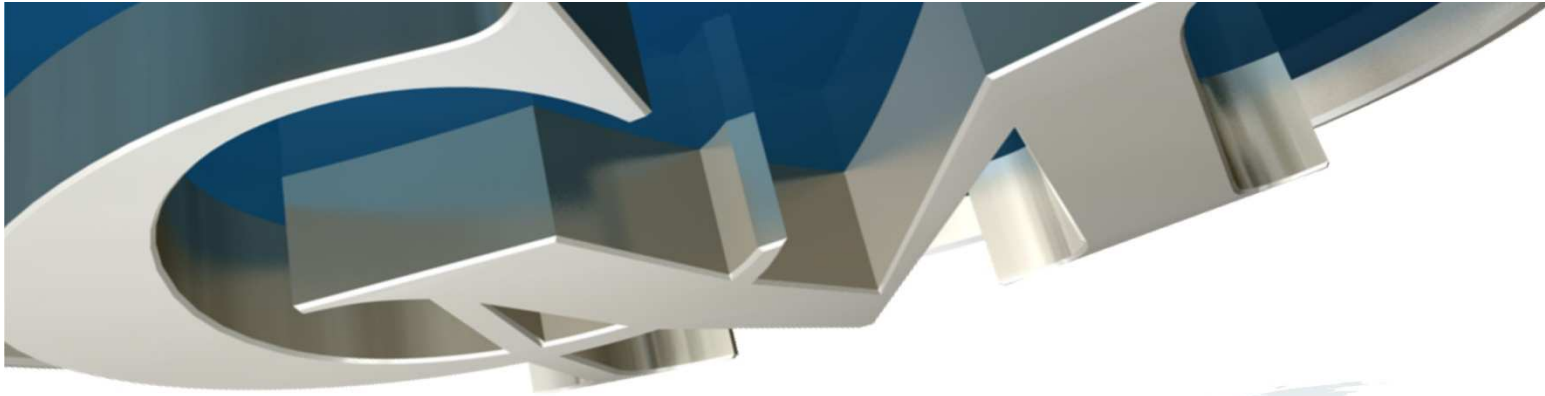


The CRONIMET Mining GROUP

»» with people for a sustainable world

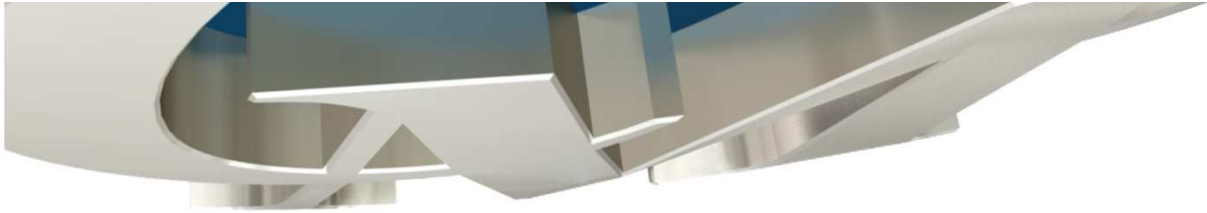


CRONIMET
Mining AG



CRONIMET's Strategic Positioning in the Tungsten Market





Agenda

- 1 CRONIMET (Mining) Group**
- 2 CRONIMET's Strategic Positioning in the W-Market
- 3 Conclusion and Outlook

CRONIMET Group - History

- › **1980** Foundation of CRONIMET in Karlsruhe

- › **1995** „Think Local - Act Global“ – CRONIMET Group becomes an international **System Provider** for Stainless Steel and Ferro-Alloys products

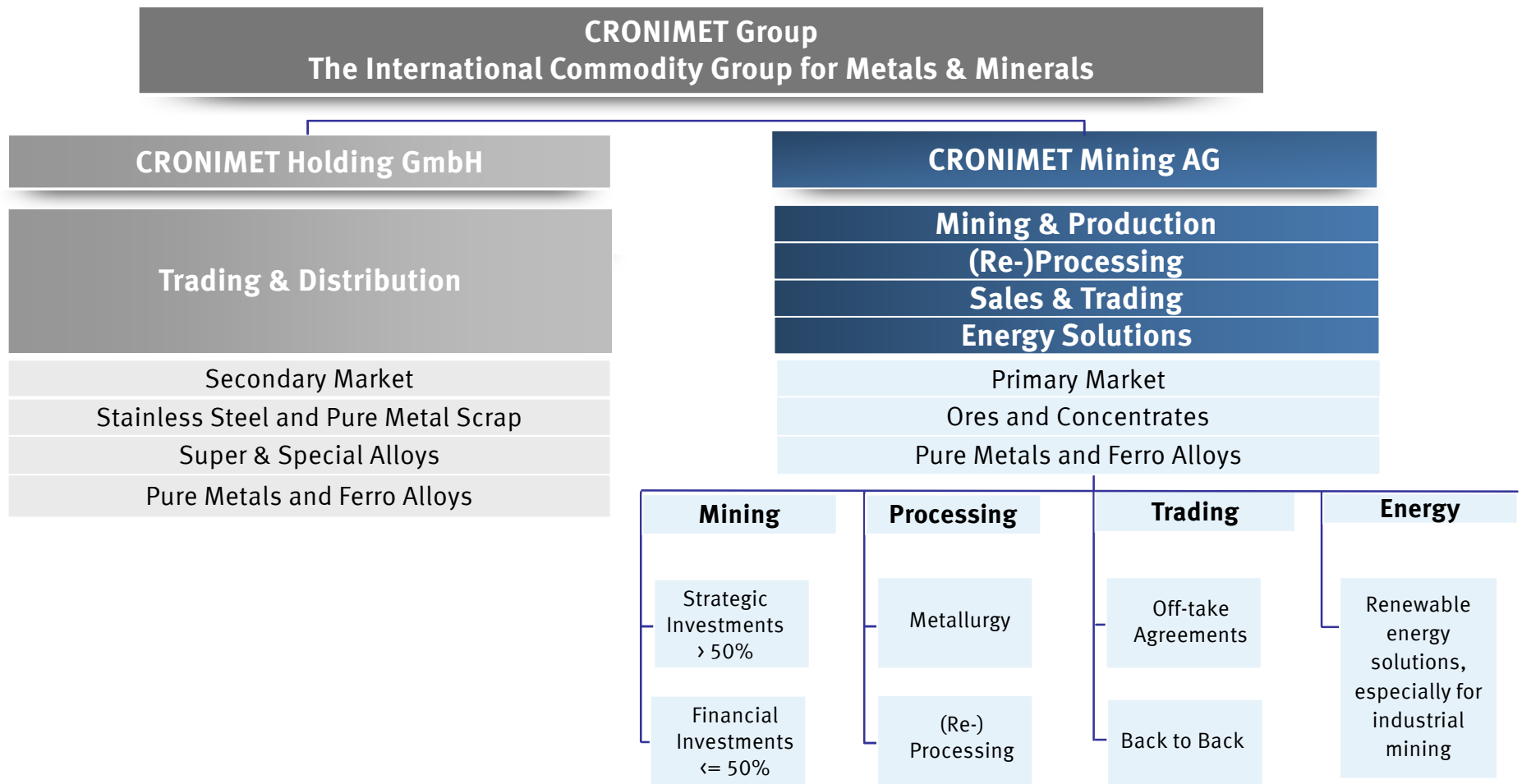
- › **2004/05** CRONIMET – A multinational **Integrated Commodity Group** with two sub-groups:
 - › Secondary raw material sector >>> CRONIMET Holding
 - › Primary raw material sector >>> CRONIMET Mining

