CRITICAL MATERIALS FOR

THE NEW MILLENNIUM

AMG Advanced Metallurgical Group N.V.
Investor Presentation March 2018
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AMG IS A CRITICAL MATERIALS COMPANY

GLOBAL TRENDS
CO₂ emission reduction, population growth, increasing affluence, and energy efficiency

DEMAND
Innovative new products that are lighter, stronger, and resistant to higher temperatures

SUPPLY
AMG sources, processes, and supplies the critical materials that the market demands
AMG: MITIGATING TECHNOLOGIES
Products and processes saving raw materials, energy and CO$_2$ emissions during manufacturing
(e.g., recycling of Ferrovanadium)

AMG: ENABLING TECHNOLOGIES
Products and processes saving CO$_2$ emissions during use
(e.g., light-weighting and fuel efficiency in the aerospace and automotive industries)

LEADER IN ADVANCED TECHNOLOGIES TO ADDRESS CO$_2$ REDUCTION

CO$_2$ REDUCTION
A GLOBAL IMPERATIVE FOR THE 21ST CENTURY

AMG has developed into a leader in enabling technologies
Strong capital structure, free of net debt, positioned for growth

- $650 million credit facility provides a stable capital base and ample liquidity for strategic growth
- Deleveraged balance sheet

Optimized capital structure

- Initiated first dividend to shareholders in 2015
  - Reflecting AMG commitment to return value to shareholders

Return excess cash to shareholders

- Rigorous process to review strategic growth opportunities that is both selective and opportunistic
- Organic growth strategy is focused on areas of our portfolio that are marked by strong demand growth or supply limitations
- Financially and operationally capable of quickly assessing opportunities

Disciplined organic growth and acquisitions

Driving long term sustainable growth and shareholder value
The EU identified 27 critical raw materials* to the European economy in 2017, focusing on two determinants: economic importance and supply risk.

The US identified 35 critical materials* which are vital to national security and the economy, primarily through assessing supply risk.

AMG has a unique critical materials portfolio comprising:
- 7 EU critical raw materials
- 10 US critical raw materials

** Chromium Metal (a subcategory of chrome ore) is not identified by the EU report.
*** AMG possesses technology license patent for production of Magnesium products.
CRITICAL MATERIALS PRICE TRENDS

The cumulative average 10 year price appreciation of the AMG Portfolio was 7.0 percentage points higher than London Metal Exchange (LME) metals and 8.8 points higher than oil, while AMG EU Critical Materials outperformed LME Metals and oil by 4.0 and 5.8 percentage points, respectively.

Critical materials prices typically outperform the LME.

Note: Compound annual growth rates are calculated over the period Dec '07 through Dec '17 using the equation ((Ending Value / Beginning Value) ^ (1 / # of years) - 1) where ending value is avg monthly price in Dec '17 and beginning value is avg monthly price in Dec '07; and where AMG EU Critical Materials include Sb, Cr, Graphite & Si; AMG Portfolio includes Sb, Cr, FeV, Li, Nb, Si, Sr, Graphite, Ta, Sn & Ti; and LME Metals include Al, Co, Cu, Pb, Mo, Ni, & Zn. Avg annual growth rates (plotted above) are calculated over the same period using the equation ((Ending Value / Beginning Value) -1) and considering the same metal categorizations where ending value is avg monthly price in Dec of the given year and beginning value is avg monthly price in Dec '07.
Metal prices are measured on a scale of 0 to 10, with 0 and 10 representing the minimum and maximum average quarterly prices occurring during the past 10 years.

The positions demonstrate the current price level of each metal with respect to their various historical price points over the past 10 years.

AMG’s relevant prices have started to move into the second quartile.

Note: Metal Positions are measured on a scale of 0 to 10, with 0 being the minimum price and 10 being the maximum price. They are calculated using the formula 

\[
\text{Position} = \frac{\text{Dec '07 month avg} - \text{min. monthly avg}}{\text{max. monthly avg} - \text{min. monthly avg}} \times 10
\]

where maximum and minimum monthly averages are measured over the period 1 Dec '07 through 31 Dec '17.
AMG BUSINESS SEGMENTS

AMG CRITICAL MATERIALS

AMG’s conversion, mining, and recycling businesses

- Vanadium
- Superalloys
- Titanium Alloys & Coatings
- Aluminum Alloys
- Tantalum & Niobium & Lithium
- Antimony
- Graphite
- Silicon Metal

