



African Eagle
Resources plc

Dutwa Nickel Project, Tanzania

African Eagle Resources plc

Proactive Investors

One2One Investor Presentation

Thursday 25th November, 2010

Chesterfield Mayfair Hotel, Mayfair



African Eagle
Resources plc

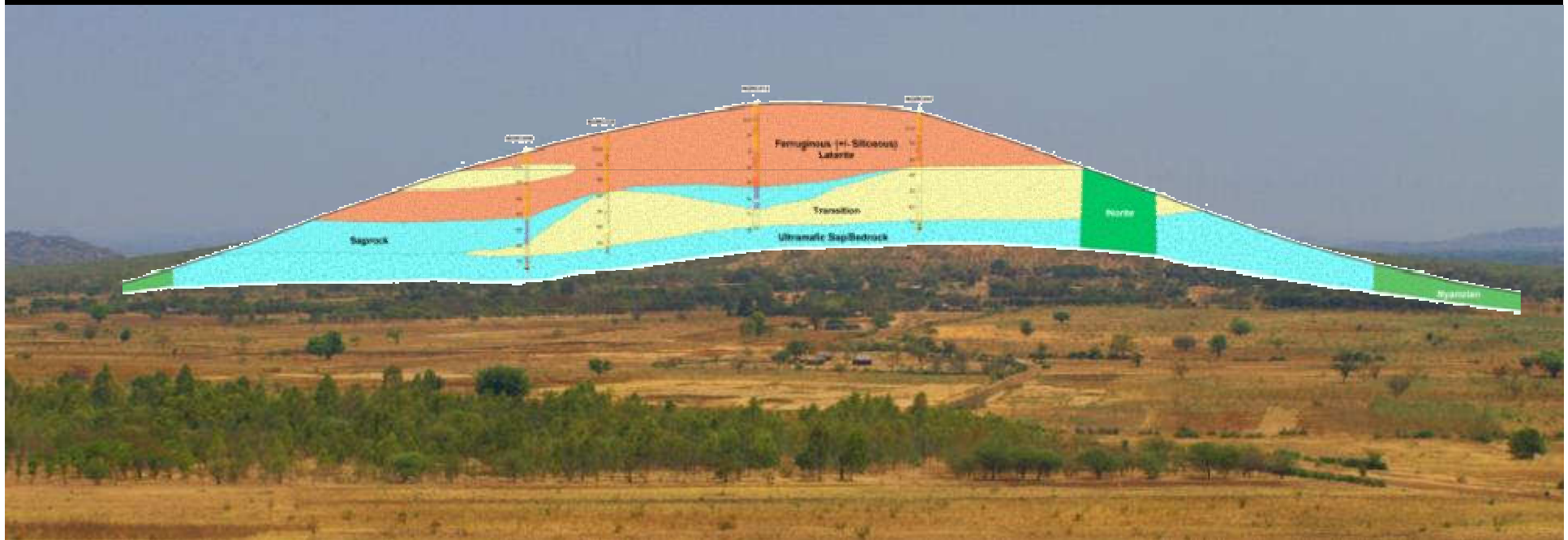
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A World Class Nickel Deposit?





Dutwa Nickel Project

What's so special?

Exceptional metallurgy

- *Fast leach kinetics*
- *Low acid consumption*
- *Low iron and aluminium*

Very large deposit

- *~100 million tonnes at ~1% Ni*
- *~1 million tonnes contained Ni equiv*
- *Contained metal value \$21 bn*
- *Equivalent to a 15M oz gold deposit*

Easy Mining

Regional upside





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Corporate

London AIM	AFE
Jo'burg AltX	AEA
Shares in issue	385 million
Fully diluted	407 million
Market capitalisation	£23M
52-week hi/lo	6.62 / 3.38p
Net cash	£4M





Overview



Flagship

World class Dutwa nickel project at pre-feasibility

Other assets

Copper in Zambia (planned spinout)

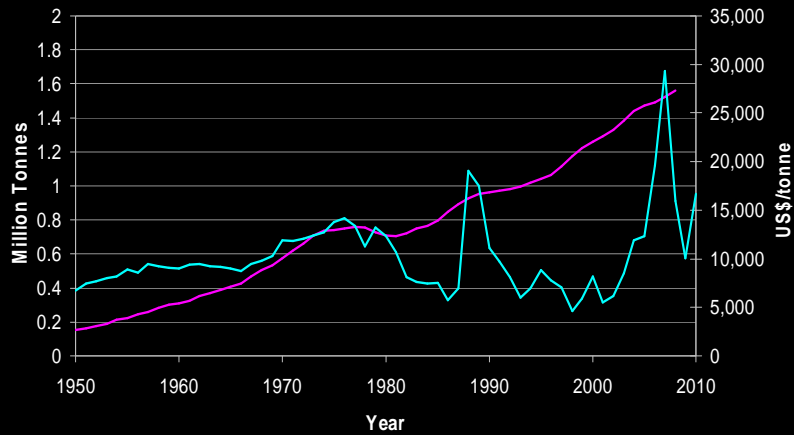
Gold in Tanzania (JV)

Uranium (spinout)

