

**BEHRE DOLBEAR GROUP INC.
STATEMENT OF QUALIFICATIONS**

**CORPORATE OVERVIEW AND
IRON ORE QUALIFICATIONS AND
EXPERIENCE**



BEHRE DOLBEAR

founded 1911 MINERALS INDUSTRY ADVISORS

We **Know** The **Business** Of **Mining**

Behre Dolbear Group Inc. Statement of Qualifications Corporate Overview

Behre Dolbear Group Inc. (Behre Dolbear or the Company) is one of the oldest, continuously operating, mineral industry advisory firms in the world. Since 1911, we have specialized in studies for commercial and multilateral financial institutions, mining companies, governments and governmental agencies, legal firms, and other parties with interests in the minerals industry. Behre Dolbear's global experience covers the full spectrum of technical, operational, and financial issues in a broad range of commodities including base and precious metals, coal, industrial minerals, diamonds and gemstones, ferrous metals, and construction materials.

Our worldwide network of offices allows us to be a truly global company. Behre Dolbear operates from offices in 12 of the mining world's most important cities:

• Denver • Chicago • Beijing • Guadalajara • Hong Kong • London
• New York • Santiago • Sydney • Toronto • Ulaanbaatar • Vancouver

We design each project team to specifically meet our client's needs, using professionals with the specific experience needed to successfully complete assignments. For this reason, each office can draw upon personnel from the other offices to assure that the best-qualified professionals are assigned to a client.

Behre Dolbear is known internationally as a "businessman's consultant." Our people have first-hand experience in senior management and executive-level positions, giving them practical and insightful knowledge and skills. They are commercially experienced mineral industry professionals.

The Company possesses unparalleled credibility with the world's major finance organizations and is familiar with the intricacies of project development, financing, mergers, acquisitions, and privatizations. The international mining and financial communities recognize our reports as being among the most accurate and reliable documents in the industry. By engaging Behre Dolbear, our clients gain access to a world-class consulting group, whose studies and reports have international credibility and acceptability.

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Behre Dolbear brings to every project a breadth and depth of experience that encompasses the technical, financial, and managerial aspects of the industry. Some examples of Behre Dolbear's advisory and consulting services follow:

<u>Technical Advisory Services</u>	<u>Financial Advisory Services</u>	<u>Management and Business Advisory Services</u>
<ul style="list-style-type: none"> • Conceptual, scoping, prefeasibility, and feasibility studies • Planning and monitoring of mineral exploration programs • Technical evaluations and consulting for: <ul style="list-style-type: none"> - Resource and reserve reports - Mine plans, including equipment selection - Metallurgical and mineral processing flow sheets and equipment - Chemical facilities • Environmental and sustainability program development and evaluation • Optimization reviews of operations to identify opportunities for productivity improvements and cost reductions • Expert witness testimony for technical issues 	<ul style="list-style-type: none"> • Due diligence reviews in support of financings, investment decisions, acquisitions, dispositions, and mergers • Valuation of mineral properties, reserves, mines, mineral processing facilities, and chemical plants • Independent and owners' engineer services • Preparation of technical documents required for listings on the various global stock exchanges, including the U.S., Canadian, London, AIM, Australian, and Hong Kong stock exchanges • Preparation of pro-forma cash flow projections • Risk assessments, including political, financial, and technical 	<ul style="list-style-type: none"> • Privatization of government-owned mining companies • Strategic business plans for mining companies and individual operations • Development of corporate, operating, engineering, and human resource policies, procedures, and organizational structures • Development and restructuring of national mining laws • Market surveys for mineral products • Strategy formulation in connection with preparation or negotiation of contractual agreements, such as mergers, acquisitions, and mineral sales contracts

“We Know the Business of Mining”

Behre Dolbear Group Inc. Statement of Qualifications Iron Ore Qualifications and Experience

Behre Dolbear has worldwide experience in ferrous metals spanning a broad spectrum of projects, including due diligence studies; valuations; assessments of ore reserves; mine planning, methods and design; and environmental audits. The following is a select list of recent iron ore projects. This is not a complete list. It is intended to show Behre Dolbear's breadth and depth of experience with iron ore.

