



Speciality Metals International Limited

MELBOURNE MINING CLUB

Cutting Edge

14 May 2019

DISCLAIMER



Forward Looking Statements

Some statements in this presentation relate to the future and are forward looking statements. Such statements may include, but are not limited to, statements with regard to intention, capacity, future production and grades, projections for sales growth, estimated revenues and reserves, targets for cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside Speciality Metals International Limited’s (“Speciality Metals” or “the Company”) control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation.

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Ore Reserves and Mineral Resources Reporting Requirements

As an Australian company with securities listed on the Australian Securities Exchange (“ASX”), Speciality Metals’ is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code”) and that Speciality Metals’ ore reserve and mineral resource estimates comply with the JORC Code.

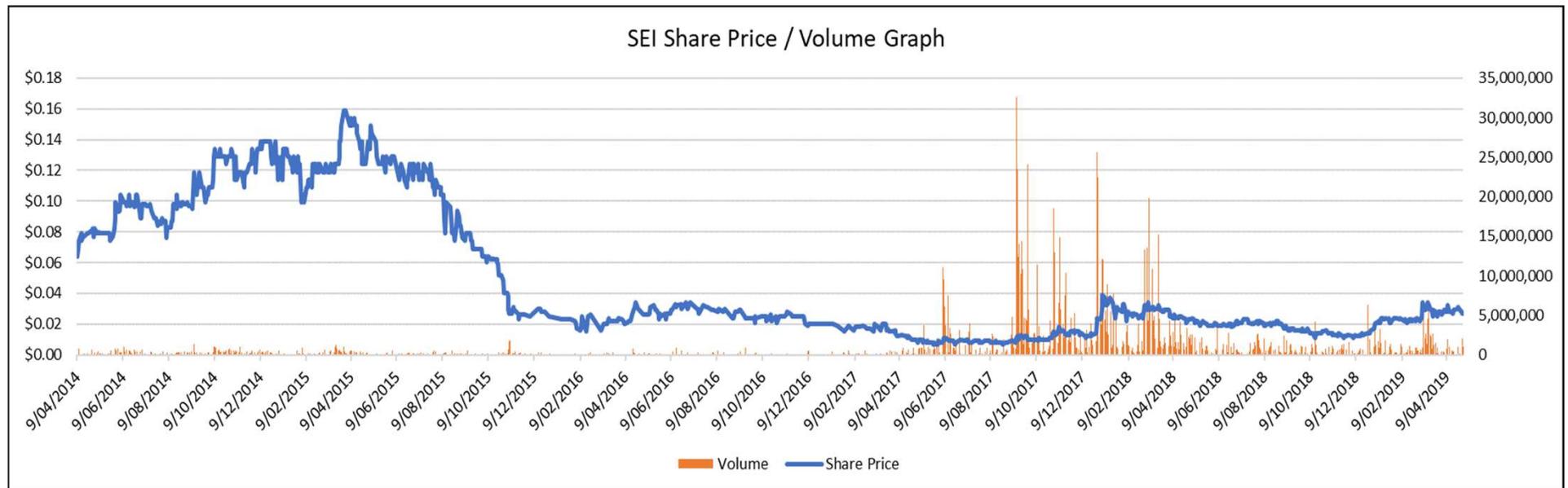
Competent Person’s Statement

The information in this document relating to Exploration Targets, Exploration Results, Mineral Resources, Production Targets and Ore Reserves is based on information compiled by Dr Andrew White, who is a Fellow of the Australian Institute of Geoscientists and a Consultant to Speciality Metals. Dr White has sufficient experience relevant to the style of mineralisation, mining and processing the 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” (the JORC code). Dr White consents to the inclusion of matters based on his information in the form and context in which it appears in this presentation. The potential quantity and grade of exploration targets is conceptual in nature. Where Exploration Targets are stated, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

CORPORATE SNAPSHOT



Capital Structure (ASX:SEI)	10 MAY 2019	Post Transaction Completion
Ordinary Shares on Issue	554.88 Million	~923 Million
Unlisted Options/Rights	25 Million	-
Market Capitalisation (at 2.8 cents/share)	\$15.54 Million	\$25.84 Million



BOARD OF DIRECTORS



Russell Krause, Executive Chairman

Mr Krause is the Executive Chairman of ASX listed Speciality Metals International Limited and has over 25 years' executive management and director level experience in a range of corporate advisory, stockbroking and investment banking roles with some of Australia's leading financial services firms. Mr Krause has extensive experience in the resources sector providing equity capital markets, capital raising and corporate advisory services to a range of ASX listed mining and energy companies. Mr Krause is also currently a Non-Executive Chairman and Non-Executive Director of two ASX listed resource companies as well being a Director of corporate advisory firm, Novus Capital Limited.