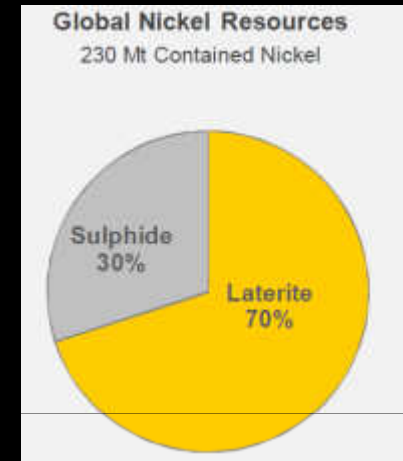


Nickel overview

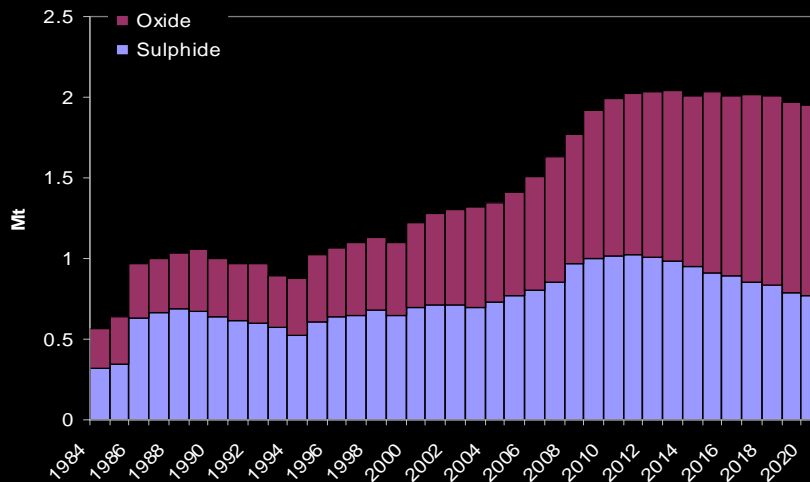
Global nickel production since 1950 and price in 1998 US\$



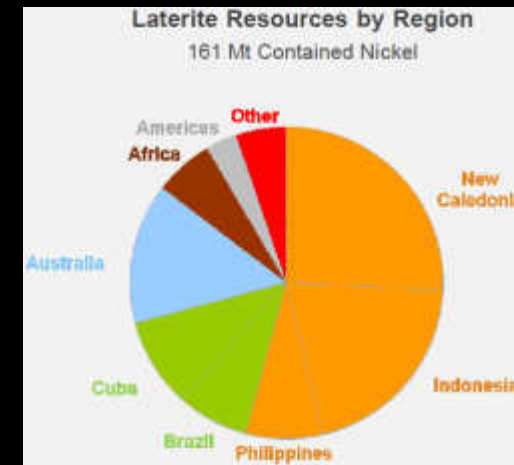
Source: USGS



Nickel supply, million tonnes (historical to 2008 and forecast to 2020)



Source: Xstrata Nickel





Tanzania

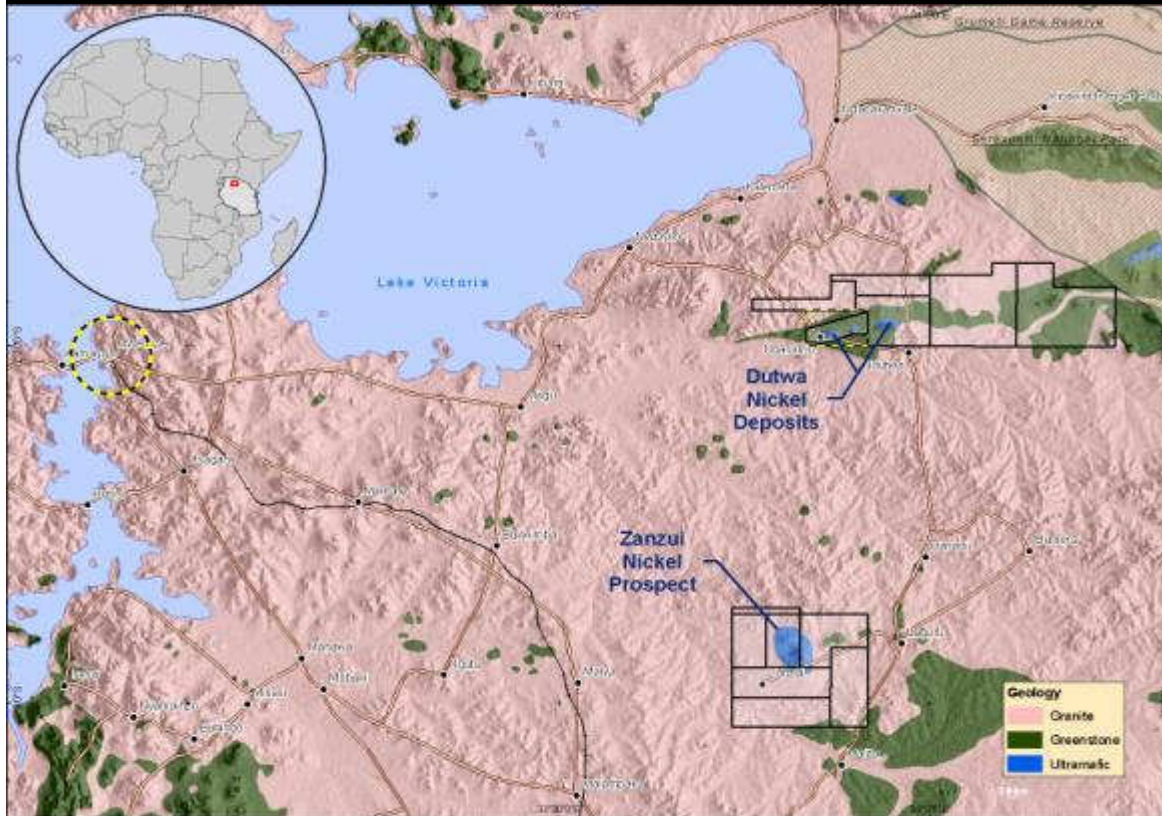


- Stable multi-party democracy
- Africa's 4th largest gold producer
- Significant production of diamonds, coloured gemstones and copper
- Kabanga nickel sulphide deposit at feasibility
- Uranium and coal projects in development
- Active players: Barrick, Anglo-Gold, Resolute, Xstrata, Petra Diamonds
- Competitive legal and fiscal regime: Mining Law revision almost complete