AMG ENGINEERING

AMG’s vacuum systems and services business

- Furnaces
- Heat treatment services
HEALTH AND SAFETY FOCUS

SAFETY INDICATORS

- Safety training hours increased 17% in Q4 2017 compared to Q4 2016.
- At the end of Q4 2017, lost time incident rate and total incident rate were down 23% and 22%, respectively, from Q4 2016.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>LOST TIME INCIDENTS IN THE LAST 12 MONTHS</th>
<th>12 MONTH AVERAGE LOST TIME INCIDENT RATE</th>
<th>12 MONTH AVERAGE TOTAL INCIDENT RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>29</td>
<td>1.06</td>
<td>1.68</td>
</tr>
<tr>
<td>2017</td>
<td>23 ▼</td>
<td>0.82 ▼</td>
<td>1.31 ▼</td>
</tr>
</tbody>
</table>

Rigorous commitment to safety reflected in continually improving safety records
Financial Highlights
FY 2017 AT A GLANCE

<table>
<thead>
<tr>
<th>AMOUNTS IN $M (EXCEPT EARNINGS PER SHARE)</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$1,059.7</td>
<td>$971.1</td>
<td>9%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$214.6</td>
<td>$186.8</td>
<td>15%</td>
</tr>
<tr>
<td>Gross Margin %</td>
<td>20.3%</td>
<td>19.2%</td>
<td>6%</td>
</tr>
<tr>
<td>Profit Before Income Taxes</td>
<td>$71.4</td>
<td>$49.7</td>
<td>44%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$125.5</td>
<td>$100.7</td>
<td>25%</td>
</tr>
<tr>
<td>EBITDA Margin %</td>
<td>11.8%</td>
<td>10.4%</td>
<td>13%</td>
</tr>
<tr>
<td>Net Debt (Cash)</td>
<td>$10.3</td>
<td>$7.3</td>
<td>41%</td>
</tr>
<tr>
<td>Return On Capital Employed (ROCE)</td>
<td>21.2%</td>
<td>18.8%</td>
<td>13%</td>
</tr>
<tr>
<td>Net Income Attributable To Shareholders</td>
<td>$57.0</td>
<td>$40.6</td>
<td>40%</td>
</tr>
<tr>
<td>Diluted Earnings Per Share</td>
<td>1.80</td>
<td>1.32</td>
<td>36%</td>
</tr>
</tbody>
</table>

- 2017 EBITDA up 25% versus 2016 due to improved profitability within AMG Critical Materials
- Annualized ROCE increased to 21.2% in 2017 versus 18.8% in 2016
- Diluted earnings per share for 2017 increased 36% over 2016

Net Debt Reduction of $77.5 million since December 2014
FINANCIAL HIGHLIGHTS

REVENUE (IN MILLIONS OF US DOLLARS)

Q4 16 | Q1 17 | Q2 17 | Q3 17 | Q4 17
---|---|---|---|---
$237.9 | $258.0 | $262.0 | $258.9 | $280.7

GROSS PROFIT (IN MILLIONS OF US DOLLARS)

Q4 16 | Q1 17 | Q2 17 | Q3 17 | Q4 17
---|---|---|---|---
$43.0 | $52.5 | $54.3 | $51.3 | $56.5

EBITDA (IN MILLIONS OF US DOLLARS)

Q4 16 | Q1 17 | Q2 17 | Q3 17 | Q4 17
---|---|---|---|---
$30.0 | $33.0 | $31.9 | $27.6 | $33.0

ORDER IN TAKE (IN MILLIONS OF US DOLLARS)

Q4 16 | Q1 17 | Q2 17 | Q3 17 | Q4 17
---|---|---|---|---
$61.7 | $81.8 | $76.9 | $40.5 | $91.0

18% YoY
32% YoY
10% YoY
48% YoY
FINANCIAL DATA: ROCE & EBITDA

- Q4 '17 EBITDA up 10% versus Q4 '16 due to improved profitability within AMG Critical Materials
- 2017 annualized ROCE improved to 21.2% from 18.8% in 2016
- ROCE improvements are the result of efficient use of capital and improved profitability
FINANCIAL DATA: NET DEBT & NET CASH FROM OPERATIONS

• Net debt: $10.3 million
  – $183.9 million reduction of net debt since December 31, 2012

