Announcement

- Binding MOU signed with the China International Fund – 21 May 2010
- China International Fund Limited (CIF)
  - Hong Kong based
  - Long experience in Africa
  - Track record in infrastructure development
- Have funds to complete all works required
- Financial infrastructure requirements, which include:
  - Rail System
  - Rolling stock
  - Port
  - Port loading
  - Part services
  - Stockyards and bulk materials handling
  - Infrastructure power
  - Infrastructure support services
- Estimated CAPEX reduction USD 7.5 million
- MOU and development stage supported by the Guinea Government
- Definitive agreements for the infrastructure company, joint venture agreement and off-take agreement on or before 30 June 2010.

Binding MOU

- CIF shall fund the entire infrastructure required for the Kalia Iron Project. The infrastructure will include the rail system (including rolling stock), bulk storage facilities, port, port loading facilities, port services and power development required to produce and transport a minimum of 50 million tonnes per annum of iron ore from the Kalia Iron Project.
- Bellzone shall transfer to CIF, with the agreement of the Guinean Minister of Mines and Geology of the Republic of Guinea, the assets relating to approximately 50% of the Kalia Iron Project.
- CIF shall incorporate a new company by no later than 6 June 2010, dedicated for the development of the infrastructure (the "Newco"). US$40 million shall be paid by CIF to Newco within 5 business days of incorporation of Newco, which will be used solely to fund the feasibility study for the infrastructure required to transport and export production from the Kalia Project. On incorporation Newco will be owned 100% by CIF.
- On finalization and execution of the definitive agreements CIF will retain 90% of the issued share capital of Newco and Bellzone will be issued shares representing 10% of the enlarged issued share capital which shareholding shall be non-dilutable without the prior written consent of Bellzone (the "Carried Interest").
- Bellzone shall retain the Carried Interest for the duration of the feasibility studies, construction and operation of the infrastructure without any obligation to finance the infrastructure.
- Bellzone and its subsidiaries will be guaranteed a perpetual priority access right to the use of the infrastructure for the transport and export of the production from the Kalia Iron Project to terms to be agreed between the parties.

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May 2010 update

Bellzone Mining

- Company founded in 2007, with 100% owned assets in Guinea, West Africa
- Kalia project: 2.4 billion tonne ("billion") IOGC magnetite resource
- Admitted to AIM 1 April 2010 (ticker: BDG) raising £3.6 million
- Company estimates $3bn of magnetite ore and 2.96% of oxide at surface

Kalia Iron Project

- Targeting significant iron ore production: 50mtpa by 2013 (30mtpa by 2015)
  - High quality concentrate and low cost producer potential
- Infrastructure – Binding MOU with China International Fund Limited (CIF) to finance infrastructure from feasibility study to operations

Current Activities

- Commencement of EIA/ASBA contracts for bankable feasibility study
- Significant drilling underway to increase and upgrade magnetite resource and establish IGSC oxide resource

Kalia Power Requirement

- Estimated 180MW power supply required for 50mtpa operation
  - Thermal start-up power to meet construction and Stage 1 20mtpa DSO requirements (approx 30MW)
  - Progressively bringing hydro-power online to meet ramp up demands
  - World Bank hydro-power study 2006 – potential for multiple large scale hydropower sites within 60km of Kalia mine site
Oxide at Surface - DSO

- 50km² surface oxide – Filora style, near zero strip ratio
- Company estimate of 2.6bt of oxide at surface
- Simple open pit extraction process and low cost – crush, screen and ship
- Anticipated early cash flow from magnetite pre-strip DSO
- $2.29m drilling programme planned to develop JORC resource by July 2011

News flow and progress

Kalia

- Base Mining Convention lodged 26th April. Approval expected July 2010
- EIA/EIA contract awarded to SGS Environment and studies commencing
- Down-hole survey commenced by Surtran Technologies for extension and upgrade of 2.4bt magnetite JORC
- Guinean based licensed surveyor “Service De Topographie et D’Engin” contracted to support the down-hole survey
- Magnetite resource expected to be upgraded to approximately 40t in June 2010. Further upgrade expected Oct 2010
- Magnetite JORC upgrade – Expect an increase in the Measured/Indicated & Inferred JORC in Q3 2010
- Magnetite bulk test work due to start in June 2010 (Currently approximately 30 tonnes of samples on hand)
- Oxide JORC drilling commenced May 2010
- Kalia II drilling due to start Oct 2010

Sadeka Potential

- Additional Ni/Cu targets identified
- Application submitted for additional licence to cover extension of mineralisation
- Geology mapping, Soil Geochemistry and Geophysics (Ground Magnetics, Electrical Ground-Geophysical) have identified high quality drilling targets
- Drilling to commence in Oct 2010

News flow and progress

Infrastructure (Rail & Port)

- Binding MOU signed with CIF to finance and develop all Transport infrastructure requirements
- Infrastructure company to be created by 6 June 2010 and US$430 million funding provided by CIF for Infrastructure feasibility study
- Concession Alignment application submitted, Approval expected end Q2 2010
- Appointment of advisors underway
- Tender for EIS/RIA for the Port and Rail to be released July 2010

Corporate

- New office in Conakry for expanded activity
- New site manager appointed
- New Corporate Profile
  - New Investor focused website
  - Recruiting Investor Relations Manager
  - Recruiting IT Manager