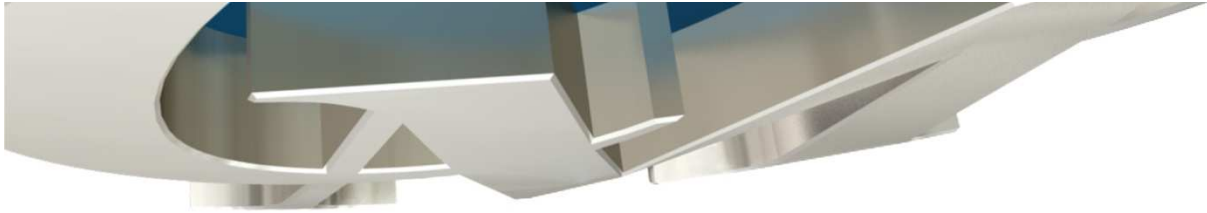
- › **Today:**
 - › Active on four continents with >70 subsidiaries
 - › 5.200 Employees



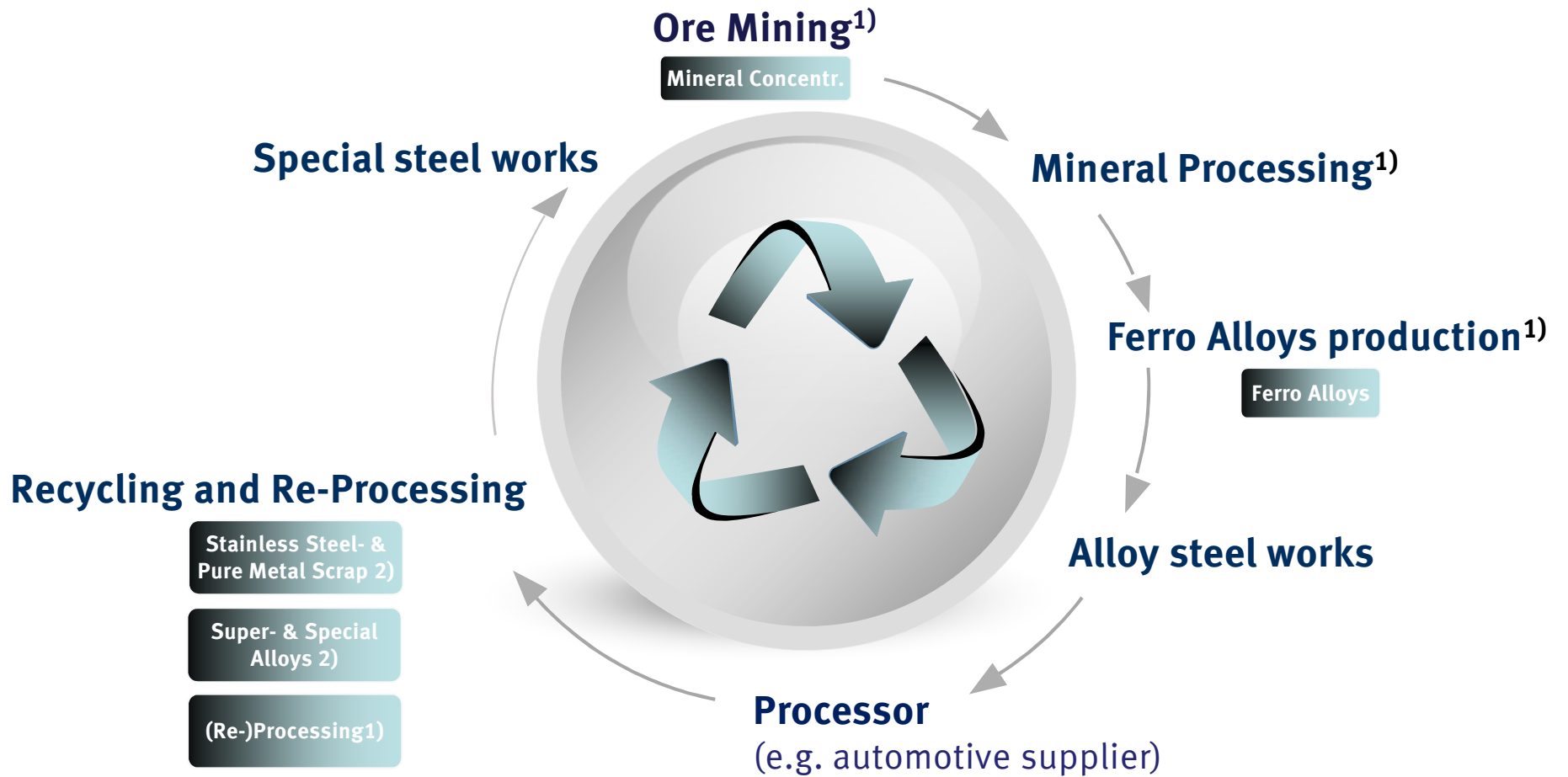
CRONIMET Group - Corporate Structure

>>> CRONIMET Mining represents one of the two sub-groups of CRONIMET, responsible for primary raw material activities within the whole CRONIMET Group



