Sierra Rutile Limited

2015 PRELIMINARY RESULTS PRESENTATION

31 MARCH, 2016

DISCLAIMER

Forward-Looking Information

This document may contain forward-looking statements. These forward-looking statements are made as of the date of this document and Sierra Rutile Limited (the "Company") does not intend, and does not assume any obligation, to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect the Company management's expectations or beliefs regarding future events and future performance and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "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" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual reports. These risks, uncertainties, assumptions and other factors could adversely affect the outcome and financial effects of the plans and events described herein.

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The mineral resource information in this document has been reviewed and approved for release by Mr Mark Button, NHDip, MMRM, Pr.Sci.Nat. who has 25 years' experience in mineral commodities, of which 15 years is specific to mineral resource estimation, and is currently an independent contractor providing consulting services to Sierra Rutile Limited. Mr Button has sufficient experience in relation to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Button has consented to inclusion of this mineral resource information in the form and context in which it appears. A 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

Note: All figures unless noted are in U.S. dollars.

THE SIERRA RUTILE TEAM

Experienced, committed and innovative

Robert Edwards
Chairman

- *Over 20 years experience in mining operations and the equity capital markets, with a particular focus on the natural resources sector*
- *Currently a Non-Executive Director of MMC Norilsk Nickel, GB Minerals and Highcross Resources*

John Bonoh Sisay
Chief Executive Officer

- *Sierra Leone national with over 20 years experience in African mining sector, having worked in 10 African countries*
- *Formerly with De Beers and America Mineral Fields (now First Quantum)*
- *Has served as the President of the Chamber of Mines, Sierra Leone*
- *10 years at Sierra Rutile*

Matthew Hird
Chief Financial Officer

- *Over 20 years experience in the mining sector and financial management including Kazakhmys plc, where he served as CFO*
- *Qualified chartered accountant with Deloitte*

Wayne Venter
Chief Operating Officer

- *25 years of experience in mining operations internationally*
- *Formerly with Norilsk Nickel, where he served as CEO of the Australian Operations*
- *Previously held senior management positions at Anglo Platinum operations in Africa*

Derek Folmer
Chief Marketing Officer

- *Over 20 years experience in the mining sector, including Rio Tinto*
- *Mineral sands background including global sales management, formulating marketing strategy, and business development*
- *Mining Engineering and MBA degrees from McGill University*

Neil Gawthorpe
Marketing Director

- *Over 20 years experience in industrial minerals marketing with senior commercial roles at Frank and Schulte and Minelco Groups*
- *Part of the senior management team at Sierra Rutile since 2008*
- *Qualified Mineral Engineer from the University of Leeds*

FY 2015 HIGHLIGHTS

Record production[1], guidance achieved and strong financial results in 2015

Operational Performance

- Annual rutile production 126Kt – 10% increase YoY
- Strong cost controls – 5% reduction in Production Cash Cost[2] YoY
- Gangama Dry Mine project on-track and on-budget

Financial Highlights

- EBITDA $16m – 9% increase YoY
- Free Cash Flow $17m – 158% increase YoY

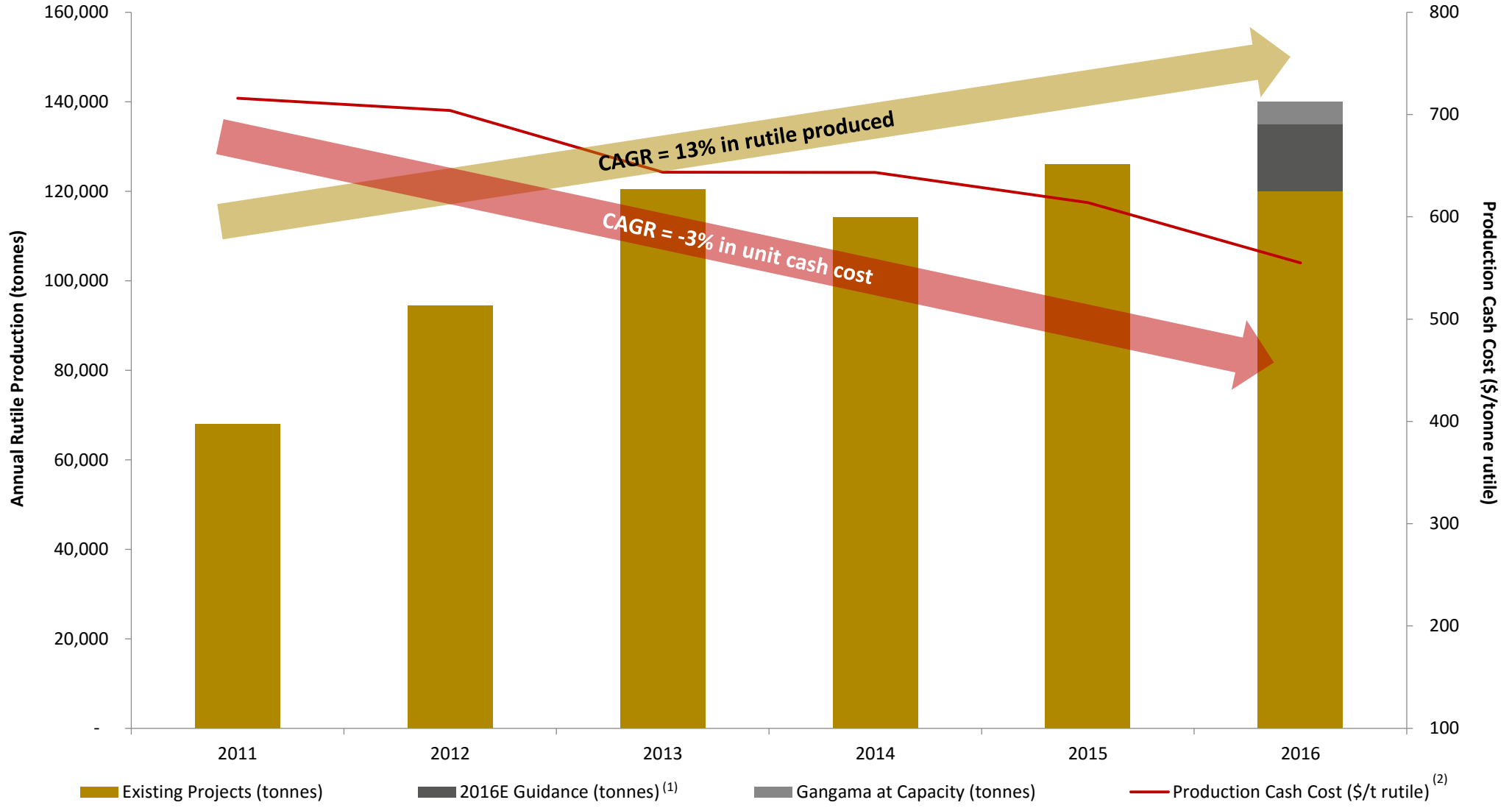
Strategic Roadmap Forward

- Market-led business model
- Flexible, long-life, multi-mine operation
- Disciplined growth
- Shareholder value creation

1 Highest ever annual production since Sierra Rutile operations restarted in 2006.
2 Production Cash Cost calculated as total direct costs of sales less depreciation, amortisation, inventory write-offs, freight costs and change in value of finished goods inventory divided by tonnes of rutile produced. Historic production cash costs have been restated from prior years, principally to reflect their calculation gross of by-product credits, consistent with the peer group (see slide 38).

PRODUCTION PROFILE AND CASH COSTS

Production from Gangama Dry Mine raises production capacity in H2 2016



1 See slide 28 for 2016 guidance.
2 Production Cash Cost calculated as total direct costs of sales less depreciation, amortisation, inventory write-offs, freight costs and change in value of finished goods inventory divided by tonnes of rutile produced. Historic production cash costs have been restated from prior years, principally to reflect their calculation gross of by-product credits, consistent with the peer group (see slide 38). Assuming the implementation of further cost saving initiatives, production cash cost is expected to be between $540/t and $590/t.

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THE SIERRA RUTILE STORY

Company Highlights

High grade
94% Titanium feedstock

PLANT CAPACITY INFRASTRUCTURE TO PRODUCE
200Kt

5 YR PRODUCTION CAGR
13%

2ND BIGGEST RUTILE RESOURCE WORLDWIDE
8.2Mt
In-situ Contained Rutile

NUMBER OF STAFF 95% FROM SIERRA LEONE
1,481

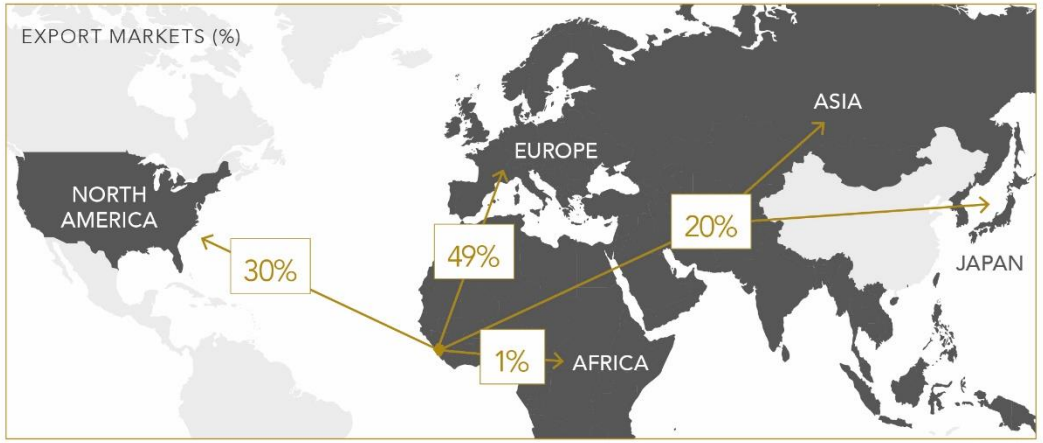
5 YR PRODUCTION CASH COST(2) CAGR
-3%

RESOURCE MINE LIFE
50+ yrs

ESTABLISHED HISTORY OF OPERATIONS
49 yrs

CONTRIBUTION TO SIERRA LEONE's GDP(4)
2.4%

Geographic Segmentation(3)

