

# Zimbabwe

## A new beginning



June 2009



# Mwana Africa

---

- Formed in 2003
- The first African owned, African managed mining company listed in London
- Pan-African: assets in Zimbabwe, DRC, South Africa and Angola
- Multi-stage embracing exploration, development and production
- Multi – commodity: Gold, Nickel, Copper and Diamonds
- Core of asset base in Zimbabwe with over 3,000 employees
  - Bindura Nickel Company
  - Freda Rebecca gold mine

# Mwana Africa in Zimbabwe

---

Mwana has made a significant investment in Zimbabwe

## **Freda Rebecca Gold Mine**

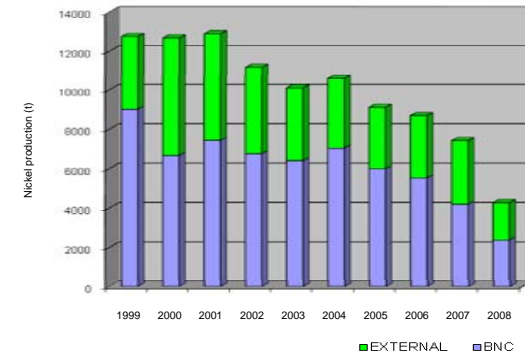
- Acquired in 2005
- ~\$10m invested to date

## **Bindura Nickel Corporation**

- Acquired 52.9% stake in 2003
- Aggregate \$60m investment over the last three years
- Mwana is and will remain one of the largest resource companies and investors in Zimbabwe

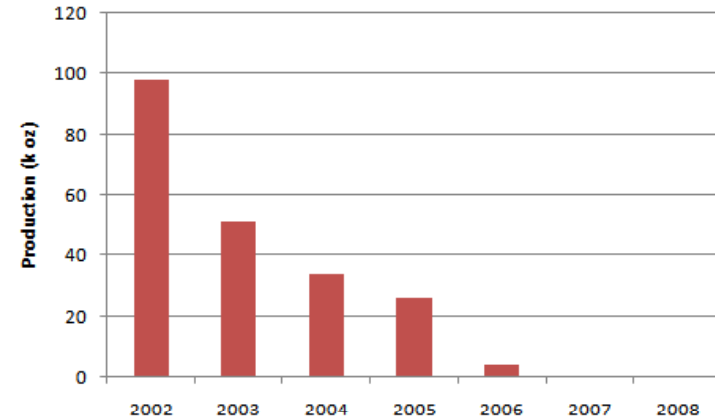
## Bindura Nickel Corporation

- The only integrated nickel mine, smelter and refinery operation in Africa
  - Trojan and Shangani mines
  - Hunters Road project
  - Bindura Smelter & Refinery
- Well located
  - Potential to become a regional tolling hub
  - Good in-bound and out-bound infrastructure
  - Direct access to reliable hydroelectric power from Mozambique
- Ownership
  - Listed on the Harare Stock Exchange
  - Mwana Africa 52.9%
  - Government related entities ~22%
- Placed onto care and maintenance in November 2008
  - Country risk led to loss of toll contracts
  - Decline in own nickel production
  - Fall in international nickel prices



## Freda Rebecca Gold Mine

- Existing mine & plant
  - Located next to Bindura
  - Defined resource over 1 million oz
- Proven operating history
  - Commenced operation in 1986
  - Achieved production up to 100k oz per year
- Ownership
  - 85% Mwana Africa owned
  - 15% local partner
- Placed on effective care and maintenance in 2007
  - Historic under-investment
  - Uneconomic under previous gold trading regulations



# Zimbabwe – A new beginning

---

## Mwana is seizing opportunities to invest in Zimbabwe

- Freda Rebecca/Gold
    - March 2009: announced intention to restart production
    - Two phase refurbishment programme in progress
      - Phase I \$6m investment due for completion September 2009
      - Phase II \$4m investment due for completion September 2010
    - Mwana has a pipeline of gold exploration projects around Freda Rebecca and throughout the country
  
  - Bindura Nickel Corporation
    - Integrity of assets maintained during care and maintenance
    - Investigating options to resume production and maximise regional tolling opportunities
      - Reopening of Trojan mine
      - Smelter and refinery enhancements to capture domestic and regional opportunities
      - Development of Hunters Road project
-

# Zimbabwe Investment Environment

## The challenges ahead

- People
  - Administrative procedures
  - Capital
  - Restoring the credibility of Zimbabwe as an investment destination
-