• AMG’s primary debt facility is a $650 million multicurrency term loan and revolving credit facility
  – $350 million 7-year senior secured term loan B facility, a $200 million 5-year senior secured revolving credit facility, and a $100 million 5-year letter of credit facility to support AMG Engineering
  – In compliance with all debt covenants

• AMG generated cash from operating activities of $78.5 million during 2017, $22.3 million higher than in 2016
DIVISIONAL FINANCIAL HIGHLIGHTS – Q4 2017 VS. Q4 2016

**REVENUE**
Q4 2017 REVENUE: $280.7 (IN MILLIONS OF US DOLLARS)

- AMG Critical Materials: $214.0
- AMG Engineering: $66.7

**EBITDA**
Q4 2017 EBITDA: $33.0 (IN MILLIONS OF US DOLLARS)

- AMG Critical Materials: $26.9
- AMG Engineering: $6.1

**GROSS MARGIN**
Q4 2017 GROSS MARGIN: 20.1%

- AMG Critical Materials: 18.4%
- AMG Engineering: 18.6%

**CAPITAL EXPENDITURE**
Q4 2017 CAPEX: $28.2 (IN MILLIONS OF US DOLLARS)

- AMG Critical Materials: $26.9
- AMG Engineering: $1.3
WORKING CAPITAL REDUCTION

WORKING CAPITAL DAYS REDUCED BY 80% SINCE Q3’10

Q3 10  Q4 10  Q1 11  Q2 11  Q3 11  Q4 11  Q1 12  Q2 12  Q3 12  Q4 12  Q1 13  Q2 13  Q3 13  Q4 13  Q1 14  Q2 14  Q3 14  Q4 14  Q1 15  Q2 15  Q3 15  Q4 15  Q1 16  Q2 16  Q3 16  Q4 16  Q1 17  Q2 17  Q3 17  Q4 17

79

63 DAYS, OR 80% REDUCTION
**AMG CRITICAL MATERIALS**

**REVENUE & EBITDA** (IN MILLIONS OF US DOLLARS)

- **Q4 2017** revenue of $214.0 million was 29% higher than **Q4 2016**

- **EBITDA increased by $4.8 million over Q4 2016 to $26.9 million in Q4 2017**, driven primarily by higher vanadium prices, improved product mix and strong sales volumes

**CAPITAL EXPENDITURES** (IN MILLIONS OF US DOLLARS)

- **Capital expenditures increased to $26.9 million in Q4 2017 vs. $20.2 million in Q4 2016**

- **The largest expansion capital projects were AMG’s lithium project in Brazil, and titanium aluminide expansion in Germany**
AMG CRITICAL MATERIALS – QUARTERLY REVENUE DRIVERS

AMG Critical Materials’ revenue in the fourth quarter increased by $48.0 million, or 29%, to $214.0 million. This was driven by improved vanadium, aluminum, antimony, graphite, and silicon prices, and higher sales volumes of chrome, titanium, antimony, and silicon products. Lower tantalum sales prices were partially offset by higher sales of niobium products.

<table>
<thead>
<tr>
<th>KEY PRODUCT</th>
<th>Q4 ‘17 REV ($M)</th>
<th>Q4 ‘16 REV ($M)</th>
<th>VOLUME</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FeV &amp; FeNiMo</td>
<td>$36.7</td>
<td>$21.7</td>
<td>▼</td>
<td>▲</td>
</tr>
<tr>
<td>Al Master Alloys &amp; Powders</td>
<td>$45.3</td>
<td>$38.0</td>
<td>▼</td>
<td>▲</td>
</tr>
<tr>
<td>Chromium Metal</td>
<td>$23.2</td>
<td>$20.7</td>
<td>▲</td>
<td>▼</td>
</tr>
<tr>
<td>Tantalum &amp; Niobium</td>
<td>$13.8</td>
<td>$16.2</td>
<td>▼</td>
<td>▲</td>
</tr>
<tr>
<td>Titanium Alloys &amp; Coatings</td>
<td>$32.8</td>
<td>$22.2</td>
<td>▲</td>
<td>▲</td>
</tr>
<tr>
<td>Antimony</td>
<td>$24.7</td>
<td>$18.6</td>
<td>▲</td>
<td>▲</td>
</tr>
<tr>
<td>Graphite</td>
<td>$15.9</td>
<td>$13.2</td>
<td>▼</td>
<td>▲</td>
</tr>
<tr>
<td>Silicon Metal</td>
<td>$21.5</td>
<td>$15.4</td>
<td>▲</td>
<td>▲</td>
</tr>
</tbody>
</table>
## CRITICAL MATERIALS – AVERAGE QUARTERLY PRICES

