MFC Industrial Ltd.

A Global Commodity Supply Chain Company

Corporate Presentation
January 2013

MFC INDUSTRIAL LTD.

Disclaimer for Forward-Looking Information

This presentation contains statements which are, or may be deemed to be, "forward-looking statements" which are prospective in nature, including, without limitation, statements regarding our future plans, including in respect of Compton Petroleum Corporation, implementation of current strategies and our plans for our projects. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "scheduled", "estimates", "forecasts", "projects", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause our results, revenues or performance to differ materially from our expectations include, among others: (i) periodic fluctuations in financial results as a result of the nature of our business; (ii) commodities price volatility; (iii) economic and market conditions; (iv) competition in our business segments; (v) decisions and activities of operators of our resource interests; (vi) the availability of commodities for our commodities and resources operations; (vii) the availability of suitable acquisition or merger or other proprietary investment candidates and the availability of financing necessary to complete such acquisitions or development plans; (viii) our ability to realize the anticipated benefits of our acquisitions; (ix) counterparty risks related to our trading activities; (x) potential title and litigation risks inherent with the acquisition of distressed assets; (xi) operating hazards; and (xvii) other factors beyond our control. For more information regarding these and additional risks and uncertainties please refer to our filings with Canadian securities regulators and the United States Securities and Exchange Commission (“SEC”), including our Annual Report on Form 20-F and its Management's Discussion and Analysis for the three months ended September 30, 2012, filed with the Canadian securities regulators and on Form 6-K with the SEC. Other than in accordance with its legal or regulatory obligations, we are not under any obligation and expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

We Are a Global Commodity Supply Chain Company

Our primary business is our commodity supply chain business that is globally focused, and includes our integrated commodities operations which source and deliver minerals, metals, energy, chemicals, plastics, food and animal feed additives, industrial products, refractory and wood products.

We also provide logistics and financial and risk management services to producers and consumers of commodities.

Our global business activities are supported by our captive commodities through strategic direct and indirect investments as well as other commodities sources secured by us from third parties.

A Global Commodity Supply Chain Company That Specializes in:

- Using our financial resources as leverage to help finance
- Commodity transactions
- Off take agreements
- International just-in-time deliveries
- Warehousing
- Strategic investments in resource assets
- Commodities for specific, committed buyers
- Purchasing, selling, processing and delivering
- Broad spectrum of commodities
- Reliability and consistent quality

GROUP CORPORATE HISTORY

1984	The group was started by the takeover of a small non quoted public real estate company, which became Mercer International Ltd. ("Mercer").
1992	Mercer acquired the pulp and paper industry in the former East Germany from the Treuhand.
1996	We restructured our assets and operations by dividing the company into two independent publicly traded companies by way of a spinout of our financial assets as a company named MFC Bancorp Ltd. to our shareholders.
2001	Acquired what is now MFC Commodities GmbH, our commodities supply chain group headquartered in Vienna, Austria.
2002	Acquired KHD Humboldt Wedag, a 150 year old company based in Cologne, Germany, that designed and built cement plants on a world wide basis.
2005	MFC Bancorp Ltd. was renamed KHD Humboldt Wedag International Ltd. and was listed on the New York Stock Exchange.
2006	In January, the majority of our financial assets were transferred to a subsidiary, Mass Financial Corp. (Mass), and then spun-off as a dividend to our shareholders.
2010	Reorganization and focus on resources business, name changed to Terra Nova Royalty Corporation. Separation of our industrial services into KHD Humboldt International AG (KHD). KHD shares distributed to shareholders. KHD common shares listed on regulated market of the Frankfurt Stock Exchange. Acquired Mass by way of a tender offer on the basis of one Terra Nova share for each Mass share.
2011	New global supply chain platform created and renamed MFC Industrial Ltd.
2012	Acquired 100% of Compton Petroleum Corporation, 70% and 60% of shares of ACC Resources Co., L.P. and Possehl Mexico S.A. de C.V., respectively.