Stephen Layton, Non-executive Director

Mr Layton has over 35 years' experience in Equity Capital Markets in the UK and Australia. Starting as a Jobber (market maker) with BZW on the floor of the London Stock Exchange from 1980 to 1986, Mr Layton became a Member of the London Stock Exchange in 1985. Since migrating to Australia in 1986 Mr Layton has worked with various stockbroking firms and/or AFSL regulated Corporate Advisory firms. Having raised capital for many ASX listed companies, including the Company, Mr Layton has a depth of knowledge that only comes from a thorough immersion in the industry. Mr Layton specializes in capital raising services and opportunities, corporate advisory, facilitation of ASX listings and assisting companies grow. Mr Layton has held both Principal and Director roles in his advisory career and his Professional Associations include SAFAA. Mr Layton is also currently a Non-Executive Director of ASX listed New Age Exploration Limited [ASX:NAE].



Roland Nice, Non-Executive Director

Mr Nice is a Metallurgical Engineer with over 45 years' experience. Mr Nice has a strong track record in mineral processing and metallurgy, most recently as a consulting Metallurgical Engineer in the role of Senior Associate for Behre Dolbear Australia, where he was involved in due diligence activities and consulting on some of the world's largest poly-metallic, gold and uranium projects including Newcrest's Cadia, Ridgeway and Telfer gold projects, Barrick's Cowal gold project, LionOres's Thunderbox gold project and numerous other non-ferrous metal mining projects. Mr Nice's work as a consultant has included specific experience in tungsten processing. Prior to this, Mr Nice is a Chartered Professional Engineer of the Institution of Engineers, Australia, a Life Member the Canadian Institute for Mining, Metallurgy and Petroleum, a member of the American Society of Mining and Metallurgical Engineers, a member of the Australian Institute of Minerals Valuers and Appraisers and a Fellow of the Australian Institute of Mining and Metallurgy.

MANAGEMENT TEAM



Dr Andrew White, Lead Consulting Geologist

Andrew was the Exploration Manager for Comalco Ltd and Minerals Manager for Poseidon Ltd. He is principal of Andrew White and Associates, consulting geologists and management consultants founded in 1983 and has provided consulting services to a wide range of Australian and international companies. He was the foundation Director of the WH Bryan Mining Geology Research Centre University of Queensland. His experience includes exploration, mining, mine project development and management of large companies and small businesses. Andrew has a BSc (Hons) from the University of Sydney and a PhD from the University of New England. He was awarded the Aust.I.M.M. President's Medal for 1998. He is the author of the text "Management of Mineral Exploration" and for many years has conducted courses on exploration and financial evaluation of mining projects for senior industry personnel. He has been closely involved in the geometallurgy, geology and economics of the Mt Carbine tungsten deposit for the last 10 years.

Darcy Milburn, Consulting Geologist, Consulting Geologist

Darcy is a geologist specializing in exploration management and target generation for metallic and industrial minerals, with over 30 years' experience in exploration, evaluation, financing and development of a broad range of minerals projects in Eastern Australia. Previous senior roles include Chief Geologist with Queensland Metals Corporation, Exploration Manager for Icon Resources (including resource definition at Mt Carbine) and more recently as Exploration Director for Deutsche Rohstoff's Australian gold and tungsten ventures. Darcy has a B.Sc (Hons) from James Cook University.

Chris Godfrey, Mt Carbine Operations

Senior Mining Operations and Corporate Services Executive with experience in Operations, Projects, Finance, Marketing, Leadership Development, Strategic Planning, Workforce Planning, Human Resources, Industrial Relations, Community and Stakeholder Engagement, Safety Health Environment & Training and Information Technology, Experience gained over 20 years in a variety of industries with extensive skills in all operational and corporate service areas. Chris holds a Masters in Human Resource Management, Diploma of Occupational Health & Safety, Diploma of Business Management and Diploma of Business (Human Resources).

Natasha Troughton, Mt Carbine Administration

Natasha has over 20 years experience in Management Accounting and Human Resources Management across a range of industries in which Natasha was responsible for providing strategic analyses to senior management for the evaluation of project and company profitability along with the preparation of quarterly financial statements and special reports, the development of company policies and procedures including writing and maintaining the Operations Manual and Employee Handbook and ensure compliance with small business regulations, tax laws, insurance requirements, industry standards, etc. Natasha has worked with the Company at their Mt Carbine Tungsten Project since 2012. Natasha holds a B.Com from James Cook University.

ASX LISTED – DIVERSIFIED SPECIALTY RESOURCES, MINING & EXPLORATION COMPANY



World-Class Tungsten Assets - Mt Carbine, Queensland

- Mt Carbine Tungsten Mine – ML 4867 & ML 4919
- EPM 14872 - Iron Duke & Petersens Lode / EPM 14871 - Mt Holmes
- Binding Agreement executed for the purchase of the Mt Carbine Quarry & MLs and Joint Venture with Cronimet Asia Pte Ltd to recommence production.