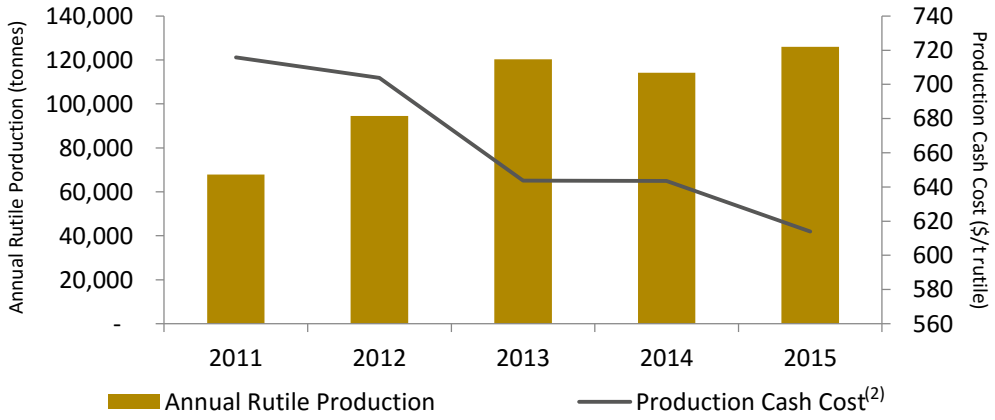


NORTH AMERICAN AND EUROPEAN EXPORTS
79%

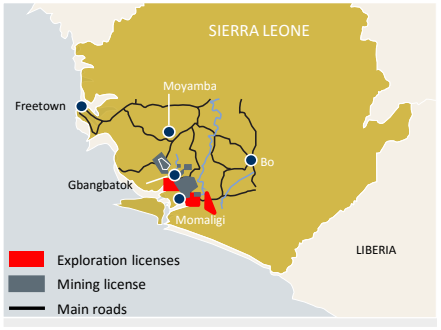
AVERAGE CUSTOMER PURCHASE TENURE (1) OF
8yrs

OUR LONGEST STANDING CLIENT(1) HAS BEEN A CUSTOMER FOR OVER
10yrs

Historical Production



Location Of Operations



Key Customers

Chemours · otc · CRISTAL Global · KRONOS · HUNTSMAN · ISK · TRONOX INCORPORATED · TOHO TITANIUM CO.,LTD.

1 Since operations restarted in 2006.
2 Production Cash Cost calculated as total direct costs of sales less depreciation, amortisation, inventory write-offs, freight costs and change in value of finished goods inventory divided by tonnes of rutile produced. Historic production cash costs have been restated from prior years, principally to reflect their calculation gross of by-product credits, consistent with the peer group (see slide 38).
3 Segmentation of 2015 revenue by region shipped.
4 Calculation based on 2014 World Bank Statistics (http://data.worldbank.org/country/sierra-leone).

2015 PRELIMINARY RESULTS

OPERATIONS AND GANGAMA PROJECT

WAYNE VENTER

OPERATIONAL PERFORMANCE

Achieved upper end of production targets in 2015

2015 Highlights

- Record production and guidance achieved
- Solid performance from all mining units
  - Dredge produced 155kt HMC
  - Lanti Dry Mining production increased 28% YoY to 139kt HMC
- Planned dip in average grade mined

Actual	2015	2014	% change / bps
Ore mined (Kt)	7,984	7,584	5.3
Average grade (%)	1.60	1.69	(0.09)
HMC processed (Kt)	524	344	52.3

2016 Trends

- Commissioning of Gangama Dry Mine
  - On-track and on-budget for Q2 2016
  - Overall grade profile to improve with Gangama
- Improvements in utilisation and recovery rates expected
  - Completion of debottlenecking initiatives

Production	2015 Guidance	2015 Actual	2016 Guidance
Rutile (Kt)	120 – 130	126	120 – 135

HEALTH & SAFETY

Continued strong commitment to improved health & safety performance across the organization and community

2015 Highlights

- LTIFR[(1)] YoY reduction of 26%
- Re-launched HSE program across the organisation
- Completed safety re-induction of all employees and contractors
- Stringent health monitoring and support for health initiatives within our local communities
- One fatality in 2015

YoY reduction in LTIFR of

26%

2015A LTIFR of

0.14

In line with

INDUSTRY BENCHMARKS

3-YR reduction in LTIFR of

33%

2016 Initiatives

- Continuous improvement
- Safety officers business partnering
- CSR initiative – new local community program in addition to previous initiatives

1 The LTIFR is the number of lost-time injuries per 200,000 man-hours worked. This includes the Group's employees and contractors working in the Group's operations and projects.

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COMMUNITY

Significant contribution made in 2015 to the local community

2015 Highlights

- Significant contribution
- Constructed a primary school for the local community
- Significant ongoing support towards Sierra Leone's efforts pre and post Ebola
- Local technical college, sponsored by Sierra Rutile, provides education to over 300 students
- Sierra Rutile's medical facility treated over 1,700 people
  - Significant donations of equipment to local research and education centres

2016 Trends

- Community focus continues into 2016
- African Lion agriculture partnership between Sierra Rutile and Carmanor to accelerate the development of palm oil, rubber and cacao plantations

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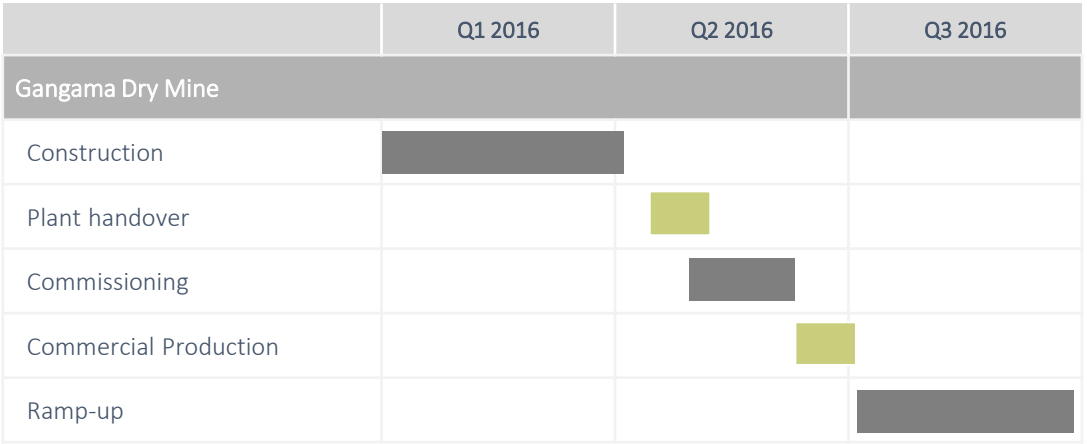
GANGAMA CONSTRUCTION UPDATE

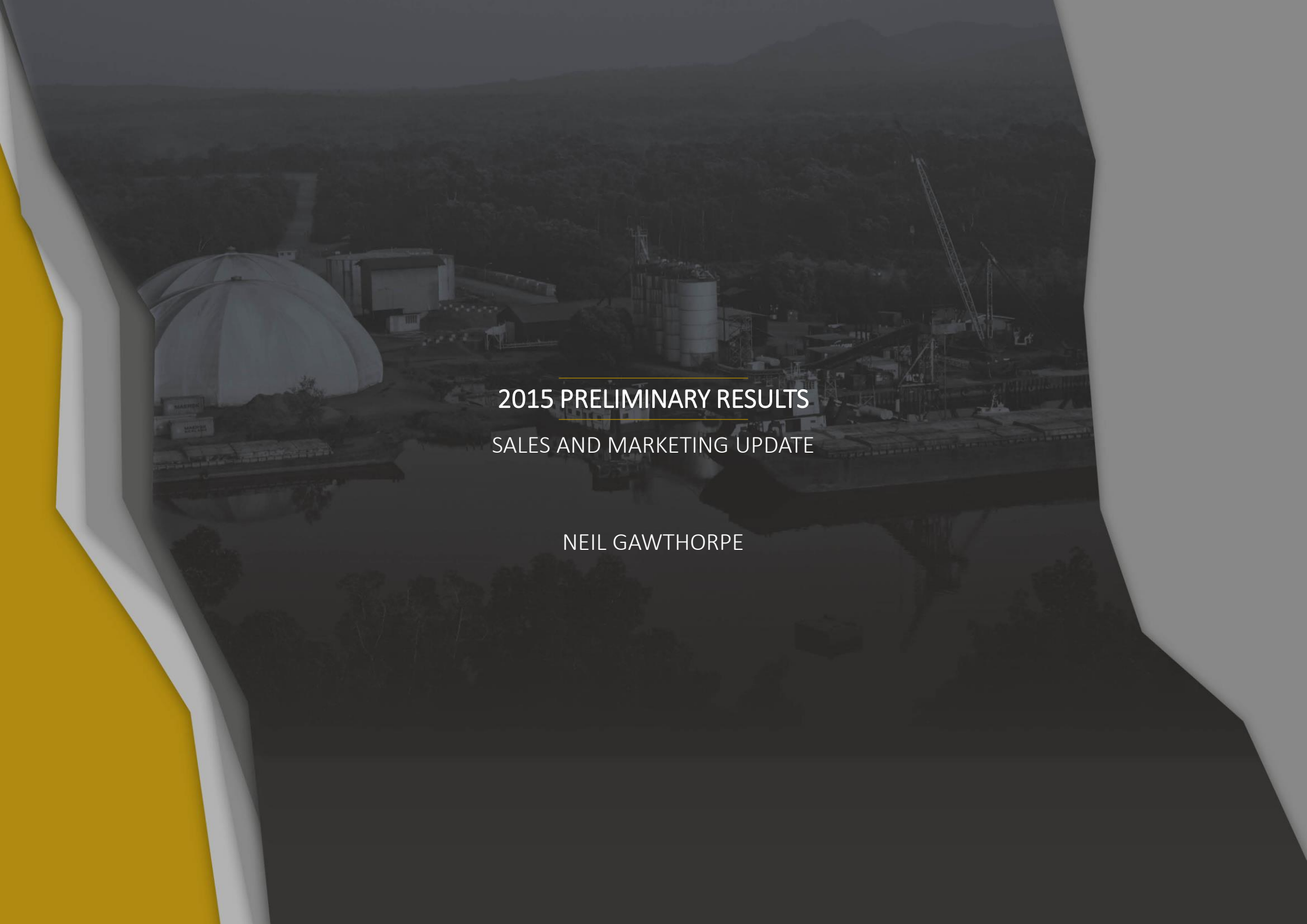
Gangama project progressing on time and on-budget

- Gangama Dry Mine construction remains on-schedule and on-budget:
  - As of March 28, 2016, $26m of project expenditure incurred with 88% of construction complete




- Significant project milestones achieved to date, include:
  - ✓ completion of contractor camp construction
  - ✓ terrace bulk earthworks complete
  - ✓ completion of concentrator plant fabrication
  - ✓ motor control center construction complete
  - ✓ scrubber construction complete
  - ✓ construction on dam wall commenced