Dutwa Project Location



Location	Southeast corner Lake Victoria, 100km east of Mwanza, northern Tanzania
Infrastructure	Trunk road and HT powerline 20km; railway 80km
Resource	~100Mt at ~1% nickel equivalent
Upside	Further resource increase likely; additional targets under evaluation.
Mining	Surface deposit on hilltops, very low strip ratio
Processing	Very fast acid leach kinetics; low acid consumption; no need for pressure leaching
Scoping study	Completed mid-2009; made good investment case for project
Feasibility study	Now at prefeasibility stage; economic model upgrade Q4/10; prefeasibility Q3/11; feasibility Q3/12



Mineral Title

Wamangola

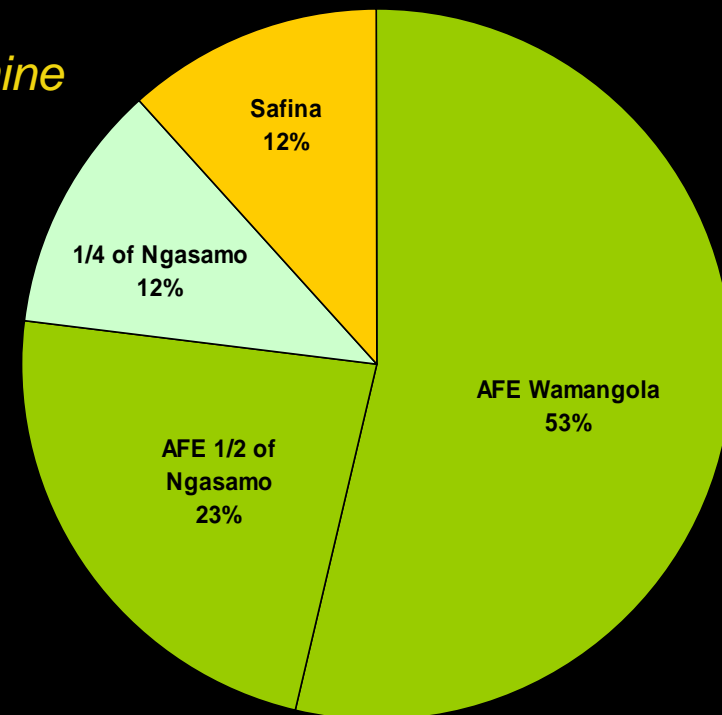
*Prospecting Licence held by AFE subsidiary
Local partner holds 10% interest up to decision to mine
Can then become contributor or sell interest*

Ngasamo

*Prospecting Licence
In name of PMRC / Safina (Czech)
AFE earns 35% by defining inferred resource
Can earn 50% by upgrading resource to indicated
Can earn 75% by sole funding feasibility study*

**Chart at right indicates AFE's estimated final equity
76% or 88% in combined Dutwa project**

Dutwa Final Equity (estimated)





Geology

Wamangola drill results

- 57m at 2.57% nickel including 15m at 6.91%
- 30m at 2.53% nickel including 12m at 3.19%
- 54m at 1.35% nickel including 12m at 2.43%

- 30m at 0.47% cobalt including 6m at 1.68%
- 24m at 0.56% cobalt including 6m at 1.08%
- 24m at 0.36% cobalt including 3m at 1.57%

Ngasamo drill results

- 75m at 1.42% nickel
- 36m at 1.63% nickel including 15m at 2.37%
- 84m at 1.07% nickel including 30m at 1.64%
- 63m at 1.41% nickel including 45m at 1.71%

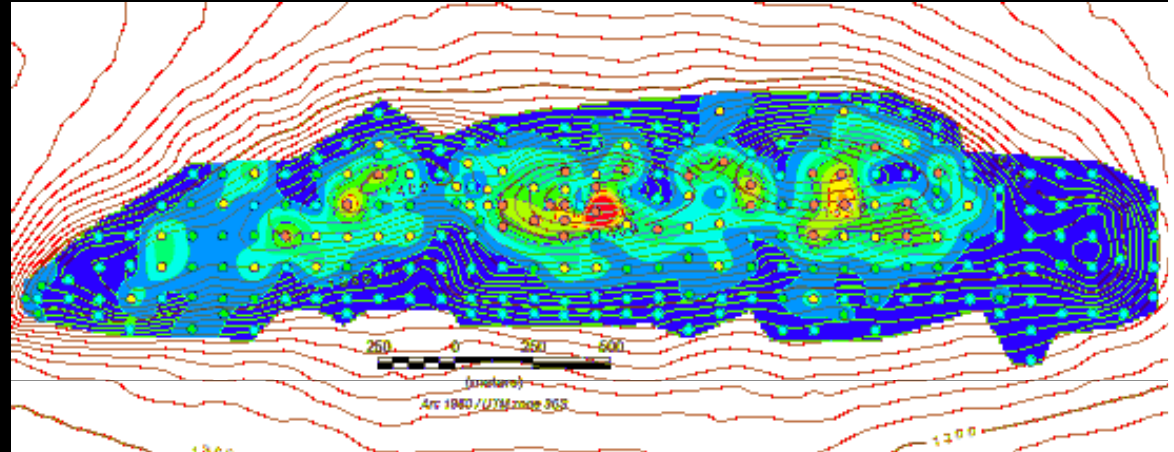
- 18m at 0.47% cobalt
- 9m at 0.43% cobalt
- 54m at 0.13% cobalt

