

Simberi Mining Corporation

Corporate Review

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Simberi Mining Corporation (“Simberi”) is an international mineral development company that has significant development potential associated with African copper and cobalt properties in the Democratic Republic of Congo (“DRC”) and to the advancement of exploration holdings in Australia. Investment opportunities in Canada are also being reviewed.

The goals of Simberi’s management and directors are to advance these mineral resource properties to higher standards of resource definitions and thereby increase the potential economic valuations through capital expenditure for exploration and development. These advances will in turn increase shareholder equity values.

Simberi headquarters is based in Toronto, providing the company with the ability to access world leading mineral exploration, development, technical and finance professionals that are available in Canada. The Canadian standards for mineral resource and reserve reporting (NI 43-101), accounting, legal and public stock listing procedures all contribute to a template for mineral development success that is recognized by international partners and investors.

Africa Review

The Democratic Republic of Congo is located in Central Africa with an area of 2,345,408 square kilometers making it comparable in size to Western Europe. It has an estimated population of 62 million people living in 26 provinces.

The history of the DRC has been marked by periods of turmoil with involvement from many outside influences. Prior to 1960, it was known as the Belgian Congo when it was under the colonial administration of the Belgian government. This period focused on economic reform and resulted in a vast infrastructure network of railways, ports, roads, mines, plantations and industrial areas. By the 1950’s, the country had evolved to the level of a reasonably sophisticated African tourist destination, marked by events such as the famous Kathern Hepburn movie African Queen filmed at a resort on the Congo River. The reason for noting the prosperous history of the DRC is to demonstrate the country’s potential for future success.

Recent democratic elections, efforts by UN peacekeeping missions, global aid organizations, and the recent large commitments by China and the World Bank to assist with infrastructure development suggests that significant advances in the DRC’s economy, political stability and infrastructure are both possible and are being achieved. The recent rises in global commodity prices are expected to be the primary catalyst for an upward trend for the economic future of the DRC.

Political independence for the DRC was granted in 1960 which marked the beginning of a long downward trend of political instability under various political and military leaders. Since 1994, ethnic strife and civil war have dominated the country impeding economic

growth. Given the large geographical size and ethnic diversity of the DRC, civil war during this period has involved many of the surrounding countries including Rwanda, Uganda, Zimbabwe, Angola, Chad and Sudan.

On July 30, 2006, the DRC held its first multi-party elections after the establishment of a constitution in February 2006. The establishment of a political infrastructure has also set the framework for an improved legal and mineral development rights process. Finally a peace accord was signed on January 23, 2008 to end conflict in North Kivu province and formally ending all conflicts in the DRC.

Despite the period of political instability, due to the vast mineral resources, the DRC has attracted international mineral development companies. In turn these mineral development companies have assisted with the evolution of mineral rights as the development of various projects have been negotiated with state institutions. Under the assistance of World Bank, the New Mining Code “NMC” was established on July 11, 2002 and ratified in 2003. The Minister of Mines appointed a commission to validate mining rights and a regulatory process to register title.

Generale des Carrieres et des Mines “Gecamines” in its current configuration was created in 1995 as a state owned, mineral and industrial enterprise with headquarters located in Lubumbashi in Katanga province of the DRC. Gecamines had at its disposal a mining concession with a surface area of approximately 32 square kilometers, situated entirely within the Katanga province. This concession is located in the mineral rich African copper belt and has a large developed and undeveloped resources base. Gecamines entered into numerous joint venture agreements during the 1995 to 1996 period to foster development after an extended period of significant economic and mineral production decline in the region.

PTM Minerals (a wholly owned subsidiary of Simberi) signed a joint venture agreement to develop a 51% interest in the tailing resources at Kakanda in the Katanga concession with Gecamines. This joint venture agreement was formally ratified by the government on August 6th 1996. Later Gecamines provided two hard rock resources at Kakanda, the dormant Kakanda South and North open pit operations. In 1997 PTM Minerals completed a full feasibility study that demonstrated that the Kakanda tailings and the Kakanda South and North hard rock resource were technically feasible and economically viable at the then prevailing metal prices.

The political conflict in the late 1990’s and early 2000’s put many mineral development projects in the DRC into a period of abeyance. PTM Mineral’s Kakanda Project was also impacted by the turmoil. Regardless, the original PTM Mineral’s Kakanda joint venture agreement, project discussions and feasibility study work commitments were completed and maintained throughout this period.

An International Commission was created by the DRC government on April 2007 to review mining contracts. The results of this study were completed in late 2007, made public in early 2008, confirmed the Gecomine’s title rights to the tailings deposits in the

mining registry and the validity of the PTM Mineral's tailing development joint venture agreement. In addition it was noted that PTM Mineral's discussions regarding the hard rock resources of the Kakanda South and North open pits operations should be finalized with an updated joint venture agreement and title registry. Simberi's management team has been working with legal representatives and government officials in the DRC to update and finalize all agreements with Gecomines and ensure title registrations are completed. This will set the stage for the development phase of the Kakanda project.

