Who is MMG?

- Explores, develops and mines base metals deposits around the world.
- Aims to be the *next generation’s leading mid tier global diversified minerals and metals company*.
- Majority shareholder is China Minmetals (about 70%);
- Institutional and retail shareholders hold remaining Hong Kong Stock Exchange listed shares.
- International management team led by CEO Andrew Michelmore.
- Uniquely positioned to invest and grow.
Who is MMG?

- One of six business centres within China Minmetals Corporation (CMC)
- CMN is the managing and operating platform for CMC’s non ferrous businesses
- CMN is focused on “China strong” and “China weak” non ferrous metals
- Strategic objective to grow to one of the top ten mining and metals companies in ten years
- CMN is seeking to establish integrated and value accretive industry chain for “China strong” commodities (e.g. tungsten and rare earths) and secure upstream resources for “China weak” commodities (e.g. copper, zinc and nickel)

- MMG is CMN’s flagship for overseas upstream nonferrous metal

- MMG’s remit includes:
  - Securing financial exposure to non-ferrous minerals where China has a supply deficit
  - Enhancing China’s reputation as a global business operator
  - Building mining capability transferrable to CMN
At MMG, we mine for progress.

- What does progress mean to us?
  - It is the everyday progress our employees make – each contributing to our ultimate goal;
  - It is the opportunities for personal progress – diversifying our skills, attempting new challenges and striving for continuous improvement and development;
  - It is the progress that provides real and lasting benefits to the communities in which we operate; and
  - It is humanity’s progress as the world develops and evolves using the metals we produce.
MMG’s approach to business

• To operate its assets in a safe, efficient and cost-effective manner.
• To use its existing assets to provide a platform for future growth.
• To create a simple and scalable business.
• To seek value accretive growth opportunities.
• To continue to pursue MMG’s long-term strategy and vision.
MMG’s Queensland Operations

Century zinc-lead-silver mine
mining and processing operations at
Lawn Hill and port facility at Karumba

Dugald River project
underground mine development project
A number of questions

Who thinks they will be a leader?

Who thinks they will be a CEO?

Who thinks they can make their world (whether big or small) a better place?
What is leadership?

Leadership is ultimately about having a vision for the future, not a nostalgic longing for the past.....
What is leadership?

All men dream, but not equally. Those who dream by night in the dusty recesses of their minds wake in the day to find it was vanity, but the dreamers of the day are dangerous men for they may act their dreams with open eyes to make it possible.

T E Lawrence The Seven Pillars of Wisdom 1921
What is leadership?

We can all be a leader and make a difference

It is about turning ‘whingers’ into ‘winners’
Risk and Value

Mining is a hazardous business

It cannot be a high risk business
Managing People Risk

- Increasing Adverse Consequence of Event
- Increasing Number of Events
- High frequency low impact
- Low frequency high impact

Managing People Risk
Century Hazards Identified and Rectified

- Q1 2014 95% hazards rectified at time of identification
- Q1 99% hazards rectified within one week
Century TRIFR 2006 thru 2014

Total Recordable Frequency rate per million hours worked

Number of injuries by year

2006 2007 2008 2009 2010 2011 2012 2013 2014 YTD

RWI MTI LTI TRIFR (RH Scale) Glide Path (RH Scale)
Century Serious Significant Incidents 2009 thru 2014

Number of Significant Injuries by year

- SSI Classification 4
- SSI Classification 3
- SSI Total (Unclassified)
- SIFR (RH Scale)
- Glide Path (RH Scale)
Increasing Level of Geological Knowledge and Confidence

Exploration Results

Mineral Resources

Inferred

Indicated

Measured

Probable

Proven

Consideration of Mining, Metallurgical, Economic, Marketing, Legal, Environmental, Social and Government factors
(The “Modifying Factors”)

General Relationship between Exploration Results, Mineral Resources and Ore Reserves JORC Code Figure 1
Managing Resource and Reserve Risk and Value

