



# PARTNERSHIPS FOR PROGRESS

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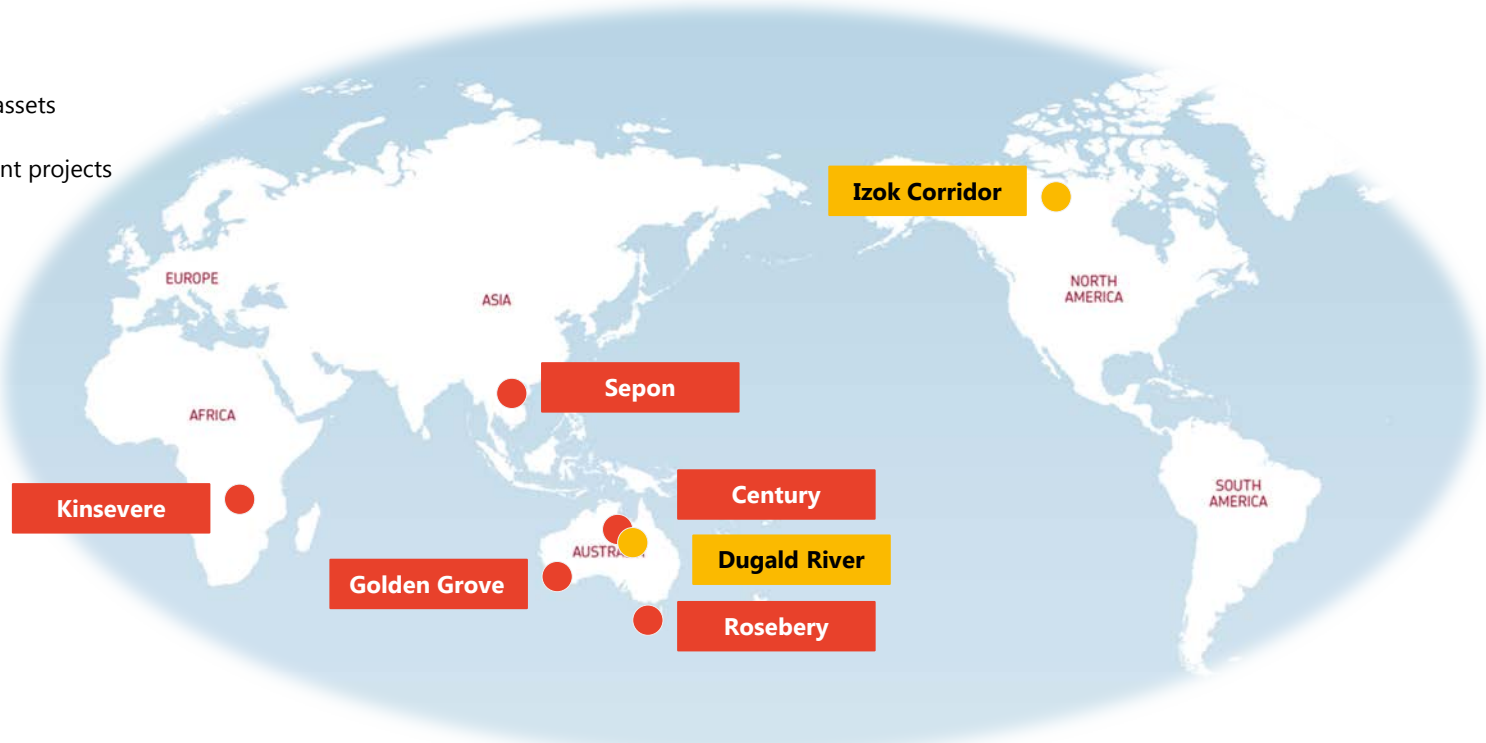


# Overview of MMG

- Headquartered in Australia, listed on The Stock Exchange of Hong Kong.
- Five major operating mines.
- Major producer of zinc and copper.