**Core drilling now underway
for 40t bulk ore sample**



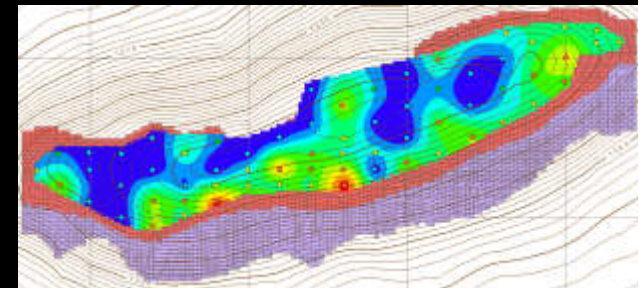


Geology



Wamangola grade x thickness plot

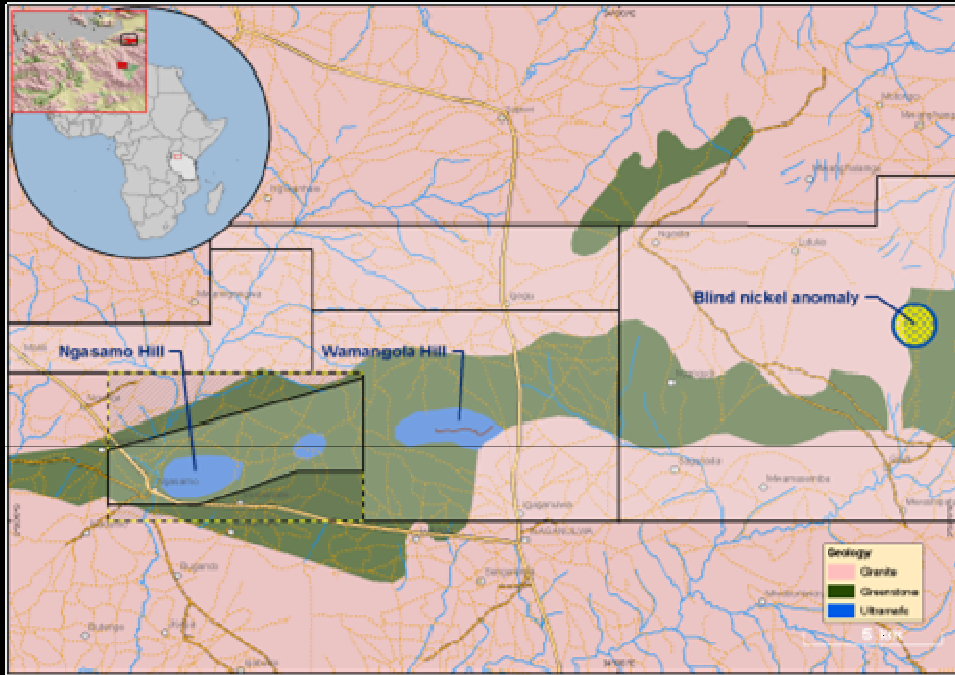
**Potential for
early-years
high-grading
to improve NPV**



Ngasamo grade x thickness plot

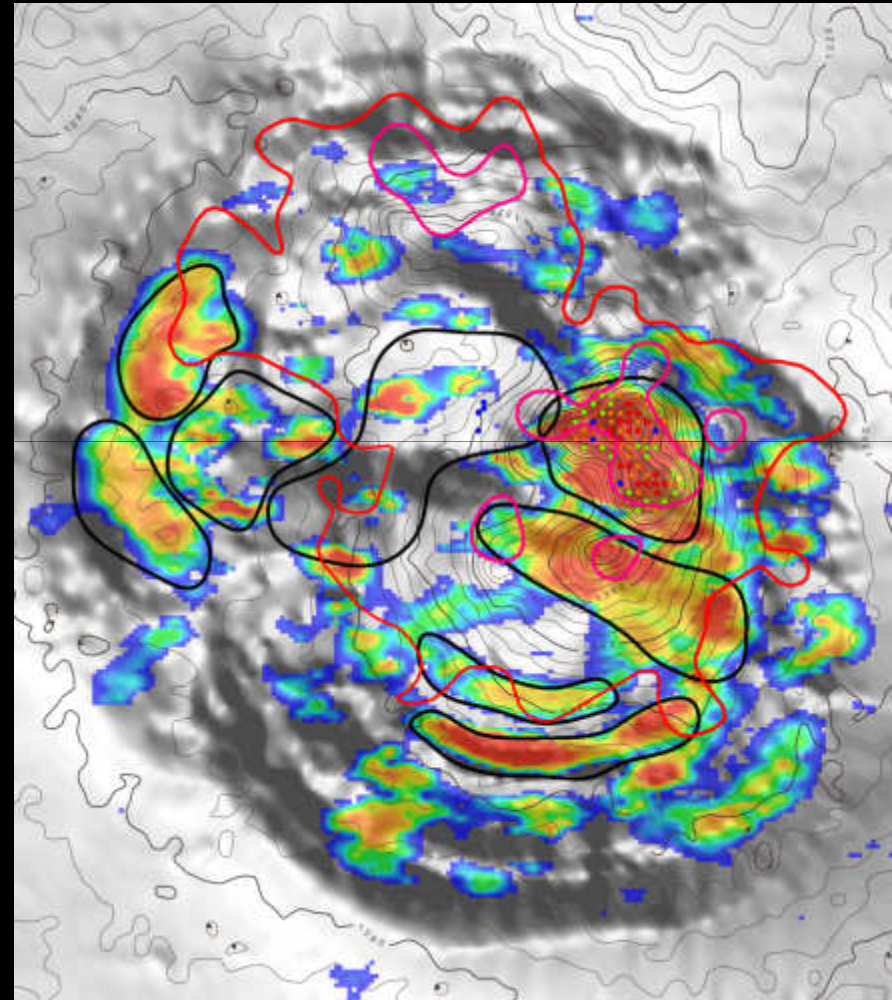


Future Upside



Dutwa East Anomaly

A new nickel laterite province?