New head office in Conakry, Guinea
Kalita Magnetite JORC Resource

<table>
<thead>
<tr>
<th>JORC Resource Class</th>
<th>Material</th>
<th>Dense</th>
<th>FS %</th>
<th>S %</th>
<th>SiO2 %</th>
<th>Al2O3 %</th>
<th>Fe %</th>
<th>Lea (%)</th>
<th>Dry SG</th>
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</thead>
<tbody>
<tr>
<td>Inferred</td>
<td>0.9T</td>
<td>2.08</td>
<td>25.8</td>
<td>9.48</td>
<td>49.2</td>
<td>3.1</td>
<td>0.07</td>
<td>0.8</td>
<td>3.4</td>
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<tr>
<td>Inferred</td>
<td>5.1Mt</td>
<td>0.33</td>
<td>8.9</td>
<td>9.53</td>
<td>41.0</td>
<td>7.7</td>
<td>0.94</td>
<td>6.4</td>
<td>2.8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2.39</td>
<td>26.9</td>
<td>6.72</td>
<td>45.5</td>
<td>5.0</td>
<td>0.07</td>
<td>1.9</td>
<td>3.2</td>
</tr>
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</table>

Conditional Precaution: 50% to 80%

*In a resource calculation, CSA accounted for recovery by 35% and utilised a grade lower than 25% Fe and higher than 40% Fe.

CSA has indicated that a 3 to 4 fold increase in the quantity of the resource could be expected, supporting a Company estimated resource of 133Mt of magnetite ore.

Source: Vale – CIP, image Belzona 30% through model

Conclusion

- Binding MOU signed with CIF to fund infrastructure requirements
- 100% off-take agreement in place for all Kalita production
- Company to be established to implement infrastructure project and US$40 million funding provided by CIF to conduct feasibility studies
- Stakeholders of infrastructure company to be 90:10 CIF: Belzona
- Belzona to relinquish 50% of Kalita and Furanhah leases to CIF
- 50% / 55% JV agreed to develop iron ore potential of Forecabah leases
- 2.4Mt magnetite JORC Inferred resource with a Company estimate of 133Mt upside potential
- Magnetic resource expected to be increased to approximately 46Mt in June 2010
- Increase in the inferred status to Measured/Indicated & inferred for the magnetic expected Q3 2010
- Establishment of a maiden JORC resource for the oxide Q4 2010
- Company estimates 2.5Mt oxide potential for DSG, early cash flow from low cost operations
- High quality concentrate with low production costs
- First production planned at 20mtpa in 2014 ramping up to 50mtpa in 2018
- Experienced management team focused on delivery of mine

Guinea

- CIF / Belzona JV: Port infrastructure development strategic link in developing a multi-user Transport Network for minerals in Guinea
- Second largest exporter of bauxite globally
- Major (An, Rito Tinto, Rio) have mined bauxite in Guinea since the 2070s, with targeted foreign investment of US$13.2bn (Rito Global Alumina Corp accounts for US$5.5bn)
- Rito Tinto/Chinalco JV, US$1.2bn for 49%
- Vale/BSG Akinji Ventures announced 30 April 2010:
  - Vale purchase 51% of BSG for US$5.3bn
  - Only producer to transport iron ore through Litoria
  - Upgrade of Stability to Kankan Railway: compensation for right to transport through Liberia.
- Vale plan 50mtpa from Simandou by 2014
- Democratic elections expected to be held June 22nd 2010
- US and EU financing and assisting in election process
Mining Code of Guinea

The Mining Code of Guinea was adopted on 30 June 1995:

- The State does not take a free share in the capital of the operating company for iron ore and bauxite interests.
- Any purchase by the State is subject to agreement by the Company based on commercially acceptable terms.
- Prospecting permits give the holder exclusive rights to prospect for the mineral substances for which it is issued.
- Owners have the right to freely dispose of all products extracted in the course of prospecting and assaying.
- Prospecting permits can be renewed twice for maximum periods of 2 years each time.

High Quality Concentrate

Magnetite, which can be concentrated by traditional methods with low energy consumption.

Bench-Test DMS Tube Recovery Results

<table>
<thead>
<tr>
<th>Ore Type</th>
<th>Fe %</th>
<th>SiO2 %</th>
<th>Al2O3 %</th>
<th>S %</th>
<th>P %</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIF - average grade</td>
<td>25.48</td>
<td>45.22</td>
<td>2.31</td>
<td>0.85</td>
<td>0.07</td>
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<tr>
<td>Concentrate - average grade</td>
<td>68.75</td>
<td>3.47</td>
<td>0.52</td>
<td>0.35</td>
<td>0.01</td>
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- Mass recovery = 35.3%
- Ground size = P80 = 65 microns
- Magnetic iron recovery = 95%
- Theoretical iron recovery = 82%

- Reduced ore feed required to produce 16% concentrate
- Less power requirements to liberate iron
- High % of magnetic iron, lower operating costs
- Lower operating cost per tonne of concentrate.

Blended Operating Costs - estimated at US$18.39/t product excluding transport (US$ 65.12/t and Concentrate US$29.95/t product excluding transport)

Source: Company Presentations Report on the Mining Assets of Bellzone Mining PLC

World Bank Hydro-Power Map

Iron Ore Market Overview

Supply and Demand

- China is largest consumer of iron ore and world's largest steel producer.
- Chinese demand outstripping supply.
- Indian market forecast to expand from a current consumption of approximately 55mpta steel to 290mpta steel by 2020.

Pricing

- Tight market expected through to 2013-14, High prices set to continue.
- Chinese additive to plan for 300,000 dwt - 450,000dwt Bulk Carriers to reduce cost of seaborne iron ore transport from West Africa and Brazil.

Source: Wind Intelligence, 2013 and 2014 Iron Ore Market