2015 PRELIMINARY RESULTS

SALES AND MARKETING UPDATE

NEIL GAWTHORPE

SALES PERFORMANCE

Deep customer relationships with value placed on premium product

2015

- Record production volumes sold to long-standing customers
- Average realised price YoY decrease of 3%
- Focus put on maximising profitability, rather than maximising volumes

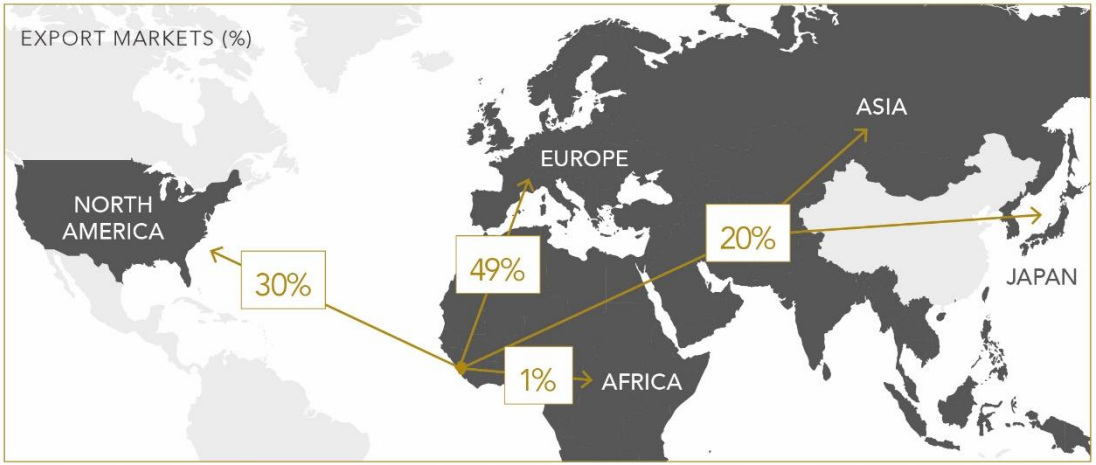
2016 Outlook

- In excess of 90% of 2016 maximum targeted volumes committed
- Supply chain destocking in both pigment and titanium metal
- On track to becoming the largest rutile producer in 2016
- Collaborative long-term rutile demand planning with customers

MARKET UPDATE

Deep customer relationships with value placed on premium product

Geographic Sales Breakdown[1]



Demand Outlook for Sierra Rutile's Product

- Sierra Rutile provides a premium product which it believes enables the company to withstand the challenging market conditions
- Sierra Rutile supplies product to all consuming sectors, being pigment, metal and welding

Key Customers

Chemours™ · otc · CRISTAL Global · KRONOS · HUNTSMAN · ISK · TRONOX INCORPORATED · TOHO TITANIUM CO.,LTD.

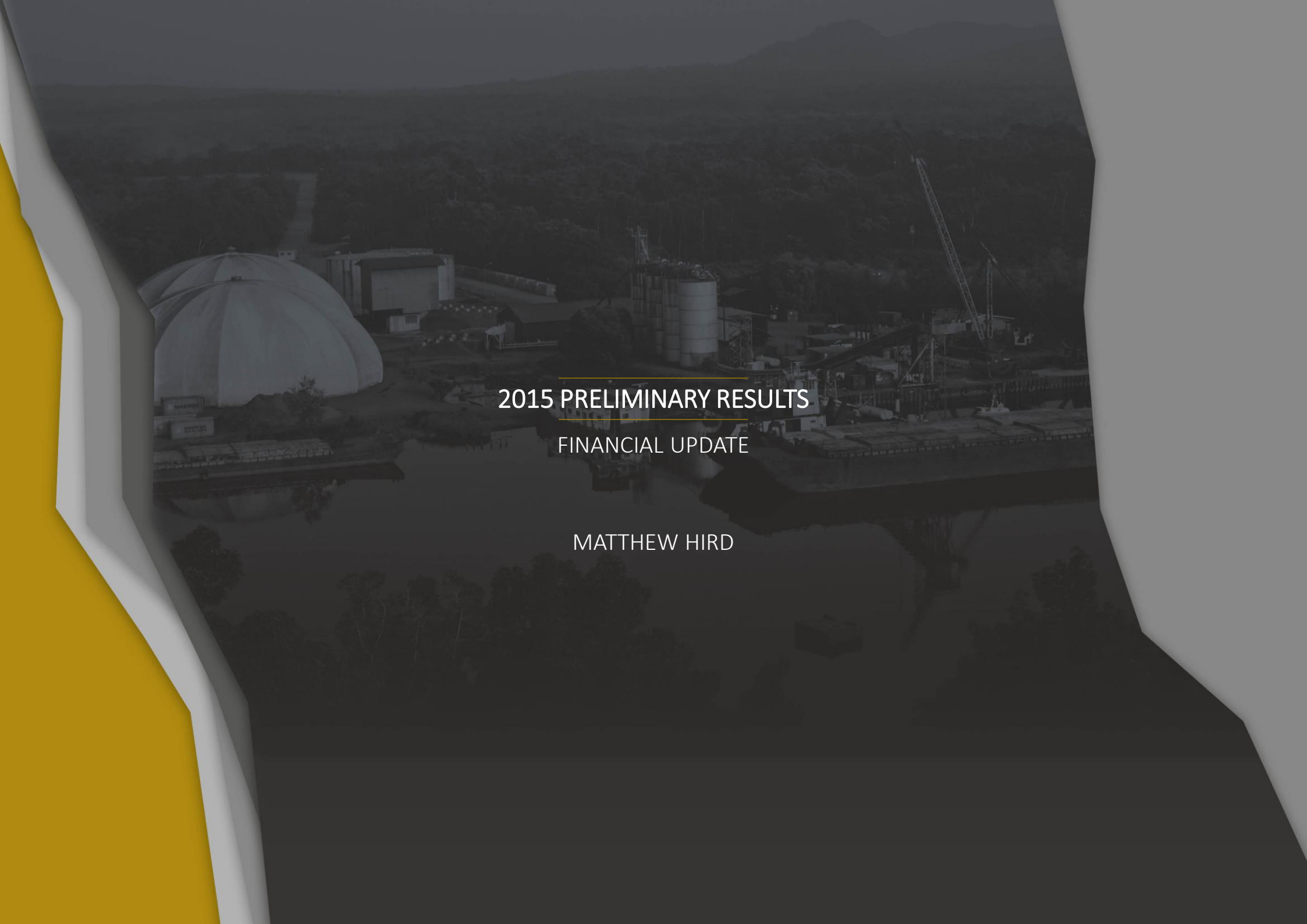
ONE OF TWO COMPANIES WITH THE CAPACITY TO SUPPLY
100,000t
OF RUTILE PER ANNUM

TZMI LONG-TERM RUTILE PRICE ABOVE
$1,000/t

NORTH AMERICAN AND EUROPEAN EXPORTS
79%
OF SIERRA RUTILE SALES

0% OF SALES TO CHINA (lowest margin market)

1 Segmentation of 2015 revenue by region shipped.



2015 PRELIMINARY RESULTS

FINANCIAL UPDATE

MATTHEW HIRD

FINANCIAL HIGHLIGHTS

Resilient financial performance

- EBITDA margin increased to 15.2%
- Strong FCF generation demonstrates cash conversion ability
- Lower sales volumes to protect margins
- Successful cost control across business
- Active management of working capital
- Free cash flow and debt draw down to fund Gangama Dry Mine project

KPI's		2015	2014	% change / bps
Revenue	$m	105.8	117.8	(10.2)
EBITDA[(1)]	**$m**	**16.1**	**14.8**	**8.8**
EBITDA Margin	**%**	**15.2**	**12.6**	**2.6**
Production Cash Cost[(2)]	$/t	614	643	(4.5)
Free Cash Flow[(3)]	**$m**	**17.3**	**6.7**	**158.2**
Net Debt[(4)]	$m	46.4	36.4	27.5

1 EBITDA is defined as earnings/(loss) before finance income/(costs), tax, depreciation, amortisation, share based payments, impairment charges and inventory write-offs.
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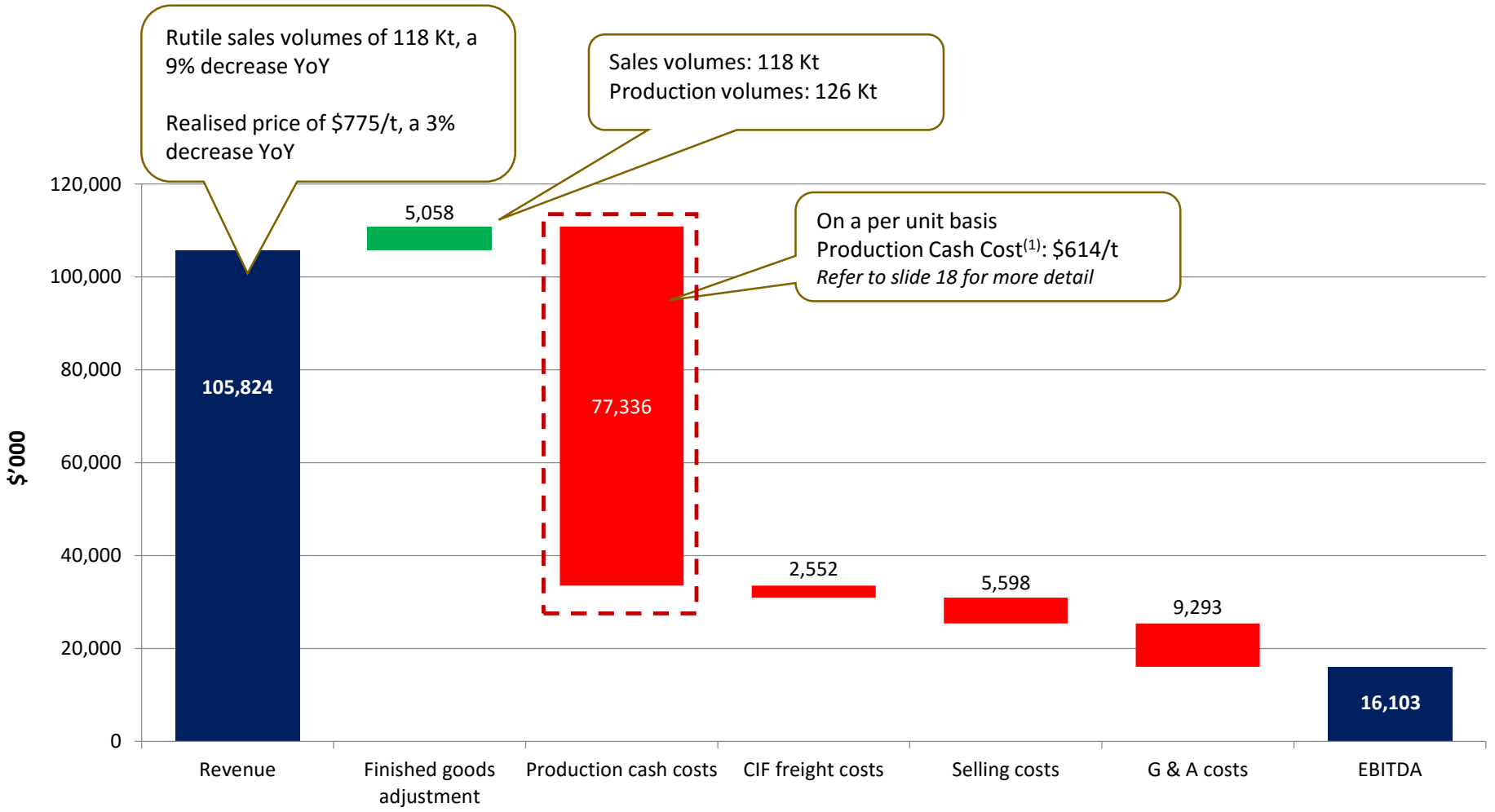
3 Free Cash Flow is defined as EBITDA less stay-in-business capital expenditure, tax payments and working capital movements.
4 Net Debt is defined as total borrowings less cash and cash equivalents.

