



Corporate Overview Presentation

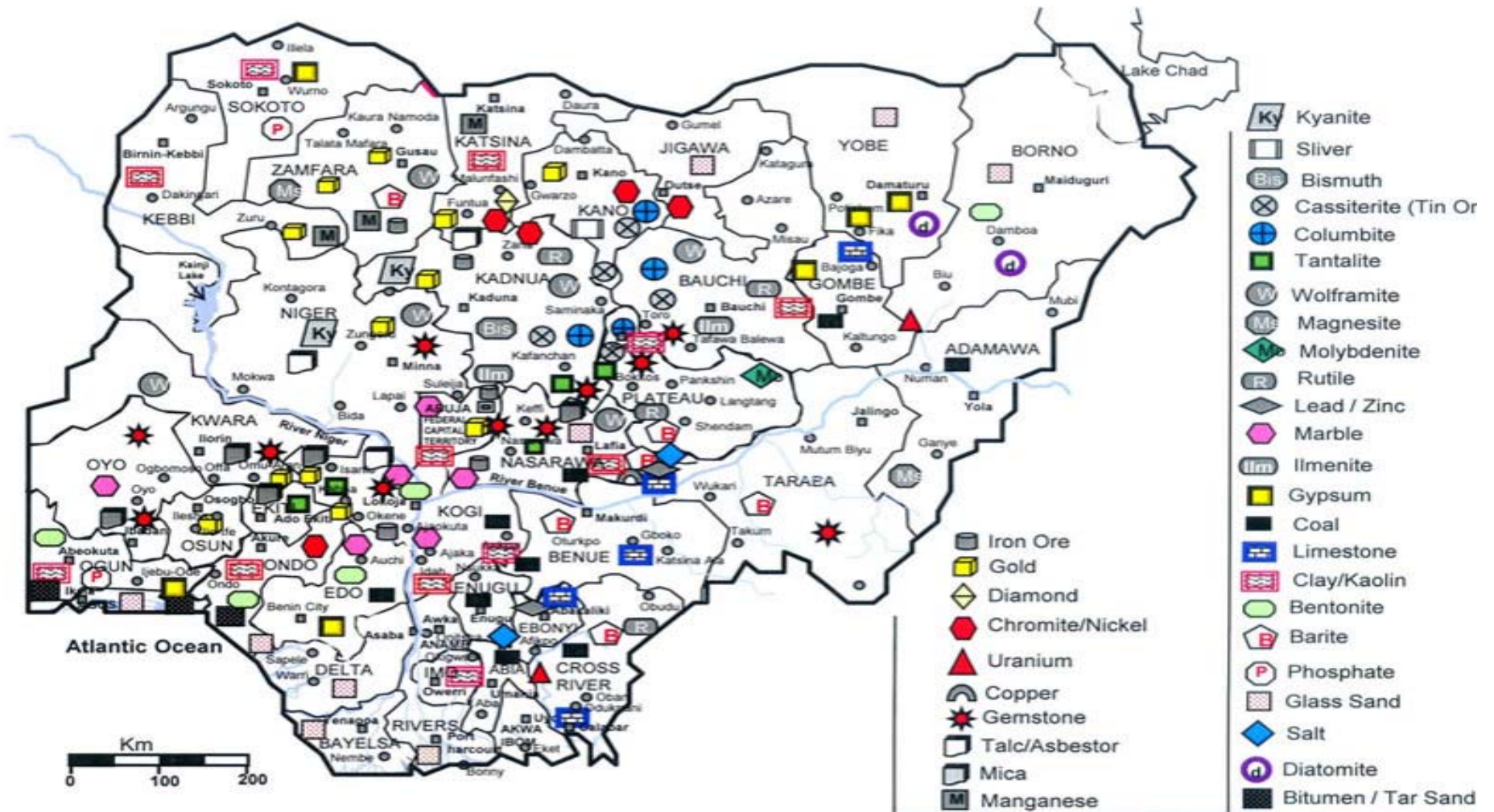


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CEO
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China' Insatiable Appetite for Minerals

- **China is the world's largest buyer of minerals such as copper, lead, manganese, zinc, tin and lithium and has been the main driver of global metals demand accounting for two-fifths of global consumption.**
- **During FY 2018, China's minerals purchases grew at a whopping 41% (of the world consumption).**
- **The long term demand outlook for minerals listed above (principally by China) remains attractive as the supply deficit is expected to continue.**
- **High-cost Chinese production will demand a highly competitive pricing despite of lack of supply.**

