

TRUSTCO
RESOURCES (PTY) LTD.



TRUSTCO
oshili nawa

AGM
24 September 2015

www.tgh.na



@trustco_group



Find us on
Facebook

TABLE OF CONTENT

1. Introduction	4
2. Post Acquisition Corporate Structure	5
3. Huso Operations – Integrated Business Model	7
4. NNDC Operations – Location & Overview	9
5. NNDC – Diamond Resource & Mine Configuration	10
6. Morse Investments – Diamond Cutting & Polishing Factory	12
7. The Diamond Market	14
8. Strategic Plan – NNDC & Morse Expansion	16
9. Competitive Advantage – Skeleton Coast Diamonds	18
10. Questions	19





1. INTRODUCTION

The board of directors of Trustco Group Holdings Limited ("Trustco") announced on **2 February 2015** that it resolved to pursue opportunities in the resources sector, particularly in Namibia.

On **22 June 2015** Trustco announced on SENS that the board of directors of Trustco has been granted an option to acquire all the shares in issue in HUSO Investments Proprietary Limited ("HUSO") through its wholly owned subsidiary Trustco Resources Proprietary Limited.

HUSO is the holding company of Northern Namibian Development Company Proprietary Limited ("NNDC"), a diamond mining and exploration entity in Namibia and Morse Investments Proprietary Limited ("Morse"), a licensed diamond processing and polishing factory in Namibia. HUSO is owned by the van Rooyen family.

On **15 July 2015** shareholders were advised that the Company had received sufficient irrevocable undertakings from its shareholders and consequently entered into a share purchase agreement with the Seller dated **14 July 2015** for the acquisition of the entire issued share capital of Huso ("the Acquisition").

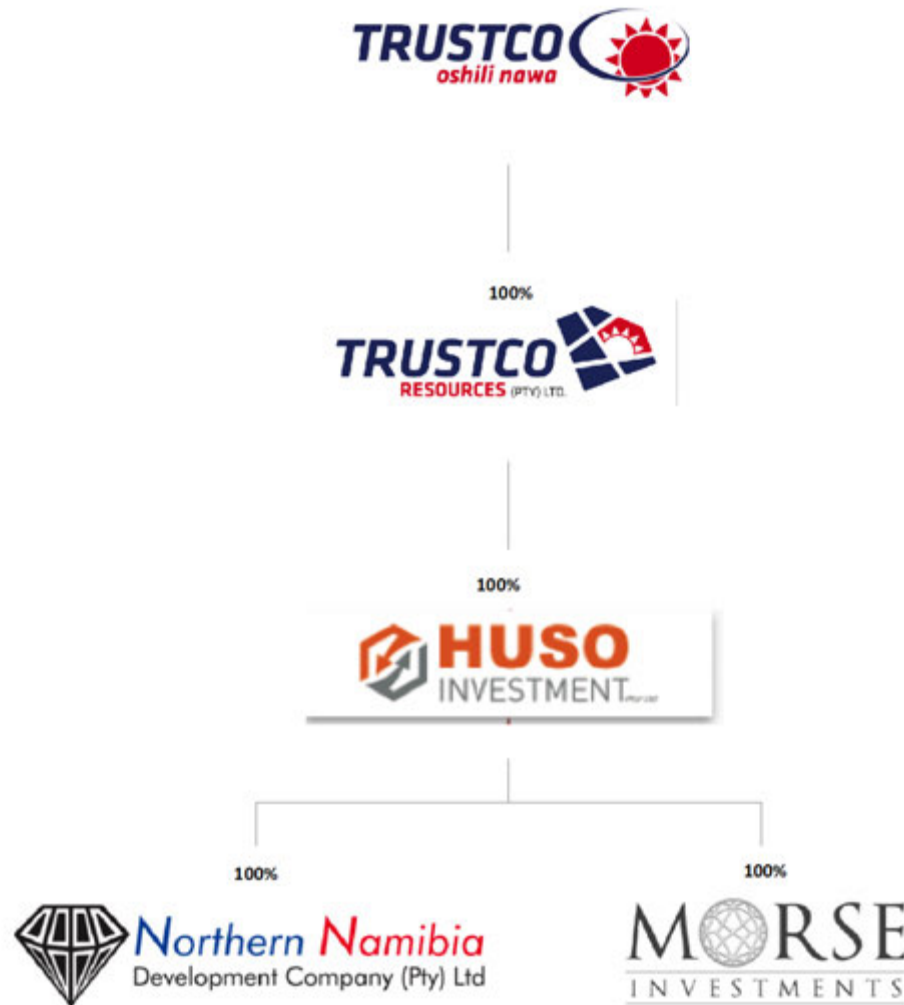
On **14 September 2015** shareholders were advised that the Company has printed and posted a circular to its shareholders ("the Circular"). The purpose of the Circular is to provide information to shareholders with regard to the Acquisition and to convene a general meeting of shareholders for which notice was given, at which general meeting the shareholders will vote on the ordinary resolutions required to approve the Acquisition.