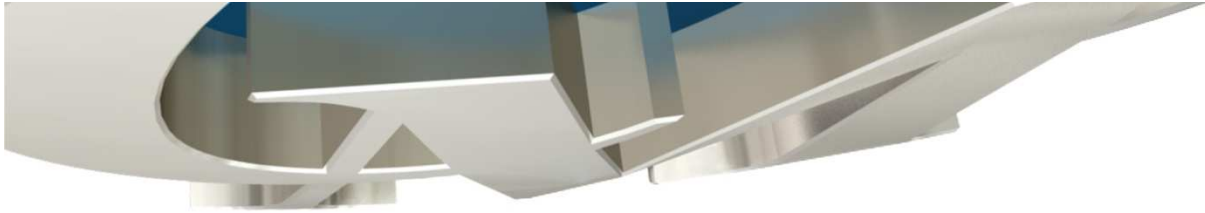


CRONIMET Group - Raw materials out of one hand



¹⁾ Activities of CRONIMET Mining Group

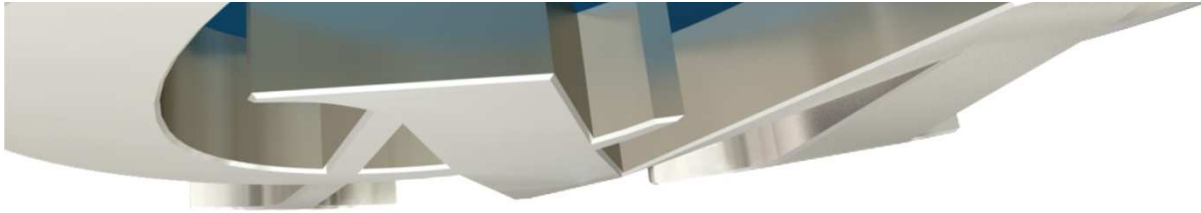
²⁾ Activities of CRONIMET Holding Group



CRONIMET Mining Group - Operations - ZCMC Armenia

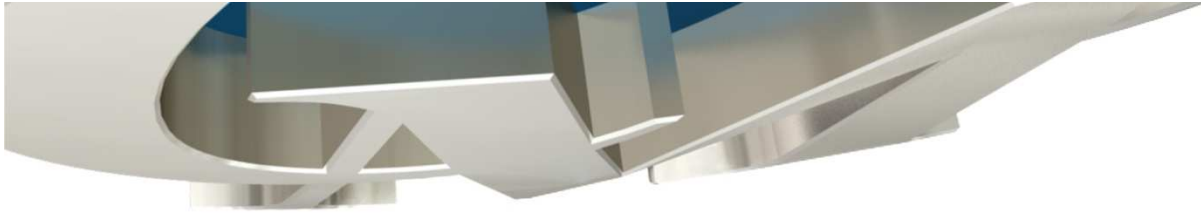
Mine Impressions





CRONIMET Mining Group - Operations - ZCMC Armenia
Processing Impressions

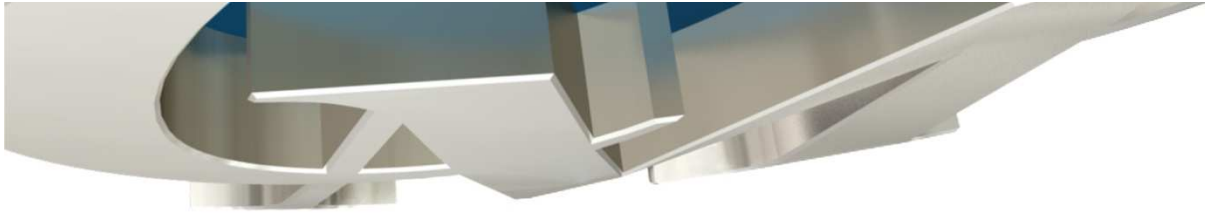




CRONIMET Mining Group - Operations - Chrome SA

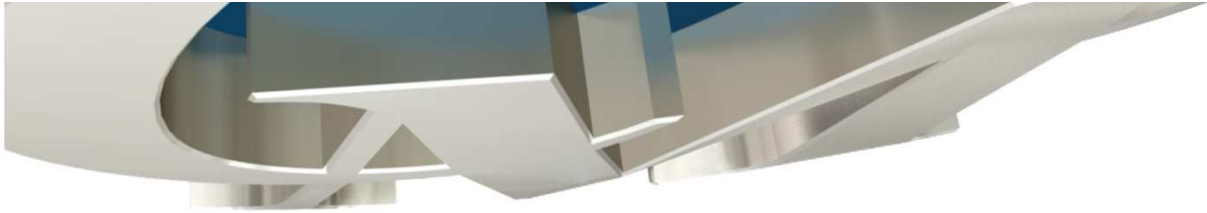
Mine Impressions





CRONIMET Mining Group - Operations - Chrome SA
Processing Impressions



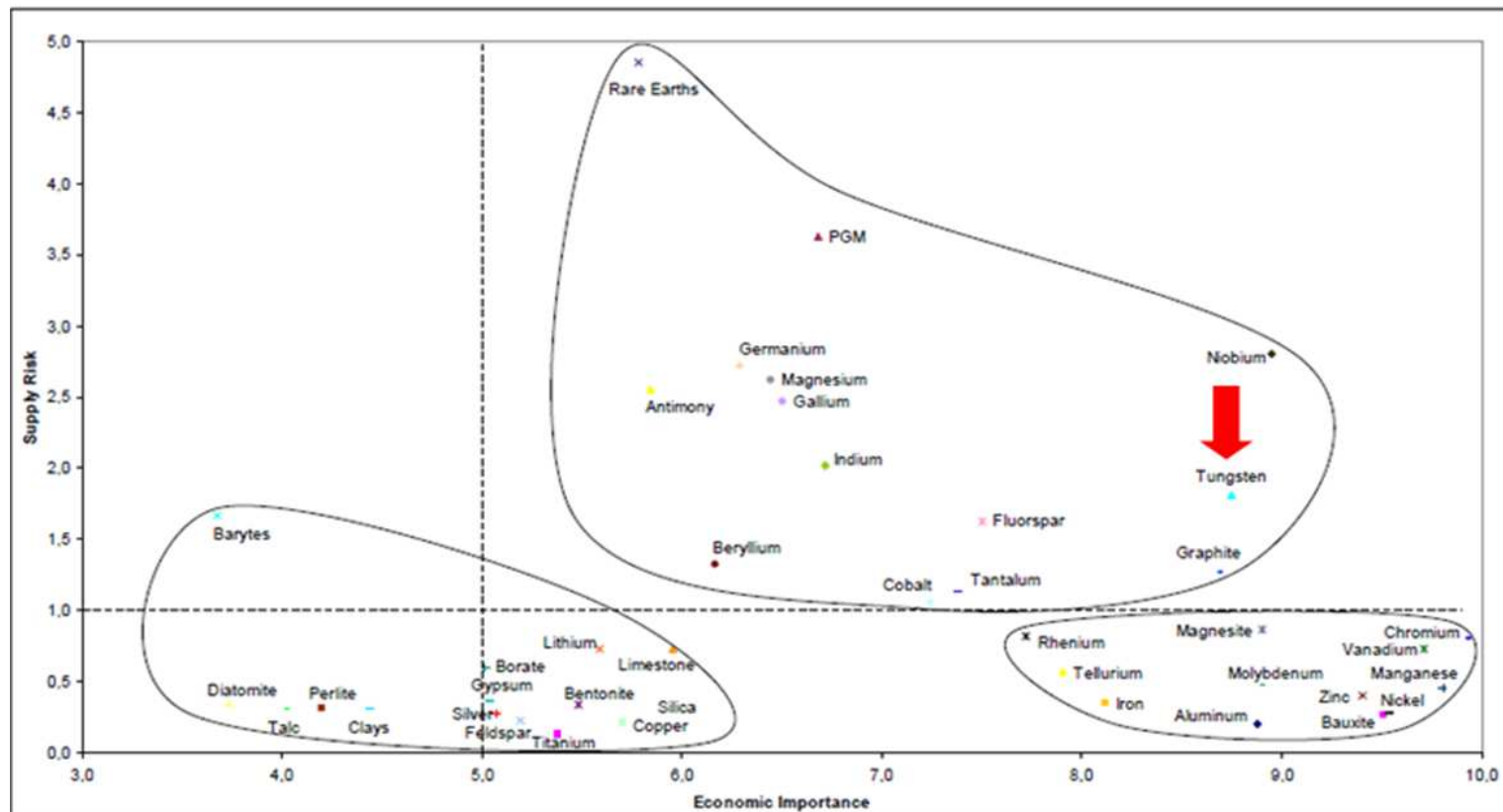


Agenda

- 1 CRONIMET (Mining) Group
- 2 CRONIMET's Strategic Positioning in the W-Market**
- 3 Conclusion and Outlook