Solid Minerals Presence in Nigeria



Geology of Nigeria

- **Nigeria lies approximately between latitudes 4°N and 15°N and Longitudes 3°E and 14°E, within the Pan African mobile belt in between the West African and Congo cratons.**
- **The Geology of Nigeria is dominated by three major rock types; the crystalline (igneous and metamorphic rocks) and sedimentary rocks both occurring approximately in equal proportions.**
- **The crystalline igneous and metamorphic rocks constitute the Precambrian- Palaeozoic basement complex which occur in the eastern region of the country and extend through the north central to the north eastern part of Nigeria.**
- **The Sedimentary Basins comprises of 7 inland basins namely the Niger Delta, the Anambra Basin, the Benue Trough, the Chad Basin, the Sokoto Basin, the Bida-Nupe Basin and the Dahomey Basin, all infill with sediments varying in age from the Cretaceous to recent.**

Nigeria Market Overview

- **Nigeria has the largest market in African continent with a population of more than 180 million people.**
- **The country projected GDP by 2050 is expected to reach \$6.4 trillion according to World Bank. Therefore, Nigeria can be a lucrative market for companies that can learn to navigate a complex and evolving business environment.**
- **Nigeria has a vast deposit of natural resources having 44 different types of minerals identified in more than 500 locations across 36 States that is worth in trillion of dollars.**
- **Because Nigeria is heavily dependent on oil which accounts for about 80% of export earnings, mining potential has remained largely untapped due to inadequate power supply, deficient transportation infrastructure, ineffective judicial system and widespread corruption in the public sector.**
- **The Government vision for the country long-term growth is to optimize local content as to increase agricultural and manufacturing output but nothing to do with mining. While inflation and recession continually rises and the country continues to experience non-inclusive growth, increasing poverty, including poor maternal and infant mortality indices.**
- **Nigeria has the largest natural gas deposits in the world with 180 trillion cubic feet of proven reserves but unable to mobilize gas energy to the domestic market.**

Minerals Category Breakdown

Minerals are categorized into five groups:

- **Industrial Minerals (barite, gypsum, limestone, kaolin)**
- **Energy Minerals (coal, bitumen, lignite, uranium)**
- **Metallic Ore Minerals (gold, zinc, iron, lead, copper, manganese)**
- **Construction Minerals (granite, gravel, laterite, sand)**
- **Precious Stone (sapphire, emerald, topaz, amethyst, garnet)**

Leading Mineral Export of Nigeria

2018 Top Leading Solid Minerals Export:

- **Naphthalene (hydrocarbon found in coal) = \$36.7 million to USA & \$14 million to Netherlands**
- **Tin Ore = \$32.4 million to USA and UK**
- **Zinc Ore & Concentrates = \$17 million to China**
- **Lead Ore = \$10.5 million to South Korea & \$8.3 million to China**

(Note: Gold export reached \$980 million but not listed here as it considered precious metal)

Goals in Implementing a Mechanism

- **To be successful in Nigeria, there is a need to create a mutually beneficial partnerships with local suppliers/miners and other stakeholders (gaining better knowledge of local supply opportunities and market).**
- **To provide a credible blueprint to addressing the challenges of doing business that hinges on developing a “warehousing approach” that will guarantee stocks accountability, adherence to delivery promises and consistent grade of product.**
- **To improve the quality of the business environment, increase confidence and collaboration, enhance competency, and reduce barriers and other deficiencies.**
- **To strengthen and increase the supply of products (both short and long-term) that will eventually improve ELIPSE’s revenue potential and profitability at local level while improving productivity performance with the clients.**
- **To gain an understanding of ELIPSE’s advantages and disadvantages and the dynamics of mineral commodities while maximizing efficiency and reporting engagement with all stakeholders, and building partnership for business collaboration and longevity.**

ELIPSE – Mineral Products



COPPER ORE



LEAD ORE



MANGANESE ORE



ZINC ORE



TIN ORE



LITHIUM ORE

Near & Long -Term Potential Business

Commodity	Minimum Specifications	Potential Buyers
Manganese Ore	42 to 50%Mn, 30 - 90mm	Yankuang Group
Lead Ore	50 to 70%Pb, 30 - 70mm	WUHAN
Copper Ore	15 to 20%Cu, 20 – 30mm	NORINCO
Tin Ore	65-90%Sn, 10-90mm	Jiangxi Ganzhou
Zinc Ore	40-60%Zn, 10-90mm	Jian-Hwa Mining
Lithium	1.2 to 5.0%Li, 0-3mm	HYUNDAI