MFC BANCORP / FINANCIAL HISTORY

Thousands US$ except per share data	Start Year 1984	1996	1997	1998	1999	2000	2001	2002	2003	2004
Revenues	354	55,324	62,155	83,121	84,490	104,133	134,526	180,006	316,863	579,731
Net Income	-115	10,258	17,058	20,381	24,452	26,105	28,437	32,129	38,004	30,701
Total Assets	4,409	117,090	158,765	163,203	187,145	221,346	247,796	282,712	313,043	501,579
Shareholders' Equity	1,560	66,819	84,078	100,878	118,348	142,070	154,462	180,608	169,024	223,849
Weighted Average # of Shares	1,410	9,131	12,246	13,706	13,422	13,438	14,002	14,170	14,129	13,818
Earning Per Share	-0.08	1.12	1.44	1.55	1.90	2.02	2.10	2.35	2.78	2.24
Return on Equity	n/a	27.3%	25.5%	24.2%	24.2%	22.1%	20.0%	20.8%	21.0%	18.2%
Net Book Value per Share	1.49	6.41	6.82	8.37	9.83	11.75	11.72	14.07	13.30	16.49
Tax Paid Retained Earnings	-237	18,424	33,832	51,104	75,940	99,165	103,524	124,264	134,381	174,444

- Name changed from MFC Bancorp Ltd. to KHD Humboldt Wedag International Ltd. ("KHD") in November 2005, from KHD to Terra Nova Royalty Corporation ("TTT") in March 2010 and from TTT to MFC Industrial Ltd. in August 2011.
- From June 1996 the above table reflects the results of MFC Bancorp after it was spun-off by Mercer as a dividend.
- MFC Bancorp's 2001, 2002 and 2003 Net Book Value and Retained Earnings reflect dividends of $18.3 million, $12.3 million and $55.5 million respectively.
- 1984 – June of 1996 amounts reflect those of Mercer, our former parent.

MASS FINANCIAL CORP / FINANCIAL HISTORY

Thousands US$ except per share data	2005[1]	2006[1]	2007[1]	2008[1]	2009[1]	2010[5]	2011[5]
Cash	26,185	99,078	183,903	201,622	329,554	397,697	387,052
Securities	2,880	36,787	45,984	4,493	17,196	27,894	13,062
Current Assets	82,599	195,462	315,256	296,461	437,267	560,471	564,191
Total Assets	109,255	230,437	355,576	369,915	512,331	854,256	858,957
Current Liabilities	39,421	91,280	143,324	117,763	204,693	148,551	202,968
Working Capital	43,178	104,182	171,932	178,698	232,574	411,920	361,223
Long-Term Debt (less current portion)	869	4,710	28,068	52,634	58,097	48,604	20,150
Debt-Preferred Shares[2]	67,058	77,976	91,956	71,506	-	-	-
Total Liabilities	107,348	183,491	272,859	252,381	301,015	301,816	309,810
Shareholders' Equity	1 [3]	45,131	81,583	116,010	210,320	547,756	546,623
Equity Per Common Share	- [4]	2.43	4.39	5.71	9.72	8.76 [6]	8.74 [7]

1. Mass was acquired in fourth quarter of 2010. Reflects Mass' stand-alone audited consolidated results for the years prior to acquisition. Due to reorganization, Mass was merged to Terra Nova Royalty Corporation in November 2010.
2. Preferred shares were denominated in Canadian dollars and their change was attributable to the appreciation/depreciation of the Canadian dollar versus the US dollar.
3. An independent valuation of the common shares at the time of the spin-off in 2005 was in the range of $0.50 to $0.76 per common share; approximately $9 million. The valuation looked at the common shares as a warrant value on the capital that may be made on the preferred shares in the future in excess of the stated dividend.
4. Not applicable.
5. 2010 and 2011 amounts reflect those of MFC Industrial Ltd.
6. 2010 number reflects new basis after dividend of KHD Humboldt International AG in the amount of $161.3 million.
7. After cash dividends of $0.20 per common share.

We Operate in Two Primary Segments

COMMODITIES AND RESOURCES

Our operations are principally for our own account. To a much lesser extent, we also act as an agent for clients. We conduct our commodities trading activities primarily through our subsidiaries based in Europe and the Americas. These activities allow us to be in contact with wide geographic range of producers and consumers, thus potentially creating more opportunities than the simple merchandising of goods.

Our relative financial strength enables us to arrange credit. As a consequence, we are often able to facilitate purchases and sales of commodities with more efficient and effective execution. Commodity producers and end customers often work with us to better manage their internal supply, distribution risk and capital requirements.

MERCHANT BANKING

We commit our own capital to promising enterprises, and invest and otherwise trade to capture investment opportunities for our own account. We seek to invest in business or assets whose intrinsic value is not properly reflected in their share price valuation. Our investments are generally not passive. We seek investments where our management and financial expertise can be used actively to add or unlock value.