CRONIMET's Strategic Positioning in the W-Market

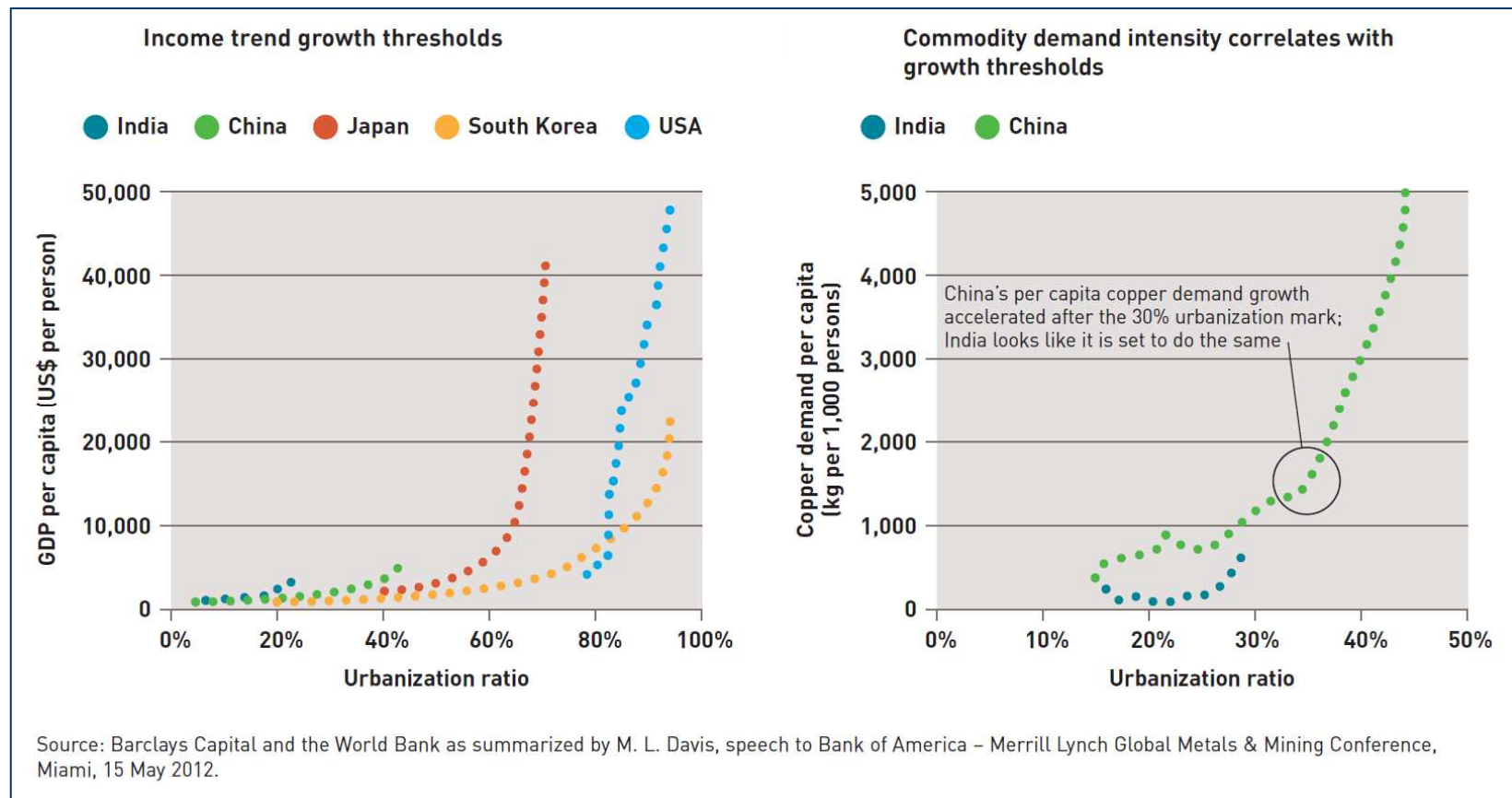
Strategic Attractiveness of Tungsten (Source: European Commission, "Report of the Ad-hoc working group on defining critical raw materials")



- › Tungsten is characterized by a high **strategic attractiveness** or high "**criticality**", especially in the economic zones outside China.

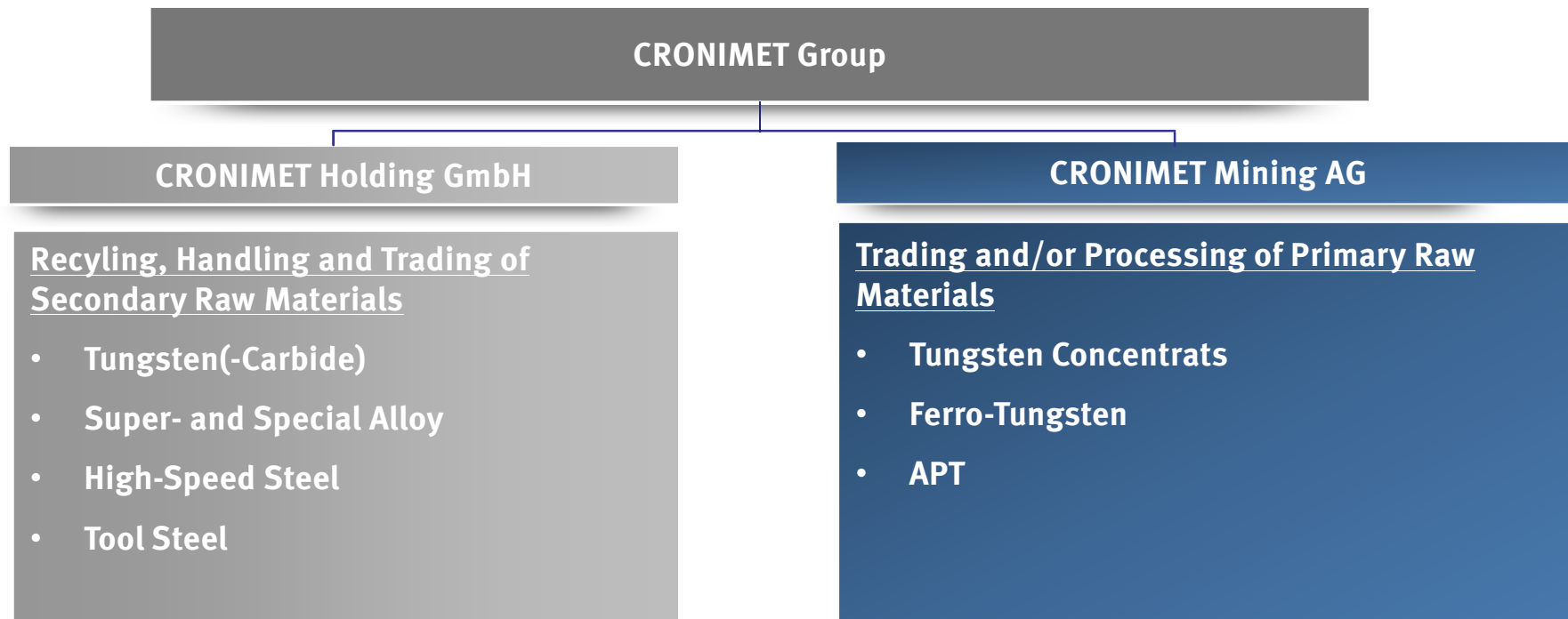
CRONIMET's Strategic Positioning in the W-Market