Delivering Business Value

PEOPLE



- Forming Business Collaboration & Partnership
- Contribution to the Local Labor Force
- Seamless & Continuous Performance Monitoring
- Transparency in Transaction & Settlements



- Exceptional Service Standards
- Risk Management
- Continuous Improvement

PROCESS



TECHNOLOGY



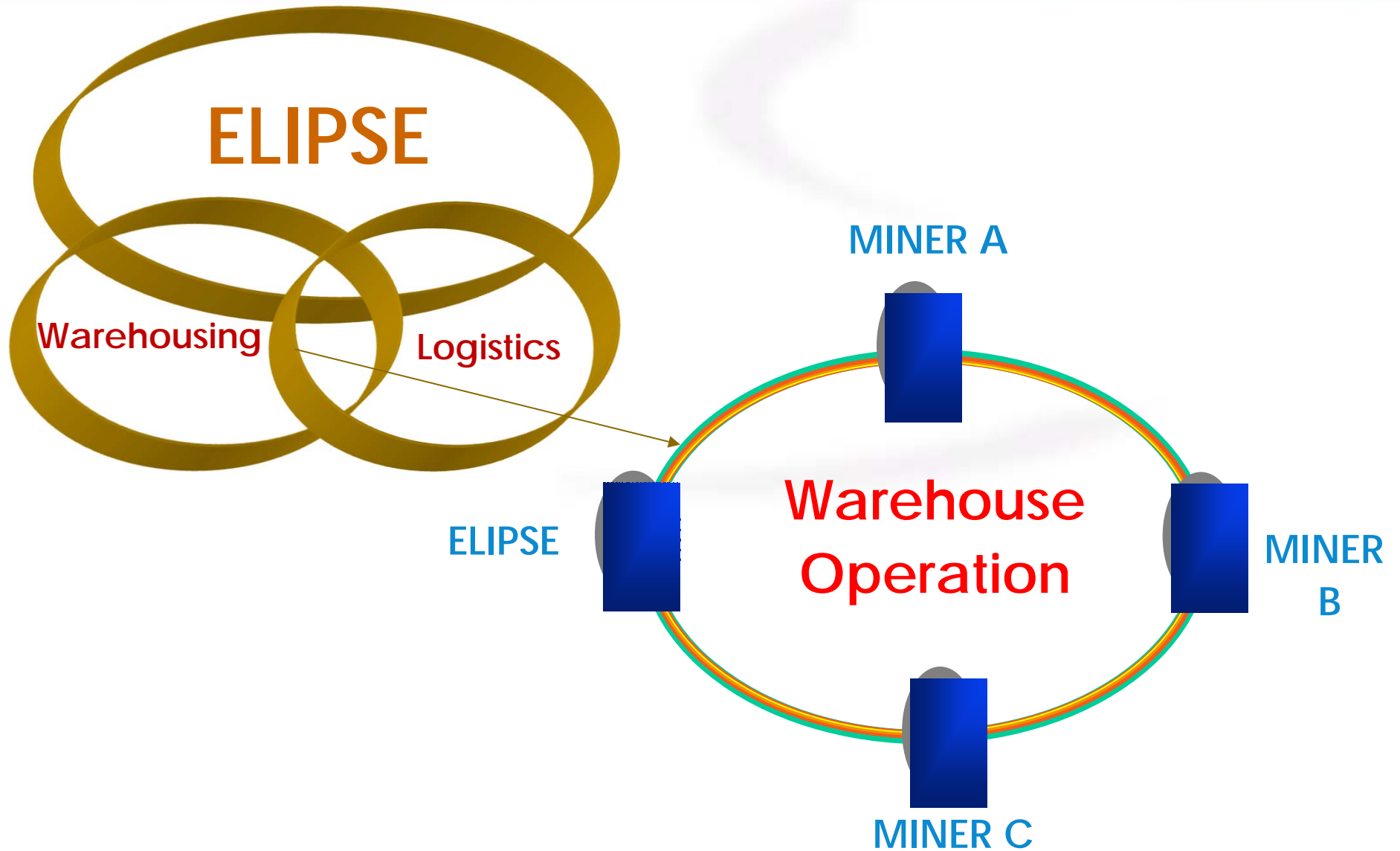
- End to End Solutions
- Establishment of Management System

