



Friday 3rd February

Alufer Mining Limited secures US\$205m financing package for Guinean bauxite project

- **Alufer raises \$205m to fully fund the construction of the Bel Air mine**
- **Fully permitted project to begin construction in February 2017**
- **Strong support from high quality financial institutions and the Government of Guinea**

Alufer Mining Limited (“Alufer” or “the Company”) is pleased to announce the successful completion of a financing package of US\$205m from U.S, West Africa and other international investors. The Company has raised US\$90m of convertible debt and US\$35m of equity from a consortium consisting of Resource Capital Funds VI L.P, the Africa Finance Corporation, Orion Mine Finance and existing shareholders. Alufer has also secured US\$80m of senior debt from Orion Mine Finance. These funds will advance the Bel Air project (“Bel Air” or “the Project”) through to first commercial production. Additionally, Alufer has signed a six year off-take agreement with Orion Mine Finance, who will work with the Company, to market the product and secure revenue during the ramp-up, providing flexibility to take advantage of market opportunities.

Located just 15km from the coast, with a significant high quality JORC reserve, dedicated transport corridor and its own planned export and port facility, the Bel Air project is well positioned to become a significant player within the global bauxite market. All required permits are in place, and construction will begin in February 2017 with first commercial production scheduled for Q3 2018. This will be followed by ramp-up to first phase capacity of 5.5Mtpa with the potential to expand to 10Mtpa.

Adonis Pouroulis, Chairman and founder, commented:

“Significant investment, hard work and the support of the Government of Guinea has meant that the Bel Air project has achieved another important milestone. The Board and shareholders of Alufer have shown great vision, commitment and patience over the years. Their tenacity and support has been vital to overcome significant hurdles to take the project from an area of prospective land to the start of construction. In the current market conditions, it is testament to the excellent work of our team and the immense potential of the Bel Air project that we have been able to finance this high-quality asset.”

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Bernie Pryor, CEO of Alufer, added;

“Financing projects such as Bel Air in this short timeframe is rare in the mining sector. We only completed our definitive feasibility study in May 2016 and to secure funding within seven months is an incredible achievement. I am convinced that this demonstrates the quality of the project and our team. Looking forward, we are committed to taking the project to commercial production as soon as is practical. It is vital that this project generates value for all of our stakeholders and we have put in place a credible delivery framework which must adhere to the highest environmental and social benchmarks as set by IFC performance standards.”

His Excellency the Minister of Mines for the Government of the Republic of Guinea concluded:

“We share the Board of Alufer’s delight in the success of its fundraising and congratulate the company on its professional approach to the management of this project. The development of our natural resources for international markets is very important to the Guinean economy and we are pleased to work with Alufer in this regard. As an international company, Alufer has demonstrated a willingness to work with Government across a range of issues including employment, environmental impact and community relations. We are committed to ensuring that the economic development of the Republic of Guinea’s resources is conducted in a sustainable manner which benefits all stakeholders. We look forward to continuing a rewarding relationship with Alufer and wish the company every success with its endeavours in our Country.”

ENDS

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Notes to Editors

Alufer Mining Limited is an independent mineral exploration and development company with significant bauxite interests in the Republic of Guinea. The company is focused currently on the development of the Bel Air project where production is expected to commence in 2018. Alufer has invested significant capital in exploration since January 2011 and substantial work programmes have identified a JORC¹ compliant resource in excess of 3 billion tonnes of high quality bauxite at Bel Air and Labé.

Alufer places a great deal of importance on sustainability and is committed to ensure that its operations are consistent with the highest social and environmental standards.

The company's Board and management team have an in-depth knowledge of Guinea and the bauxite markets. In addition, they have extensive experience in managing and operating exploration, development and production stage mining assets.

About Africa Finance Corporation ("AFC")

AFC, an international investment grade multilateral finance institution, was established in 2007 with an equity capital base of US\$1.1 billion, to be the catalyst for private sector infrastructure investment across Africa. With a current balance sheet size of approximately US\$3.2 billion, AFC is now the second highest investment grade rated multilateral financial institution in Africa with an A3/P2 (Stable outlook) rating from Moody's Investors Service. AFC's investment approach combines specialist industry expertise with a focus on financial and technical advisory, project structuring, project development and risk capital to address Africa's infrastructure development needs and drive sustainable economic growth. AFC invests in high quality infrastructure assets that provide essential services in the core infrastructure sectors of power, natural resources, heavy industry, transport, and telecommunications. To date, the corporation has invested US\$4.5 billion across 26 African countries.

About Orion

Orion Mine Finance is a mining-focused investment business with approximately \$2.5 billion under management. Orion specializes in providing comprehensive capital solutions to mining companies in the base and precious metals sector using bespoke combinations of debt, equity, convertibles, offtake, streaming, and royalty investments.

About Resource Capital Funds ("RCF")

Resource Capital Funds ("RCF") is a group of commonly managed private equity funds, established in 1998 with a mining sector specific investment mandate spanning all hard mineral commodities and geographic regions. Since inception, RCF has supported 159 mining companies, with projects located in 49 countries and across 29 commodities. The sixth fund, Resource Capital Fund VI L.P. ("RCF VI") with

¹ Australasian Joint Ore Resource Committee

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committed capital of \$2.04 billion, is now being invested. Further information about RCF can be found on its website (www.resourcecapitalfunds.com).

RCF has a strong team of investment professionals, with wide ranging industry and technical expertise and a demonstrated history of investments in mining globally. RCF's track record is based on its ability to pick technically and commercially compelling assets and support management to achieve desired outcomes whilst remaining throughout a source of patient capital. RCF aims to partner with companies to build strong, successful and sustainable businesses and in doing so strives to earn superior returns for all shareholders.

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