REVENUE TO EBITDA

Generated EBITDA of $16.1 million despite lower prices and sales volumes



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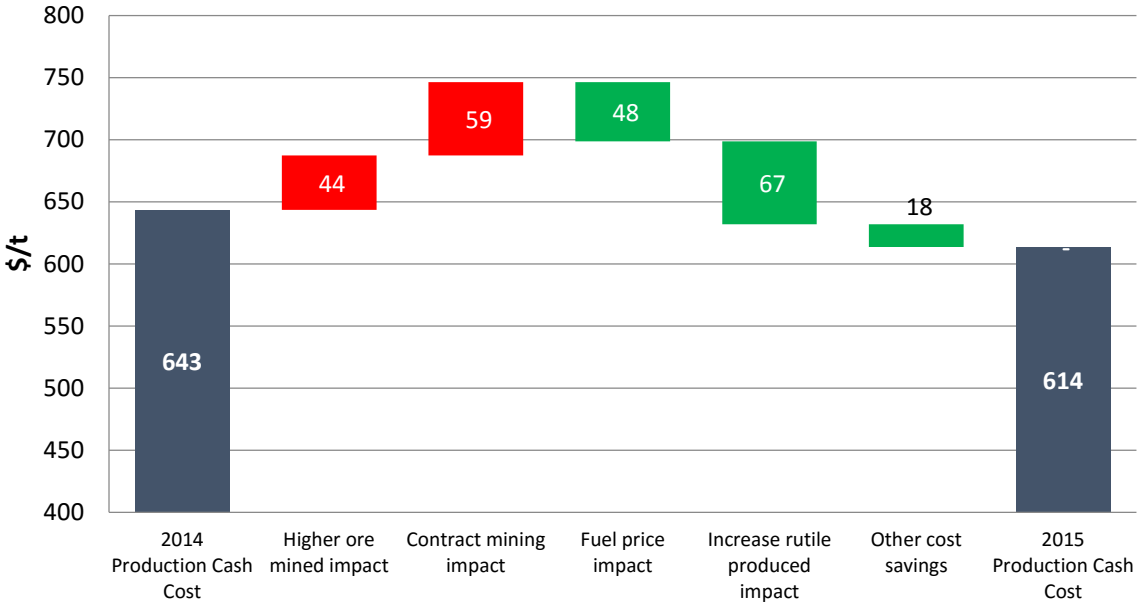
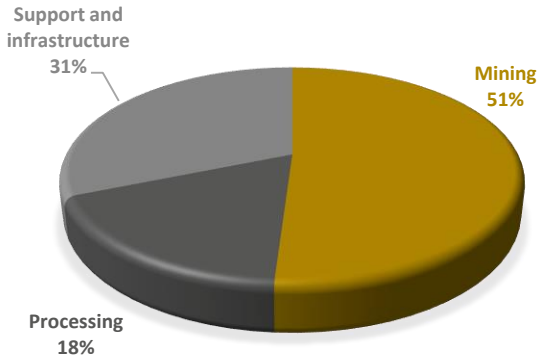
PRODUCTION CASH COSTS

Reduction in costs remains key focus

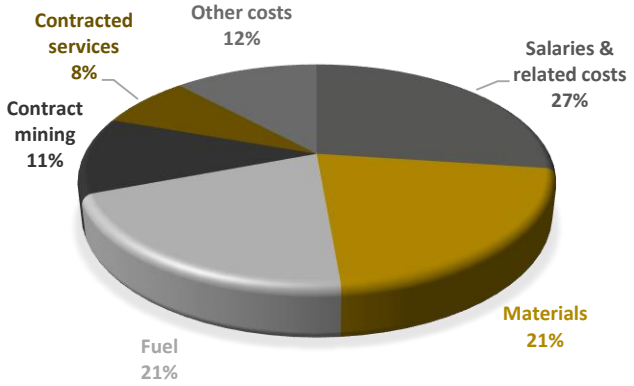


Production Cash Costs 2015[(1)]



50% Fixed

50% Variable



- Additional ore volumes at Lanti dry mine
- Contract mining of historic tailings
- Decrease in fuel prices
- Increased production dilute fixed costs
- Implementation of cost saving initiatives
- Improved supplier pricing

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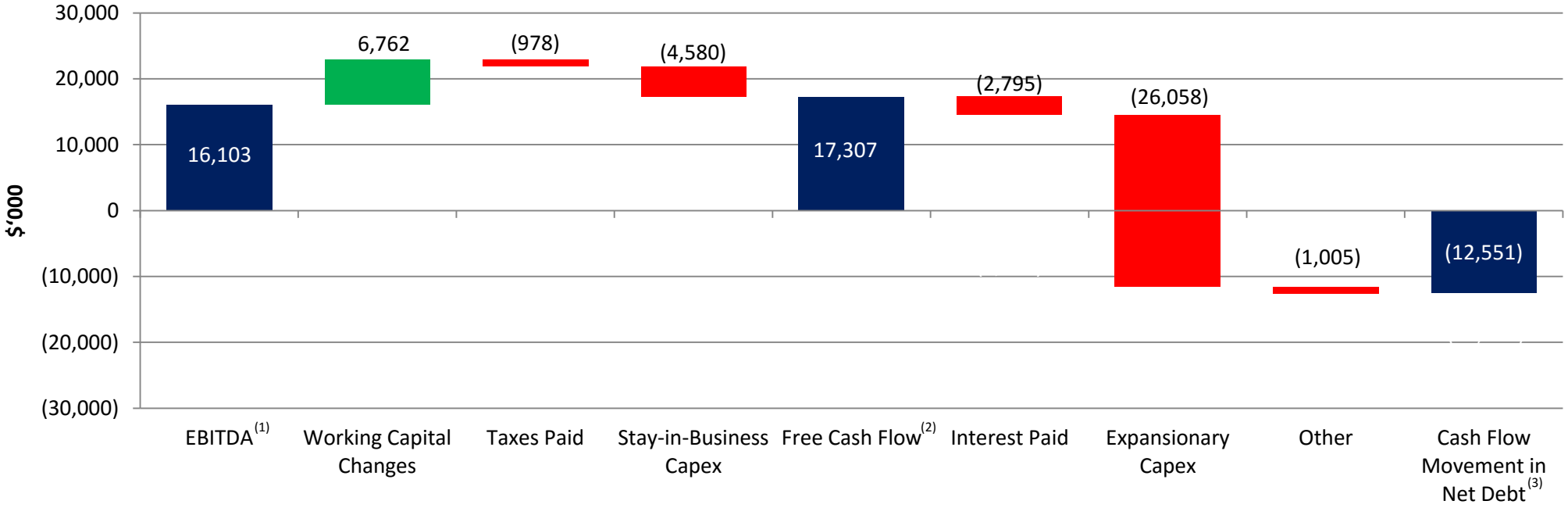
EBITDA TO FREE CASH FLOW TO MOVEMENT IN NET DEBT

Cash flow conversion increased through robust working capital management



- Tight control over working capital
  - Improved payment terms with suppliers and customers
  - Investment into critical spares
- Stay-in-business capex
  - De-bottlenecking and planned maintenance

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2 Free Cash Flow is defined as EBITDA less stay-in-business capital expenditure, tax payments and working capital movements.
3 Net Debt is defined as total borrowings less cash and cash equivalents. Additional detail is provided on page 39.

2016 FINANCIAL OUTLOOK

Low-cost base and improved financing arrangements create a platform for growth

Costs:

- Production cash costs[(1)]: $540/t to $590/t
  - Benefit of Gangama Dry Mine
  - Cost saving initiatives

Capex:

- Stay-in-business: $5m to $7m
- Expansionary: $20m to $22m
  - Gangama dry mine: ~ $19m to $21m
  - Feasibility studies: ~ $1m

Financing:

- Gangama Senior Loan Facility
  - First quarterly repayment in November 2016
- GoSL Loan
  - Additional six month deferral to December 2016 granted
- Standby Facility
  - Access to $15m of liquidity
  - Use widened for general corporate purposes
  - Extension to May 2017
- Working Capital Facility
  - Extension to May 2017

1 Production Cash Cost calculated as total direct costs of sales less depreciation, amortisation, inventory write-offs, freight costs and change in value of finished goods inventory divided by tonnes of rutile produced. Historic production cash costs have been restated from prior years, principally to reflect their calculation gross of by-product credits, consistent with the peer group (see slide 38). Assuming the implementation of further cost saving initiatives, production cash cost is expected to be between $540/t and $590/t.