<table>
<thead>
<tr>
<th>MATERIALS</th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q4 ’17 VS. Q4 ’16 % CHANGE</th>
<th>Q4 ’17 VS. Q3 ’17 % CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferrovanadium ($/lb)</td>
<td>$10.65</td>
<td>$12.35</td>
<td>$12.30</td>
<td>$17.75</td>
<td>$19.24</td>
<td>81%</td>
<td>8%</td>
</tr>
<tr>
<td>Molybdenum ($/lb)</td>
<td>$6.63</td>
<td>$7.90</td>
<td>$8.03</td>
<td>$8.21</td>
<td>$8.86</td>
<td>34%</td>
<td>8%</td>
</tr>
<tr>
<td>Nickel ($/MT)</td>
<td>$10,685</td>
<td>$10,267</td>
<td>$9,222</td>
<td>$10,524</td>
<td>$11,580</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td>Aluminum ($/MT)</td>
<td>$1,710</td>
<td>$1,851</td>
<td>$1,909</td>
<td>$2,011</td>
<td>$2,102</td>
<td>23%</td>
<td>5%</td>
</tr>
<tr>
<td>Chrome ($/lb)</td>
<td>$3.65</td>
<td>$3.83</td>
<td>$4.02</td>
<td>$3.93</td>
<td>$3.97</td>
<td>9%</td>
<td>1%</td>
</tr>
<tr>
<td>Tantalum ($/lb)</td>
<td>$56</td>
<td>$57</td>
<td>$67</td>
<td>$75</td>
<td>$84</td>
<td>50%</td>
<td>12%</td>
</tr>
<tr>
<td>Niobium Oxide ($/kg)</td>
<td>$26</td>
<td>$27</td>
<td>$30</td>
<td>$35</td>
<td>$38</td>
<td>46%</td>
<td>9%</td>
</tr>
<tr>
<td>Ti Sponge ($/kg)</td>
<td>$8.15</td>
<td>$8.24</td>
<td>$8.74</td>
<td>$8.15</td>
<td>$8.05</td>
<td>(1%)</td>
<td>(1%)</td>
</tr>
<tr>
<td>Antimony ($/MT)</td>
<td>$7,482</td>
<td>$8,098</td>
<td>$8,890</td>
<td>$8,291</td>
<td>$8,130</td>
<td>9%</td>
<td>(2%)</td>
</tr>
<tr>
<td>Graphite ($/MT) *</td>
<td>$822</td>
<td>$730</td>
<td>$823</td>
<td>$997</td>
<td>$1,093</td>
<td>33%</td>
<td>10%</td>
</tr>
<tr>
<td>Silicon Metal (€/MT)</td>
<td>€1,733</td>
<td>€1,993</td>
<td>€1,989</td>
<td>€2,093</td>
<td>€2,269</td>
<td>31%</td>
<td>8%</td>
</tr>
</tbody>
</table>