The Circular is available for review at <http://www.tgh.na/> It includes the JSE approved Independent Competent Person's Report (NNDC CPR) and Independent Fairness Opinion as well as other related documents.

The shareholders' meeting will be held at the registered office of the Company, 2 Keller Street, Windhoek, Namibia at 10:00 on Monday, **5 October 2015**.



2. POST ACQUISITION CORPORATE STRUCTURE



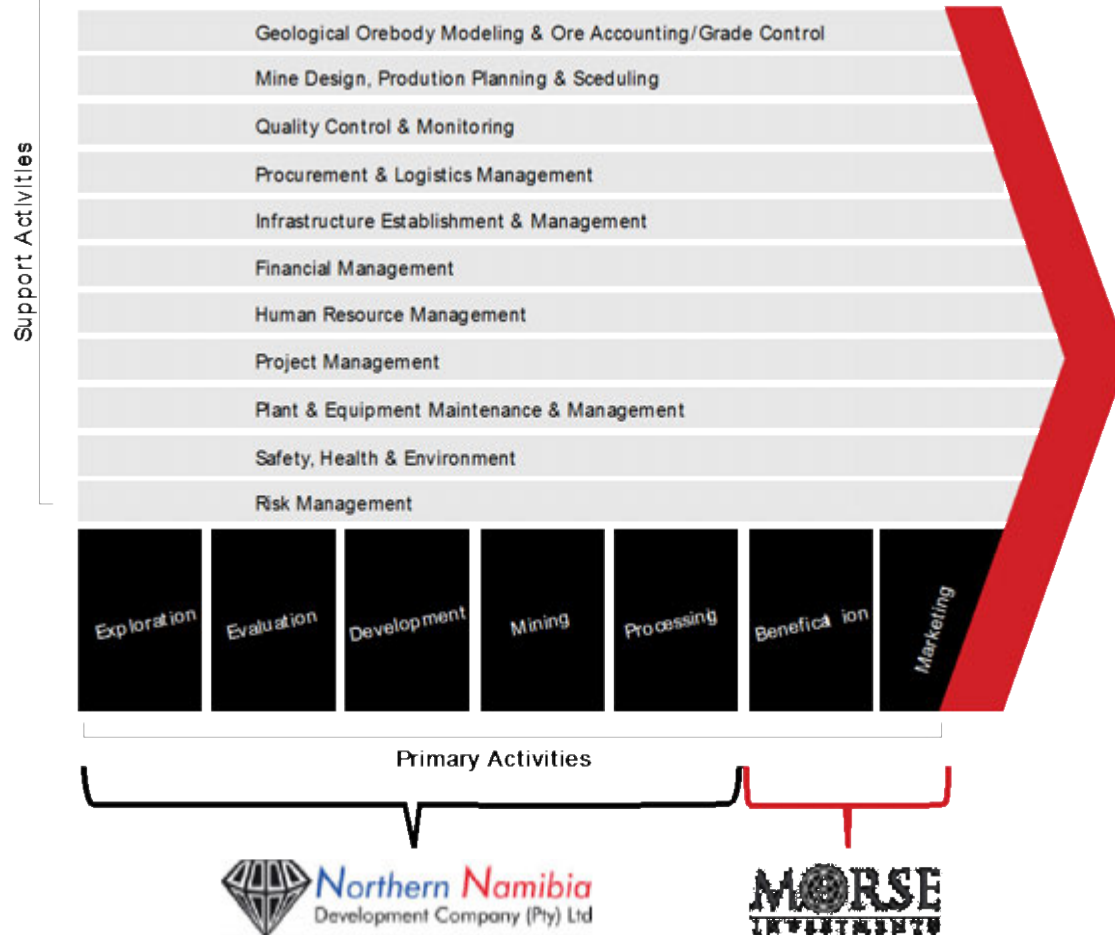


3. HUSO OPERATIONS – INTEGRATED BUSINESS MODEL

NNDC Diamond Mine



Value Chain for a Typical Diamond Mining Operation



Morse Polishing Factory





Northern Namibia
Development Company (Pty) Ltd.