Consideration of Mining, Metallurgical, Economic, Marketing, Legal, Environmental, Social and Government factors (The “Modifying Factors”)

Exploration Results
Mineral Resources
Inferred

Decreasing geological risk
Decreasing overall business risk

Indicated
Measured
Probable
Proven

Increasing Level of Geological Knowledge and Confidence

Decreasing technical and sustainability risks

General Relationship between Exploration Results, Mineral Resources and Ore Reserves JORC Code Figure 1 with a risk overlay
Exploration Results
Mineral Resources
Inferred
  Indicated
  Measured
  Probable
  Proven

General Relationship between Exploration Results, Mineral Resources and Ore Reserves JORC Code Figure 1 with a risk overlay
Prospect Identification

EXPLORATION RESULTS/Prospect Testing

EXPLORATION TARGET

Exploration Target Confirmation

INFERRED MINERAL RESOURCE

Scoping Reserve

INDICATED MINERAL RESOURCE

PROBABLE ORE RESERVE

MEASURED MINERAL RESOURCE

PROVED ORE RESERVE

Residual Resource Risk

Production

Increasing Knowledge of and Confidence in Modifying Factors

Decreasing Technical & Sustainability Risk

Increasing Level of Geological Knowledge and Confidence

Decreasing Geological Risk

High

Medium

Low
Century Managing Production Risk

Graph showing slope velocity and rainfall over time, with color-coded TARP status zones.
Risk isn’t static it changes .............
Managing Maintenance Risk

- Early Replacement: High Maintenance Cost, Low Operational Risk, Loss of Value
- Onset of Performance Degradation
- Late Replacement: Higher Maintenance Cost, Higher Operational Risk, Significant Loss of Value
- Failure
Century Managing Maintenance Risk

Task Risk Analysis

- Extension Hours
- Increased Risk

Acknowledged M Albertson Mainstream May 2014
Century Managing Maintenance Risk resulting in.............

A&R Headcount

- Projects
- Short Term Contractors
- Permanent Contractors
- MMG
- Labour Utilisation %

Acknowledge M Albertson Mainstream May 2014
Century Managing Maintenance Risk resulting in............
Century Managing Maintenance Risk resulting in ............

2013 2014 2015 (Jan - Aug)

Annual Expenditure A$

2013 Budget forecast
2104 Budget forecast

Acknowledged M Albertson Mainstream May 2014
Dugald River Managing Business Risk

- 14,078m of underground mine development and 45,157m of diamond drilling
- Completed
  - Accommodation village
  - Main and village access roads, including emergency airstrip
- Five-day metallurgical test of Dugald River ore at Century in late 2013
- Identified:
  - Ground conditions which were more challenging than prior assumptions similar to George Fisher
  - Significant ore body complexity
- Project halted and construction suspended
MMG Board approved trial stoping program for 2014

- The purpose of the program is to:
  - Confirm the preferred mining method
  - Gain practical mining experience – establish revised geotechnical and mine design parameters
  - Optimise underground mine design
  - Determine mine productive capacity
- A$55m programme
Highly instrumented trial
• Aiming to measure rock mass response to blasting and mining to maximise safety, productivity and mine economics
ELOS indicates degree of overbreak; higher ELOS lower grade.

First three stopes’ performance as predicted along 15m stope span vertical line

Programme now to progressively expand stope span to 25m

Positive for project; overbreak (ELOS) remains constant for increasing stope spans. Minimises safety and business risk

Negative for project; overbreak (ELOS) increases for increasing stoping spans
Young Leaders Managing Risk and Value
Leadership is about making a difference

We manage risk and maximise value every day of our working lives

Hope is not a method

One and one always make two, not three when it is production tonnes and one when it is their cost
ask QUESTIONS

challenge

WHO?

WHERE?

discover

who?

WHY?

asking questions

go

investigation knowledge
drugs

HOW?

investigation