Gold Exploration Licences, New South Wales

- EL 8024 – Panama Hat
Located 30km SE of Broken Hill covering ~80% of historical gold workings in the Broken Hill district.
- EL 6648 – Crow Mountain
Located 20km SE of Barraba in northern NSW. Straddles part of the Peel Fault.



Exploration Concessions, Chile

25 Concessions (Each concession = 3km x 1km) for Boron, Lithium Brines and Potash.

- Miraje 1-5 / Bellavista 1-5 / Pinta 1-15

WHAT IS TUNGSTEN....

INDUSTRIAL ENABLING METAL WITH STRATEGIC IMPORTANCE



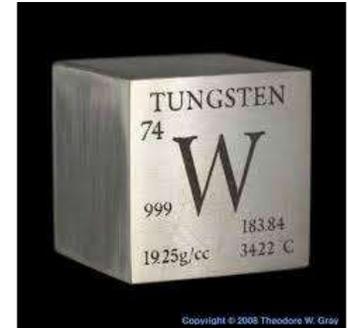
Aeronautical & Automobile Manufacturing



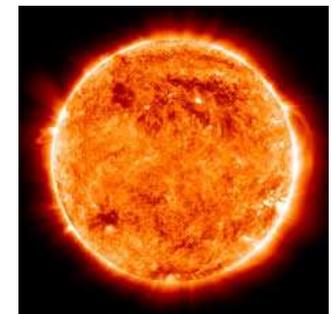
Military & Mining



Rail & Heavy Earthmoving



With a density of 19.25 g/cm³, tungsten is also among the heaviest metals.

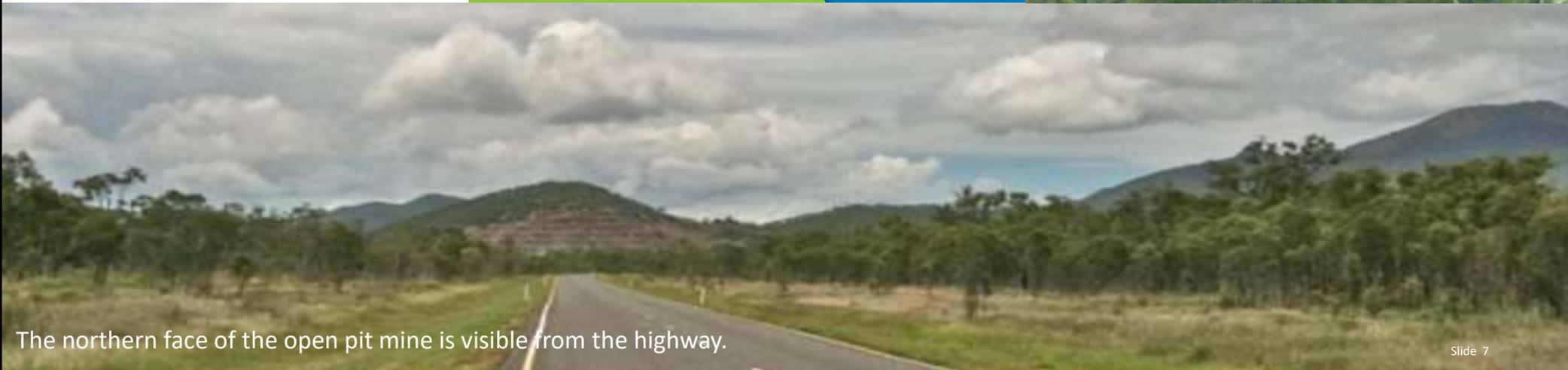


Highest melting point of all metals at $3,422 \pm 15 \text{ }^\circ\text{C}$ and a boiling point which corresponds approx. to the temperature of the sun's surface, $5,700 \pm 15 \text{ }^\circ\text{C}$.