4. NNDC OPERATIONS – OVERVIEW EPL 2633



Africa



Namibia



**NNDC – EPL2633
Kunene Mouth**



NNDC Camp Site



NNDC Plant Site

- NNDC's EPL 2633 is located approximately 660km north of Swakopmund, in the North Western corner of Namibia's Skeleton Coast Park on the Namibian / Angolan border
- Size – 20,000m x 10,000m
- Access by 4x4 vehicles only
- Exploration started in 1990, second phase of exploration 2007 to date
- Namibia is known as a source of some of the highest quality diamonds in the world.

5. NNDC DIAMOND RESOURCE & MINE CONFIGURATION



Area	Carats	Stones	Average Stone Size	Grade cpht
Jan 14	2.19	20	0.11	1.10
Feb 14	187.22	1,231	0.15	10.28
Mar 14	1,059.03	6,985	0.15	64.83
Apr 14	186.62	1,251	0.15	10.58
May 14	-	-	-	Upgrade
Jun 14	10.47	76	0.14	1.45
Jul 14	217.33	1,451	0.15	16.96
Aug 14	284.40	2,042	0.14	14.84
Sep 14	151.94	1,060	0.14	6.67
Oct 14	120.31	850	0.14	3.03
Nov 14	35.41	243	0.15	0.61
Dec 14	36.69	237	0.15	5.84
Jan 15	156.08	1,016	0.15	15.22
Feb 15	197.12	1,221	0.16	12.29
Mar 15	814.12	5,362	0.15	22.35

NNDC Exploration Results

Area	Area Size (ha)	Tonnes	Grade cpht	Carats
Proto Kunene	124.72	3,867,146	6.17	238,629
Coastal Dunes	346.73	822,413	1.71	14,054
Shallow Gravels	667.15	4,035,409	2.34	94,357
Rough Floor Gullies	1,259.89	17,963	7.7	1,383
TOTAL	2,398.49	8,742,931	3.99	348,423

NNDC Resource Statement (Inferred): CPR dated July 2015

ROM Input & Targets	Unit	Current	Future Target
Average Feed Rate	tph	22	400
Hours per Day	hrs	9	9
Tonnes per Day	tpd	200	3,600
Carats per Day	cts	6	108
Days per Month	days	21	21
Carats per Month	Cts/month	120	2,268

NNDC Mine Configuration (Current vs Future)

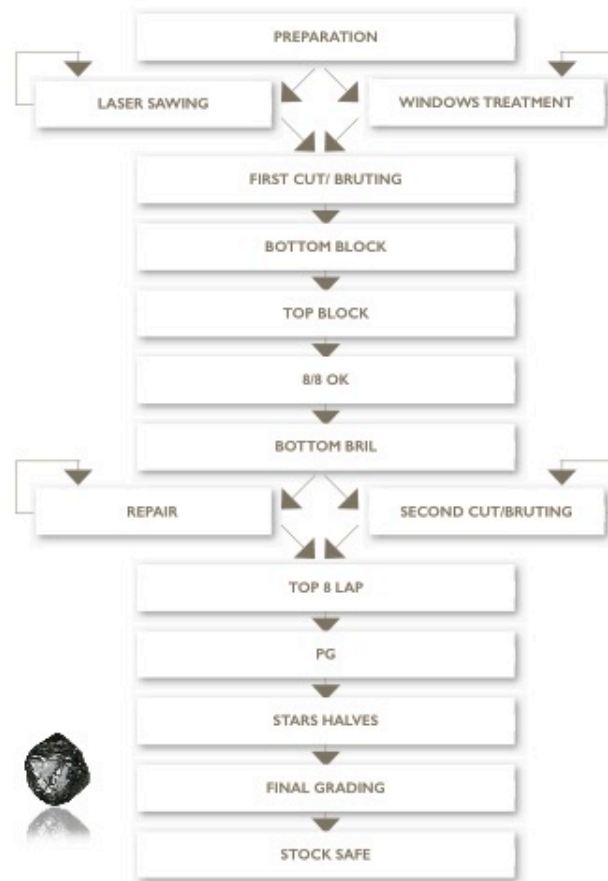
MORSE

INVESTMENTS



6. MORSE – DIAMOND CUTTING & POLISHING FACTORY

MORSE DIAMOND FACTORY PROCESS FLOW



State of the art equipment is used at Morse by highly trained technical staff under the experienced supervision of Mr Doron Cohen who has more than 20 years of experience in Laser Sawing Technology and 10 years of Sarine Tech problem solving experience in Quazer Sawing Machines.