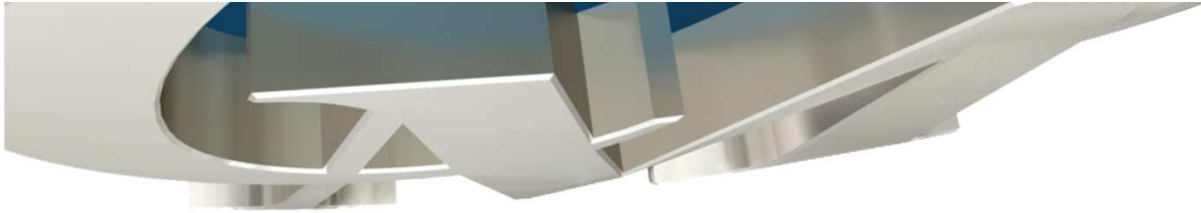
The emerging countries and the “new giants” will further drive the tungsten markets, not only as a consequence of a continuous urbanization but also because of a growing demand for high-tech products.



CRONIMET's Strategic Positioning in the W-Market

Tungsten Products traded, handled, recycled and/or processed within the CRONIMET Group





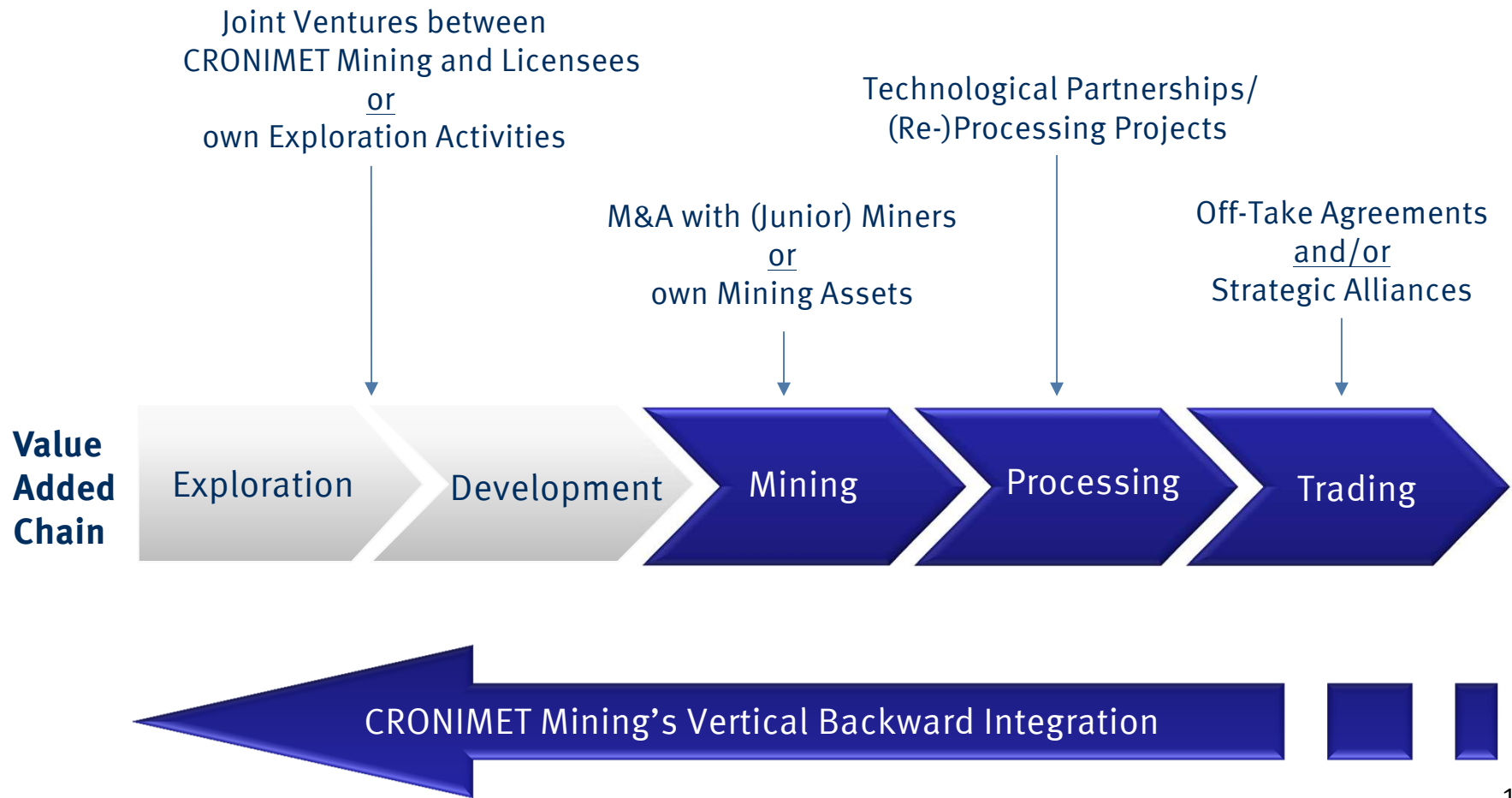
CRONIMET's Strategic Positioning in the W-Market

Recycling Activities

- › Being a specialist waste management company, CRONIMET trades, handles and recycles solid tungsten scrap as well as soft-scrap and powder.
.....
- › CRONIMET is an experienced intermediary between tungsten discard points and specialist downstream companies and/or consumers.
.....
- › CRONIMET can react flexible to the requirements of the clients with respect to packaging, shipping and delivery time to guarantee the optimal use of the material at the client's facilities.
.....
- › CRONIMET's rapidly expanding High Temperature and Aerospace Alloy Division deals with the preparation and processing of super alloys and refractory metals which in turn are used in the manufacture of products for the aerospace, defense, chemical, and medical industries, as well as electrical engineering technologies.