MT CARBINE TUNGSTEN MINE - LOCATION

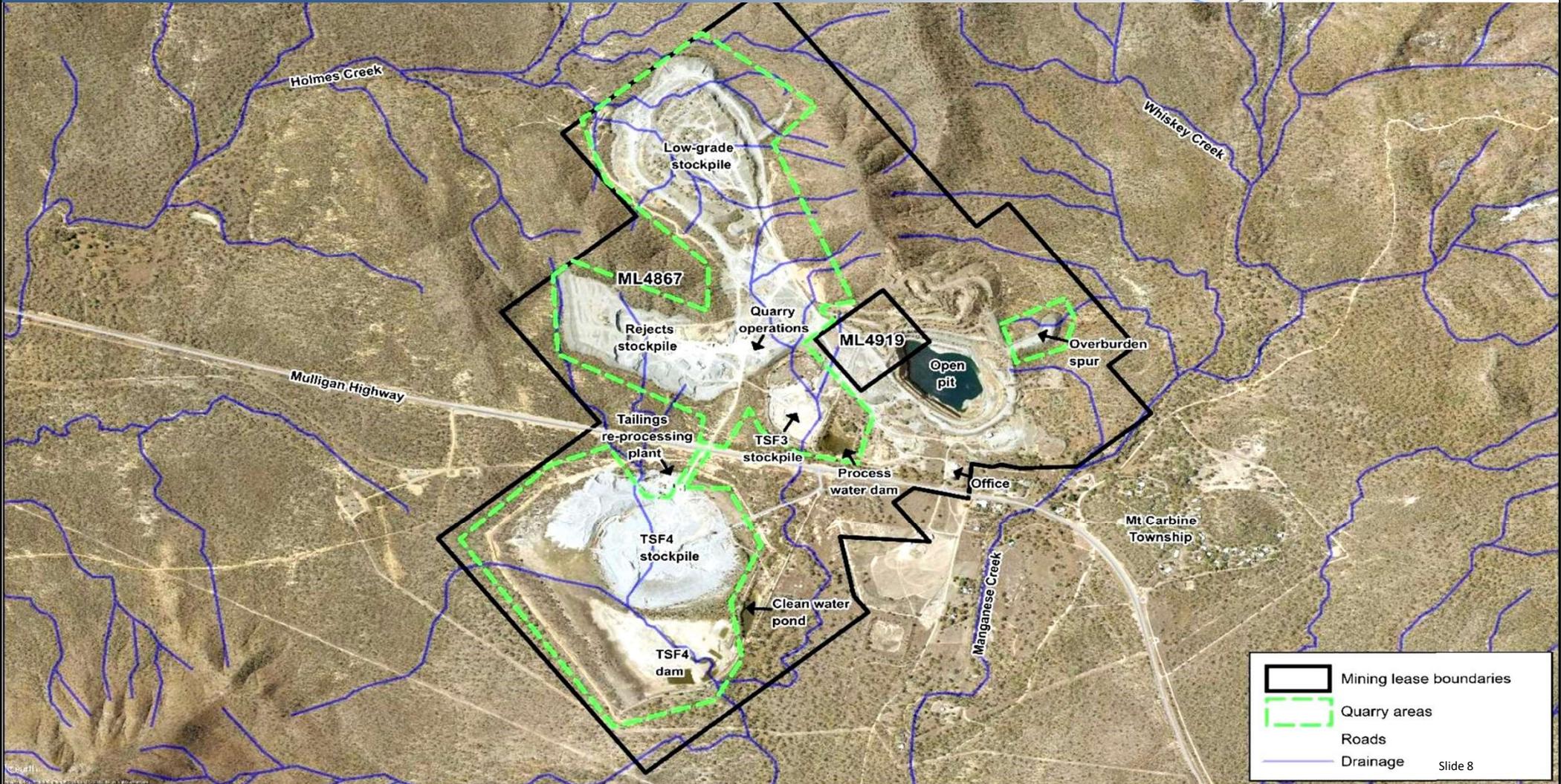
The historical Mt Carbine Tungsten Mine is located ~130km by sealed highway from the port of Cairns in North Queensland, Australia.

The Mt Carbine Mining Leases cover ~367 hectares.



The northern face of the open pit mine is visible from the highway.