## Legend:

- Operating assets
- Development projects



Note: the Avebury operation is currently on care and maintenance.

# MMG in Africa Today

- Kinsevere copper mine in Katanga province, Democratic Republic of Congo.
- Exploration office in Lusaka, Zambia.
- Nachingwea nickel exploration Joint Venture in Tanzania.
- Support office in Johannesburg, South Africa.
- More than 1,900 MMG employees and contractors in DRC, 97% DRC nationals.



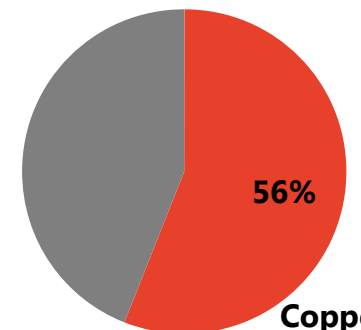
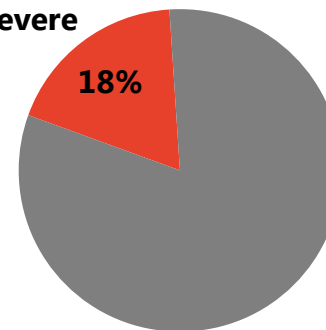
# Kinsevere and copper – important to MMG

- Kinsevere located near Lubumbashi in Katanga.
- MMG owned and operated since February 2012.
- Capacity to produce 60,000 tonnes of 99.99% copper cathode.
- Approximately one third of total MMG copper production.
- Ongoing work program to improve electrical reliability and stability.
- Major employer in local community.



## Contribution to MMG's Revenue

Kinsevere



Copper



# Kinsevere mine

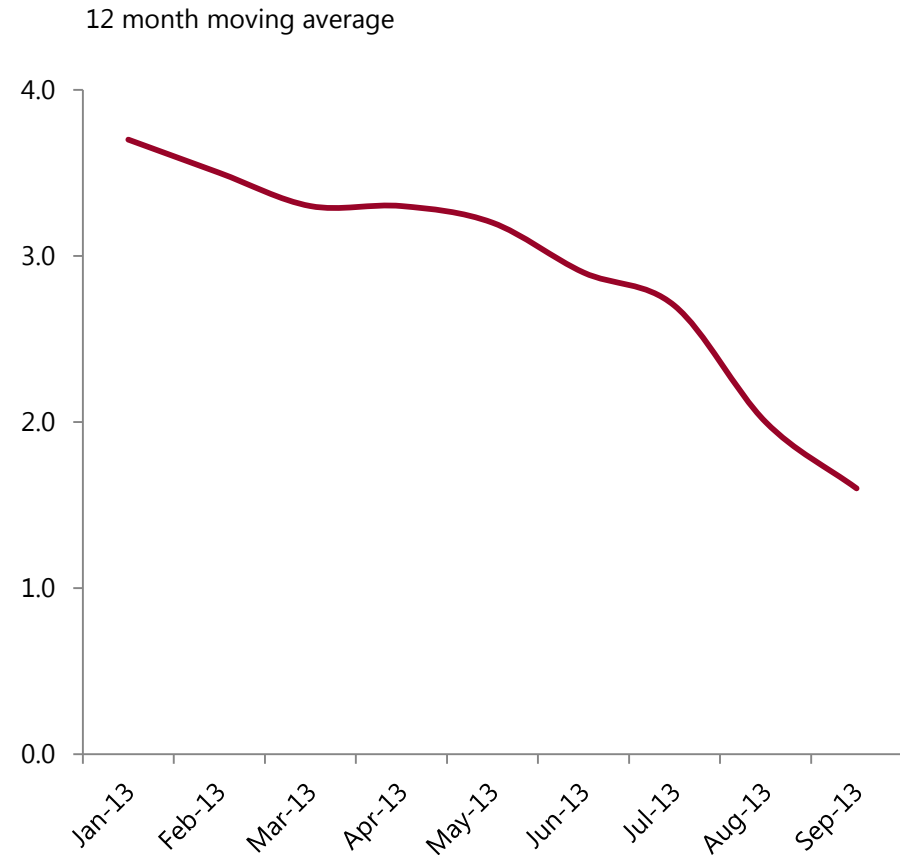
- Comprises the Kinsevere Hill, Tshifufia and Tshifufiamashi deposits located 27 km from Lubumbashi.
- Conventional open pit mining by MCK Trucks, a local registered contractor.
- Ore throughput 1.6 million tonnes per annum.
- Crushing, grinding, agitated leach, SX-EW to produce copper metal.
- LME Grade A equivalent cathode production.
- 21 diesel generators on site to address power supply disruptions.



