



PROSPECTIVITY V SECURITY *WORTH THE RISK?*

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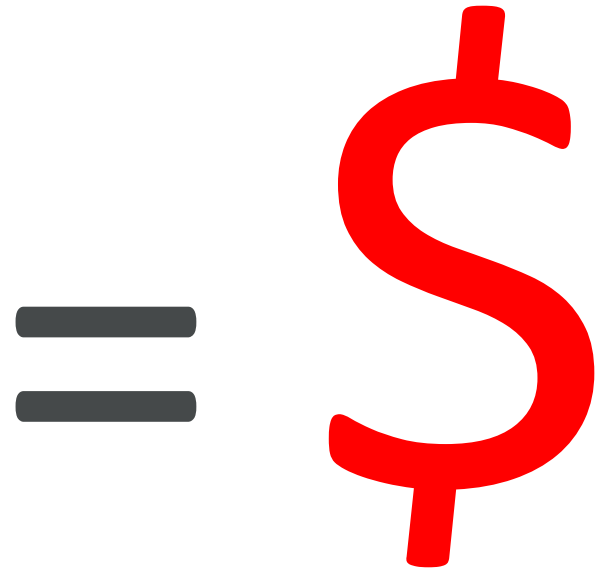
5th March 2019

SCOPE



- Why.
- Context.
- Drivers.
- Issues on the minds of mining companies in complex environments.
- Tanzania case study.
- Making it work.

WHY



CONTEXT – MINING ENVIRONMENT



- Exploration spend reached all-time high in 2012.
- Dramatic fall since of >65% but now rising.
- Juniors focus.
- Gold still the major target.
- Cost of exploration v value.
- M&A on the increase.
- Demand for ‘certified’ mineral supply for low carbon economy (EVs) will rise.