Zanzui



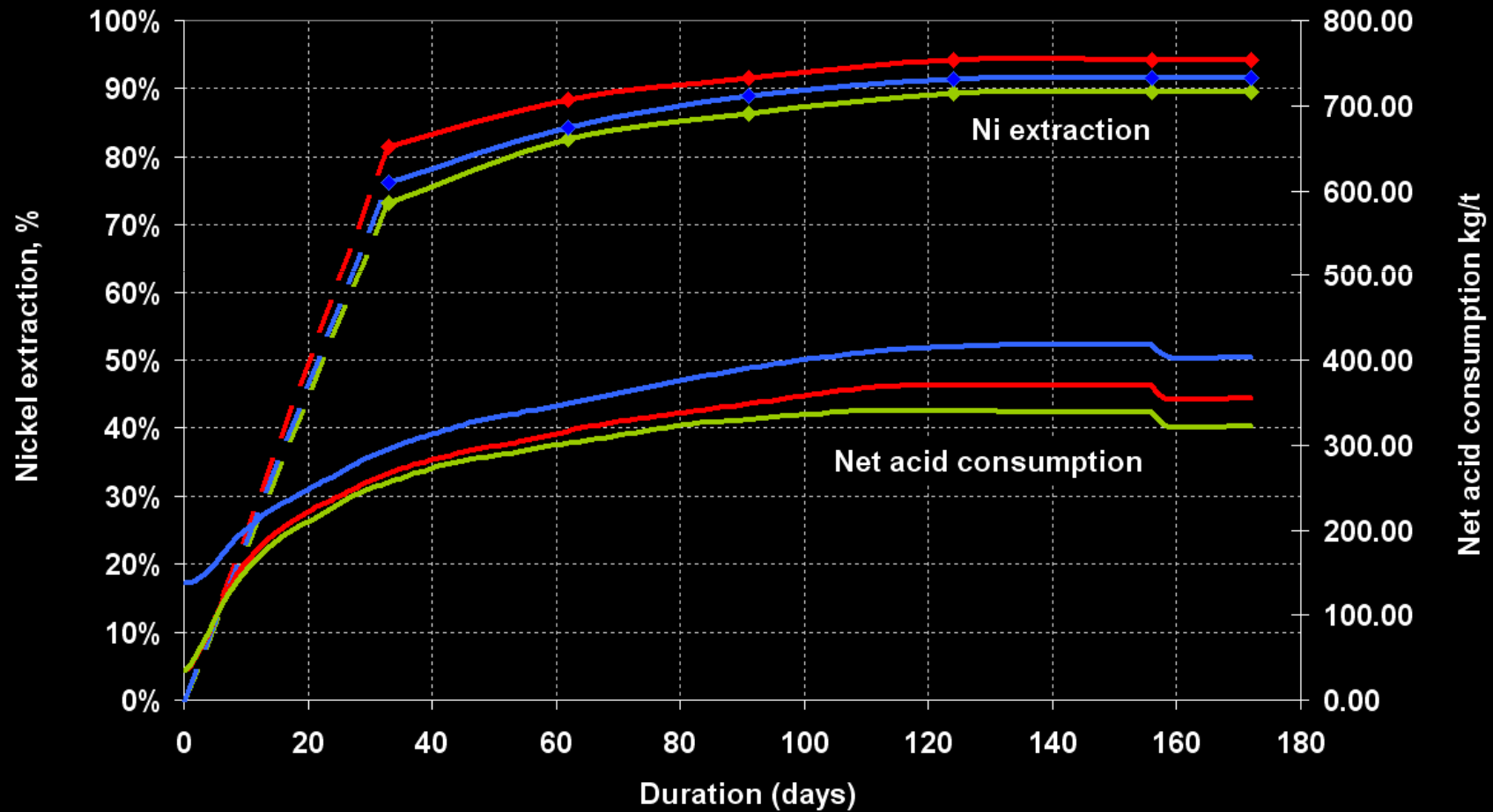
Geometallurgy

Wamangola, Dutwa		Ni %	Co %	MgO %	Fe ₂ O ₃ %	SiO ₂ %	Tonnage Mt
	<i>Siliceous Ferruginous Zone (71%)</i>	0.88	0.03	3.76	12.11	73.41	42.9
	<i>Transition zone (25%)</i>	0.96	0.02	16.72	12.34	54.29	14.9
	<i>Saprolite Zone (4%)</i>	0.95	0.02	34.54	7.41	35.4	2.5
	<i>Bedrock (<1%)</i>	0.91	0.01	41.16	7.02	33.38	0.1
Goro, New Caledonia		Ni %	Co %	MgO %	Fe ₂ O ₃ %	SiO ₂ %	
	<i>Plasmic horizon - red yellow laterite</i>	0.5-1.2	0.01- 0.06	0.5-2.05	40-60	1.0-2.0	
	<i>Ferruginous Saprolite</i>	1.2-1.6	0.01- 0.05	0.6-3.0	40-50	3.0-10.0	
	<i>Saprolite</i>	2.0-5.0	0.05 - 0.5	10-30.0	15-40	20-40	
	<i>Bedrock</i>	0.2-0.3	0.01	30-45	10	>40	