CRONIMET's Strategic Positioning in the W-Market

Backward Integration Strategy of CRONIMET Mining





CRONIMET's Strategic Positioning in the W-Market

Backward Integration Strategy of CRONIMET Mining (in the special case of Tungsten)

- Identification and evaluation of attractive mining projects
- Responsible and transparent sourcing of (conflict-free) Tungsten Concentrates
- Mineral processing activities
- Re-Processing projects
- Tolling contracts with refining companies
- Off-Take agreements
- Spot contracts
- Sales
- Services

**Value
Added
Chain**



CRONIMET's Strategic Positioning in the W-Market

Backward Integration Strategy of CRONIMET Mining (in the special case of Tungsten)

- Identification and evaluation of attractive mining projects
- **Exploration activities**
- Responsible and transparent sourcing of (conflict-free) Tungsten Concentrates
- Mineral processing activities
- Re-Processing projects
- Tolling contracts with refining companies
- Off-Take agreements
- Spot contracts
- Sales
- Services



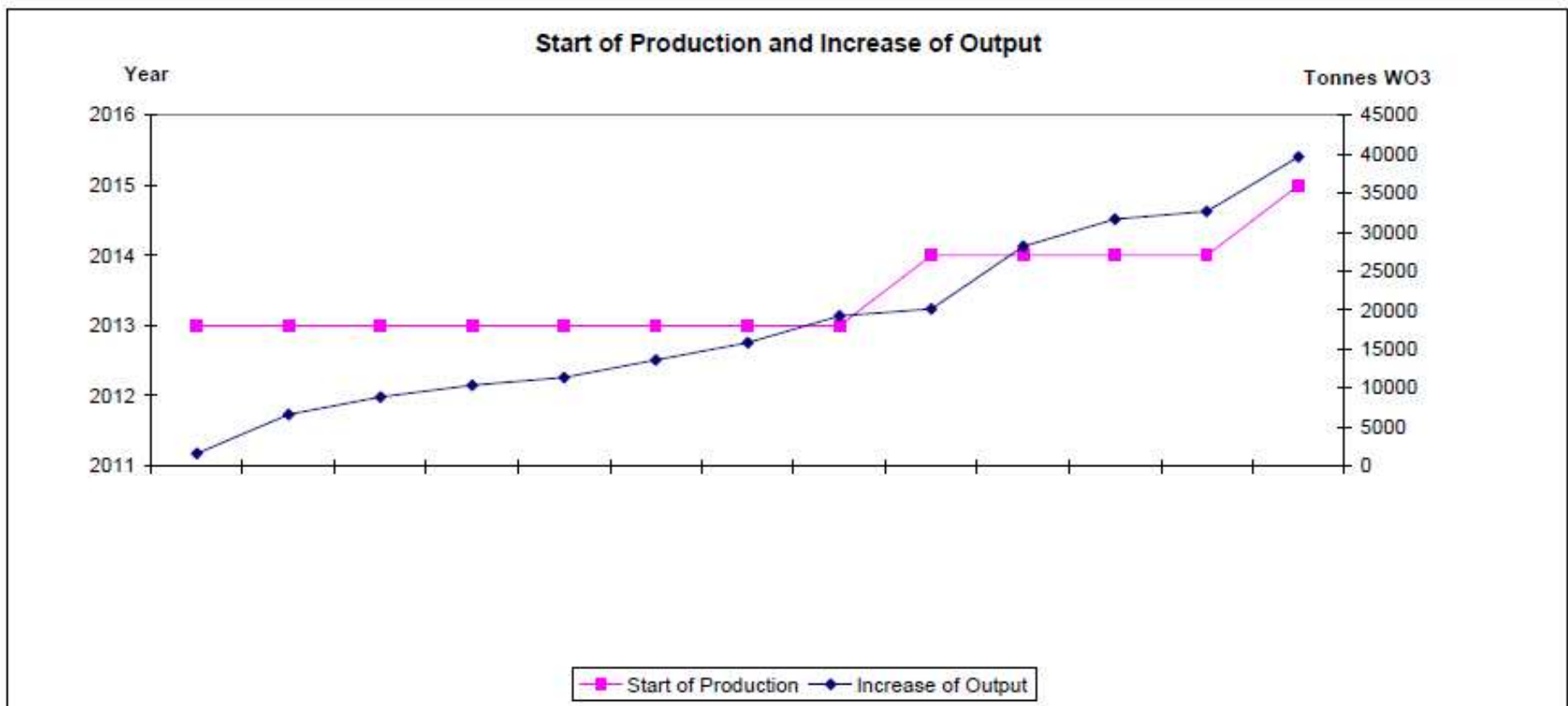
CRONIMET's Strategic Positioning in the W-Market

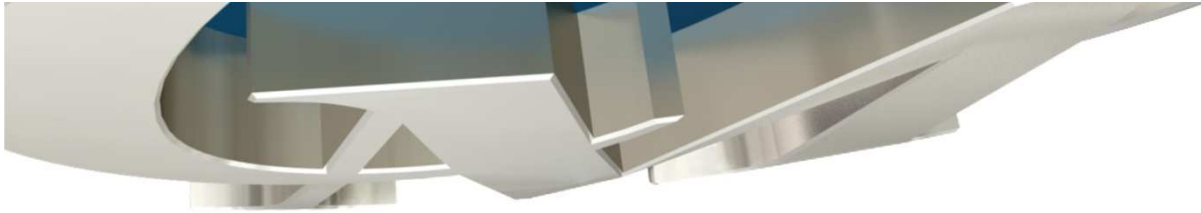
In-house Evaluation of Tungsten Mining Projects

- › Taking into account the strong market position of CRONIMET in the Tungsten sector as well as the strategic attractiveness of Tungsten, a **direct investment** in a Tungsten deposit or mine is from high strategic interest for CRONIMET Mining.
.....
- › Since 2011, CRONIMET Mining has been identifying and evaluating **investment options** in the tungsten mining sector.
.....
- › The evaluation is carried out by experienced and qualified professionals, typically on-site at the deposits or at the mine.
.....
- › Important investment criteria for the evaluation of Tungsten projects are...