People + Process + Technology → Value....Delivered

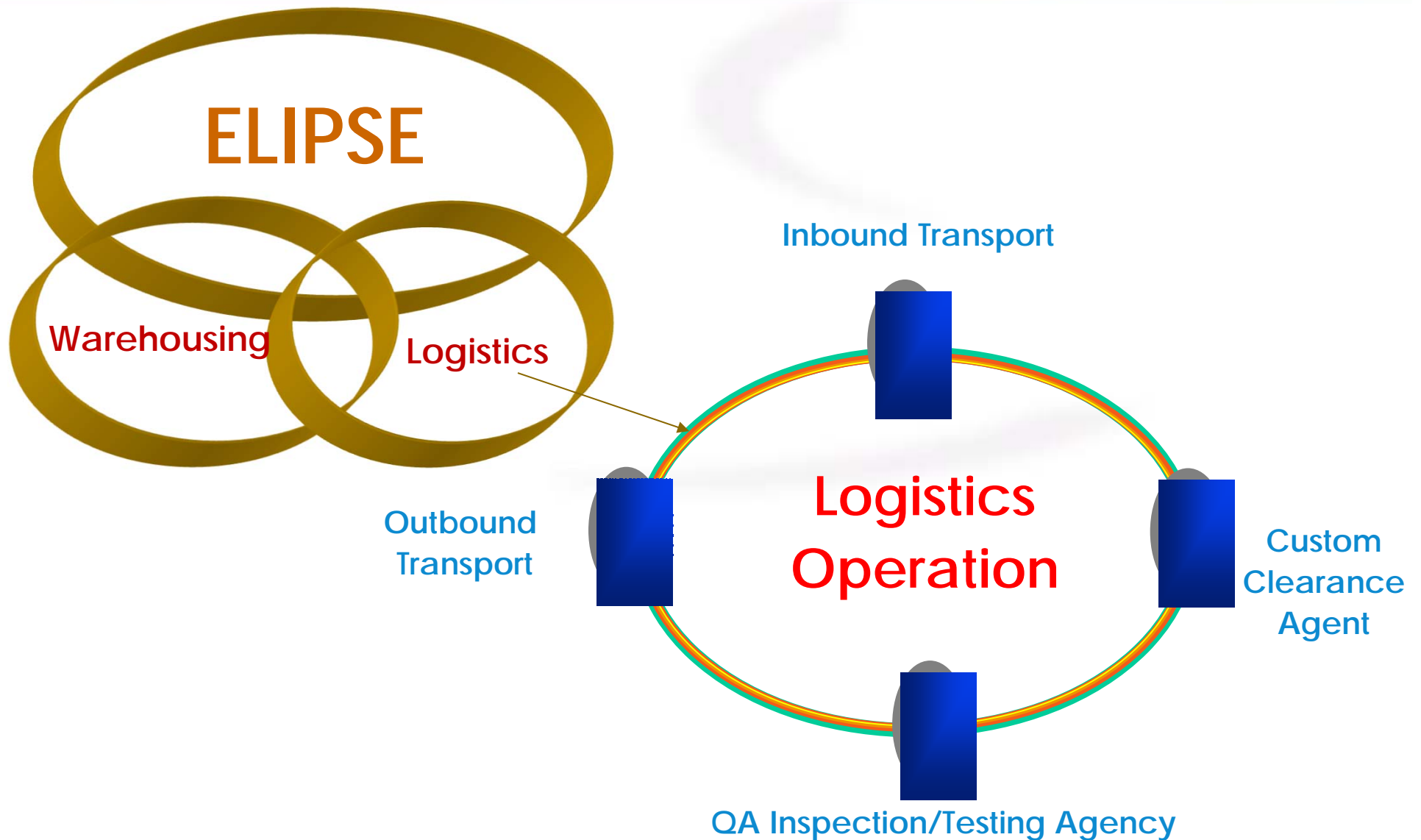
Operational & Warehousing Goals

- **It is the intent of ELIPSE to become one of the leading miner/producer and exporter of minerals in Nigeria.**
- **ELIPSE' plan to expand its mining operation and build a processing plant to upgrade the level of product offering into a higher grade that would yield a higher revenue base.**
- **As a miner/producer, ELIPSE would also purchase raw material/stock with other artisanal and small miners at a lower grade and volume to increase our monthly production capacities and store a reserved inventory.**
- **External purchases of raw material either at EX-Minesite or delivery at ELIPSE Warehouse basis shall be paid by CASH at a much lower unit price at a local level.**
- **Price determination shall be base on the quality test result at our in-house laboratory facility or at the final grade level of the assay report.**

