



Annual General Meeting

Friday 30 May 2008

Kuala Lumpur
&
Perth



Disclaimer

- The statements made in this presentation that are not historical facts are forward-looking statements that represent the directors' beliefs and assumptions based on currently available information. These statements may relate to matters such as expected financial performance, business prospects, and development activities and like matters. These statements involve risks and uncertainties. Actual results could differ materially from those projected as a result of these risks and should not be relied upon as a prediction of future events. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.



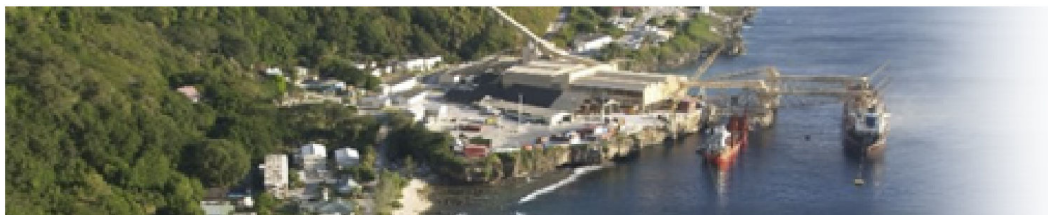
Presentation Overview

- Global phosphate market outlook
- Phosphate Resources update
- Guizhou Tiangfeng Chem-Phos Co Ltd – Chinese fertiliser plant
- Hunan Two project – Chinese phosphate mine investment opportunity
- Company Overhead arrangements
- New Projects



Phosphate Market

- Market Outlook Strong
 - Global demand for phosphate is increasing:
 - Rising living standards in China and other developing countries – higher foodstuff consumption
 - More intensive agricultural practices
 - Developing Biofuels industry increasing fertiliser use
 - Global phosphate prices have increased substantially and are expected to remain high



Phosphate Resources Limited

38.76% stake

Outstanding Half Year result to 31 December 2007

	31 Dec 2007 (\$000)	31 Dec 2006 (\$000)
Revenue	37,653	32,522
Cost of Sales	32,710	27,172
Profit before Tax	4,844	2,902
Phosphate Sales	36,135	28,940



Phosphate Resources Limited

- Christmas Island Mining Leases
 - Applications for additional mining leases over new areas rejected by the former Environment Minister last year
 - Decision appealed to Federal Court, hearings continuing
 - Existing Mining Lease over current areas unaffected, runs until February 2019
 - Current expected mine life at least five years, based on product grade required by market



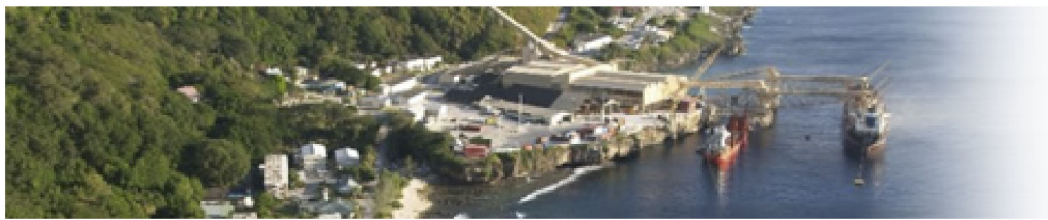
Phosphate Resources Limited

- Merger of Phosphate Resources and CI Resources
 - Board continues to examine the best way to improve shareholder value from Phosphate Resources investment
 - Board is sensitive to the fact that past moves to merge the companies faltered
 - Board will keep under review the best way of improving shareholder value in this investment



