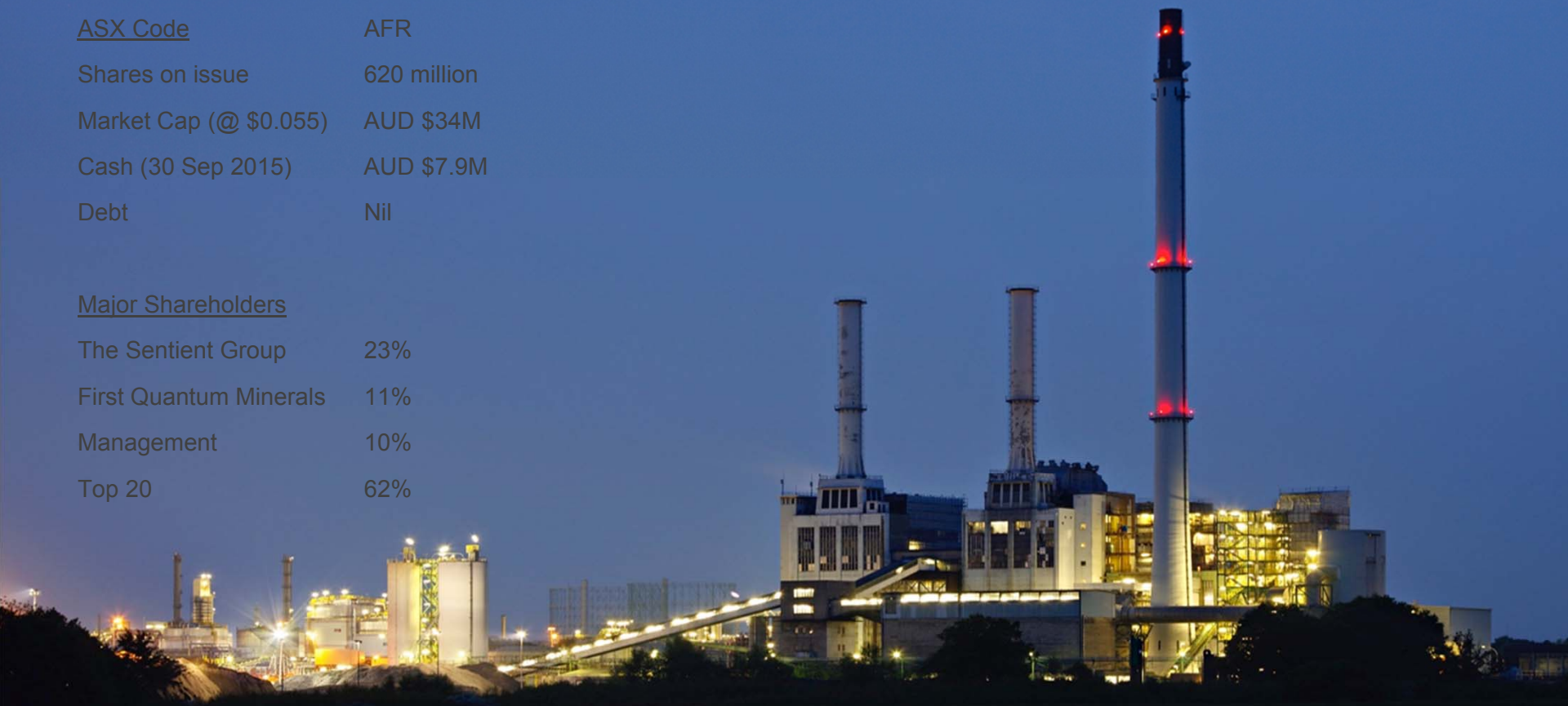
11%

Management

10%

Top 20

62%



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Appendix 1: Global AFR Coal Resource Table



Global Coal Resources for AFR Limited Coal Projects in Botswana

Sese Coal & Power Project: Resource Summary (Raw coal on an air-dried basis), FQM 51%, AFR 49%								
Resource Zone	In-Situ Tonnes*	CV (MJ/kg)	CV (kcal/kg)	Ash %	IM%	VM%	FC%	S %
MEASURED (Block-C)	333 Mt	17.6	4,200	30.2	7.9	20.6	41.4	2.1
MEASURED (Block-B)	318 Mt	16.0	3,820	34.8	7.4	20.4	37.4	1.7
INDICATED	1,714 Mt	15.3	3,650	38.9	6.6	18.7	35.8	2.0
INFERRED	152 Mt	15.0	3,600	39.1	6.4	19.5	34.9	2.2
TOTAL	2,517 Mt							

Sese West Project: Resource Summary (Raw coal on an air-dried basis) FQM 51%, AFR 49%								
Resource Zone	In-Situ Tonnes*	CV (MJ/kg)	CV (kcal/kg)	Ash %	IM%	VM%	FC%	S %
INFERRED	2,501Mt	14.6	3,500	40.2	6.1	19.8	31.9	2.0
TOTAL	2,501Mt							

Mmamabula West Project: Resource Summary (Raw coal on an air-dried basis) AFR 100%								
Resource Zone	In-Situ Tonnes*	CV (MJ/kg)	CV (kcal/kg)	Ash %	IM%	VM%	FC%	S %
MEASURED	N/A							
INDICATED	892 Mt	20.2	4,825	25.5	6.0	26.0	41.0	1.5
INFERRED	1,541 Mt	20.0	4,775	25.5	5.7	25.9	41.2	1.7
TOTAL	2,433 Mt							

Mmamantswe Project: Resource Summary (Raw coal on an air-dried basis) AFR 100%								
Resource Zone	In-Situ Tonnes*	CV (MJ/kg)	CV (kcal/kg)	Ash %	IM%	VM%	FC%	S %
MEASURED	978 Mt	9.5	2,270	56.5	3.9	15.8	21.8	2.0
INDICATED	265 Mt	7.9	1,890	62.3	3.3	14.2	18.1	2.1
INFERRED	N/A							
TOTAL	1,243 Mt							

* In-Situ tonnes have been derived by removing volumes for modelled intrusions, burnt coal and weathered coal and then applying geological loss factors to the remaining Gross In-Situ Tonnes