Metallurgy

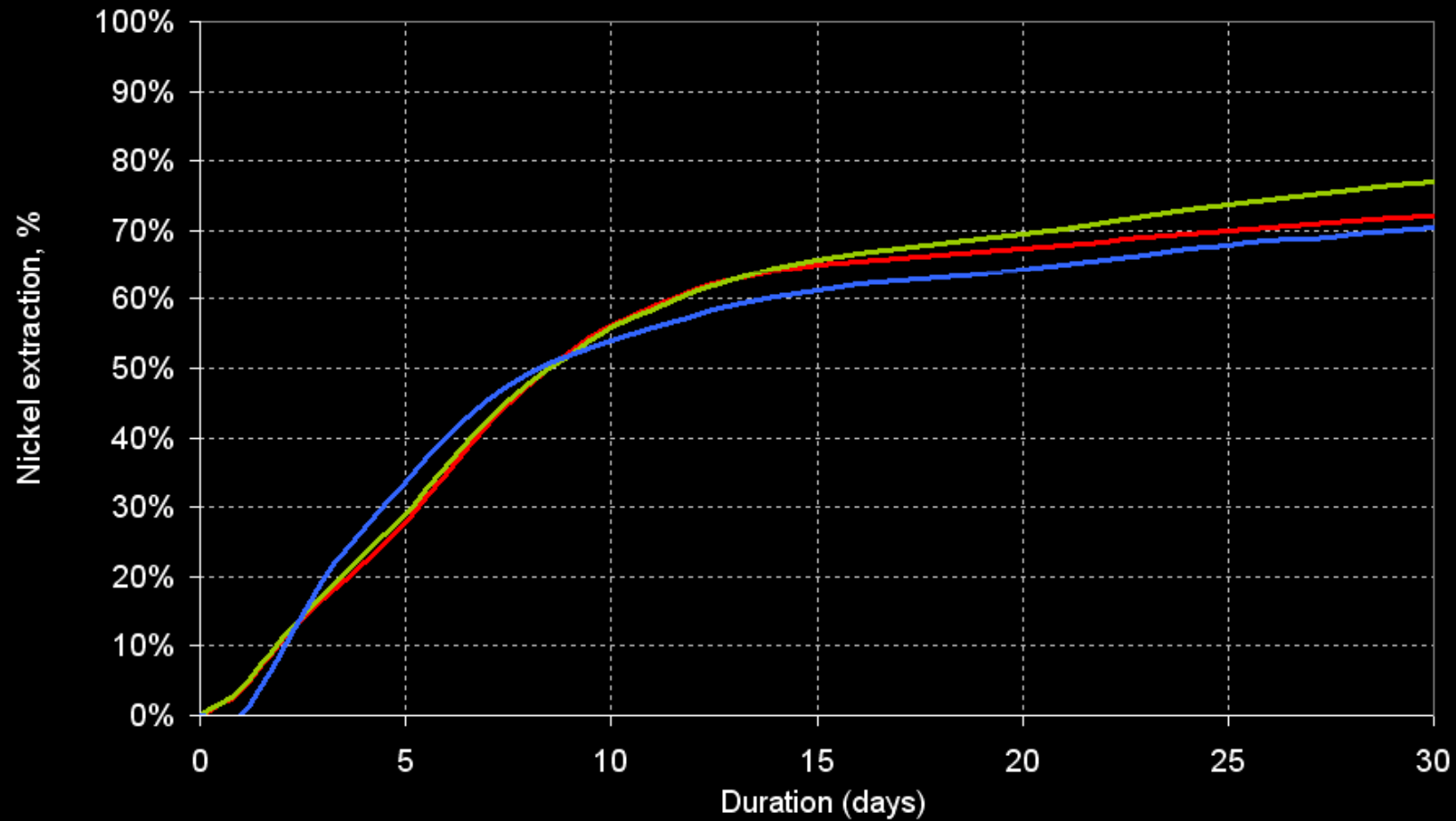
Nickel extraction in 1m column leach, % over time, ICP and net acid consumption kg/tonne





Metallurgy

Chart 2: Nickel extraction in 1m column leach,
% over first month (AAS)

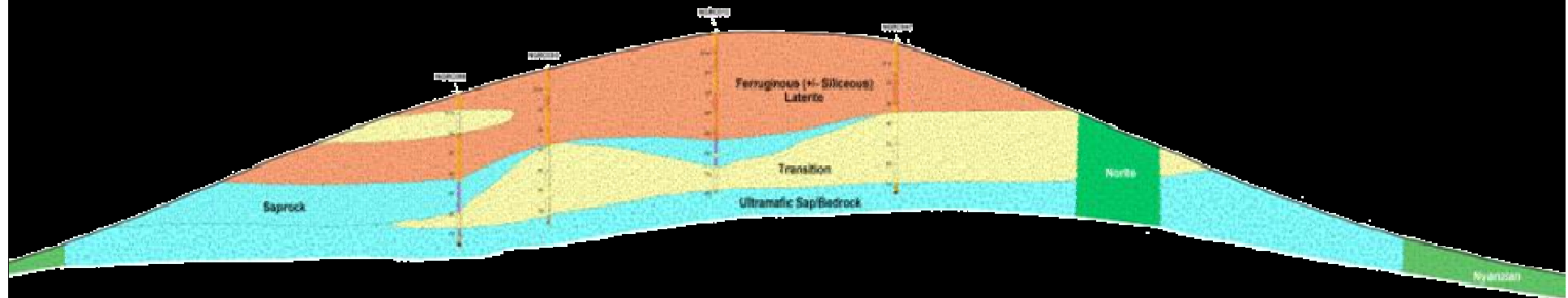




Resource

JORC Inferred	Tonnage	Nickel grade	Cobalt grade	Nickel equivalent	Major elements as oxides			
					SiO ₂ %	Al ₂ O ₃ %	Fe ₂ O ₃ %	MgO%
	Mt	Ni %	Co %	eNi %				
Wamangola	60.4	0.90	0.02	0.93	67.0	2.4	12.0	8.3
Ngasamo	38.2	0.97	0.03	1.01	63.1	1.6	13.7	11.6
TOTAL	98.6	0.93	0.02	0.96	65.5	2.1	12.6	9.6