Sources of Supply & Key Partners



Sources of Supply & Key Partners



Operations Management

× Planning

- + Capacity utilization
- + Mechanization/Automation
- + Monitoring
- + Scheduling
- + Local Transport (FOB)
- + Quality Control
- + International Logistics (CFR/CIF)

u Controlling

1. Production/Shipment
2. Quality
3. Costs

u Operation

- Mining & Extraction
- Sourcing/Procurement
- Process selection

u Administration

- Local Manpower Utilization
- Incentive Programs

In a nutshell, the challenge is
“On-time Supply of Goods”



Operational Management



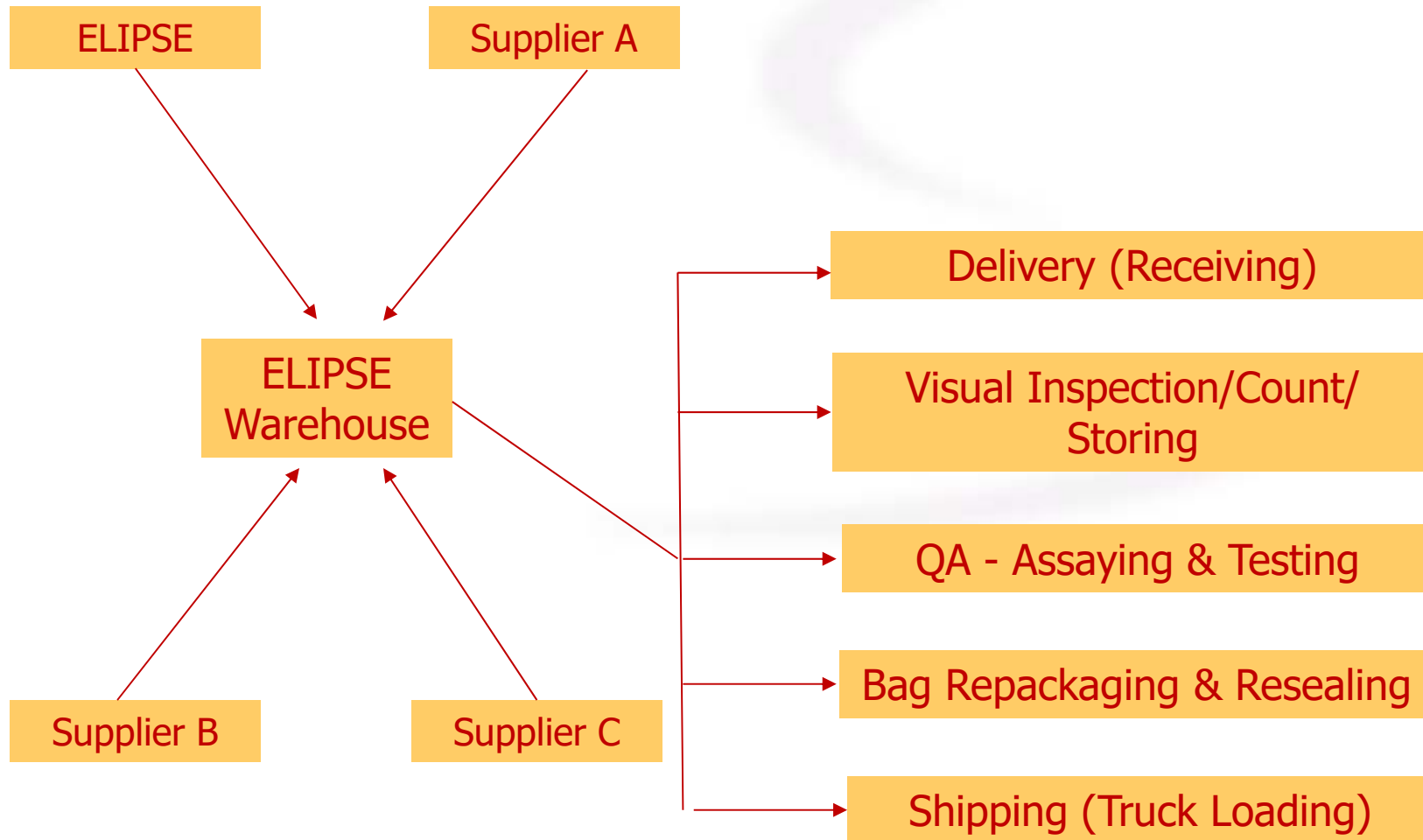
Customer Service



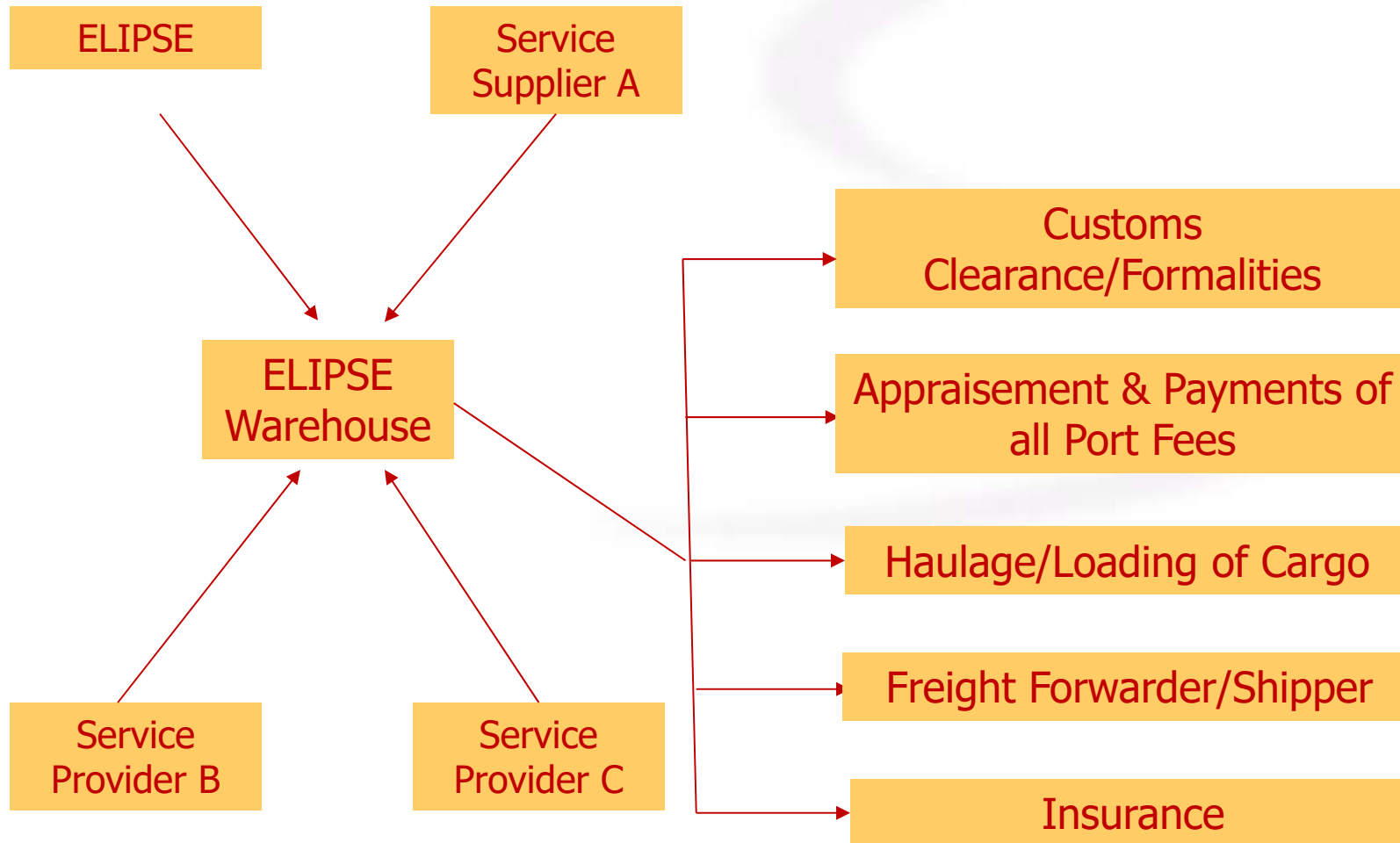
Advantages to ELIPSE

- **ELIPSE would get a bigger market share, where we can sell larger quantity. As well, it discourage other miners to set-up full mining operations which lessen market competition.**
- **In physical supply of product, it decrease the risk of contract defaults or non-performance. Therefore, no operational contingency plans needed should a machinery breaks or plant shutdown occurs.**
- **Multiple source of supplies, not 100% dependent on ELIPSE daily production, where other suppliers can deliver at their pace, and better price can be realize to increase profitability and guarantee inventory of supply even the next 2 or 3 months delivery or during rainy season.**
- **ELIPSE can expand their activities to other mineral commodities, because of operational ease, availability of stock/inventory and consistency with monthly volume production.**