CRONIMET's Strategic Positioning in the W-Market

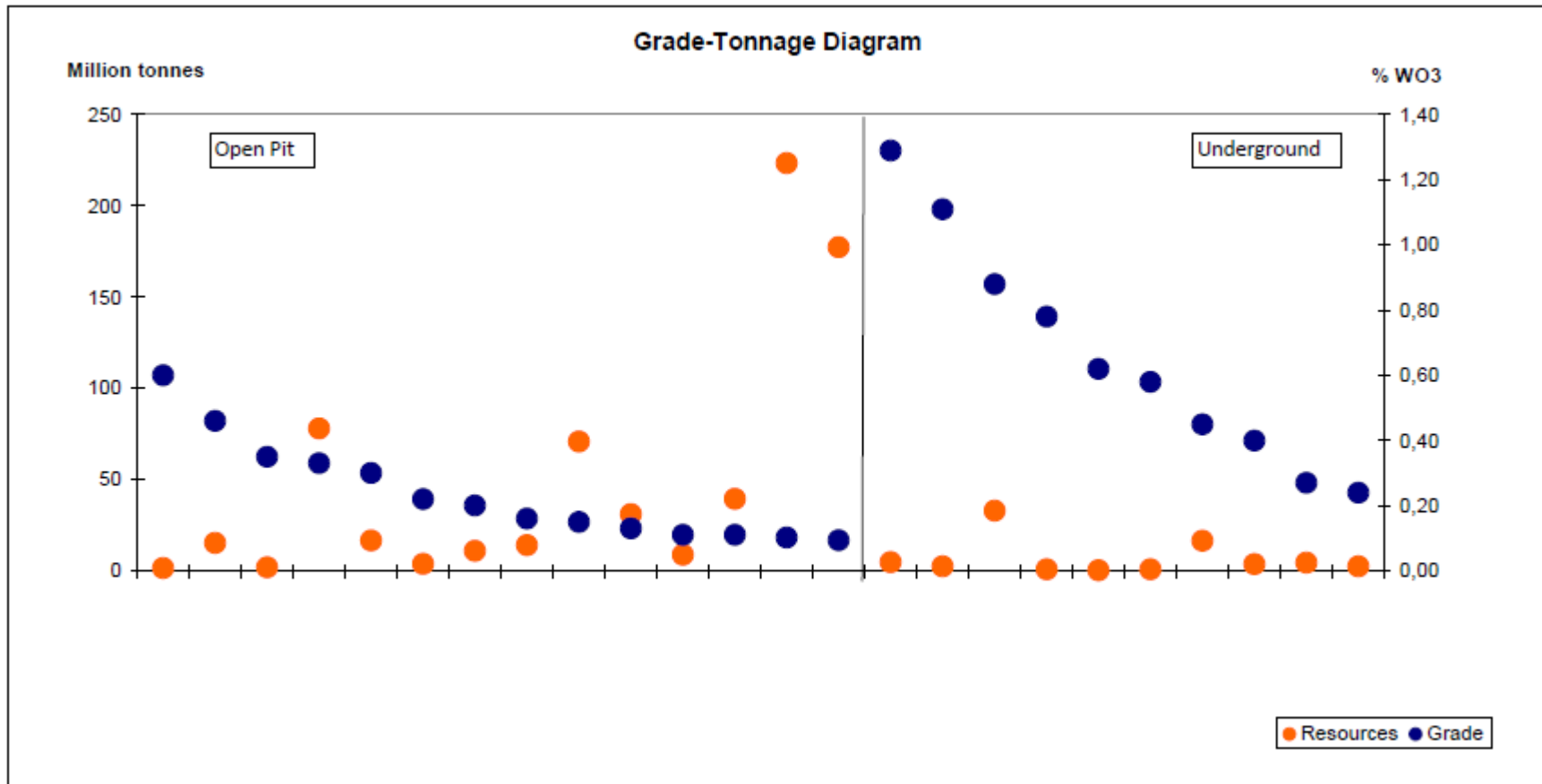
In-house Evaluation of Tungsten Mining Projects – Selection of Criteria (I)



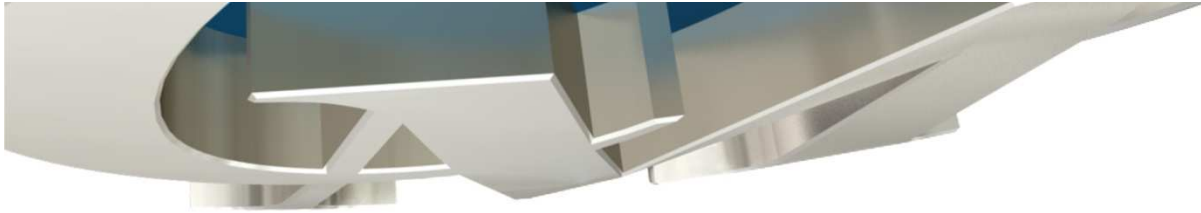


CRONIMET's Strategic Positioning in the W-Market

In-house Evaluation of Tungsten Mining Projects – Selection of Criteria (II)

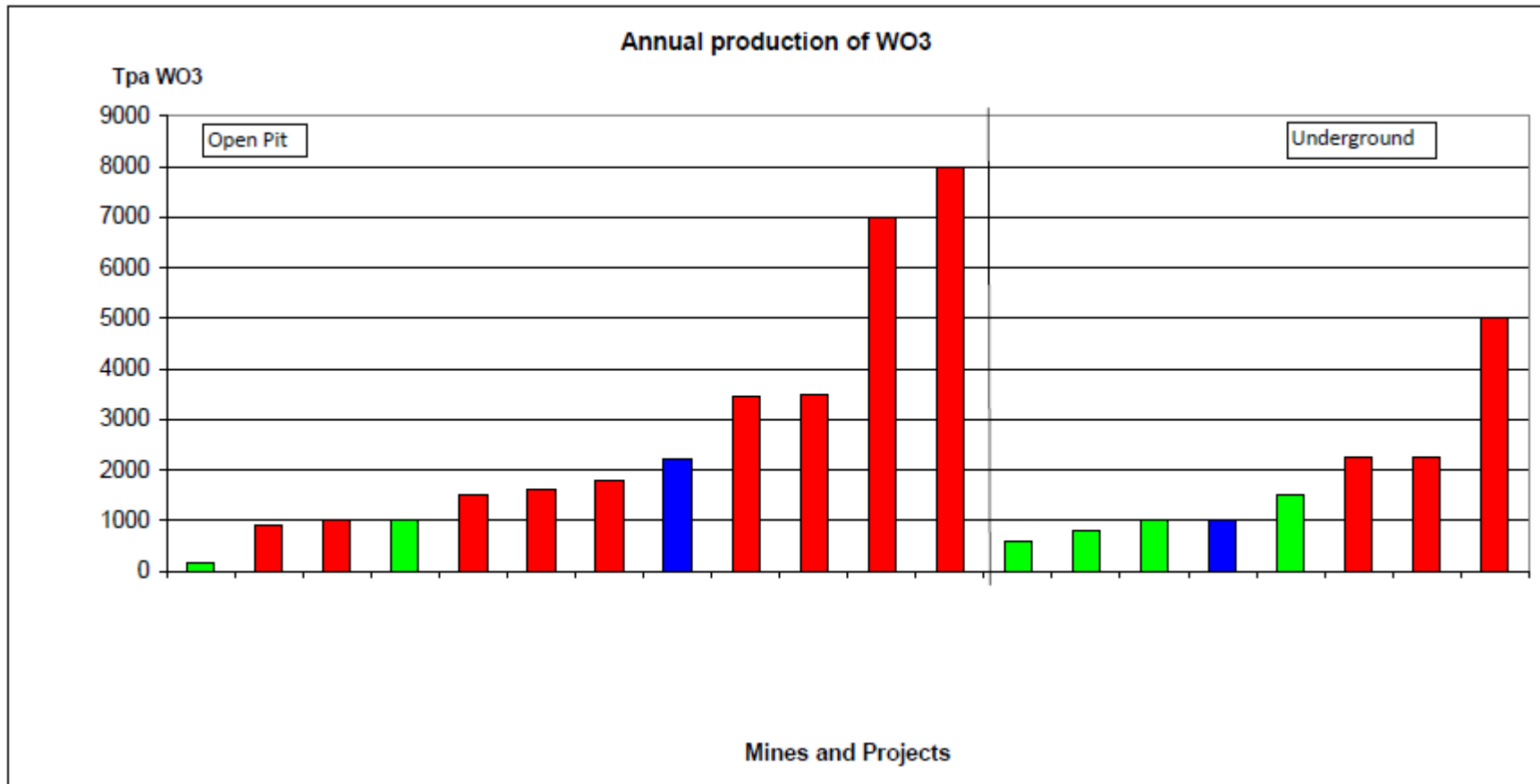


- › Ore Value, Resource Base, Expansion Potential



CRONIMET's Strategic Positioning in the W-Market

In-house Evaluation of Tungsten Mining Projects – Selection of Criteria (III)