Project: Technical Review of Infrastructure, Mine, and Pelletizing Operations
Location: Africa

Behre Dolbear conducted an infrastructure analysis and review of the facilities, pelletizing plants, technologies, and production systems controlled by SNIM, the Mauritanian national iron ore mining company. These studies were aimed at the optimization of the company's operations and the potential reorganization of the company to facilitate its competitive position in the global iron and steel industries.

Project: Independent Technical Report for Initial Public Offering in Hong Kong
Location: China

Behre Dolbear was engaged to conduct an independent technical review of two operating iron ore mining properties and to prepare an independent technical report to support the client's initial public offering on the Stock Exchange of Hong Kong.

Project: Technical Due Diligence and Independent Engineer
Location: Australia

Behre Dolbear functioned as Independent Engineer for the consortium of financial institutions providing limited recourse financing for the re-opening by Ivanhoe Mines of an iron ore mining operation in Tasmania, Australia. Behre Dolbear performed a technical due diligence review of the feasibility study and provided suggestions for operational improvements. The review included the mine operations, the processing plant, the 87-kilometer pipeline, and the Port Latta pelletizing plant and ship loader.

Project: Due Diligence Review on a Proposed Mine Expansion
Location: Ukraine

Behre Dolbear was engaged by a major mining company to review an operating company seeking a strategic partner to finance a mine expansion. Behre Dolbear's review of the operating company covered its mining, processing, and infrastructure/logistics. Opex and Capex estimates were fully reviewed together with a discussion of development schedules, project management, financial issues, and risks and opportunities.

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Project: **Due Diligence Review**
Location: **Brazil**

Behre Dolbear was engaged by a large financial institution to provide a due diligence review of an iron ore property in Brazil. The review included an assessment of local conditions, interviews with site technical staff, and examination of available geologic data (core logs, metallurgical testing, assays, etc.). Additionally, the property was generally assessed for mineability, infrastructure requirements, DNPM permit issues, and other environmental and social issues.

Project: **Geological Review and Assessment of Previous Scoping Studies of an Iron Ore Property**
Location: **Democratic Republic of the Congo**

Behre Dolbear was commissioned by an investment group to assess the iron ore properties and fully review and update two previous scoping studies, particularly for infrastructure requirements and availability.

Project: **Technical Review**
Location: **Canada**

Behre Dolbear was commissioned by a financial service company to perform a technical due diligence and fatal flaw analysis of two iron ore projects located within the Labrador Iron Range.

Project: **Geological Review and Assessment of an Undersea Iron Ore Property**
Location: **Philippines**

On behalf of an investment company, Behre Dolbear undertook the re-estimation of the potential ore reserves and reviewed the dredging requirement and infrastructure needs of an underwater iron ore deposit off the coast of the Philippines. Permitting requirements and environmental and socioeconomic impacts were also reviewed as part of this assignment.

Project: **Technical Review and Assessment**
Location: **Russia**

Behre Dolbear was engaged by a potential investor to perform a technical review and assessment of the iron ore deposits of a Russian mining company.

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Project: **Independent Engineer and Technical Review**
Location: **Australia**

Behre Dolbear acted as the Independent Engineer on the Koolan Island iron ore project on behalf of a banking group. This commission involved conducting technical due diligence on the feasibility study for financing, monitoring the construction of the project, preparation of the Completion Test criteria, and monitoring the commissioning of the plant, satisfaction of the Completion Test criteria, and ongoing operations for the life of the loan.

Project: **Valuation**
Location: **United States**

Behre Dolbear provided valuation services for multiple iron ore holdings located in Minnesota and Michigan. The holdings are a mix of operating mines, “brownfields” and “greenfields” projects, and inactive sites. The ultimate goal was to evaluate the possible consolidation of a large number of fractional holdings into a new entity to improve revenue realization, operational execution, and underlying value.

Project: **Geological Review and Assessment of an iron Ore Property**
Location: **Zimbabwe**

Behre Dolbear undertook a comprehensive geological analysis of iron ore occurrences in Zimbabwe and assessed the infrastructure requirement capability that would be necessary to bring the property into production for a potential investor.