* Graphite prices shown above have been changed to Benchmark Minerals index (Graphite, flake, 94-95% C, +80 mesh, FOB China) to better reflect AMG Graphite’s high purity grade.
<table>
<thead>
<tr>
<th>MATERIALS</th>
<th>AVG 2016</th>
<th>AVG 2017</th>
<th>MAR 2, 2018 SPOT</th>
<th>AVG '17 VS. AVG '16 % CHANGE</th>
<th>SPOT VS. AVG '17 % CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferrovanadium ($/lb)</td>
<td>$9.37</td>
<td>$15.30</td>
<td>$29.88</td>
<td>63%</td>
<td>95%</td>
</tr>
<tr>
<td>Molybdenum ($/lb)</td>
<td>$6.71</td>
<td>$8.25</td>
<td>$13.00</td>
<td>23%</td>
<td>58%</td>
</tr>
<tr>
<td>Nickel ($/MT)</td>
<td>$9,515</td>
<td>$10,408</td>
<td>$13,448</td>
<td>9%</td>
<td>29%</td>
</tr>
<tr>
<td>Aluminum ($/MT)</td>
<td>$1,605</td>
<td>$1,968</td>
<td>$2,144</td>
<td>23%</td>
<td>9%</td>
</tr>
<tr>
<td>Chrome ($/lb)</td>
<td>$3.74</td>
<td>$3.94</td>
<td>$4.95</td>
<td>5%</td>
<td>26%</td>
</tr>
<tr>
<td>Tantalum ($/lb)</td>
<td>$60</td>
<td>$71</td>
<td>$96</td>
<td>18%</td>
<td>35%</td>
</tr>
<tr>
<td>Niobium Oxide ($/kg)</td>
<td>$27</td>
<td>$32</td>
<td>$44</td>
<td>19%</td>
<td>38%</td>
</tr>
<tr>
<td>Ti Sponge ($/kg)</td>
<td>$8.31</td>
<td>$8.29</td>
<td>$8.63</td>
<td>–</td>
<td>4%</td>
</tr>
<tr>
<td>Antimony ($/MT)</td>
<td>$6,597</td>
<td>$8,352</td>
<td>$8,725</td>
<td>27%</td>
<td>4%</td>
</tr>
<tr>
<td>Graphite ($/MT) *</td>
<td>$780</td>
<td>$910</td>
<td>$1,025</td>
<td>17%</td>
<td>13%</td>
</tr>
<tr>
<td>Silicon Metal (€/MT)</td>
<td>€1,735</td>
<td>€2,089</td>
<td>€2,335</td>
<td>20%</td>
<td>12%</td>
</tr>
</tbody>
</table>

* Graphite prices shown above have been changed to Benchmark Minerals index (Graphite, flake, 94-95% C, +80 mesh, FOB China) to better reflect AMG Graphite’s high purity grade.
AMG ENGINEERING

REVENUE & EBITDA (IN MILLIONS OF US DOLLARS)

- EBITDA decreased by $1.8 million in Q4 2017 versus Q4 2016
- Revenue in the quarter was adversely impacted due to lower sales of re-melting, vacuum induction and heat treatment furnaces, partially offset by higher sales of turbine blade coating furnaces

ORDER INTAKE (IN MILLIONS OF US DOLLARS)

- AMG Engineering order backlog of $207.0 million as of December 31, 2017, a 53% increase compared to December 31, 2016
- AMG Engineering signed $91.0 million in new orders during Q4 2017, a 1.36x book to bill ratio
Strategy & Outlook
AMG: READY FOR GROWTH

COST REDUCTION
Cost-reduction and capex discipline in response to global economic slowdown

SUPPLY CHAIN EXCELLENCE
Competitive advantage through manufacturing and supply chain excellence, accelerating cost-reduction efforts

SCALING PROFITABLE GROWTH
Properly positioned, financially and operationally, to pursue growth targets across portfolio

PRODUCT MIX OPTIMIZATION
Streamlined operations and improved operating performance by eliminating low-margin product lines

TARGETED W/C & DEBT LEVELS
Further reduction in both working capital and net debt, strengthening the balance sheet
# STRATEGY

**AMG’s strategy is to build its critical materials business through industry consolidation, process innovation and product development**

<table>
<thead>
<tr>
<th>PROCESS INNOVATION &amp; PRODUCT DEVELOPMENT</th>
<th>Continue to focus on process innovation and product development to improve the market position of AMG’s businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDUSTRY CONSOLIDATION</td>
<td>Pursue opportunities for horizontal and vertical industry consolidation across AMG’s critical materials portfolio</td>
</tr>
<tr>
<td>EXPANSION OF EXISTING HIGH GROWTH BUSINESSES</td>
<td>Pursue opportunities in high-growth areas within the existing product portfolio</td>
</tr>
</tbody>
</table>

**AMG’s overriding strategic objective is to achieve industry leadership while being the low cost producer**
2018 OUTLOOK & LITHIUM PROJECT UPDATE

OUTLOOK

We believe we can achieve our goals earlier than previously expected and can commit to turning the present EBITDA level into $200 million, or more, in the fiscal year ending December 31, 2020.

2018 has started very well. For the year, we expect our financial performance to show significant improvement compared to 2017, on route to this long term strategic guidance.

AMG’s management team is focused on delivering our highly accretive lithium project and executing our long term lithium strategy. In addition, we will continue to pursue other acquisition opportunities and organic growth projects in order to generate long term value for our shareholders.

LITHIUM PROJECT UPDATE

Project is progressing in-line with expectations – production expected to commence mid-2018.