MT CARBINE TUNGSTEN MINE - OVERVIEW

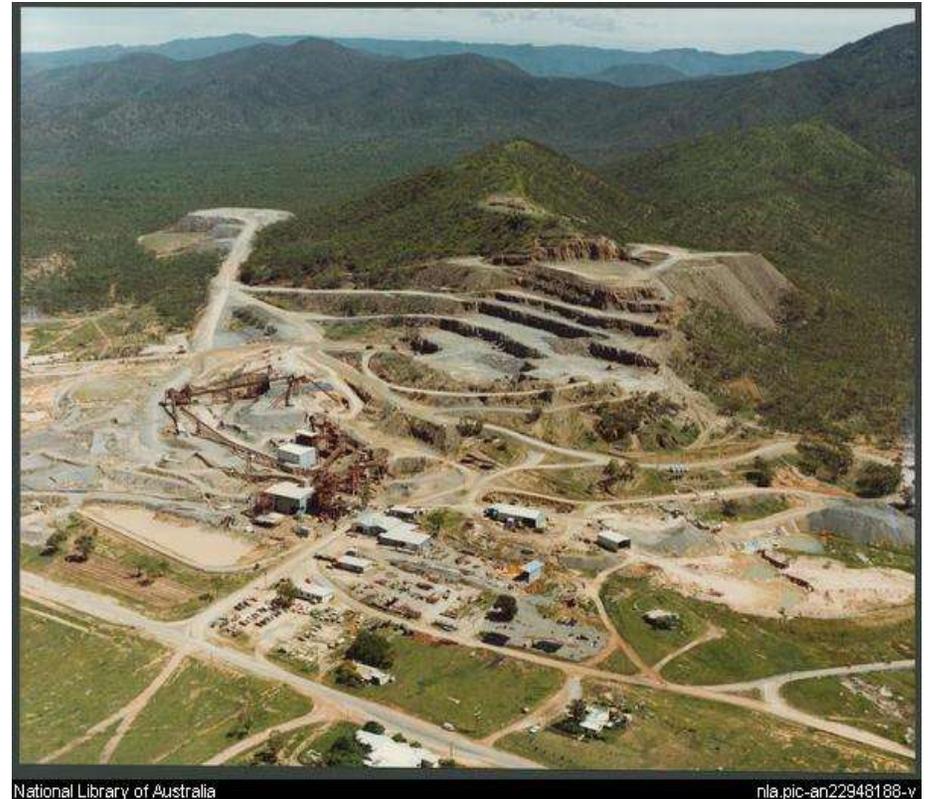


	Mining lease boundaries
	Quarry areas
	Roads
	Drainage

Slide 8

MT CARBINE TUNGSTEN MINE - HISTORY

- Tungsten discovered at Mt Carbine in 1895.
- Mining consisted of small scale, selective underground mining of the quartz veins until 1919 when world wolframite prices collapsed.
- Mt Carbine mined sporadically from 1919 to 1968.
- In 1972, Queensland Wolfram Ltd (QWL) purchased the mining leases and reopened Mt Carbine based on mining and gravity processing ~400,000 tonnes of alluvial scree and dump material from the old workings.
- Until the mine closed in 1987, QWL processed a total of 13 Mt of ore from an open pit, producing about 1,100 tonnes of WO_3 in high grade (up to 72% WO_3) in concentrate per year.
- Historically it was one of the world's largest tungsten mines, delivering 40% of Australia's annual tungsten production until low metal prices forced the closure of operations post the 1987 Stock Market financial crisis.



National Library of Australia

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Historical Photo of Roche Bros Operations, Mt Carbine Tungsten Mine

MT CARBINE TUNGSTEN MINE – JORC RESOURCE



MT CARBINE MINING LEASES CONTAIN THE FOLLOWING WORLD-CLASS TUNGSTEN RESOURCES:



Tailings Dam

Low Grade Stockpile

Open Pit

2012 JORC Compliant Resource

Resource Summary - July 2014 Tungsten Resource as WO₃

Resource	Resource	Cut-off Grade (%)	Tonnes (Mt)	WO ₃ (%)	WO ₃ (mtu)
Low Grade Stockpile	Indicated	0.00	12.0	0.070	840,000
Main Zone Hard Rock	Indicated	0.05	18.0	0.140	2,520,000
Main Zone Hard Rock	Inferred	0.05	29.3	0.120	3,516,000
	Total		59.3		6,876,000

MT CARBINE TUNGSTEN MINE - ACQUISITION



MT CARBINE QUARRY & MINING LEASES

BINDING AGREEMENT EXECUTED FOR THE PURCHASE OF MT CARBINE QUARRIES PTY LTD AND JOINT VENTURE WITH CRONIMET ASIA PTE LTD

Under these agreements, Speciality Metals will:

- Acquire 100% of Mt Carbine Quarries Pty Ltd, an entity that owns and operates the Mt Carbine quarry and mining leases ML4867 and ML4919. Settlement scheduled for 28 June 2019.

The quarry will continue to be operated by Speciality Metals in its own right.

- Enter into an unincorporated Joint Venture with Cronimet Asia Pte Ltd for the development of the Mt Carbine Tungsten Tailings Retreatment and Stockpile Projects. Production from the tailings retreatment is expected to commence during the 4th quarter of 2019.



- Cronimet Asia Pte Ltd is a subsidiary of the privately owned Cronimet Holding GmbH (“CRONIMET”) which was founded in 1980 as a raw materials service provider and trader in Karlsruhe, Germany. The Cronimet Group has grown organically since then to become a diversified commodity group with over 5,200 employees and activities in over 50 countries.
- CRONIMET operates a global supply chain for stainless steel, specialty steel raw materials and other strategic minerals. CRONIMET has significant expertise in the recovery of high-quality raw materials through latest technology and production methods.
- CRONIMET’s subsidiary, CRONIMET Mining Ag, is a global provider of integrated solutions for primary raw materials: from mining to processing, trading and renewable mining energy. Founded in 2004, CRONIMET Mining AG is now active all over the world with its own production locations and service centres. As an integral yet independent part of CRONIMET, CRONIMET Mining AG delivers high-quality raw materials directly from the source. The specialist team at CRONIMET Mining AG also develops tailored solutions for extraction, processing, recovery and renewable mining energy.
- CRONIMET Mining AH mine raw materials of the highest quality and make an active contribution to securing the global raw materials supply at their locations in Armenia and South Africa.
- With specialists all over the world, CRONIMET Mining AG discover and develop new deposits, design tailored solutions and implement efficient production methods.