- › Production Target, Life of Mine

CRONIMET's Strategic Positioning in the W-Market

Key Elements for further Growth

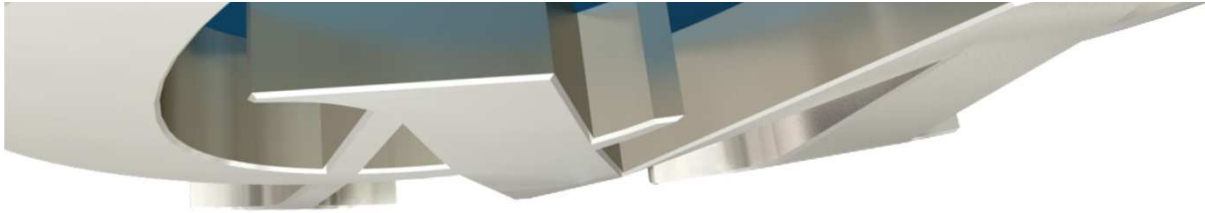
- › Through its worldwide trading and processing network, CRONIMET Mining has an **advantageous knowledge** about business opportunities and project options.
.....
- › CRONIMET Mining has a **strong experience** in evaluating, securing, developing, financing, constructing and operating mining projects.
.....
- › CRONIMET Mining is one of the few German companies **directly invested in mineral deposits and mines**.
.....
- › CRONIMET Mining participates in **Raw Material Partnerships** of the Federal Republic of Germany as potential project development and investment partner, for example in Kazakhstan.
.....
- › CRONIMET is seeking for **strategic alliances** along the added value chain of Tungsten in order to secure the raw material supply for the industry (especially for the European industry, the second largest Tungsten consumer of the world).
.....
- › CRONIMET Mining is a long-term orientated, reliable and hence **strategic investor**.

CRONIMET's Strategic Positioning in the W-Market

Key Elements for further Growth

- › Artisanal and semi-industrial mine production contributes a noticeable proportion of the total Tungsten production (estimates of the „International Council on Mining & Metals“ for 2010: › 6%)
 - › **Semi-industrial mining and processing concepts** will need to be professionalized and applied, especially in developing and emerging countries. CRONIMET has developed sustainable concepts for such environments.

- › Declining ore grades at existing and new tungsten mines requires **innovative processing technologies and concepts** as well as highly skilled operators.
 - › R&D programmes and capacity building within **CRONIMET Mining's new Business Unit "Processing"**.
 - › CRONIMET offers beneficial processing solutions to its business partners.
 - › Additionally, CRONIMET Mining is seeking for partnerships with high-tech companies and scientific institutions.



CRONIMET's Strategic Positioning in the W-Market

CRONIMET'S Country Focus in terms of Tungsten

- 
- › Canada
 - › USA
 - › Czech Republic
 - › Poland
 - › Spain
 - › Portugal
 - › Kazakhstan
 - › Mongolia
 - › China
 - › Japan
 - › Australia
 - › Brazil
 - › Bolivia
 - › Rwanda
 - › Eastern Africa

Agenda

- 1 CRONIMET (Mining) Group
- 2 CRONIMET's Strategic Positioning in the W-Market
- 3 Conclusion and Outlook**

Conclusion and Outlook

- › The CRONIMET Group has a **strong competitive position** in the Tungsten market.
- › CRONIMET offers an **advantageous combination of primary and secondary raw materials**.



Conclusion and Outlook

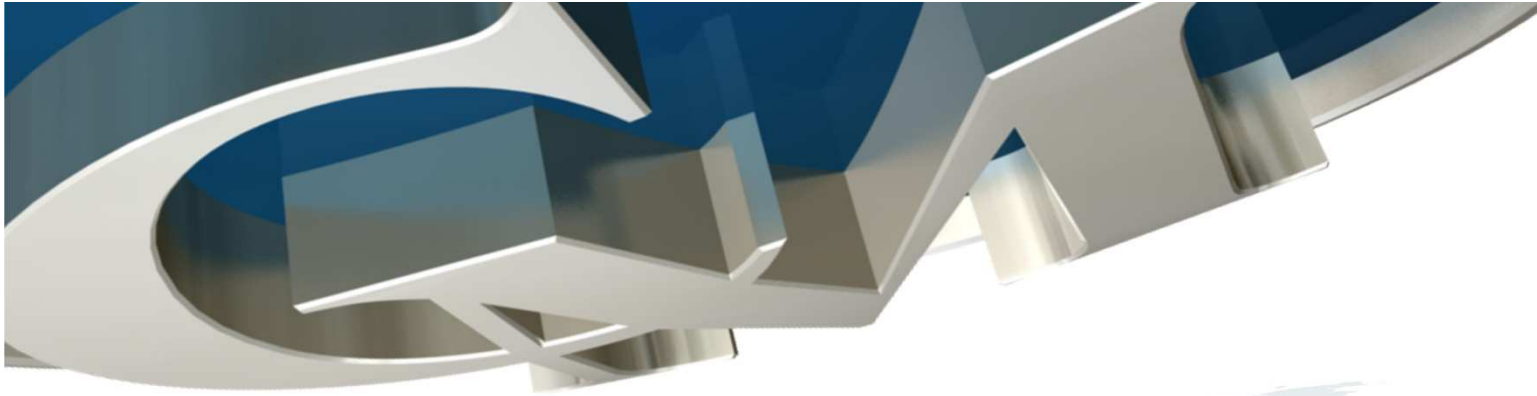
- › It is a strategic objective of CRONIMET to further **increase the volumes of Tungsten products within the CRONIMET Group** and to offer its clients and partners an attractive set of services, products and business solutions.
- › CRONIMET Mining has been identifying and evaluating **investment options** in the worldwide Tungsten (mining) sector since 2011. A direct investment in a Tungsten deposit or mine is one of the preferred investment option for the CRONIMET group.
- › **Exploration Promotion Programmes** as well as **Raw Material Partnership Agreements** could prepare the ground for CRONIMET Mining and other European companies to directly invest into mining projects, especially in the field of critical raw materials such as Tungsten.
- › In order to achieve highly integrated value chains, CRONIMET Mining envisages **strategic alliances** with downstream companies and/or end consumer.

A 3D bar chart with blue and white bars is positioned at the top left. The background features a light blue world map centered on the Atlantic Ocean.

Thank you very much for paying attention!

Vielen Dank für Ihre Aufmerksamkeit!





Disclaimer

This presentation is provided to you for information purposes only and is not intended as an offer to enter into any transaction. The information contained in it is not necessarily complete and its accuracy cannot be guaranteed.

To the extent permitted by applicable law, none of CRONIMET Group accepts any liability whatsoever for any direct or consequential loss arising from any use of this presentation or its contents, including for negligence.

Copyright protection exists in this presentation. The contents of this presentation are strictly confidential and it may not be disclosed, reproduced, distributed or published by any person for any purpose without our written consent.

Further information is available on request.

Copyright © CRONIMET Mining AG

