

Making progress

Media Briefing

Monday, 18 May 2015,

16:30

Rössing Windhoek Office



Discussion points

- Rössing Uranium within Rio Tinto
- Uranium market
- 2014 Review
- Our neighbouring communities
- Closing message
- Questions




Part of Rio Tinto


Operations in Africa


Aluminium


Diamonds, Minerals & Uranium


Iron Ore


- 


1
Campagne des Bauxites de Guinée (Guinea)
Third largest bauxite mine in the world
- 

2
Rössing Uranium (Namibia)
World's longest running open pit uranium mine
- 

3
Richards Bay Minerals (South Africa)
Mineral sands including titanium dioxide feedstock, pig iron, rutile and zircon
- 

4
QIT Madagascar Minerals (Madagascar) Mineral sands including quality ilmenite used to produce titanium oxide
- 

5
Murowa Diamonds (Zimbabwe)
Boasts three kimberlite pipes
- 

6
Simandou Iron Ore (Guinea)
Iron ore projects
- 

7
Zululand Anthracite Colliery (South Africa)
Anthracite colliery

Making progress...



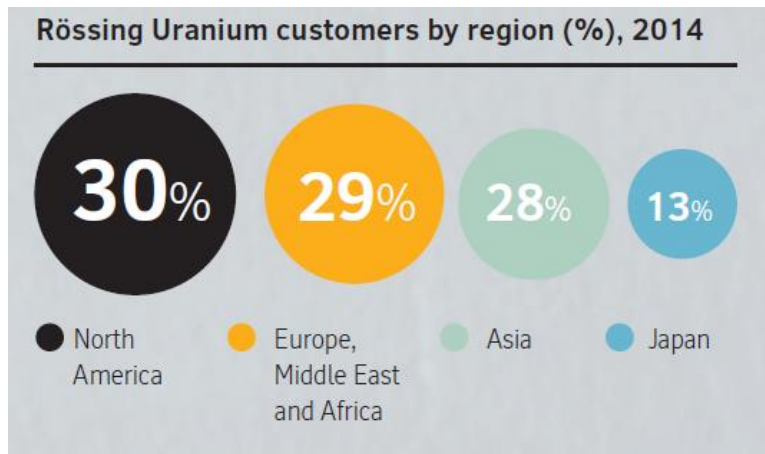
“Following a challenging 2013, 2014 was certainly not easier. However, our will to survive, to find innovative ways to work smarter and to face the many challenges of our business head-on, paid off: we made progress during yet another tough year.

In our 39-year history, there have been times when we have experienced similarly challenging periods. We survived these too – and went on to prosper when market conditions improved.”

Werner Duvenhage
Managing director

Uranium market

Market conditions remained challenging due to global pressure.



- Nuclear plants in Japan remained off-line for most of the year. Supply increased over the three years since the Fukushima incident. This is a recipe for continued weak prices in the near term
- Utilities are holding large stocks in all forms, which defers their need to buy for one to three years on average
- The long-term outlook for the nuclear industry remains encouraging as fewer new mines are expected to enter production in the next couple of years, but the industry will need new mines to be developed in the next five years in order to meet the demand later this decade and in the post-2020 period.