# Social licence to operate

- Substantial improvement in safety performance.
- Local initiatives include safety observation training.
- Malaria management plan.
- Women's health education sessions.
- School building and teacher support program.
- Water quality monitoring, bore & pump development – locally trained technicians.
- Continuing MMG's proven track record as a sustainable operator.

## Total Recordable Injury Frequency Rate (TRIFR)



# Strong relationships – sharing benefits

- MMG one of 21 members of the International Council of Mining and Metals (ICMM).
- Guided by 10 principles of Sustainable development including:
  - Governance
  - Human rights
  - Biodiversity
  - Economic and social development.
- Established effective relationships with national and local governments.
- Ongoing community consultation.
- Fostering local Chinese partners enabled by our major shareholder.





# Vibrant community development program

- Committed to maximising local employment.
- Technical training program aimed at developing new skills in the community.
- Substantial progress made in sealing main mine road improving safety around site.
- Construction of Kifita village school.
- Equipped Kinsevere community clinic and supported Ministry of Health employees.
- 1,000 farmers supported, local produce purchased by MMG.





# Promoting local training and education

- Long-term employment localisation program to increase the local workforce.
- Local employee management capability development program to run until 2015 to reduce the site expatriate employees ratio.



# Challenges in the DRC

- Reliable and stable grid electricity supply.
- Road transportation and cross border administration for key supplies.
- Lack of railway improvements.
- Quality employee retention.
- Tax and royalty reform.
- Inconsistency between various DRC legislations.
- Telecommunication and IT support within the Government Administration.



# Electricity – a major challenge

- Kinsevere power requirements continue to be drawn from the electricity grid with additional power sourced from diesel generation as required.
- 54% of power requirements were met from diesel generation in the first half 2013.
- MMG continues to negotiate supply with regional providers and pursue sustainable, long-term solutions.





# DRC Mining Code Review

- We support a review of the DRC Mining Code.
- It is important to ensure long-term, sustainable development in the region.
- Any reform should:
  - Encourage mining and infrastructure investment in the region
  - Benefit local communities
  - Be internationally competitive
  - Not negatively financially impact the owners of existing projects
  - Ultimately create a sustainable, stable and prospective mining sector.
- Good engagement to date – important for industry to collaboratively approach change.

# MMG's future in the DRC

- Near mine exploration to extend Kinsevere mine life.
- Relationships of trust with communities and Government to create win-win outcomes.
- Develop skills and capacity in local communities through education and training.
- Contribute to socioeconomic development in the Kinsevere region
- Collaborate with other miners to create a business environment supportive of investment and economic growth
- Engage with Gécamines as partner in mining projects.
- Drive new power projects to solve current shortage.



- We face challenges every day in the DRC
- However in the last 5 years the DRC has achieved some progress towards an improved business climate and transparency.
- Solutions require collaboration between the mining industry, government and institutions.
- MMG understands it must contribute to this collaboration and be part of the solution.
- We are here for the long term and intend to grow by expansion and investment.

LA PROSPERITE POUR TOUS





**WE MINE FOR  
PROGRESS**