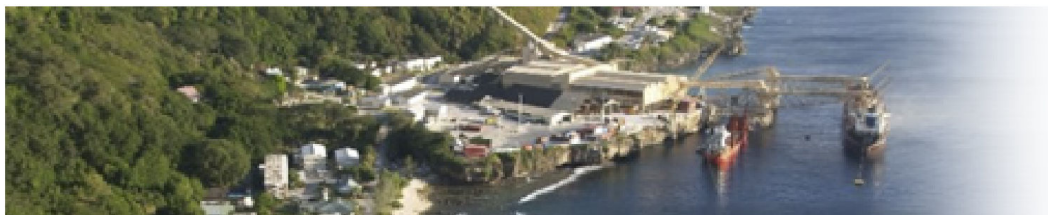
Phosphate Resources Limited

- New Investments by Phosphate Resources
 - Entered into an agreement to acquire the management rights and majority stake in three phosphate mines (Makou, Jie Mei Yen and Xin Ping), Guizhou province of China
 - Wholly owned subsidiary of PRL, Phosphate Resources (China) Ltd (HK) to hold investment
 - Intention that PRL will be the beneficial owner of 51% interest via foreign investment company
 - Remaining 49% held by Guizhou Tiangfeng Chem Phos Co Ltd And Xifeng International Resources Pte Ltd



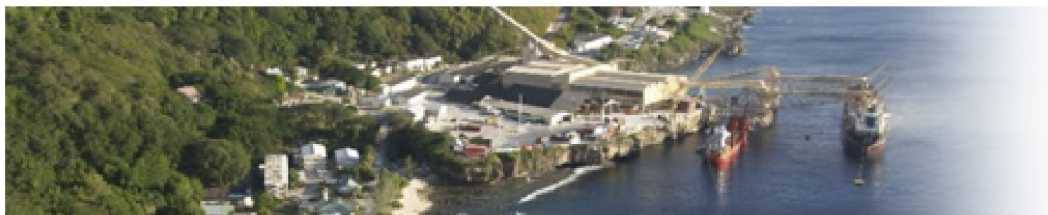
Phosphate Resources Limited

- New Investments by Phosphate Resources (cont.)
 - Mines have current production of 120,000tpa high grade phosphate, planned to increase to 300,000tpa in 18 months
 - Acquisition costs of \$7.85 million, further \$1m to upgrade equipment
 - Investment funded by future cash flow, cash reserves and borrowings



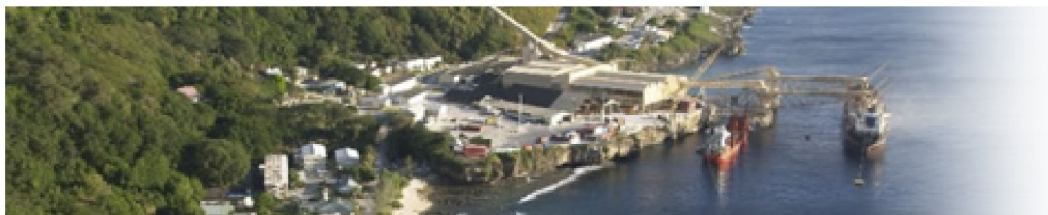
Phosphate Resources Limited

- New Investments by Phosphate Resources (cont.)
 - CII interest in project arises from:
 - Direct holding in Phosphate Resources (38.76%)
 - Indirect interest in Guizhou Tiangfeng Chem-Phos Co Ltd, which holds an interest in the Makou-Jie Mei Yen Mine



Guizhou Tiangfeng Chem-Phos Co Ltd

- CII holds 51% of Singaporean company Xifeng International Pte Ltd
- Xifeng in turn owns 32% interest in Guizhou Tiangfeng Chem-Phos Co Ltd in China
- Tianfeng owns -
 - Pingba fertiliser plant in Guizhou, capable of producing sulphuric acid, MAP (Monammonium Phosphate) and NPK (Nitrogen /Phosphorous /Potassium) fertilisers
 - 30% interest in the Makou-Jie Mei Yen mine



Guizhou Tiangfeng Chem-Phos Co Ltd

- Local Peoples Court found pollutants from Pingba plant waste dump were being discharged into Hongfeng lake
- Court ordered plant majority owner to cease using waste dump and remove all hazards by 31 March 2008
- Majority owner determining action that should be taken on the order
- CII continues to take the strong view that the plant must comply in full with the court order