2015 PRELIMINARY RESULTS

GROWTH PLANS

JOHN SISAY / WAYNE VENTER

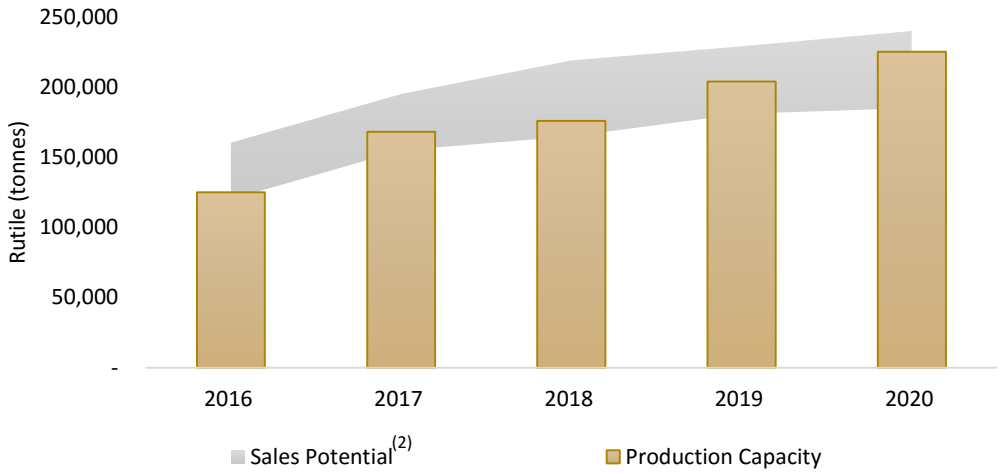
MARKET-LED FLEXIBILITY

Long-term mine plan with flexibility to adapt to customer demand

Positioning the Business Into 2016

- Sierra Rutile expects to become world's largest primary producer of natural rutile in 2016
- Market-led production model
- Flexible, long-term mine plan adaptable to customer demand

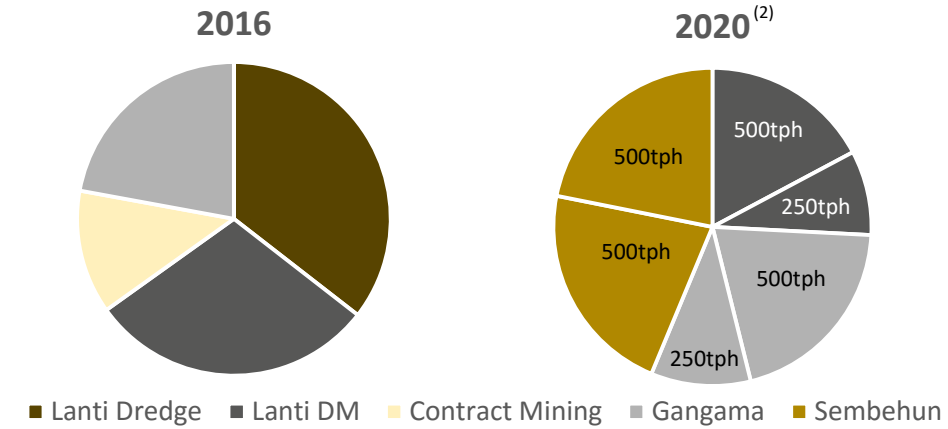
Market-Led Production Forecast[1]



Strategic Pillars

Market led	***Flexible***	***Disciplined***	***Value Creative***	***Innovative***
Long-term customer **partnerships**. **Alignment** of production to customer demand.	Developed flexible **Brownfield** expansion plans. Gangama Dry Mine 2 replaced with lower cost, lower risk projects.	Cost control. Supply discipline. Sembehun two-phase PFS released.	Lower upfront capex and and staged expansion plans. Community focused.	Evaluating process innovation. Concept study being developed to increase plant mobility and flexibility.

Rutile Production (tonnes)



1 Management estimates.
2 Expected demand range for Sierra Rutile product.

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OPTIMISED LONG-TERM MINE PLAN

Refinement of expansion projects delivering enhanced returns and greater flexibility

Gangama Dry Mine

> Previously planned second 500tph unit replaced with a 250tph bolt-on brownfield plant expansion
  – Would generate production capacity of up to 750tph

Lanti Dry Mine

> New 250tph bolt-on brownfield plant expansion being evaluated
  – Would generate production capacity of up to 750tph

Sembehun Dry Mine

> Third party PFS by DRA Projects (Pty) completed

> Revised from single 1,000tph plant to two 500tph plants for improved flexibility

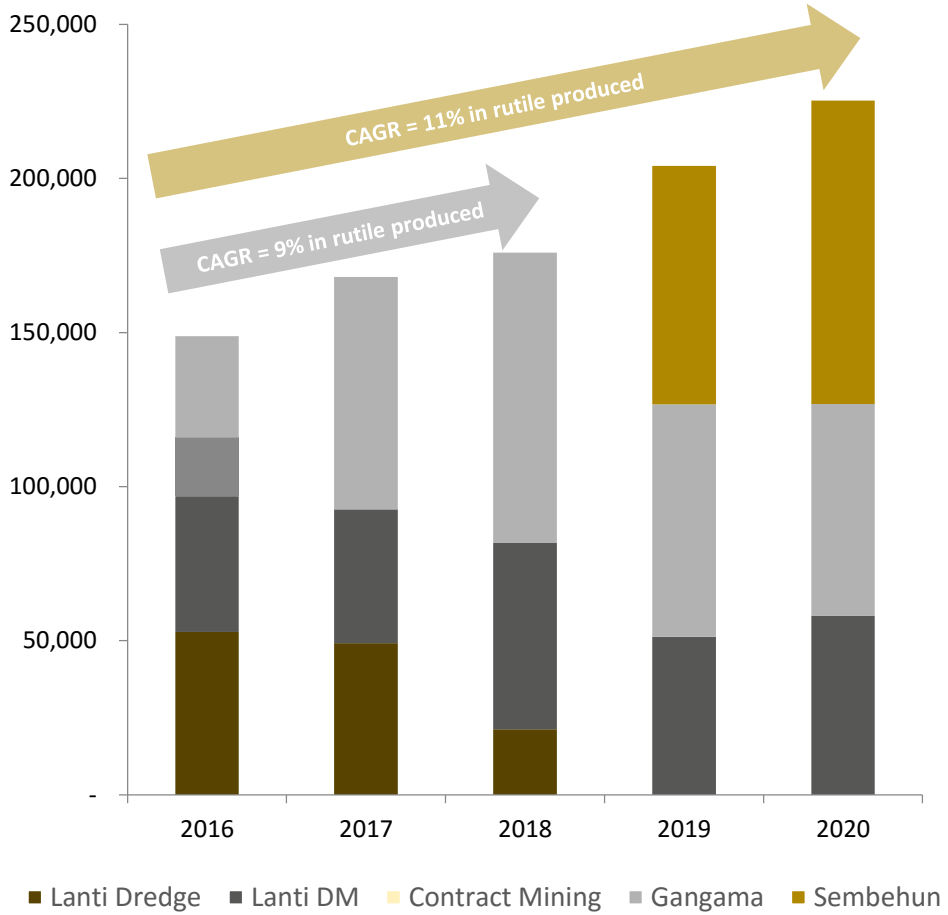
> Investigating further plant flexibility options including 250tph units

Lanti Dredge

> Planned decommissioning in 2018

> Follows transition to dry mining

Production Forecast(1)



1 Management estimate.

GANGAMA DRY MINE AND LANTI DRY MINE

Bolt-on expansions provide throughput flexibility and allow for staged capital

Revised Near-Term Dry Mining Expansion Plans

- Internal feasibility studies completed
- Two 250tph bolt-on units (one at Lanti and one at Gangama) to supplement the newly built 500tph Gangama plant
  - Replaces the second 500tph Gangama plant (as initially planned)
  - Low risk projects utilizing existing infrastructure
- Capital cost for each 250tph bolt-on unit of $12m
- Key merits of the revised near-term expansion plan:
  - Staged Phase 2 capital spend
  - Greater flexibility through multi-mine expansions
  - Reduced capital intensity
    - 14% reduction in total capex
    - 32% reduction in Phase 2 incremental capex

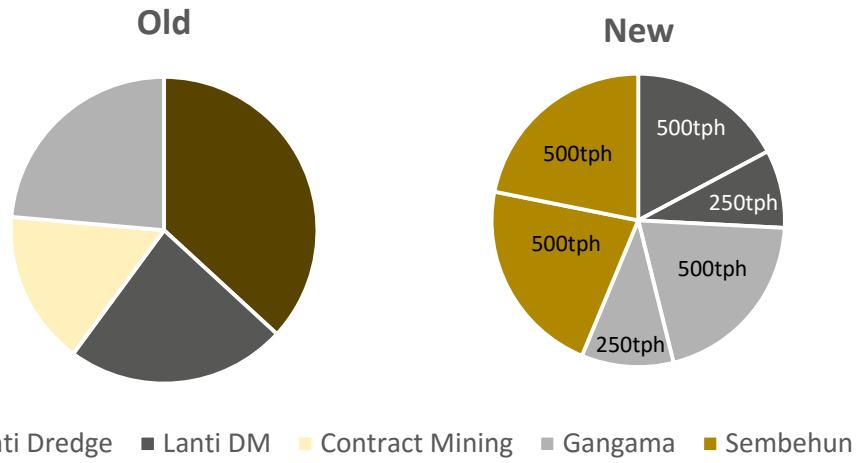
Next Steps

- Process optimisation
- Value engineering
- Market evaluation
- Board decision

Gangama + Lanti Bolt-On Expansions vs. Original Gangama

	New[1]	Old[2]	% change
Throughput	1,000tph *(500tph + 2x250tph)*	1,000tph (2 x 500tph)	0%
Total Development Capex	$66m[3]	$77m	(14%)
Phase 2 Development Capex	$23m	$34m[4]	(32%)

Dry Mining Throughput Flexibility



1 The New data relates to the 1,000tph project comprising the existing 500tph Gangama operations, the 250tph bolt-on Gangama unit and the 250tph bolt-on Lanti unit.
2 The Old data relates to the 1,000tph Gangama project as released to the market in April 2015.
3 $66m includes a $43m total spend for Gangama 1 including contingency, and $12m for each Gangama and Lanti bolt-on expansion plants. As of March 28, 2016, $26m of project expenditure for Gangama 1 has been incurred.
4 Excludes $43m total spend for Gangama 1 including contingency.