PRODUCTS AND WAREHOUSING

LIQUIDITY

We maintain adequate liquidity and satisfactory financial ratios. As at September 30, 2012, we had working capital of $291 million, total assets of $1.4 billion and a long-term debt to shareholders' equity ratio of 0.04. Our cash and cash equivalents was $271 million and we also had credit facilities in the amount of $419 million.

HISTORY

We have almost 30 years of experience, which enables us to find and acquire undervalued companies and this has created and continues to generate value for our shareholders. Our commodities, resources and other businesses provide us with a sound basis from which to operate.

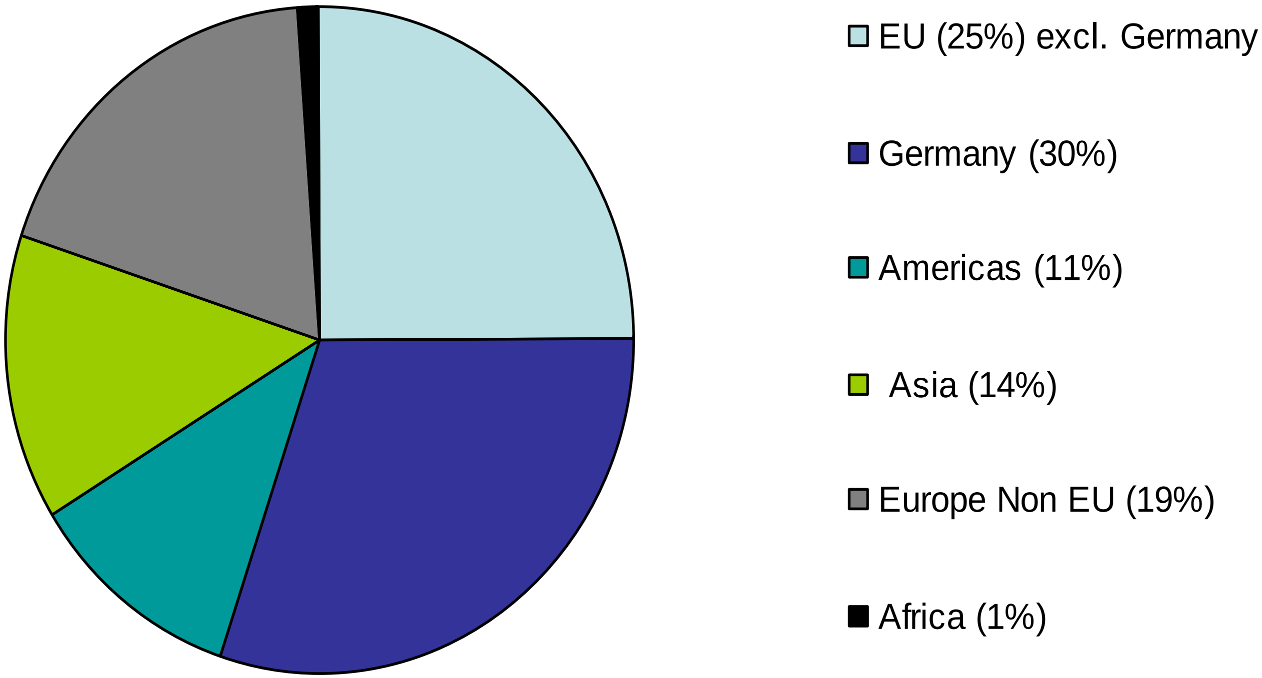
INCOME TAX

Some of our operating subsidiaries are organized under the laws of Barbados and have licensed "international business company" status under the Barbados International Business Act, 1991 (as amended). Their income tax is at regressive rates ranging from 2.5% to 1%.

(all amounts within this presentation are in US dollars)

Revenue Breakdown by Region

The following chart shows our revenue by region for the nine months ended September 30, 2012.



Pea Ridge Mine

Acquired equal interest in Pea Ridge Iron Ore Mine located in Sullivan, Missouri with partner Alberici Group, Inc.