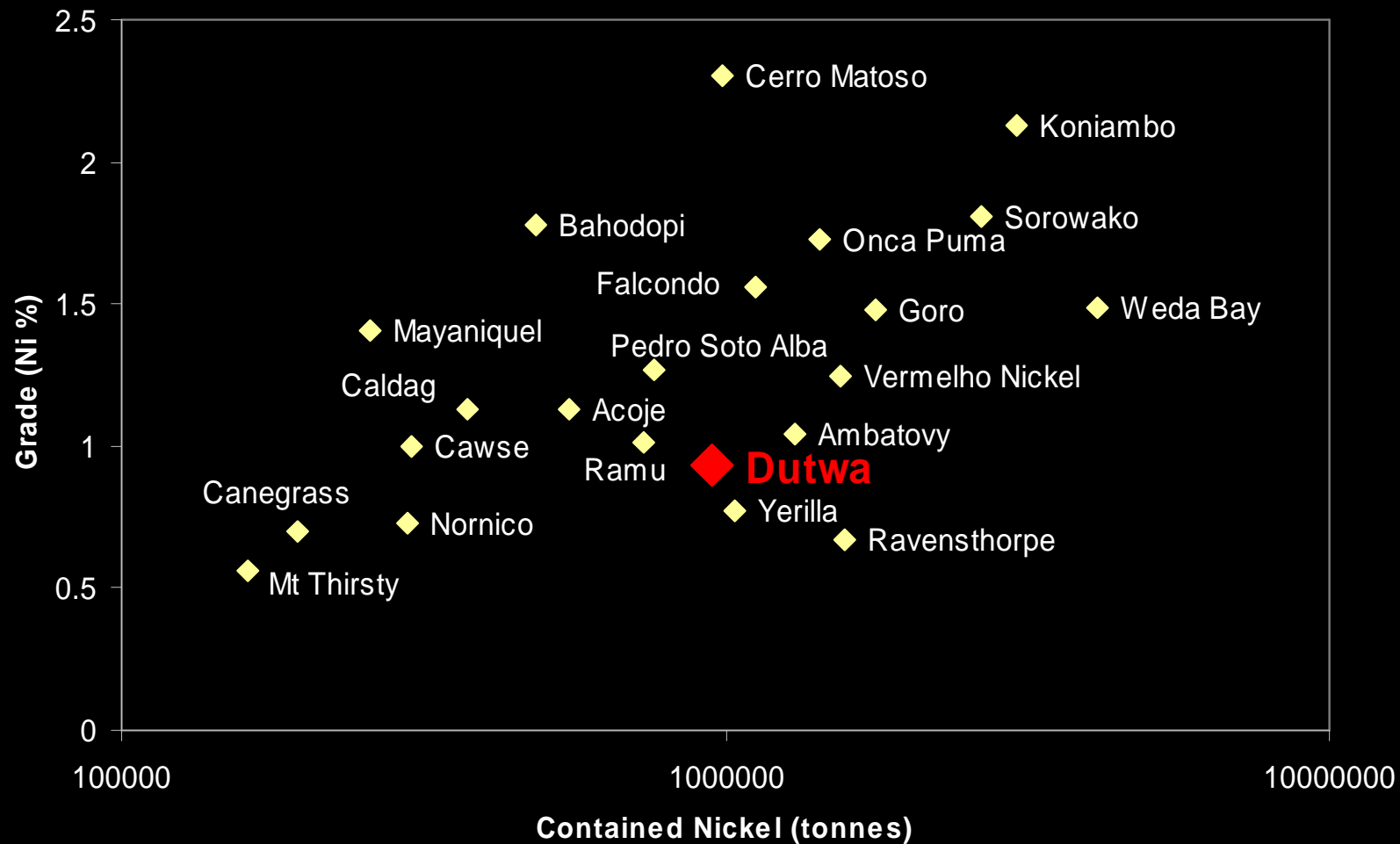
Contained equivalent nickel 948,000t (~\$21bn at US\$9.61/lb)