SEMBEHUN DRY MINE

Significant improvement of the Sembehun project

- Finalised third party PFS by DRA projects (Pty)
- Improved flexibility, enabling operation at 500tph or 1,000tph depending on market dynamics
- Lower capital intensity
  - Initial capex for first 500tph unit: $72m
  - Initial capex for total 1,000tph operation: $99m, a 22% decrease vs. the scoping study estimate(1)
- Improved economics
  - After-tax NPV (10%) of $224m, a 47% increase vs. the scoping study estimate(1)
  - After-tax IRR of 66% vs. the scoping study estimate(1) of 33%

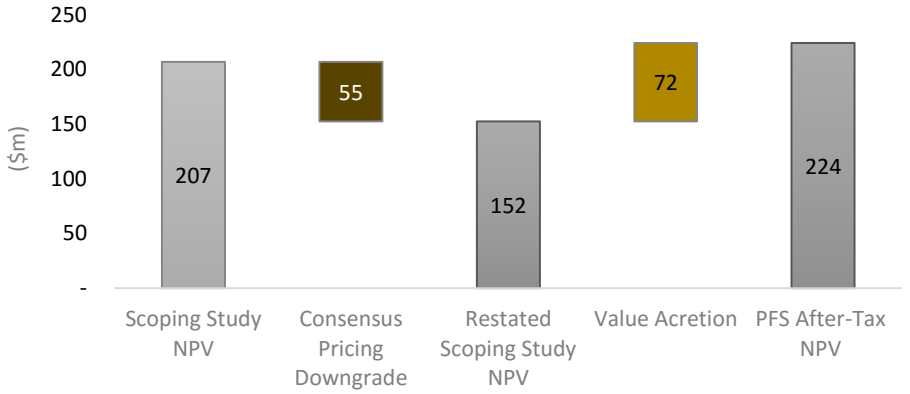
Next Steps

- Process optimisation
- Value engineering
- Definitive feasibility study
- Market evaluation
- Board decision

Sembehun Dry Mine – PFS vs. Scoping Study(1)

	PFS	Scoping Study(1)	% change
Throughput	1,000tph (2 x 500tph)	1,000tph	0%
Development Capex	$99m	$126m	(22%)
Mine Life	21	19	11%
Average Annual Rutile Production	71Ktpa	74Ktpa	(4%)

Significant Value Accretion Achieved



1 Scoping Study released to the market in June 2015. Scoping study economics restated using current consensus pricing based on broker estimates as at March 2016 compared to consensus pricing in June 2015.

2015 PRELIMINARY RESULTS

GUIDANCE AND OUTLOOK

JOHN SISAY

A STRONG TRACK RECORD OF DELIVERY

Sierra Rutile has continued to deliver and develop the business despite broader market challenges

Deliverable	Status	When
Lanti dry mine constructed on time and on budget	✓	Q3 2012
Mineral Separation Plant capacity increased to 200ktpa	✓	2014
Gangama Dry Mine financed and construction started	✓	Q2 2015
Record annual production and cash costs achieved	✓	Q4 2015
Appointment of Robert Edwards as Independent Chairman	✓	Q1 2016
Gangama Dry Mine first production	[✓]	Q2 2016
Gangama Dry Mine and Lanti 250tph bolt-on expansions(1)	→	2017
Sembehun Dry Mine first expansion(1)	→	2018

1 Anticipated timing based on management best estimates. Pending market conditions.

GUIDANCE AND OUTLOOK

Gangama Dry Mine production start in Q2 2016 to provide for an inflection point for Sierra Rutile

2016 Guidance

- Market-led business model
  - Focusing on maximising profitability of sales
  - Align production to customer demand
- Greater than 90% targeted sales volumes contracted (100% for volume, >90% for price)
- Production guidance
  - 120Kt to 135Kt rutile
  - H2 weighted with commissioning of Gangama
- Cost guidance
  - Production Cash Costs[(1)]: $540/t rutile to $590/t rutile

Outlook

- Optimisation of brownfield expansion projects
  - 250 tph bolt-on expansion at Gangama Dry Mine and Lanti Dry Mine
- Definitive feasibility study for Sembehun Dry Mine
- Evaluating mobile plants for future expansion
  - Reduce capital expenditure
  - Increase operational flexibility
  - Reduce operating expenditures (eg. trucking distances)
- Supply chain de-stocking gives confidence for rutile pricing by Q4 2016

1 Production Cash Cost calculated as total direct costs of sales less depreciation, amortisation, inventory write-offs, freight costs and change in value of finished goods inventory divided by tonnes of rutile produced. Historic production cash costs have been restated from prior years, principally to reflect their calculation gross of by-product credits, consistent with the peer group (see slide 38). Assuming the implementation of further cost saving initiatives, production cash cost is expected to be between $540/t and $590/t.

ADDITIONAL INFORMATION

INVESTOR HIGHLIGHTS

- > Tier I natural rutile deposit supporting established mining operations
- > Low cost producer generating healthy cash flows
- > Transitioning to a highly flexible and capital-efficient operation through dry mining expansions
- > Unlocking value through the construction of Gangama Dry Mine and advancing a portfolio of growth projects at Lanti, Gangama and Sembehun Dry Mines
- > Company believes that it is well positioned to responsibly fund growth with potential to be a future dividend payer
- > Unique market dynamics with forecasted scarcity of supply for natural rutile

SEMBEHUN DRY MINE PRE-FEASIBILITY STUDY

Sembehun Dry Mine will have throughput flexibility and staged capital

Pre Feasibility Study (PFS) Results

- PFS conducted by DRA Projects (Pty)
- 1,000tph open pit, dry mining operation to be developed as 2 x 500tph concentrator plants:
  - Improved production flexibility enabling operation at various throughput options
  - Operation contributes on average 71,000t of rutile over 21 years
  - Ramp-up can be accelerated by constructing the two units concurrently, gaining further capital efficiencies
- Substantially de-risked construction and commissioning:
  - Similar design and configuration to existing dry mining plants
  - Experience building and operating Gangama Dry Mine and Lanti Dry Mine
- Construction expected to commence in Q1 2018, with first production in Q1 2019
- Next steps include completing a Definitive Feasibility Study, market evaluation and board approval

Key Project Highlights

Sembehun Dry Mine Summary		1,000tph	500tph
Avg. annual ore production rate (LOM)	mtpa	7.4	3.8
Avg. grade mined (LOM)	%	1.19%	1.19%
Avg. annual rutile production (LOM)	ktpa	71	36
Avg. mining cash cost (first five years)[1]	$/tonne rutile	285	269
Avg. mining cash cost (LOM)[1]	$/tonne rutile	343	358
Project life	years	21	41
Development capital	$m	99	72
Pre-production construction period[2]	months	12	12
Project economics[3]			
Post-tax NPV (10%)	$m	224	130
Post-tax IRR	%	66%	43%
Post-tax payback period	years	1.5	2.0
Sembehun Deposit Mineral Resources[4]			
Contained			
Rutile	kt	3,602	
Ilmenite	kt	1,006	
Grade			
Rutile	%	0.98%	
Ilmenite	%	0.27%	

1 Mining cash costs are calculated as all mining costs from extraction, primary processing and delivery costs of HMC to the MSP divided by tonnes of rutile produced
2 Construction period depends on start month.
3 Pre-feasibility study economics evaluated using current consensus pricing based on broker estimates as at March 2016. Excludes fixed costs and maintenance capital expenditure associated with the MSP and overheads. NPV assumes that Sembehun is constructed in 2018 with production coming on line in 2019. Taxes are calculated as 3.5% of revenues.
4 Resources as at 30 September 2015.

OPERATIONAL OVERVIEW

Wet Mining Unit

Lanti Dredge

Mining and Initial Processing

Bucket ladder Dredge designed to dig at a rate of 1,000 tonnes per hour

Wet plant to process the Dredge feed into a heavy mineral concentrate

Dry Mining Units

Lanti Dry Mine

Gangama Dry Mine

Contract Mining

Sembehun Dry Mine Project

Conventional earth moving equipment to supply ore to the dry mining concentrator

Concentrator plants to process the dry mined ore into a heavy mineral concentrate

Single Plant

Mineral Separation Plant separates the heavy mineral concentrate into our final products: rutile, ilmenite and zircon concentrate. Installed capacity to produce in excess of 200,000 tpa of rutile

Centralised Port

Port capable of loading over 500,000 tonnes of product per year

WHY RUTILE?

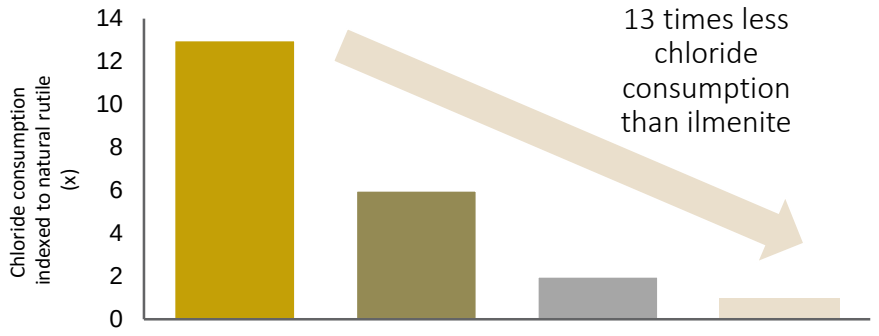
Unmatched Quality

- Highest grade feedstock at 94% TiO2
- Low contaminants and material consistency
- Promotes high value-in-use, essential to the manufacture of high-quality final pigment products