Phase I - Lithium Concentrate Plant 1: we continue to make excellent progress on the construction of our first lithium concentrate plant at the Mibra mine in Brazil, and we expect to achieve mechanical completion, as planned, in April 2018. Production is expected to commence mid-2018.

Phase II - Lithium Concentrate Plant 2: work on our second concentration plant is also well underway and we expect to complete detailed engineering and commence construction in the third quarter of 2018. Furthermore, we expect to begin production by the end of 2019.

Phase III - Lithium Carbonate: we are preparing a definitive concept to move downstream into the production of lithium chemicals, to capture the incremental value associated with this part of the value chain. We look forward to providing further updates in due course.

Mibra Resource: In April 2017, AMG published an updated resource statement for the Mibra mine showing an increase of approximately 38% compared to the previous mineral resource statement completed in 2013.

Management’s priority in 2018 is to execute our highly accretive lithium project
Key Products & End Markets
KEY PRODUCTS

REVENUE (IN MILLIONS OF US DOLLARS)

GROSS PROFIT * (IN MILLIONS OF US DOLLARS)

* Before non-recurring items
CRITICAL MATERIALS – MARKET TRENDS

CRITICAL MATERIALS
- AMG ANTIMONY
  - ANTIMONY TRIOXIDE
  - ANTIMONY MASTERBATCHES
  - ANTIMONY PASTES
- AMG BRAZIL
  - TANTALUM & NI OBIUM
- AMG LITHIUM
  - LITHIUM CONCENTRATE (SPODUMENE)
- AMG GRAPHITE
  - NATURAL GRAPHITE
- AMG SILICON
  - SILICON METAL

MAJOR END MARKETS
- FLAME RETARDANTS
- MICRO CAPACITORS, SUPERALLOYS
- BATTERIES
- EXPANDED POLYSTYRENE (EPS), BATTERY ANODES
- ALUMINUM ALLOYS, SOLAR

MARKET TRENDS
- PLASTICS
- COMMUNICATIONS & ELECTRONICS
- FUEL EFFICIENCY
- RENEWABLE ENERGY
- ENERGY SAVING
- ENERGY STORAGE
- FUEL EFFICIENCY
- CLEAN ENERGY

MAJOR CUSTOMERS
- Dupont
- Pirelli
- H.C. Starck
- ATI
- Confidential
- Sunpor
- Höganäs
- Aleris
- AMAG Austria Metall
CRITICAL MATERIALS – MARKET TRENDS

**CRITICAL MATERIALS**

- **AMG ALUMINUM**
  - Aluminum Master Alloys
  - Aluminum Powders

- **AMG VANADIUM**
  - Ferrovanadium
  - Ferronickel-Molybdenum

- **AMG TITANIUM ALLOYS & COATINGS**
  - Titanium Master Alloys & Coatings

- **AMG SUPERALLOYS UK**
  - Chromium Metal

**MAJOR END MARKETS**

- Aerospace, Automotive
- Infrastructure
- Aerospace
- Aerospace

**MARKET TRENDS**

- Fuel Efficiency
- Infrastructure Growth
- Fuel Efficiency
- Fuel Efficiency

**MAJOR CUSTOMERS**

- Constellium
- Riotinto
- Nucor
- Safran
- PCC
- ATI

**MAJOR END MARKETS**

- Energy
- Transportation
- Infrastructure
AMG AT A GLANCE

FY 2017 REVENUE

BY SEGMENT:
- 77% Critical Materials
- 23% Engineering

BY END MARKET:
- 42% Transportation
- 22% Specialty Metals & Chemicals
- 25% Infrastructure
- 11% Energy

BY REGION:
- 43% Europe
- 33% North America
- 18% Asia
- 6% ROW

AMG IS A GLOBAL SUPPLIER OF CRITICAL MATERIALS TO:
- ENERGY
- TRANSPORTATION
- INFRASTRUCTURE
- SPECIALTY METALS AND CHEMICALS

Market leading producer of highly engineered specialty metals and vacuum furnace systems