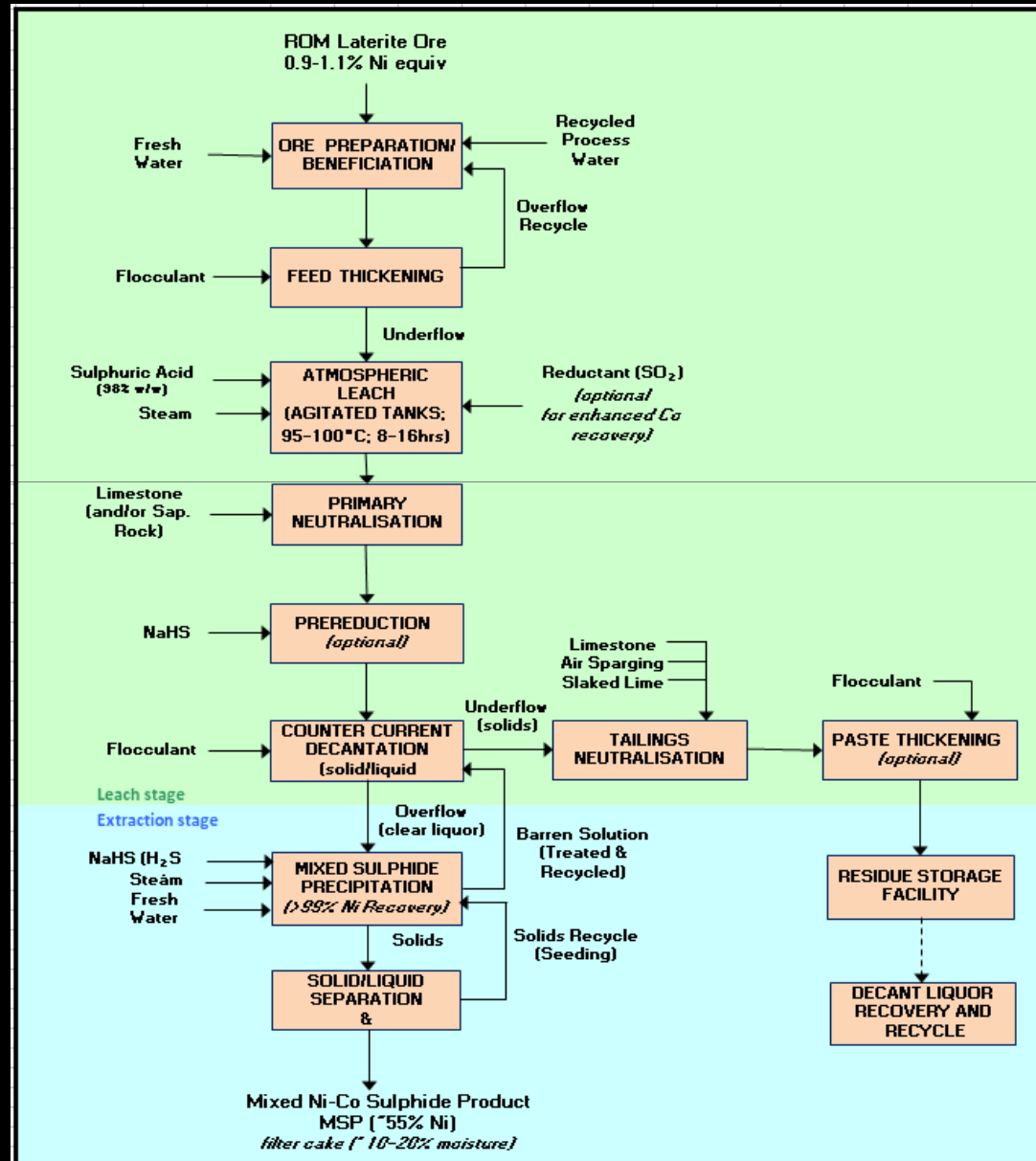
Comparisons

Global Nickel Laterite Deposits





Process Design





Economics

Nickel price	US\$ / lb	\$11.00	\$9.00	\$7.00
Earnings (life of mine EBIT)	US\$ M	3,600	2,600	1,500
IRR, post tax	%	39	27	15
NPV, post tax (10% d.r.)	US\$ M	750	430	110
Capital costs	US\$ M	440	440	440
Operating cost	US\$ / lb	3.10	3.10	3.10

June 2009 Scoping Study

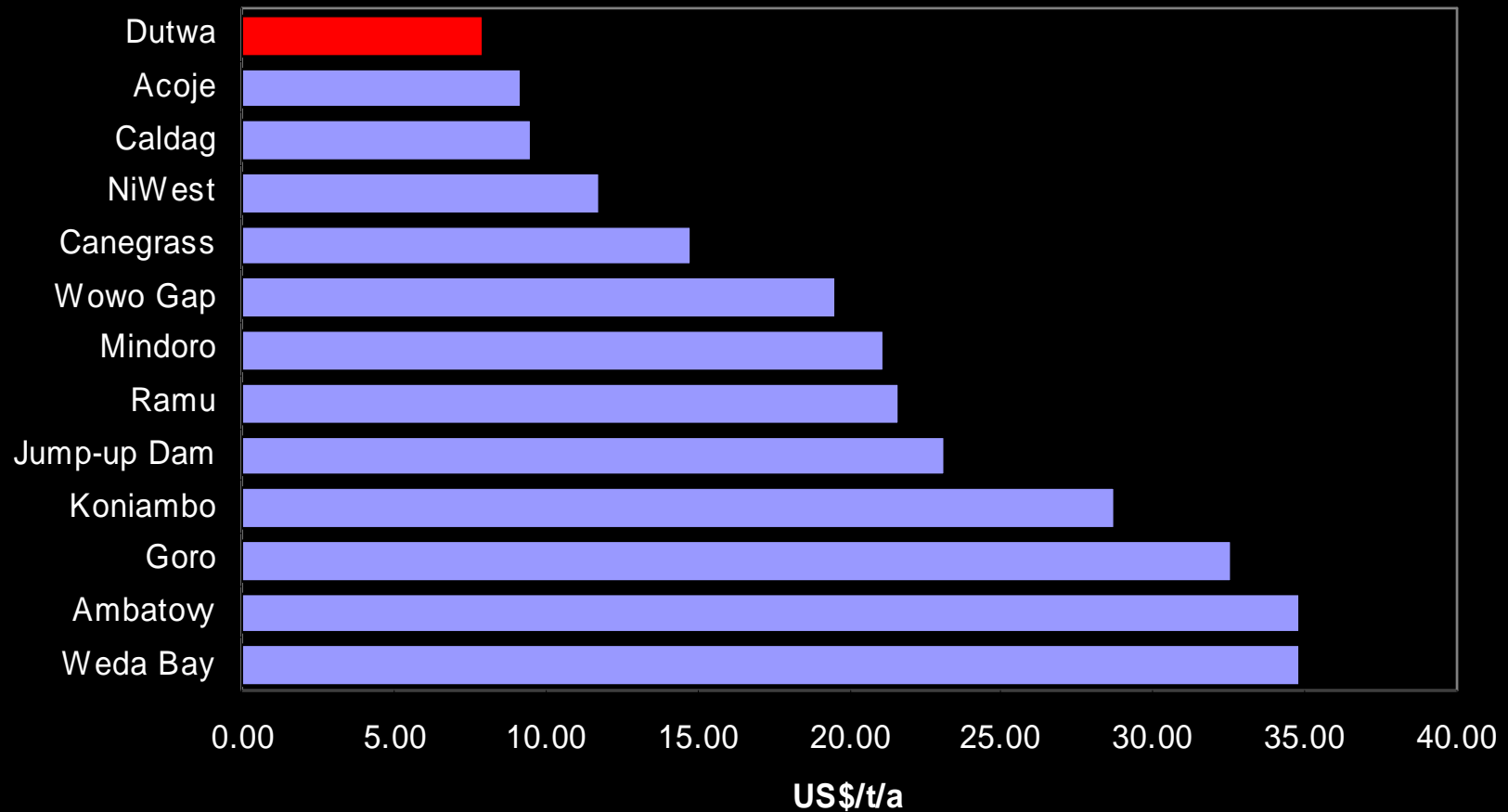
Demonstrated “proof of concept” and made a sound investment case
but is now 15 months behind our progress

***Next financial model (due late 2010) will input greatly increased resource,
Whittle pit optimisation, latest metallurgical results,
better researched logistics costs, accurate rainfall data, etc***



Comparisons

Nickel Laterite Capital Intensities US\$ per tonne per annum



Data from published sources

Dutwa data from 2009 scoping study



Summary

Dutwa: A very significant oxide nickel deposit

Very large

- *~100 million tonnes at ~1% Ni*
- *~1 million tonnes contained Ni equiv*
- *Contained metal value \$21 bn*
- *Equivalent to an 15M oz gold deposit*

Exceptional metallurgy

- *Fast leach kinetics*
- *Low acid consumption*
- *Low iron and aluminium*

Easy mining

Regional upside