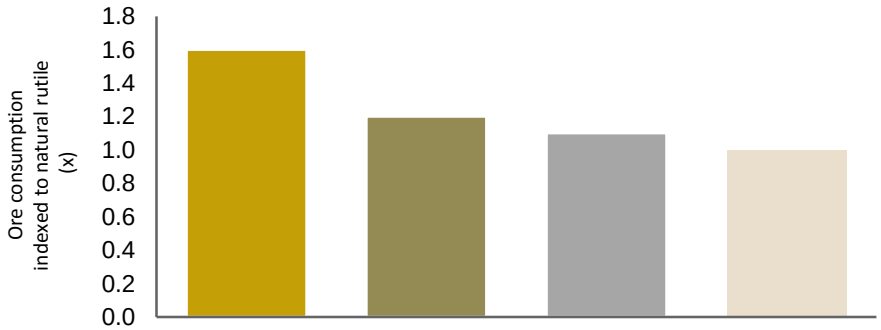
Preferred Feedstock

- Only feedstock that does not require upgrading in the Chloride process

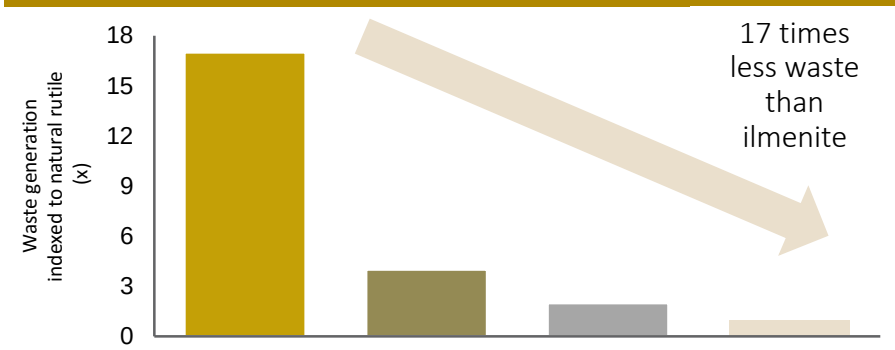
Chloride Consumption



Ore Consumption



Waste Generation



Ilmenite Slag Synthetic Rutile Natural Rutile

Sierra Rutile Limited

DEPOSIT AND PEER COMPARISON

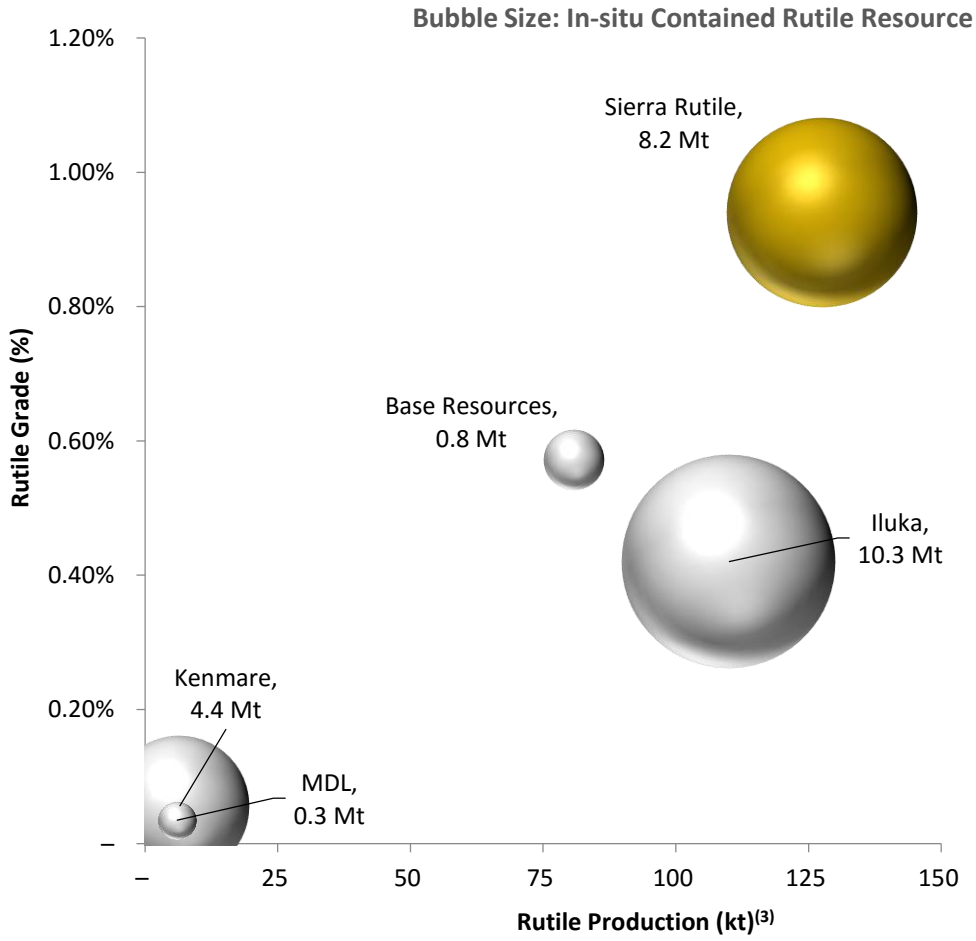
Large, High-Quality Deposit

- One of the world's largest natural rutile deposit
  - Mining leases over a land area of 560km
  - JORC-compliant resource of approximately 867 Mt of ore grading 0.94% rutile(1)
- Second largest producer of rutile in the world
- Resource has potential to support a mine life of over 50+ years at current production rates

	Ore (Mt)	Grade (%)			Contained Tonnes (kt)		
Category	Mt	Rutile	Ilmenite	Zircon	Rutile	Ilmenite	Zircon
Total Resource	866.9	0.94%	0.20%	0.08%	8,163	1,118	355

Note: as at September 2015

Well-Positioned Against Peers(2)



1 As at September 2015 and as presented in the Company's 2015 annual report. Measured and Indicated resource of 732.9 Mt, at a grade of 0.93% rutile, 0.24% Ilmenite and 0.08% Zircon. Inferred resource of 134.0 Mt at a grade of 1.01% rutile, 0.02% Ilmenite and 0.07% Zircon.
2 2016E rutile production, as per company guidance for Sierra Rutile and Iluka and broker consensus for Kenmare, Mineral Deposits Limited (MDL) and Base Resources. Based on attributable production and resources.

REVENUE CONTRIBUTION AND PEER COMPARISON

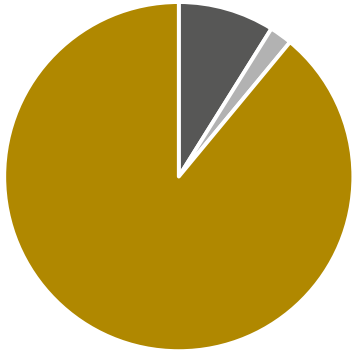
Unmatched Quality

> "SRL's high quality rutile product places the company at the forefront to benefit from any demand-led recovery in the TiO_2 sector. SRL has the greatest exposure to rutile amongst the mineral sands peers."

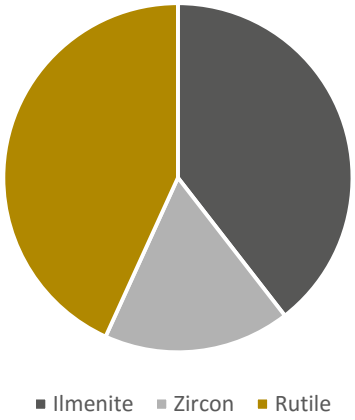
> "SRL benefits from limited exposure to ilmenite and the low-grade feedstock market. Whilst not immune to the wider market that is driven by TiO_2 demand, rutile exposure should play to SRL's benefit in a rising market."

Numis, 29th January 2016

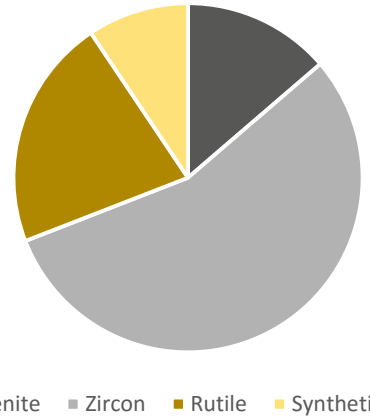
SRL Revenue Split



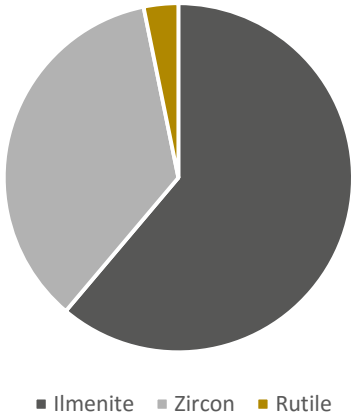
Base Revenue Split



Iluka Revenue Split



Kenmare Revenue Split



Source: Broker research.

END MARKETS

Natural rutile is the preferred feedstock for titanium pigment and metal

Titanium Pigment (TiO_2)

- TiO_2 creates the purest, brightest and most durable form of white pigment available for the production of paints, plastics and paper
- As developing nations mature and personal incomes rise, growth of high quality paints will grow into all regions of the world

Considerations

- Accounts for the majority of rutile demand today
- Stable growth outlook
- New applications in development

Titanium Metal

- Titanium is valued for its light weight, chemical inertness and durability
- Provides unmatched performance and durability in aerospace, automotive, medical and technological uses
- Process technologies, such as 3D printing, provide an avenue for titanium to be consumed in new markets and new applications