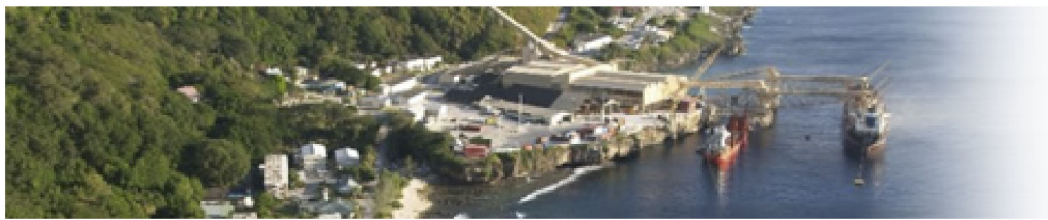
Hunan Two Project

- Background
 - Shareholder information in Dec 2007 advised:
 - MOU signed with Xiangxi Xifeng Chemical Phosphate Co Ltd (XXCP) to develop a phosphate mine and beneficiation process
 - Non binding MOU establishes a framework under which an assessment can be made about the feasibility of developing the project
 - Chinese geological reports claim there is a mineable mineralisation



Hunan Two Project

- Shareholder information in Dec 2007 advised (cont.)
 - Beneficiation process to turn medium grade rock into a high quality 30% grade product is used by others in China
 - Initial estimates show the project to be financially robust
 - CII intends to adopt an active, yet cautious approach moving forward
 - Early identification of business opportunities, challenges and fatal flaws



Hunan Two Project

- Developments
 - Two reviews on the information/research undertaken by XXCP – covering mineralisation and the beneficiation process
 - Beneficiation process review found lab test work to be sound, suggested assessment of success of process when used at Hunan One mine and further lab testing
 - Hunan One mine now operational – Beneficiation process expected to commence in next few months



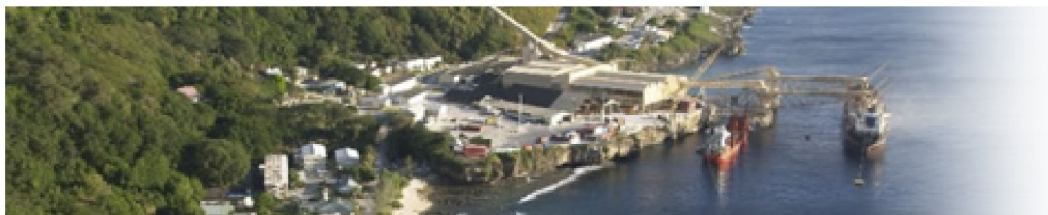
Hunan Two Project

- Developments (cont.)
 - Mineralisation and Beneficiation process is complex and requires further work
 - CII understands that XXCP has entered into a binding agreement with a JV to develop the project. Agreement believed to bind XXCP and other parties for period of due diligence



Hunan Two Project

- Present Position
 - CII continues to take an interest in the opportunity
 - Will be influenced by the success of Beneficiation process at Hunan One mine and attitude of JV at conclusion of due diligence



Company Overhead

- Equity Accounting
 - CII investment in Phosphate Resources now equity accounted
 - Requires complete audit of PRL at 31 December
 - Mismatch of year end dates – 30 June for PRL, 31 December for CI
 - Extra full audit for PRL expected to cost over \$100,000 in extra audit fees, at CII's cost
 - Approval from ASIC sought to align CII year end to PRL year end (30 June)
 - If approved, AGM would move to November from May



Company Overhead

- Management Structure
 - CII does not employ a Manager, CEO or staff
 - Work is carried out by Directors, Company Secretaries and Consultants
 - Incoming Board will need to review arrangements to determine if they best fit CII's corporate objectives



New Projects

- CII continues to investigate new projects and opportunities
- The Board looks forward to announcing full details whenever an investment decision is made



Questions?



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