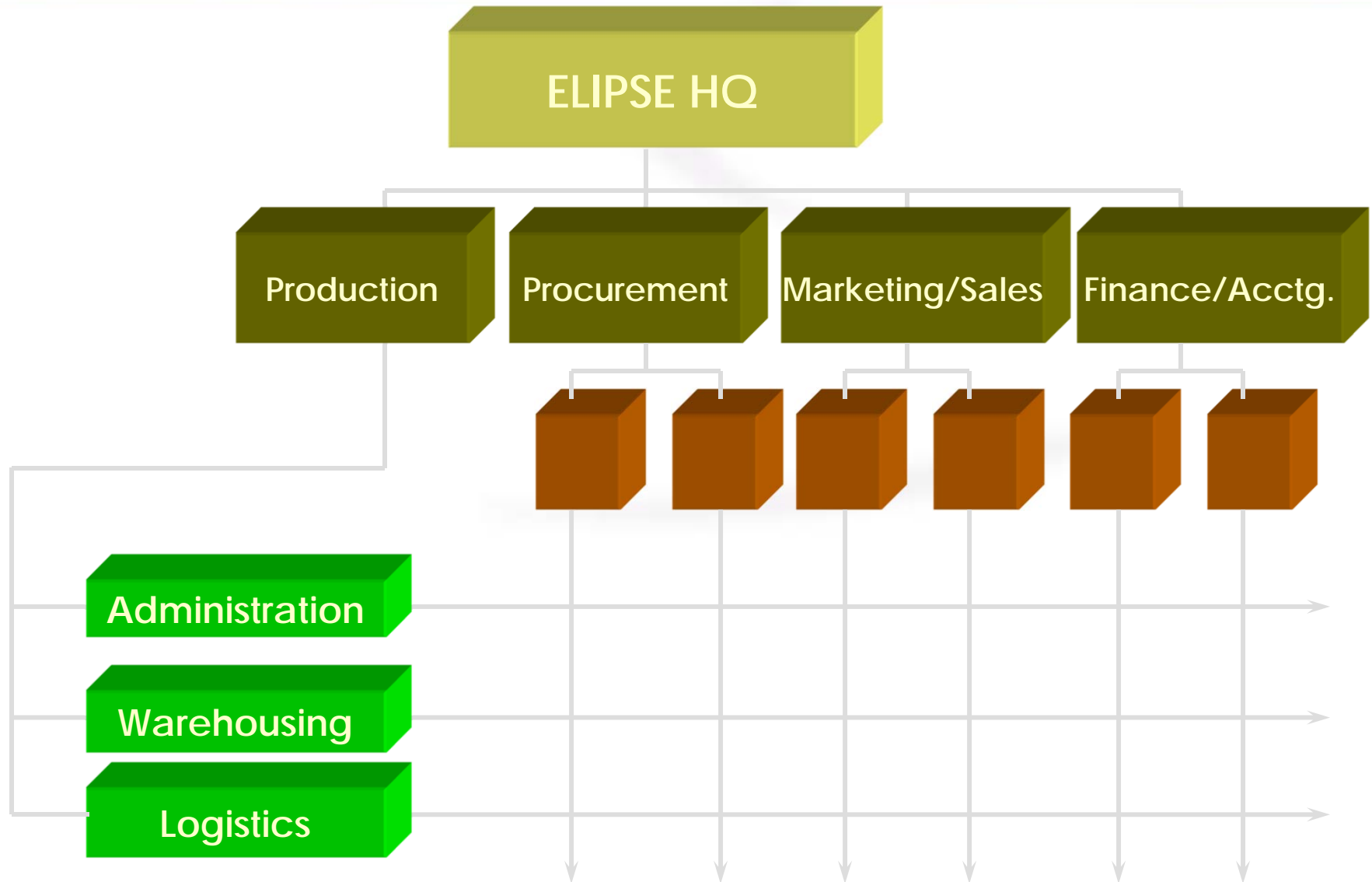
Risk Mitigation: The Warehouse



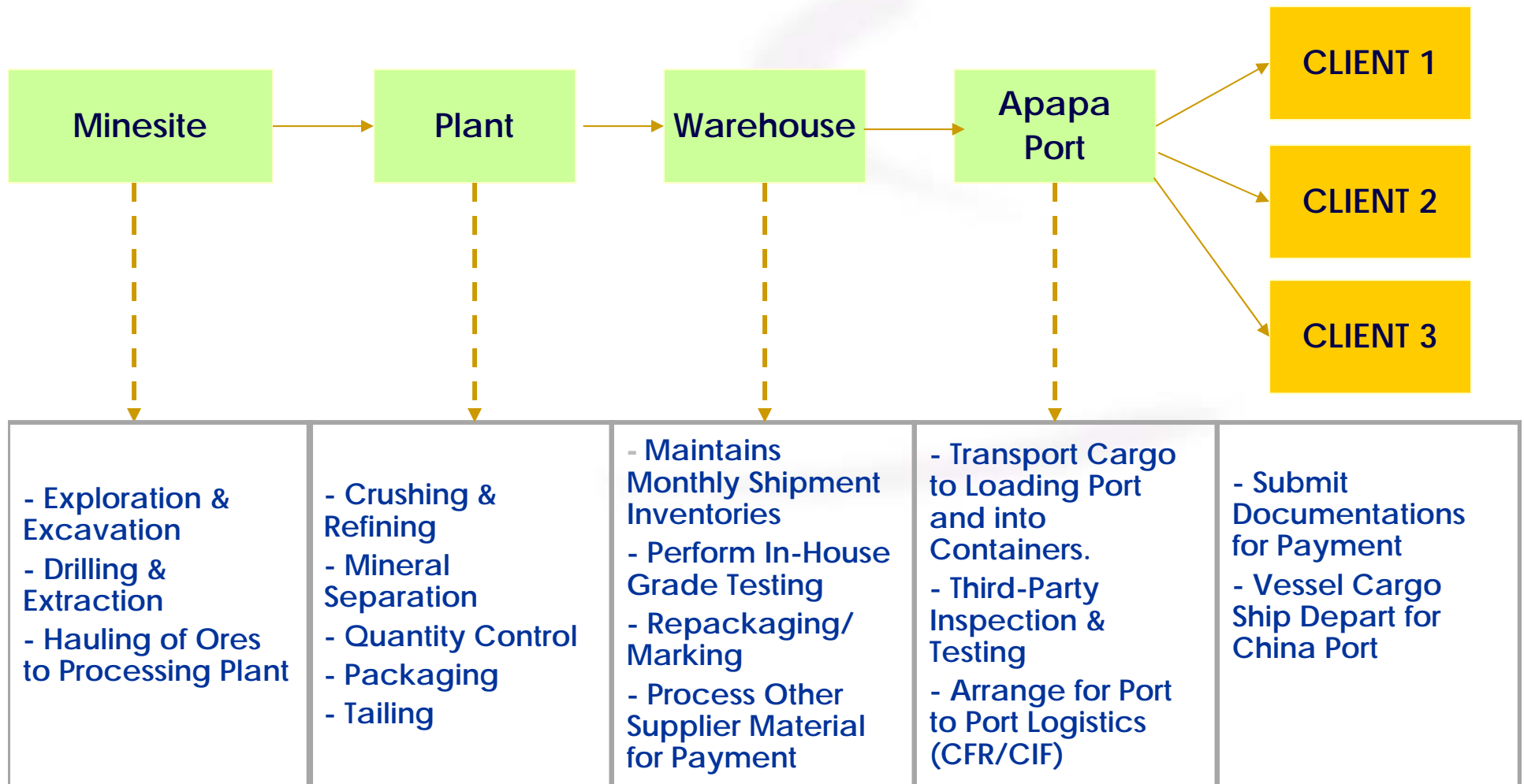
Risk Mitigation: Logistics



Operational Structure