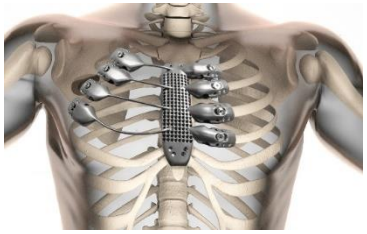
Considerations

- Accounts for the minority of rutile demand today
- Strong growth outlook

Roof Coating

Paints/Coatings

Aerospace



3D Printing

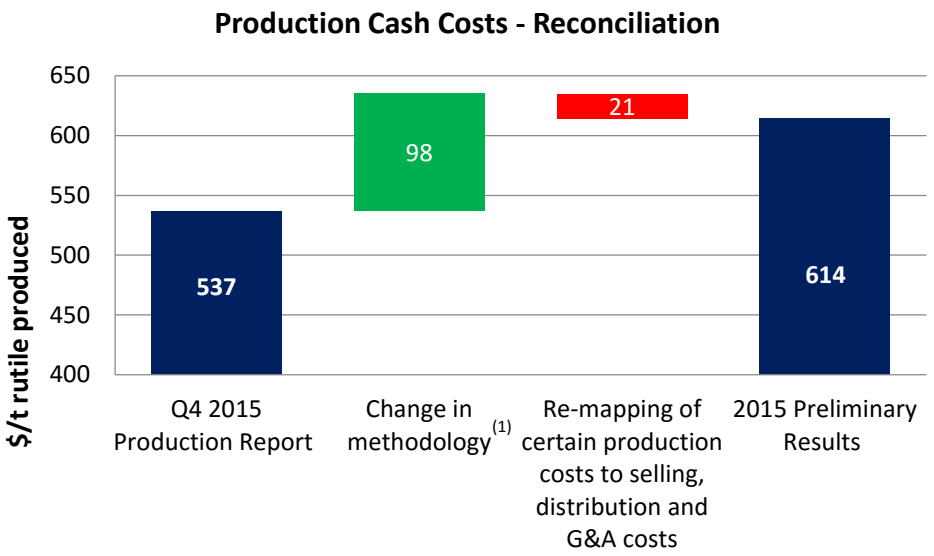
SUMMARY INCOME STATEMENT

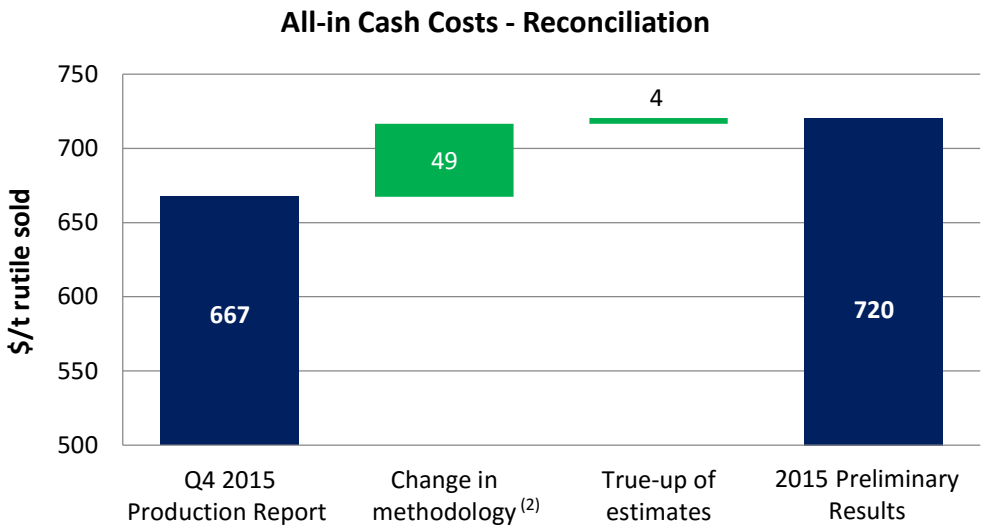
Income Statement ($'000)	2015	2014
Gross revenue	105,760	117,759
Rutile	91,165	103,576
By-products & freight costs	14,595	14,183
Cost of sales	(99,890)	(112,760)
Gross profit	**5,870**	**4,999**
Selling costs	(5,598)	(1,817)
General and administrative costs	(9,293)	(9,862)
Other income	64	327
Share of results of joint venture	(141)	-
Operating loss	**(9,098)**	**(6,353)**
Impairment charges	(415)	(473)
Share option expense	(765)	(777)
Loss before interest and tax	**(10,278)**	**(7,603)**
Net finance costs	825	(1,260)
Loss before tax	**(9,453)**	**(8,863)**
Taxes	(3,746)	(603)
Loss after tax	**(13,199)**	**(9,466)**

Gross revenue ($'000)	2015	2014
Rutile	91,165	103,576
Ilmenite	5,236	6,781
Zircon and other concentrates	6,807	3,436
Freight costs	2,552	3,966
Total gross revenue	**105,760**	**117,759**

EBITDA ($'000)	2015	2014
Operating loss	**(9,098)**	**(6,353)**
Depreciation and amortisation	20,860	21,144
Provision for obsolete inventory	4,200	-
Share of results of joint venture	141	-
EBITDA	**16,103**	**14,791**

RECONCILIATION OF CASH COSTS





Production Cash Cost ($/t rutile produced)	2015
Cost of sales	**(99,890)**
Add: Depreciation and amortisation	20,860
Add: Provision for obsolete inventory	4,200
Add: Freight costs	2,552
Deduct: Finished goods inventory movement	(5,058)
Production cash costs ($000)	**(77,336)**
Rutile produced (tonnes)	**126,021**
Production Cash Cost ($/t)	**614**

All-in Cash Cost ($/t rutile sold)	2015
Production cash costs	(77,336)
Selling and distribution expenses	(5,598)
General and administrative expenses	(9,293)
Sustaining capital expenditure	(4,580)
Deduct: By-product revenue	12,043
All-in cash costs ($000)	**(84,764)**
Rutile sold (tonnes)	**117,654**
All-in Cash Cost ($/t)	**720**

1 Previously, Production Cash Cost was calculated net of by-product credits. Consistent with the mineral sands peer group, Production Cash Cost is now calculated gross of by-product credits.
2 Previously, All-in Cash Cost was calculated by dividing by tonnes of rutile produced. All-in Cash Cost is now calculated by dividing by tonnes of rutile sold.

Sierra Rutile Limited

SUMMARY CASH FLOW STATEMENT

Summarised Cash Flow ($'000)	2015	2014
EBITDA [1] (refer to slide 37)	**16,103**	**14,791**
Working capital movements:		
(Increase)/decrease in inventories	(8,728)	11,240
(Increase)/decrease in trade and other receivables	11,141	(15,260)
Increase/(decrease) in trade and other payables	3,929	1,346
Increase/(decrease) in provisions	420	(899)
Income taxes paid	(978)	(601)
Net cash flows from operating activities before capital expenditure	**21,887**	**10,617**
Stay-in-business capital expenditure	(4,580)	(3,900)
Free cash flow	**17,307**	**6,717**
Expansionary and other capital expenditure	(26,058)	(12,800)
Interest paid	(2,795)	(2,000)
Other movements	(1,005)	(3,171)
Cash flow movement in Net Debt	**(12,551)**	**(11,254)**

Movement in Net Debt ($'000)	At 1 January 2015	Cash flow movements	Other movements [2]	At 31 December 2015
Cash and cash equivalents	6,564	(3,357)	1,810	5,017
Borrowings	(43,000)	(9,194)	739	(51,455)
Total	**(36,436)**	**(12,551)**	**2,549**	**(46,438)**

1 EBITDA is defined as earnings/(loss) before finance income/(costs), tax, depreciation, amortisation, share based payments, impairment charges and inventory write-offs.
2 Other movements represents net gains on foreign exchange conversion and interest capitalised during the year.

SUMMARY BALANCE SHEET

Assets ($'000)	2015	2014
Non-current assets	188,449	175,827
Cash and cash equivalents	5,017	6,564
Other current assets	62,440	70,235
Total	**255,906**	**252,626**

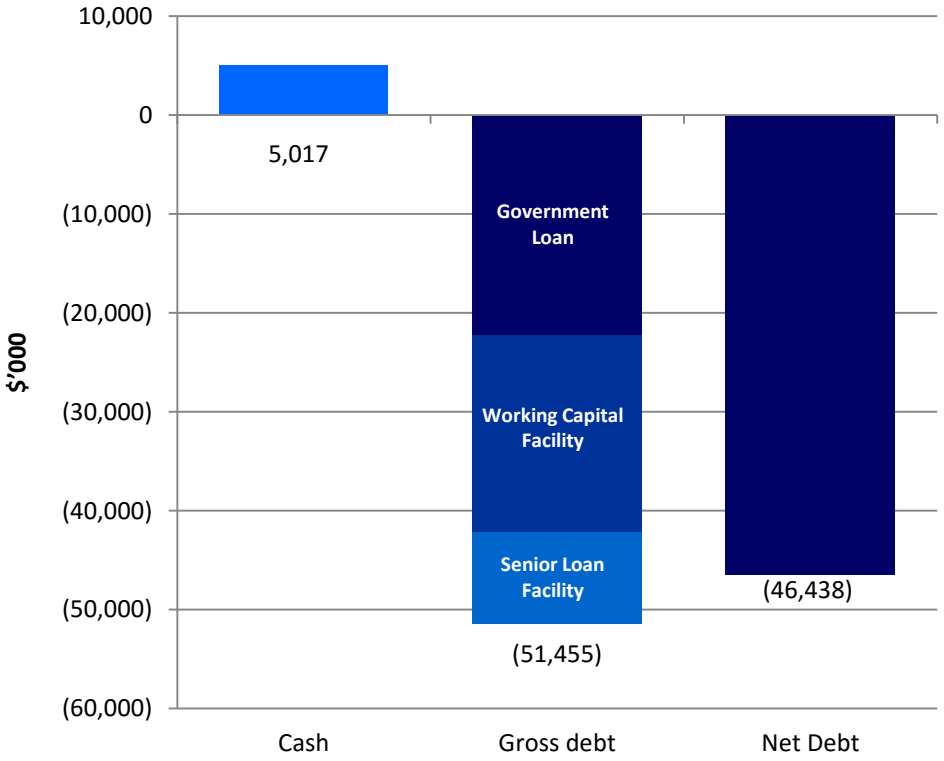
Non-current assets ($'000)	2015	2014
Intangible assets	11,494	11,624
Tangible assets	171,825	159,276
Investment in joint venture	5,130	-
Biological assets	-	4,927
Total	**188,449**	**175,827**

Equity & Liabilities ($'000)	2015	2014
Equity	175,560	188,041
Borrowings	51,455	43,000
Other liabilities	28,891	21,585
Total	**255,906**	**252,626**

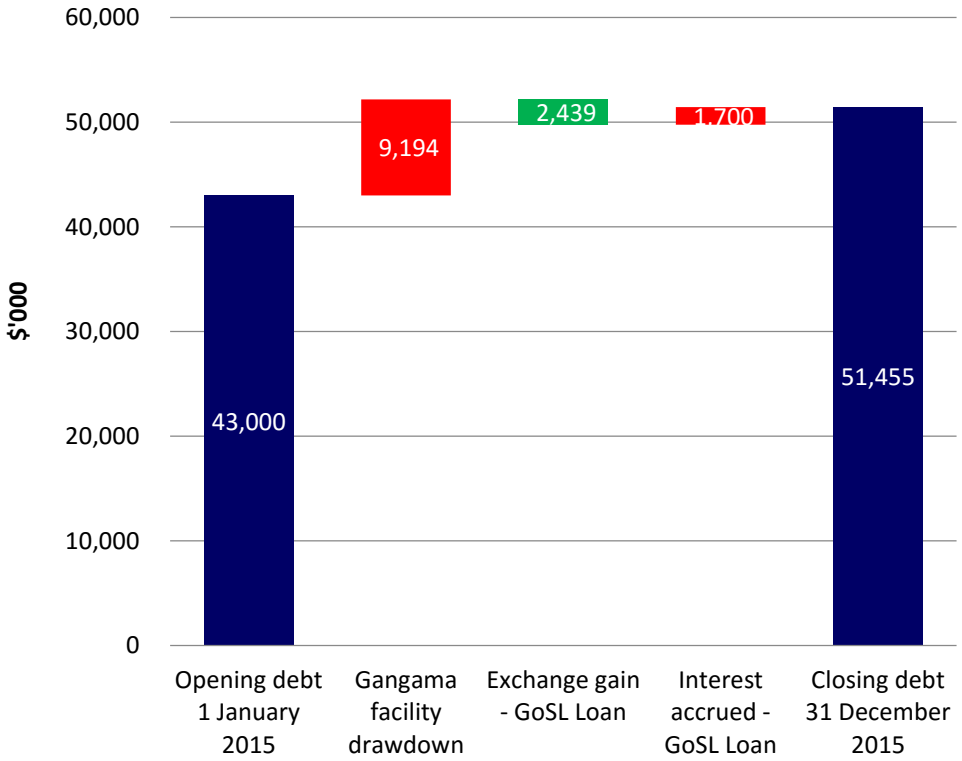
Net Debt ($'000)	2015	2014
Cash and cash equivalents	5,017	6,564
Borrowings	(51,455)	(43,000)
Short-term	*(21,334)*	*(20,046)*
Long-term	*(30,121)*	*(22,954)*
Total	**(46,438)**	**(36,436)**

DEBT MANAGEMENT

Net Debt



Movement in Gross Debt



Sierra Rutile Limited

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