Morse is uniquely positioned through its vertical integrated business model within the diamond value chain, to enhance value to NNDC diamonds.

The value of a rough uncut diamond stone in general more than doubles once cut.

The intention is to optimise the diamond value chain and build down stream processing capacity.

NNDC will provide a sustainable supply of rough diamonds to Morse although supply will not be limited to diamonds from NNDC.

To date Morse is the only 100% Namibian owned cutting and polishing factory in Namibia. Morse employs 55 permanent staff.



7. THE DIAMOND MARKET

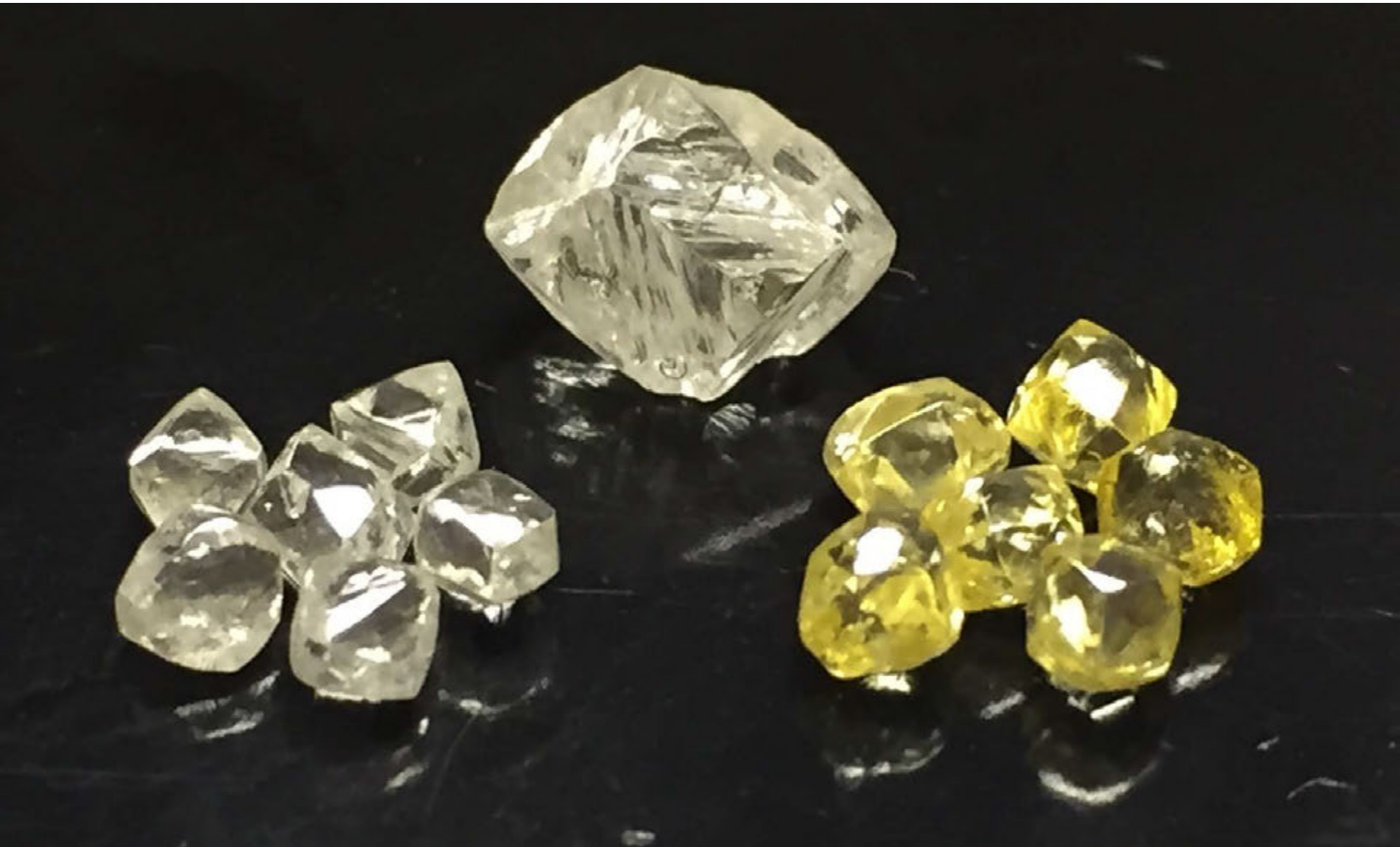
- The demand side forecast is the upward sloping lines in red, driven by growing spending in markets such as the USA, India and China.
- Flat or declining supply, illustrated in black, is driven by limited new production coming on stream and decline of output from ageing mines.
- The price of diamonds are expected to increase over time as a result of the demand / supply gap.
- The price increases in larger polished diamonds are expected to increase more than the price of smaller diamonds.
- The impact of synthetic and better quality diamonds are expected to be minimal.