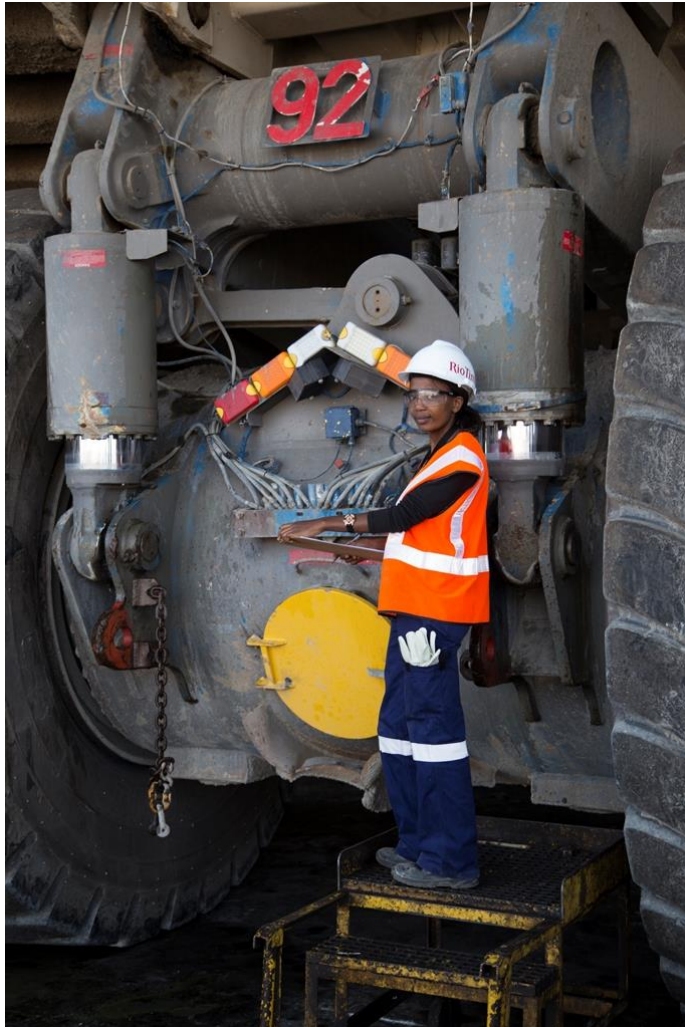
Business performances



During 2014:

- Curtailed operational plan
- 5-day, 24-hour operation
- Strained revenue
- Reduced workforce
- Cash savings of N\$149 million
- N\$91 million net loss after tax

Business prospects



Current business scenario

- High production cost
- Survival options – with input from employees initiatives that will see us through difficult time
- Cash Generation – Cost Saving
- Zero Harm

Our employees

Rössing has a strategic focus on training and developing its employees, and addressing skills shortages.

- N\$6 million spent on training in 2014
- More than N\$50 million spent on training and development over the last five years

Statistical information on our workforce, 2014

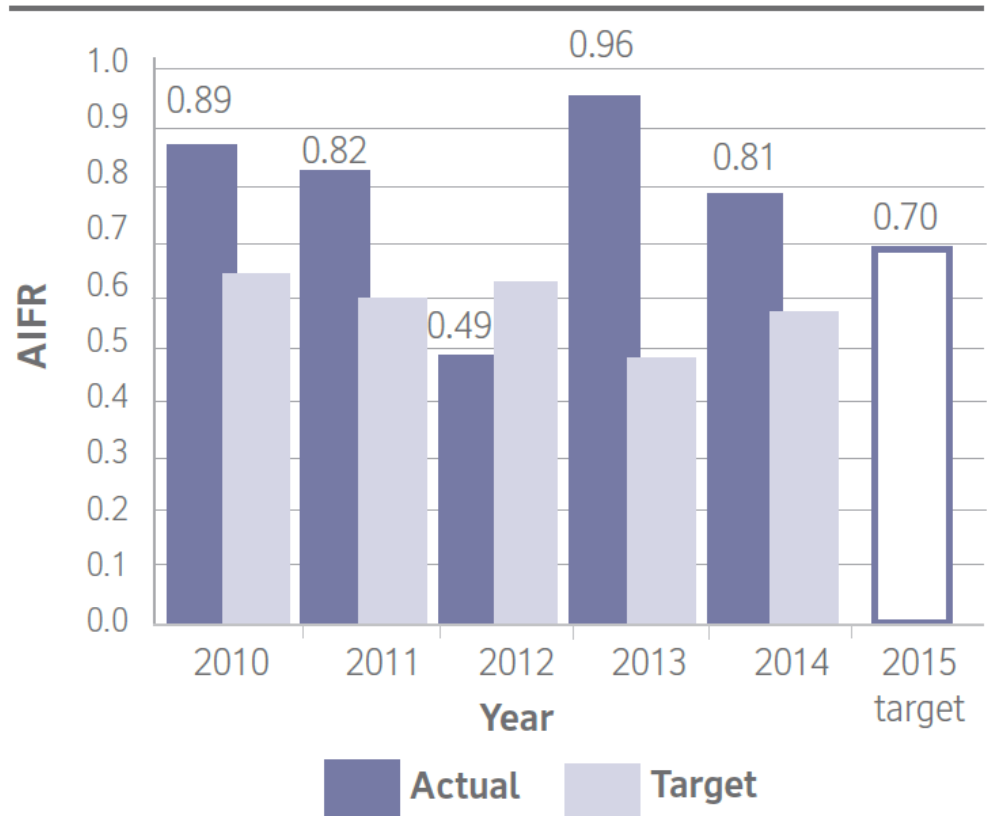
Local and foreign employees:

- Namibians: 98.35 per cent (836)
- Non-Namibians: 1.65 per cent (14), including:
 - 0.47 per cent (4) work permit holders, and
 - 1.18 per cent (10) permanent residence permit holders
- Female representation: 17.4 per cent (148); new female employees recruited: 9 per cent
- Average age of new employees: 34
- Number of employees who left the mine's employment: 343
- Number of new employees recruited: 52