~3,100 Employees
~$1 billion Annual Revenues
At the forefront of CO₂ Reduction
## CONSOLIDATED BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>298.5</td>
<td>226.1</td>
</tr>
<tr>
<td>Goodwill and intangibles</td>
<td>38.1</td>
<td>33.2</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>92.4</td>
<td>91.7</td>
</tr>
<tr>
<td>Inventories</td>
<td>162.5</td>
<td>143.6</td>
</tr>
<tr>
<td>Receivables</td>
<td>137.2</td>
<td>129.2</td>
</tr>
<tr>
<td>Other current assets</td>
<td>49.1</td>
<td>35.8</td>
</tr>
<tr>
<td>Cash</td>
<td>178.8</td>
<td>160.7</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>956.6</strong></td>
<td><strong>820.3</strong></td>
</tr>
<tr>
<td>Long term debt</td>
<td>164.8</td>
<td>151.0</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>156.2</td>
<td>141.6</td>
</tr>
<tr>
<td>Other long term liabilities</td>
<td>47.8</td>
<td>49.9</td>
</tr>
<tr>
<td>Current debt</td>
<td>24.3</td>
<td>17.1</td>
</tr>
<tr>
<td>Accounts payable and accruals</td>
<td>215.3</td>
<td>190.7</td>
</tr>
<tr>
<td>Advance payments</td>
<td>33.0</td>
<td>29.4</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>32.6</td>
<td>42.9</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>674.0</strong></td>
<td><strong>622.5</strong></td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td><strong>956.6</strong></td>
<td><strong>820.3</strong></td>
</tr>
</tbody>
</table>
## CONSOLIDATED INCOME STATEMENT

### FOR THE YEAR ENDED DECEMBER 31, 2017

<table>
<thead>
<tr>
<th></th>
<th>DECEMBER 31, 2017 UNAUDITED</th>
<th>DECEMBER 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,059.7</td>
<td>971.1</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>845.1</td>
<td>784.3</td>
</tr>
<tr>
<td>Gross profit</td>
<td>214.6</td>
<td>186.8</td>
</tr>
<tr>
<td>Selling, general &amp; administrative</td>
<td>132.3</td>
<td>130.7</td>
</tr>
<tr>
<td>Other income, net</td>
<td>2.5</td>
<td>(3.8)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>79.8</td>
<td>59.9</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>8.4</td>
<td>12.0</td>
</tr>
<tr>
<td>Share of profit of associates</td>
<td>–</td>
<td>1.8</td>
</tr>
<tr>
<td>Profit before income taxes</td>
<td>71.4</td>
<td>49.7</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>13.9</td>
<td>8.1</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>57.5</td>
<td>41.6</td>
</tr>
<tr>
<td>Shareholders of the Company</td>
<td>57.0</td>
<td>40.6</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>0.5</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>ADJUSTED EBITDA</strong></td>
<td><strong>125.5</strong></td>
<td><strong>100.7</strong></td>
</tr>
</tbody>
</table>
# CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED IN MILLIONS OF US DOLLARS

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2017 UNAUDITED</th>
<th>December 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>125.5</td>
<td>100.7</td>
</tr>
<tr>
<td>Change in working capital and deferred revenue</td>
<td>(21.3)</td>
<td>(7.7)</td>
</tr>
<tr>
<td>Other operating cash flow</td>
<td>(7.9)</td>
<td>(23.5)</td>
</tr>
<tr>
<td><strong>Cash generated from operating activities</strong></td>
<td><strong>96.3</strong></td>
<td><strong>69.5</strong></td>
</tr>
<tr>
<td>Finance costs paid, net</td>
<td>(7.5)</td>
<td>(6.7)</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(10.3)</td>
<td>(6.6)</td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td><strong>78.5</strong></td>
<td><strong>56.2</strong></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(80.9)</td>
<td>(44.1)</td>
</tr>
<tr>
<td>Other investing activities</td>
<td>3.7</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td><strong>(77.2)</strong></td>
<td><strong>(42.1)</strong></td>
</tr>
<tr>
<td><strong>Net cash from financing activities</strong></td>
<td><strong>5.5</strong></td>
<td><strong>23.3</strong></td>
</tr>
<tr>
<td>Net increase in cash and equivalents</td>
<td>6.8</td>
<td>37.4</td>
</tr>
<tr>
<td><strong>Cash and equivalents at January 1</strong></td>
<td><strong>160.7</strong></td>
<td><strong>127.8</strong></td>
</tr>
<tr>
<td>Effect of exchange rate fluctuations on cash held</td>
<td>11.3</td>
<td>(4.4)</td>
</tr>
</tbody>
</table>

## CASH AND EQUIVALENTS AT DECEMBER 31

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and equivalents at December 31</strong></td>
<td><strong>178.8</strong></td>
</tr>
</tbody>
</table>