MT CARBINE TUNGSTEN MINE - ACQUISITION

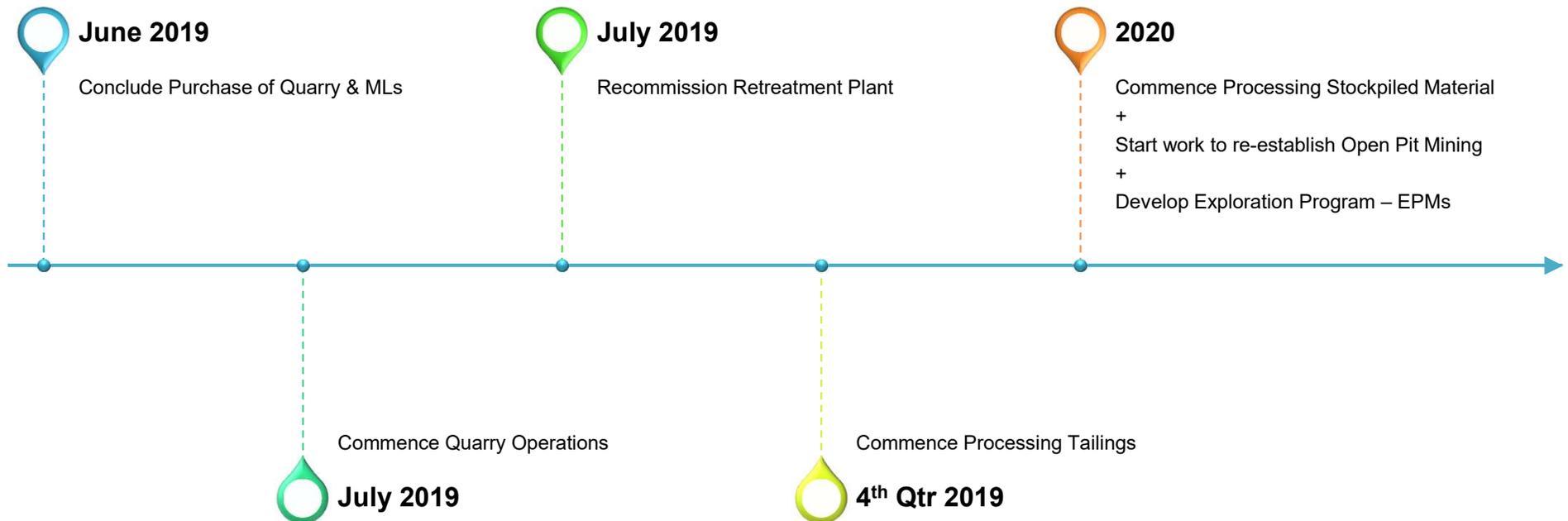


MT CARBINE QUARRY & MINING LEASES CONT...

- FIRB approval received for the Joint Venture.
- Acquisition to be financed via a 4 step, fully underwritten basis:
 - Tranche 1 – Placement of 83,231,463 ordinary shares at \$0.018 to raise A\$1,498,166 (to be completed by 16 May 2019);
 - Tranche 2 – Placement of 160,000,000 ordinary shares at \$0.018 to raise A\$2,880,000 (Subject to Shareholder Approval);
 - Rights Offer to all shareholders on a 1 for 5 basis at \$0.018; and
 - Offtake Advance of US\$3,500,000 to be paid by Cronimet.
- Two Non-executive Directors will be appointed to the Speciality Metals' Board post completion, being Mr Oliver Kleinhempel, Managing Director of Cronimet Holding GmbH and Mr Yeo Zhui Pei.
- The Board looks forward to a long and profitable relationship with Cronimet.