Our HSE best practices

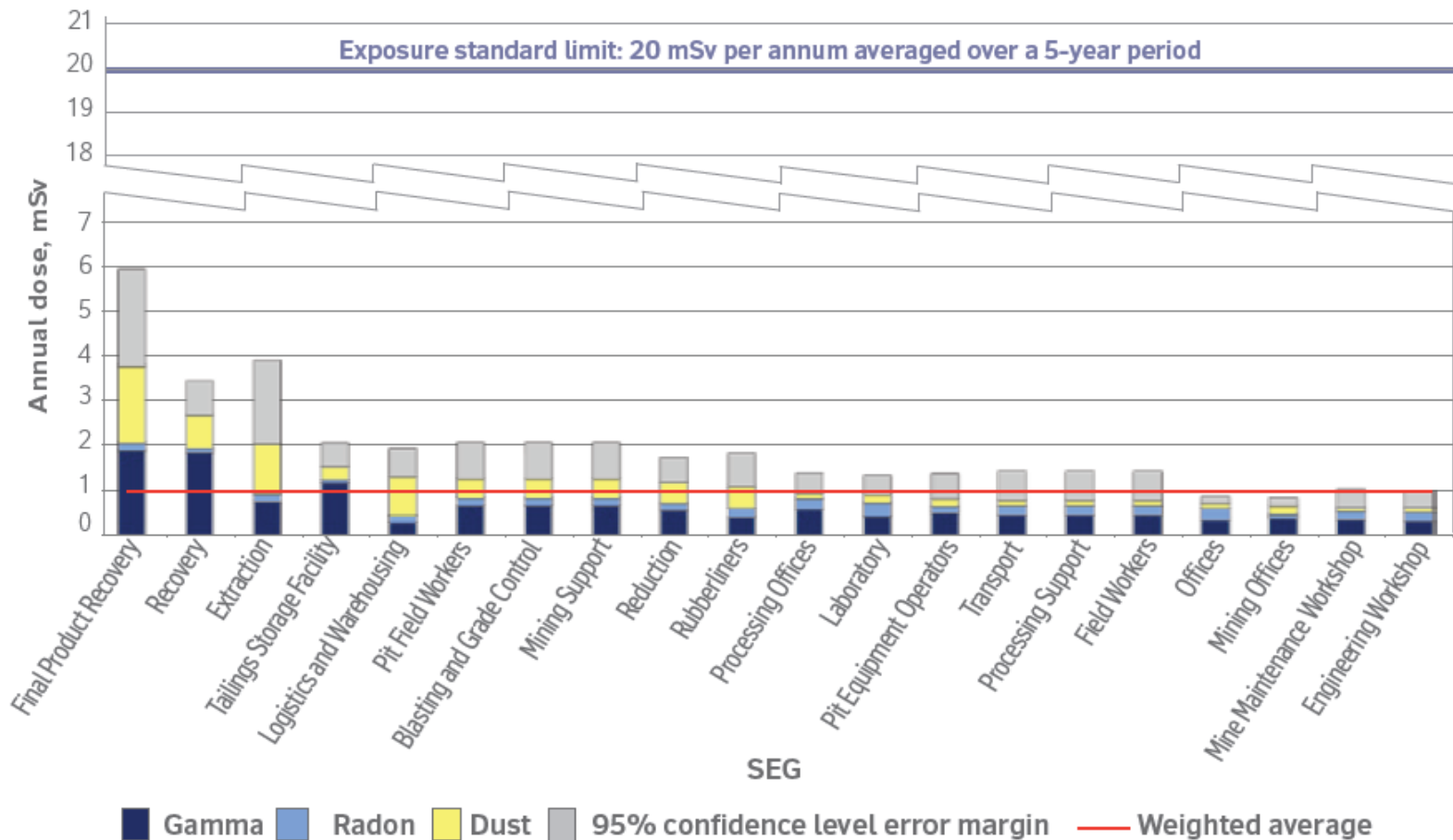


All-injury Frequency Rate (AIFR), 2010—2014



Our HSE best practices

Radiation monitoring results, dose per person, by similar exposure group (SEG), 2014



Our value addition

In 2014 we	N\$
• Spent on goods and services (68 % in Namibia)	1.597 million
• Generated in royalty payments	57 million
• Generated in PAYE payments	98 million
• Made of payments to state owned enterprises (up from N\$289), including a N\$4.75 training levy	355 million
• Paid in employment costs	674 million

Our neighbouring communities



- We are committed to building enduring relationships that are founded on mutual respect, active partnership, and long-term commitment
- We work collaboratively with our communities to ensure socio-economic stability and to deliver sustainable long-term benefits for all
- We have invested N\$152 million in community-related activities over the past five years
- We channel most of our community investment through the Rössing Foundation, focusing on environment, education, health and recreation.

Closing message

The long-term future for uranium remains encouraging: the market price for uranium is expected to rise in line with an expected increase in demand as utilities look to secure fuel for their 2017 to 2023 needs.

As we work our way through the current challenges of our business environment, I am confident that Rössing will continue to be a major supplier of energy to the world, as well as delivering value to our shareholders and other stakeholders.



Thank you