8. STRATEGIC PLAN – NNDC & MORSE EXPANSION (10 YEAR PLANNING HORIZON)



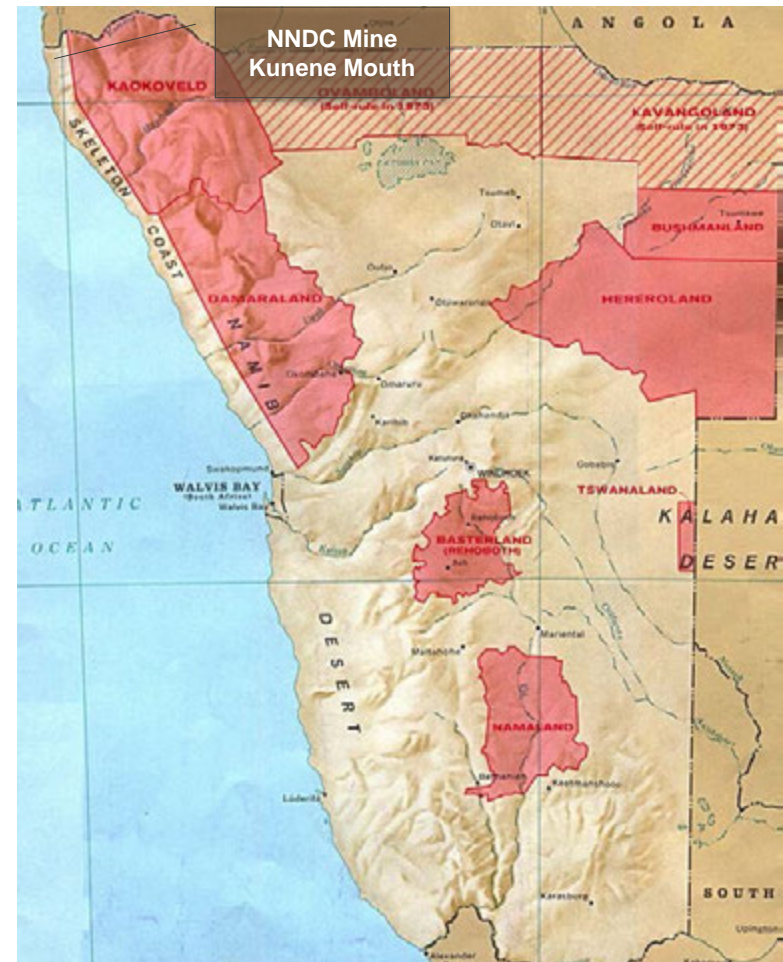
- Increase NNDC licence area from 20km to 150km along the Skeleton Coast coastline
- Increase NNDC diamond resource (increase licence area and exploration)
- Increase depletion rate, subject to Resource / Reserve Statement
- Extend Life of Mine
- Increase capacity and output at Morse (polishing factory)



9. COMPETITIVE ADVANTAGE

NNDC's SKELETON COAST DIAMONDS

- Strategic objective – to be the sole producer of diamonds from the Skeleton Coast
- Scarcity of resource
- Chain of custody – certification of origin (Kimberley Process Certification)
- Branding opportunity *“the Skeleton Coast Diamond”* – ethical / conflict free / unique / limited / authentic



10. QUESTIONS