- Investment of approximately $16.7 million
- Plan to jointly develop mine, including completion of a Canadian National Instrument 43-101 compliant technical report to update previously disclosed historic resources estimate to current resource estimates
- Leasehold interest in riverfront land suitable for deep water port for transportation on the Mississippi River
- Estimates of in situ (originally present) measured and indicated resource of:
  - 248.7 million short tons averaging an estimated 57.82% total iron, including 52.87% magnetic iron
  - Inferred resource of 15.8 million short tons at 53.67% magnetic iron
  - 57.64% total iron based on a cut-off grade of 40% magnetic iron

2013 Strategy

- Complete analysis, including the feasibility studies

Compton Petroleum

- Acquired Compton, producer and processor of natural gas and other hydrocarbons in Western Canada, for approximately C$33 million on September 12, 2012
- Expands global commodities platform to include energy
- Majority of operations located in Deep Basin fairway of Western Canada Sedimentary Basin
- Significant undeveloped land bank
- Future tax benefits
- Recognized $230.1 million of negative goodwill as of September 30, 2012 in connection with acquisition

Cost per mcf (US$)			
	Proved	Probable*	Total (2P)
Total Company interest	0.15	(0.05)	0.10
Working interest	0.15	(0.05)	0.10
Net after royalty	0.18	(0.06)	0.12

*CPC has more reserves on 2P resulting in a lower unit cost. Accordingly, the cost for probable reserves represent a reduction in the cost for total reserves

2013 Plan

- Utilize natural gas reserves to produce energy
- Refinancing bank debt to coincide with actual economic life of acquired assets
- Sell non-core assets and reduce G&A costs
- Hedge acquisition price risk to reduce exposure to volatility of nature gas prices
- Rationalize capital expenditures, well operations, and processing facilities to maximize long-term value of assets
- Increase volume and reduce costs by optimizing infrastructure and adding third party volumes
- Implement opportunity fund to allow strategic investors to participate in development of long-term projects

MEZEPPA GAS PRECESSING FACILITY

Tax Benefit Pools

As of December 31, 2011, all Canadian dollar amounts in millions

In addition to its processing and natural gas assets, CPC has tax benefit pools that we may be able to utilize. The following table sets forth summary information regarding future tax benefit pools as of December 31, 2011, along with corresponding annual allowable utilization rates.

Pools	Amounts	Utilization rate per year
Canadian development expense	$ 16.8	30%
Canadian exploration expense	331.8	100%
Capital cost allowance	122.9	25%
Share / debt issuance costs	23.1	20%
Total Pools	$ 494.6	

Possehl Mexico S.A. de C.V. & ACC Resources Co. LP

- November 2012, acquired 60% of the shares of Possehl Mexico S.A. de C.V. ("Possehl"), & 70% ACC Resources Co. LP ("ACCR") fully integrated commodity supply chain companies, specializing in industrial raw materials, chemicals and various other products for net tangible asset value of $21 million in cash with balance of the shares owned by members of the companies' operating management

- Expected to be accretive in 2013

- Acquisition highlights include:
  - Expansion into new commodities and markets
  - Additional experienced operating management team
  - Key location warehousing and logistic services
  - Product development capability
  - Increased integration along the value chain
  - Sourcing, packaging, distribution and just-in-time delivery

POSSEHL

ACC Resources Co., L.P.
Established 1957

2013 Strategy

- Many of the products marketed are new and in different geographical markets
- Expanded access to the growing markets of Central & South America
- Strong relations with major suppliers and network of reliable quality partners for existing product lines
- Expand further China sourcing

POSSEHL & ACCR PRODUCTS

MFC INDUSTRIAL LTD.

FINANCIAL HIGHLIGHTS

nine months ended September 30, 2012

- Total revenues were $373.9 million
- A negative goodwill gain of $230.1 million, increased to $258.9 million, or $4.14 per share on a diluted basis
- Excluding the negative goodwill gain, income was $28.8 million, or $0.46 per share
- Revenues for commodities and resources business were $345.8 million
- Revenues for merchant banking business were $14.3 million
- Other revenues, which encompass corporate and other investments, were $13.8 million
- Working capital was $291 million
- Current ratio was 1.92
- Acid test ratio was 1.05
- Credit facilities at $418.5 million
- Net book value per share of $12.79 per share compared to $8.74 as of end of 2011

MFC INDUSTRIAL LTD.

CONSOLIDATED BALANCE SHEET

September 30, 2012 and December 31,2011 *(United States Dollars in thousands)*

ASSETS	September 30	December 31
Current Assets	2012	2011
Cash and cash equivalents ……	$ 270,778	$ 387,052
Short-term deposits ……	177	163
Securities ……	7,943	13,062
Restricted cash ……	649	623
Loan receivable ……	–	19,869
Bills of exchange ……	–	10,545
Trade and other receivables and deposits, prepaid ……	77,678	39,642
Inventories ……	112,805	81,223
Real estate held for sale ……	11,904	12,012
Assets held for sale ……	126,671	–
Total current assets ……	608,605	564,191
Non-current Assets		
Securities ……	10,976	11,606
Equity method investments ……	22,413	18,726
Investment property ……	33,283	33,585
Exploration and evaluation assets ……	70,660	–
Property, plant and equipment ……	394,478	3,743
Interests in resource properties ……	212,191	219,582
Deferred income tax assets ……	7,739	7,524
Other ……	778	–
Total non-current assets ……	752,518	294,766
Total assets ……	$ 1,361,123	$ 858,957

MFC INDUSTRIAL LTD.