STAGED DEVELOPMENT APPROACH



MT CARBINE TUNGSTEN MINE - QUARRY OPERATIONS



MT CARBINE TUNGSTEN MINE – QUARRY OPERATIONS



- Fully permitted, established business in operation for over 20 years within the Mt Carbine Mining Leases.
- All plant and equipment in place. Will continue to be operated as a going-concern.
- Provides substantial growth opportunities and an invaluable revenue stream.
- No drill and blast necessary. Mined waste rock = quarry feed stock. Material only requires secondary crushing, screening and blending to form a saleable product.
- Feed stock sourced from stockpiled mined rock (~6Mt from a stockpile that has been processed through an optical ore sorter + a further ~12Mt of stockpiled mined rock of which approximately 90% will be available for future quarry feed after processing by Speciality Metals. (Refer ASX Announcement “Low Grade Stockpile Update, Mt Carbine to Indicated Resource Status, 5 September 2012)
- Largest and most northern hard rock quarry with an extensive range of:
 - * Road Base
 - * Crushed Fill
 - * Erosion Control Rock
 - * Gabion
 - * Shot Rock
 - * Crushed Rock
 - * Concrete Aggregate
 - * Drainage Rock
 - * Precoat Aggregate
 - * Fill
 - * Mattress
 - * Crusher Dust
 - * Ballast
 - * Clean Sorted Rock
- Speciality Metals well placed to take full advantage of the synergies between the Quarry and the Company’s future mining activities.



MT CARBINE TUNGSTEN MINE



RETREATMENT PLANT

- First stage of production.
- Tailings Retreatment already Permitted (covered by same EA as that for the stockpiled material).
- Previously produced ~142 tonnes of tungsten concentrate.
- Good recovery rates from the <0.2mm fractions, ~60% of contained metal.
- Tailings Dam #4 contains ~2 million tonnes at 0.1% WO_3
- Plant to be upgraded and refurbished prior to recommissioning.

MT CARBINE TUNGSTEN MINE



STOCKPILED MATERIAL

- **Permitted** under Environmental Authority EPML00956913 issued August 2013.
- Covers existing tungsten stockpiles [~12 million tonnes of at-surface stockpiled material].
- **X-Ray Ore Sorters** to be utilised to remove tungsten rich quartz from the stockpiled material.
- All waste rock from this process will be utilised as quarry feed stock.



MT CARBINE TUNGSTEN MINE



OPEN PIT & UNDERGROUND MINING

- Mining Leases in place – permitting and Plan of Operations required before commencement of mining.
- 440mRL and 415mRL decline ramps already in place.
- Expansion of MLs required to continue the development of the Open Pit and underground mining opportunities.
- Will begin permitting process and associated environmental and Native Title negotiations as soon as MLs have been acquired.

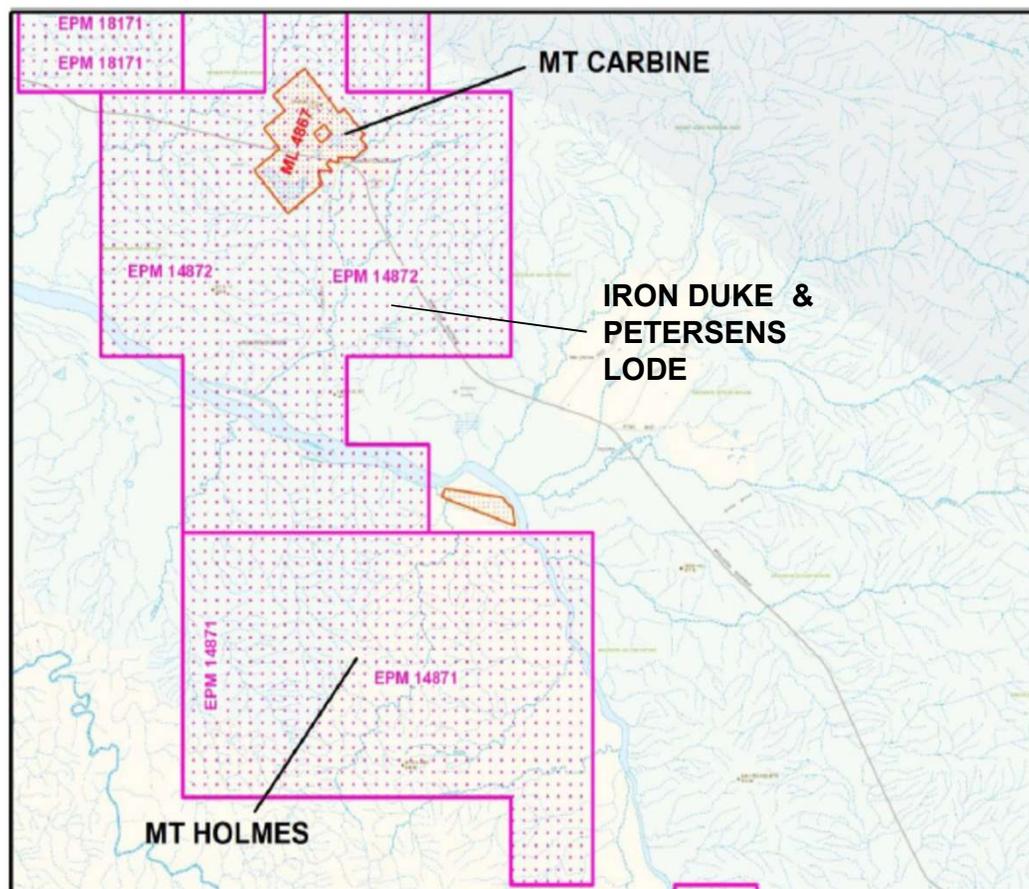


High Grade quartz-wolframite sheeted veining (open pit floor 1986)



MT CARBINE EXPLORATION PERMITS

EXPLORATION UPSIDE - TUNGSTEN EXPLORATION PERMITS



Two prospects - Iron Duke and Petersens Lode exist within EPM 14872 and Mt Holmes in EPM 14871.