One of the positive benefits for PTM Minerals from this steadfast commitment to maintaining a DRC office presence and to extensive negotiations with a large variety of DRC representatives has been the affirmation of mineral rights and corporate legitimacy by the International Commission. PTM Minerals is now seen as a preferred partner along with a limited number of international mining companies for mineral development projects in the DRC. Given the positive trends developing and the vast mineral resources in the DRC, Simberi through its PTM Minerals subsidiary may have significant investment opportunities beyond the Kakanda project.

Kakanda Project Development Phase

PTM Minerals in May 1997 completed a feasibility study by Bateman Minerals & Industrial Ltd. of Johannesburg. This study was reviewed and the economics updated to NI 43-101 standards by MPH Consulting Limited of Toronto on September 15, 2006. (available on SEDAR) The primary conclusion of both the Bateman and MPH studies is that the Kakanda project has robust positive economics and that further feasibility and development work should be completed. Since the completion of both these studies copper and cobalt prices have increased to record price levels.

The NI 43-101 compliant resources of the Kakanda project are 18.4 million tonnes of indicated resources in the tailings deposits at 1.22% copper and 0.15% cobalt and 12.6 million tonnes of inferred resources in the hard rock resources at 3.25% copper and 0.20% cobalt. Recovery of the tailing reserves would be through hydraulic extraction and processing through a solvent extraction plant. The hard rock resources would be extracted through open pit mining operations, concentrate recovery through flotation processes and final pressurized leach and solvent extraction processing. All these technical operations are standard practices that are currently in operation in the many mining operations found in the African copper belt region.

On completion of the updated and final Kakanda joint venture agreements, Simberi's management team proposes to advance the Kakanda project through the feasibility and development stage. Key steps include:

- a) Return the Kakanda tailings project to full feasibility status by upgrading measured and indicated resources, updating capital and operating cost structures and optimizing mineral processing parameters.
- b) Upgrade the North and South pit resources to measured and indicated status through a confirmation and expansion diamond drilling program.

- c) Investigate various options to develop efficient mining and processing operations to reflect practical cash flow optimization strategies.

Various strategies to finance the Kakanda development phase, are being evaluated including equity financing, an alliance with strategic partners with African and/or copper cobalt mineral development expertise, royalty structures, and later stage convertible and/or debt structures. Joint venture, and merger and acquisition strategies are being considered to maximize cash flow and shareholder equity value.

Australia Review

Simberi has acquired a package of mineral development projects in Australia with a potential opportunity for large deposits in a country with political stability, technical expertise, and a position as one of the world's leading mineral producing countries.

Simberi's Australian property portfolio consists of four properties. Three of the properties are located in the Gawler Craton in South Australia, a significant geologic feature containing large zones of mineralization of uranium, copper and gold. Simberi's properties have a similar geophysical signature to the Olympic Dam mine operated by BHP Billiton ("BHP") which is one of the world's largest mining companies. BHP is currently spending up to A\$17 billion to expand Olympic Dam to current resources of 7.7 billion tonnes containing to 2.2 million tonnes of uranium, 67 million tonnes of copper and 79 million ounces of gold. This makes Olympic Dan the world's largest uranium deposit, the fourth largest copper deposit and the fifth largest gold deposit.

The Simberi properties are at an exploratory stage, however coincident gravity and magnetic anomalies have been identified at the Mt Sarah property with a similar geophysical response to the Olympic Dam deposit that is the class type for iron oxidized mineralized bodies within this corridor. Geophysical analysis has been completed and an exploratory drill hole is recommended to test the source of the anomaly.

The fourth Merlot project covers an 800 square kilometer property in Western Australia that covers a portion of the Sefton Lineament. This lineament is a significant structure that provides a source for mineralization within this region. The property contains a number of high potential geophysical anomalies and historical sampling has identified the presence of copper, nickel and platinum group mineralization.

As an example of the size of mineral developments in the region, BHP has recently opened the Ravensthorpe nickel laterite mine south of Perth with a capital cost of A\$2.3 billion. The Ravensthorpe mine is expected to produce 50,000 tonnes a year of nickel concentrate when it becomes fully operational in mid 2010.

To advance the Australian properties, Simberi is looking at various options to raise capital to fund exploratory drilling programs. The potential options are to:

- a) list the properties on the Australian stock exchange as a new company;
- b) merge with an existing mineral development company with a coincident equity issue; or
- c) sell to an existing listed company.

This early stage securitization will help to realize inherent value and help to advance the Australian projects. To prepare for this step, additional technical reports on the properties are being completed.

Canada Review

At this time Simberi does not have any Canadian projects, however various options are being reviewed to expand within Canada. There are many Canadian mineral development advantages that make it a sensible strategy to utilize the synergy found through the Toronto based headquarters of Simberi.

The Simberi directors and management team are part of the network of technical, capital markets, and legal professionals that can be leveraged to identify potential mineral development investment opportunities. The Canadian flow through share structure provides a unique way to fund exploration projects. The recent drop in the share price of many Canadian mineral development companies has created better value to acquire prospective opportunities. Shareholders will be kept informed as the Canadian strategy develops.