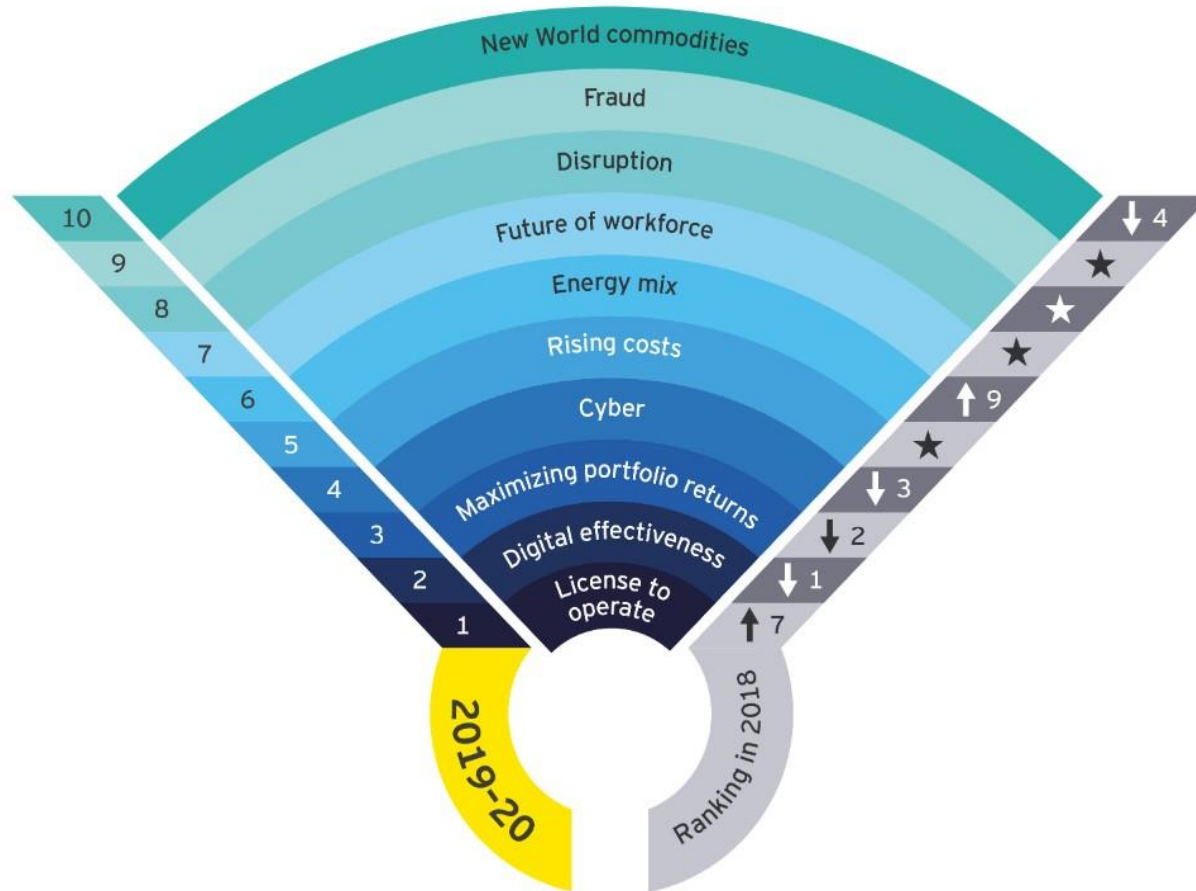


CONTEXT – RISKS 2019-2020



MINING & METALS

Top 10 business risks facing mining and metals

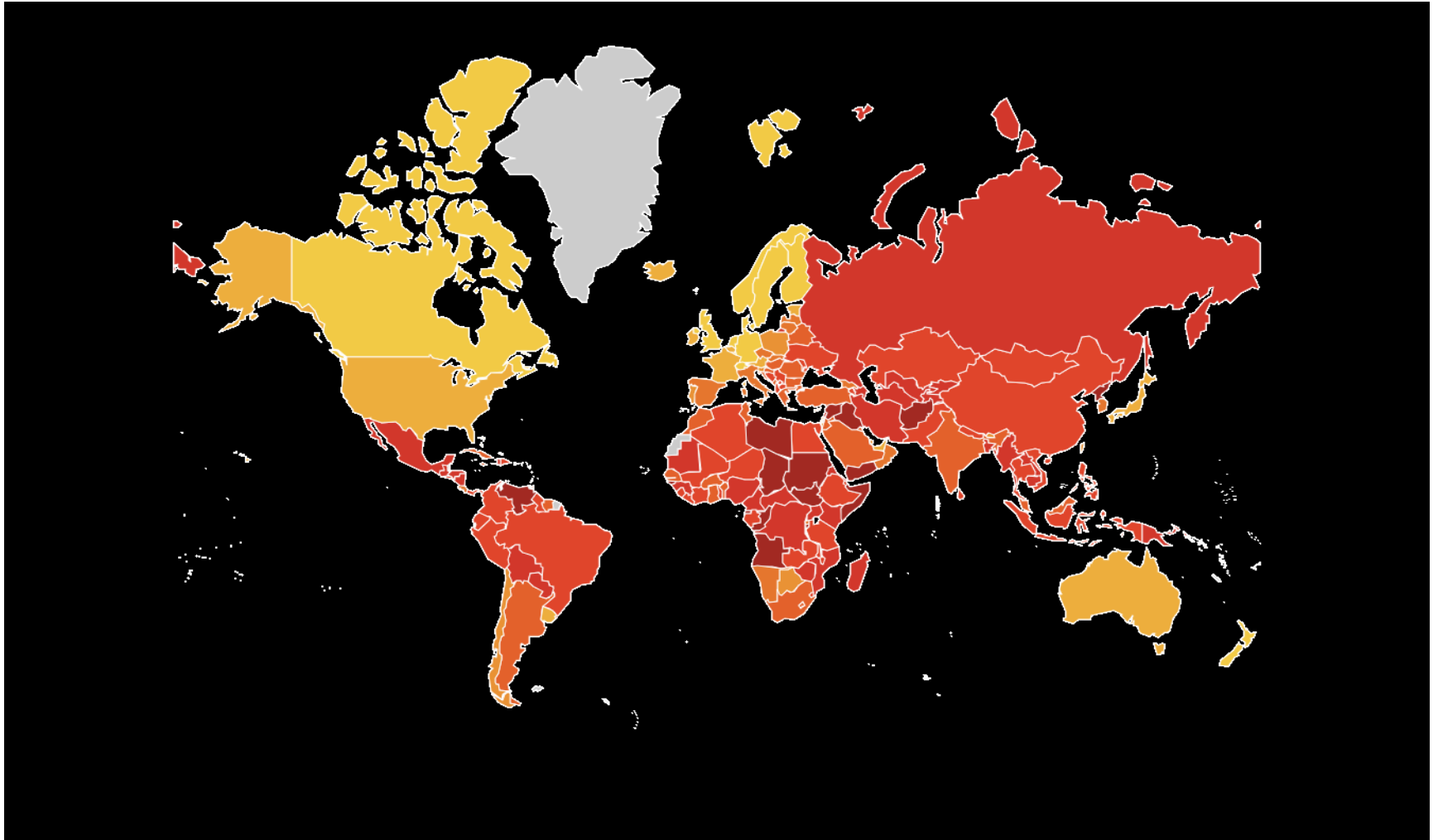


EY

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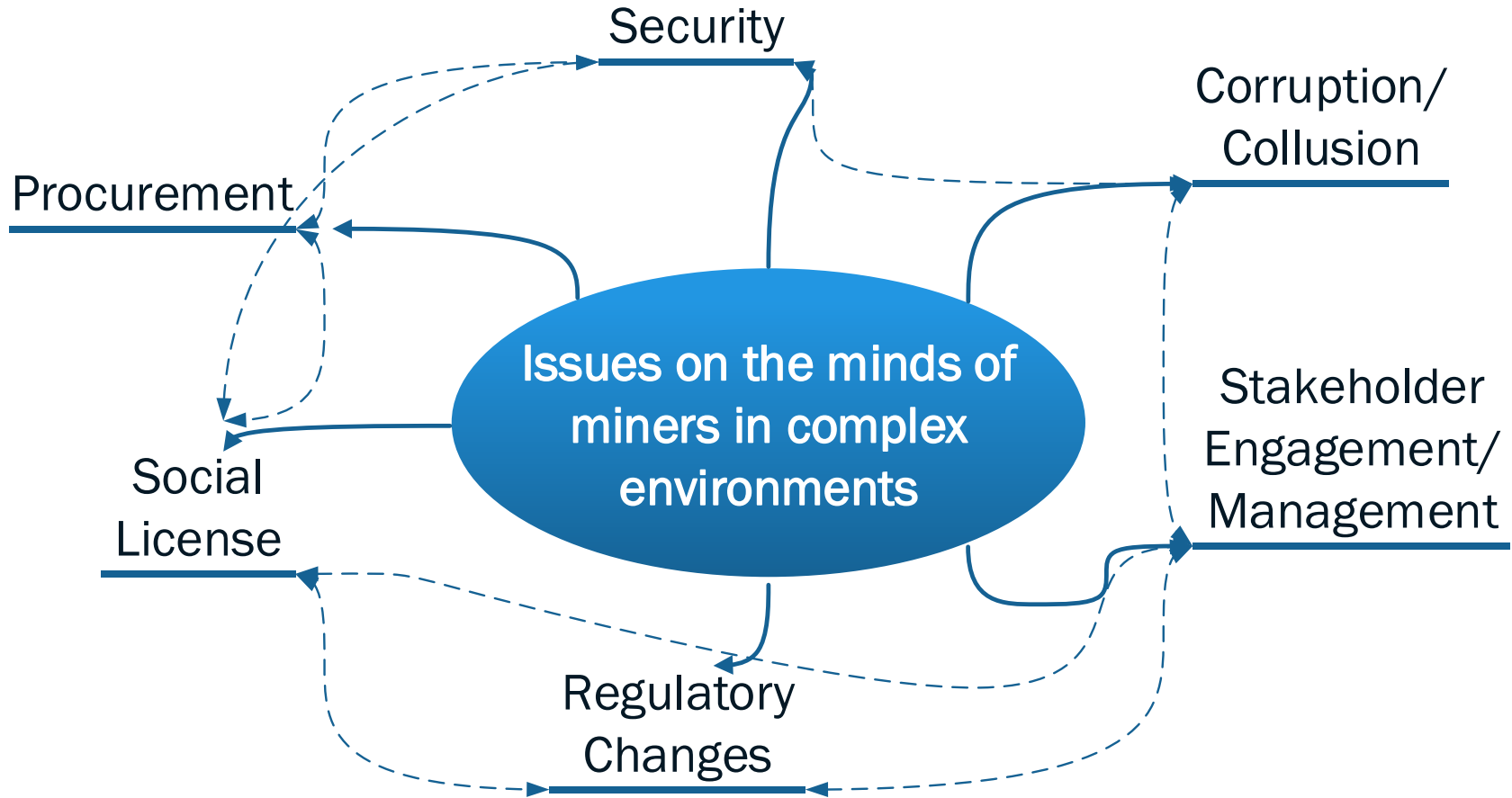
↑ Up from 2018 ↓ Down from 2018 - Same as 2018 ★ New to the radar

DRIVERS



5th March 2019

ISSUES ON THE MINDS OF MINING COMPANIES IN COMPLEX ENVIRONMENTS



REALITY – TANZANIA CASE STUDY



- One man can change the operating environment.
- Contrast from wealth corruption to power corruption.
- GDP predictions dropping.
- Concentrate ban.
- Rising debt & taxes.
- Reducing FDI.
- Reduction of space for civil society & political dissent.

HOW – MAKING IT WORK



- Framework.
- Social License – win-win.
- Stakeholders.
- Think wider about security.
- Accountabilities.
- Tread carefully – know what you don't know.
- Management of expectations.
- Know and show.
- 'Think to the finish'.