



Suite 60, Level 6 Tower Building
Chatswood Village
47-53 Neridah Street
Chatswood NSW 2067
T: + 61 2 8223 3777
F: + 61 2 8223 3799
E: office@ibml.com.au
www.ibml.com.au

19 November 2015

AGM CHAIRMANS ADDRESS

Shareholders,

I address you today knowing that there are no shareholders who are happy with the performance of IBML and its subsidiary Craton.

All shareholders, whether the small vocal minority who contact me on a regular basis, or the larger shareholders on the share register that have Board are happy. I can genuinely say the only difference in the equivalent disquiet is how it manifests itself and the variety of recommendations I receive as to what should be done with the Company. Some smaller shareholders want a liquidity event so they can exit the share register whilst the larger shareholders are still prepared to maintain their holding and hope a financial return is still possible. As your Chairman I am very conscious of my, and the Boards, responsibility to all shareholders. I trust therefore the following update and series of announcements will provide the clearest possible indication for IBML's future.

Many of you attended the shareholder requisitioned EGM earlier this year which was the first time I had the opportunity to meet with you.

I have now been in the Chairman role for just under 5 months and am therefore comfortable that I have an appropriate understanding of the company to help steer it to a brighter future. When I was approached to take the Chairman role by disgruntled shareholders it was made very clear to me that all shareholder both large and small were displeased with the Company's performance so I therefore immediately on my

appointment embarked upon a complete review of the company which has now has been completed.

In regard to Craton and the Omitiomire project, IBML's principal asset, there are three challenges:

1. The first challenge is in regard to the granting of the Mining Licence for the Omitiomire project. As a consequence of administrative anomalies by the Namibian Government the licence has been cancelled. Simplistically the Namibian Government granted the Mining License prior to the Environment Clearance Certificate which was successfully challenged. Craton did absolutely nothing wrong, and there is no suggestion that Craton has been anything other than an appropriate corporate citizen. This does however mean that Craton needs to go through a process to have the mining license re-granted. Craton has taken extensive legal advice and we have no reason to believe the license will not be reissued however the timing of that process is unclear.
2. As a result of the ambiguity around the timing of the reissuance of the mining license we have made it clear to the Namibian Government that unless they reinstate the mining license in the near future we will have no choice but to significantly reduce our cost base in Namibia which would include the retrenchment of nearly all of Cratons employees. To this extent we have informed the Craton staff that there is the very real possibility of retrenchments in the New Year if the mining license is not reissued. The Craton Board in conjunction with external counsel are in dialogue with various levels of the Namibian Government trying to facilitate a positive solution.
3. The Omitiomire Project needs further technical review as with the current suppressed copper price the economics of the project are marginal however we are loathed to spend the money to explore alternate options whilst the mining license issue is being resolved.

Your Board does remain confident that Omitiomire is an asset that should, and will, be developed in the future however as a result of the

uncertainty around timing your Board has taken the decision to cut some costs in the IBML Namibian subsidiary Craton immediately.

We therefore announce that in an effort to reduce costs immediately Mr Karl Hartmann who was acting as IBML's CEO and the CEO of Craton will cease employment with the Company effective 19th February 2016 which is inclusive of his 3 month notice period within his employment contract. Mr Hartmann will be made an offer to join the Craton Board so as not to lose his significant knowledge of the Omitiomire Project and his local connections in the Namibian business community. The Board wishes to thanks Mr Hartmann for his enthusiastic and professional executive service over the years and we look forward to his stewardship on the Craton Board.

The consequence of the Boards decision in Namibian then logically flows to IBML in Australia. We have therefore embarked on significant cost saving in Australia, we have down sized the office and will move to a cheaper a smaller office location. We have also retrenched nearly all staff including Dr Ken Maiden who will finish his executive responsibilities on the 19th February 2016 which is again inclusive of his contractual notice period. Dr Maiden will continue to serve on the IBML Board where is technical skills are highly appreciated. The Board would also like to publicly thank Dr Maiden for his founding vision which led to the creation of IBML and his 14 years of dedicated service.

So what is the future for IBML? Over the last month I have assembled a small project team to evaluate copper and gold projects. The Board set a series of criteria that these projects should meet and to date we have reviewed in excess of 20 projects and have held commercial in confidence conversations with several counter parties. At this stage we are not sufficiently advanced with a transaction that we can announce it but we are hoping to make an acquisition announcement in the near future.

As your Chairman I do give this undertaking; there are two likely scenarios on any transaction that will occur. The first is that the transaction involves a Public listed company, in which case the resultant deal would provide liquidity to shareholders so they can choose whether to remain invested with IBML or not. The second scenario is IBML embarks on an asset level deal that does not in itself result in a liquidity transaction. Should this option manifest itself, the Board commits to immediately compliance list IBML on the Australian Stock Exchange, to provide the option of liquidity to all shareholders.

Regards

Hugh