CONSOLIDATED BALANCE SHEET

September 30, 2012 and December 31, 2011 (Unaudited) *(United States Dollars in thousand)*

LIABILITIES AND EQUITY	September 30,	December 31,
Current Liabilities	2012	2011
Short-term bank borrowings	$ 190,130	$ 114,239
Debt, current portion	16,969	26,977
Account payables and accrued expenses	68,609	42,226
MPP term financing	9,584	–
Provisions for warranty	104	115
Income tax liabilities	4,362	4,453
Deferred sale liabilities	12,286	14,958
Liabilities relating to assets held for sale	15,534	–
Total current liabilities	317,578	202,968
Long-term Liabilities		
Debt, less current portion	30,312	20,150
MPP term financing	14,170	–
Deferred income tax liabilities	61,945	61,045
Provisions for decommissioning obligations	116,296	–
Deferred sale liabilities	15,328	25,647
Accrued pension obligation, net	2,225	–
Total long-term liabilities	240,276	106,842
Total liabilities	557,854	309,810
Total Equity	803,269	549,147
Total Liabilities and Equity	$ 1,361,123	$ 858,957

MFC INDUSTRIAL LTD.

CONSOLIDATED STATEMENT OF OPERATIONS

Nine months ended September 30, 2012 and 2011 (Unaudited) *(United States Dollars in thousand)*

	2012	2011
Net Sales ………	$ 369,091	$ 386,721
Equity income ………	4,805	4,529
Gross revenues ………	373,896	391,250
Cost and Expenses:		
Costs of sales ………	302,861	319,186
Selling, general and administrative ………	32,394	31,435
Share-based compensation - selling, general and administrative ………	9	7,219
Finance costs ………	7,115	6,368
Other recovery ………	(2,037)	–
	340,342	364,208
Income from operations ………	33,554	27,042
Other items:		
Exchange differences on foreign currency transactions ………	774	(1,692)
Negative goodwill ………	230,098	–
Income before income taxes ………	264,426	25,350
Income tax expenses ………	(4,427)	(4,304)
Net income for the period ………	259,999	21,046
Net (income) loss attributable to non-controlling interests ………	(1,103)	557
Net income attributable to owners of the parent company ………	$ 258,896	$ 21,603
Basic and Diluted earnings per share ………	$ 4.14	$ 0.35

MFC INDUSTRIAL LTD.

PRICE TO BOOK VALUE BY INDEX

	NYSE Composite	Russell 2000	S&P 500	MFC Industrial
YEAR 2011				
P/BV	3.1x	2.0x	3.7x	0.80x
Dividend Yield	2.1%	1.1%	1.8%	2.85%
Cash dividend per share				$0.20***
YEAR 2012				
P/BV	3.32x	3.05x	2.22x	0.67x *
Dividend Yield	2.5%	1.97%	2.27%	2.57%**
Cash dividend per share				$0.22***
YEAR 2013				
Dividend Yield				2.81% **
Cash dividend per share				$0.24***

* Based on the closing price as of December 31, 2012 and unaudited NBV as of September 30, 2012

** Based on the closing price as of December 31, 2012

*** Annual dividend policy is set in January at 10% above the NYSE Composite Index Dividend Yield for the preceding year, payable in four quarters during the year.

MFC Discount to Book

USD per share	Book Value Per share	Discount %	Discount to Book
31 Dec 2011	8.74	19.79	2.26
12 July 2012 (MFC announced tender offer of Compton)	8.98	19.49	2.17
12 Sept 2012 (MFC completed acquisition of Compton)	12.79 *	32.76	2.56
31 Dec 2012	12.79 *	33.15	2.59

* As of September 30, 2012.

MFC Dividend Yield

	Dividend yield *	NYSE Composite Dividend yield
FY 2011	2.58%	2.51
FY 2012	2.57%	2.50
FY 2013	2.81%	N/A

- Dividend yield is calculated based on the share price at the 31 December each year.

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