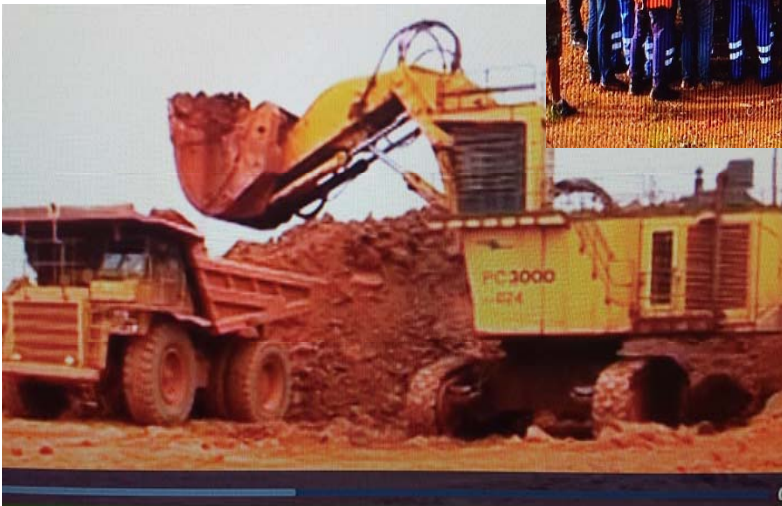
Operational Processes



In-Process Inventories



Mining Equipment & Machineries



Award & Achievement





Thank You!