These prospects are dominated by scheelite mineralisation.

Mapping and sampling indicate both prospects have extensive strike length.

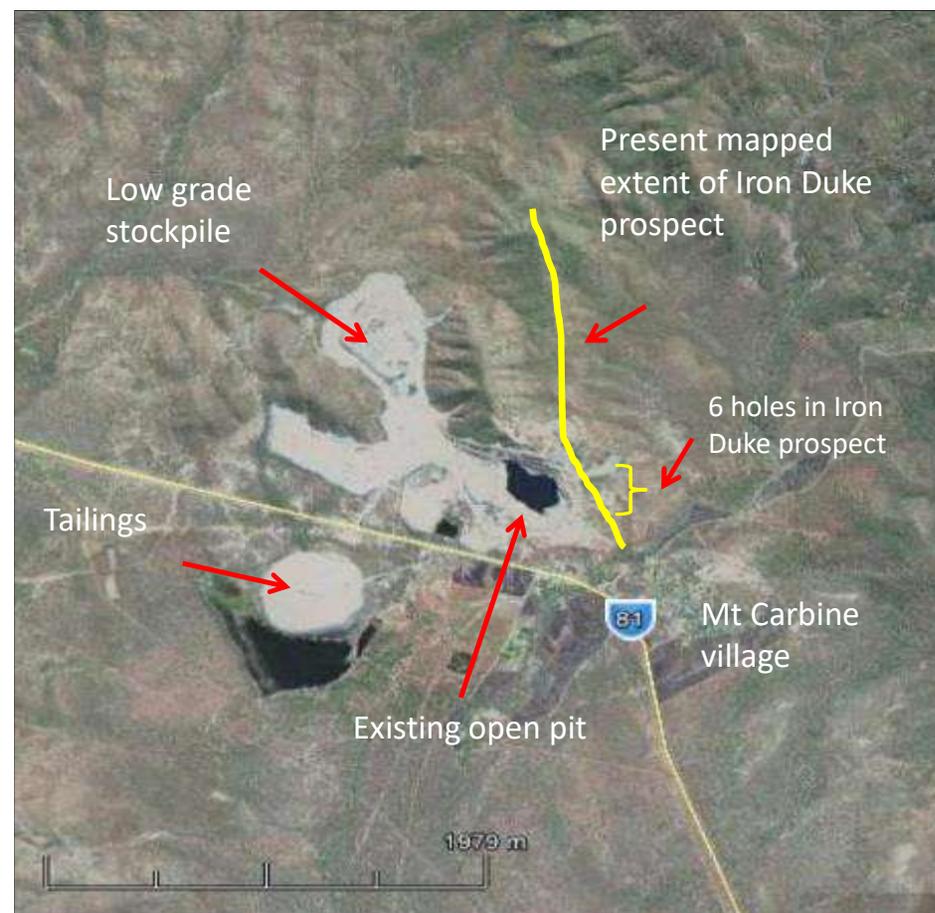
EPM 14872 – EXPLORATION UPSIDE

IRON DUKE

- Present resource estimate does not include any Iron Duke mineralisation. Lies within the planned open-cut envelope.
- Average true width 8m from 6 drill holes with an average weighted grade of .32% WO_3 . Mapping indicates a strike length of at least 1.3 km.
- Recent soil sampling confirms that the Iron Duke scheelite prospect is mineralised over 1km strike length.
- A self potential survey over a gossan concealed beneath mine waste north of Carbine Hill revealed a substantial anomaly with a total strike length of 160m and open to the north east.
- This anomaly comprises a future drilling target to test for copper-zinc mineralisation.

PETERSENS LODGE

- Lies within EPM 14872 and is ~1-2km south-east of Mt Carbine.
- Sub-vertical zone of scheelite mineralisation hosted by sheared and altered metasediments traced for 2.2 km along the strike.





Speciality Metals
International Limited

Thank-you

Speciality Metals International Limited | ACN 115 009 106 | (ASX:SEI)
Level 17, 500 Collins Street, MELBOURNE VIC 3000 | PO Box 1496, MAREEBA QLD 4880
Telephone: +61 (0)3 9614 0600 | www.specialitymetalsintl.com.au
Email: info@specialitymetalsintl.com.au