Project: **Due Diligence**
Location: **Mongolia**

Behre Dolbear was engaged to carry out a due diligence review for financing purposes on current exploration, assay tests, mine plans, and metal recovery proposals produced by a technical mining consultancy for an iron project in Mongolia.

Project: **Calculation of Ore Reserves and Resources**
Location: **India**

Behre Dolbear calculated ore reserves and resources in accordance with the Australasian JORC code for MSPL Pty. Ltd., an Indian iron ore producer, in support of their London AIM stock exchange listing.

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Project: **Advisory Services for Feasibility Study of Taconite Project**
Location: **United States**

Behre Dolbear provided advisory services to support development of a full-scale feasibility study for possible refurbishment and rehabilitation of the former Butler Taconite Project near Marble, Minnesota. The study included the mining, concentration, pelletizing, direct ore reduction, and hot roll mill facilities.

Project: **Feasibility Study Review and Update**
Locations: **Norway**

Behre Dolbear reviewed and prepared updates of a “bankable” feasibility study for the restart of the Sydvaranger mine and pelletizing plant in northern Norway, which had ceased production in 1996. The original assignment was to provide a full assessment of the property and to suggest means by which economic production could be attained. Behre Dolbear was then commissioned to produce a “bankable” feasibility study. A full assessment was made of all potential adverse factors, and solutions were formulated.

Project: **Assess Project Viability**
Location: **Saudi Arabia**

Behre Dolbear provided an executive assessment of the potential viability of the Wadi Sawawin iron ore deposits in Saudi Arabia. This study was undertaken in conjunction with a much larger assignment concerning the complete restructuring of the Saudi Arabian mining industry. The purpose of the Wadi Sawawin iron ore study was to rank its potential against other Saudi mineral projects. The study provided a full assessment and critique of feasibility reports prepared by other consultants and included reviews of resources, the potential for pelletizing the iron ore, and market conditions.

Project: **Due Diligence**
Location: **Australia**

Behre Dolbear conducted technical due diligence on the feasibility study of the Talling Peak Hematite Project in Western Australia on behalf of potential financiers.

Project: **Scoping Study and Financial Analysis of an Iron Ore Property**
Location: **Canada**

Behre Dolbear undertook a preliminary mine and infrastructure planning exercise on an iron ore property in Northern Ontario. The exercise also provided operating and capital cost estimations to produce an initial financial analysis.

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Project: **Design and Implementation of Rail to Truck Haulage**
Location: **United States**

Behre Dolbear was selected to design and implement the conversion of the Minntac mine and pelletizing operation in Minnesota from rail to truck haulage. The company successfully completed the conversion. The internal rate of return savings to the company was 20% to 30% per year, which approached US\$30 million per year in actual savings.

Project: **Due Diligence Review**
Location: **Mexico**

Behre Dolbear undertook a due diligence review prior to the acquisition of Sidermex's two iron mines in the State of Chihuahua by Grupo Acerero del Norte, S.A. The due diligence included ore reserves, mine plans, the pelletizing plant, and a verification of the ability of the plus 100-kilometer-long ferroad (pipeline) to deliver slurried pellets to the steel mills at Monclova.

Project: **Technical Due Diligence**
Location: **Canada**

Behre Dolbear was engaged by a confidential client to provide an independent technical review of a proposed iron ore mine in Arctic conditions. The review included mining, processing and pelletizing, Arctic rail transportation, and Arctic marine transportation (including ice breaking bulk carriers), as well as a review of the seaborne iron ore market.

Project: **Independent Engineer**
Location: **Australia**

Behre Dolbear was selected by a financial institution in New York as the Independent Engineer to the Trustee for the construction of the Fortescue iron ore mine and off-site infrastructure in Western Australia. The assignment included a review of the mine-site facilities and operations; an associated 260-kilometer rail link; a 45-Mtpa port-based train unloading, stockpiling, and ship-loading facility; and all other associated infrastructure. Additionally, Behre Dolbear monitored the construction activities, expenditures, and progress to determine if any adverse material event or effect might delay completion or materially increase the capital cost of the project.



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