



PHU BIA MINING

**WHAT DOES
PHU BIA MINING
CONTRIBUTE
TO LAOS?**



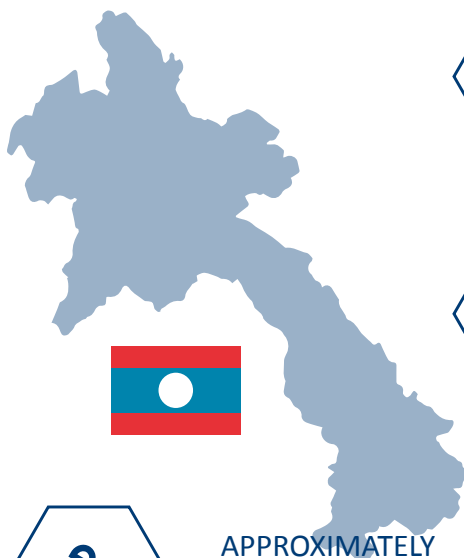
WHAT DOES PHU BIA MINING CONTRIBUTE TO LAOS?

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TOTAL PAYMENTS BY PHU BIA MINING (PBM)



US\$716m

DIRECT PAYMENTS TO GOVERNMENT OF
LAOS SINCE 2008



US\$86.35m

DIRECT PAYMENTS TO LAOS IN 2018

For more detail, please see the table at the
end of this booklet



APPROXIMATELY

US\$1.45 billion

HAS BEEN INVESTED IN LAOS SINCE 2006

This figure represents the expenditure on physical assets and exploration, and includes Phu Bia Mining's expenditure of US\$62 million towards public road infrastructure and maintenance along the Company's logistic route, and regional roads in close proximity to the Company's Operations.





2.4%*

OF LAO GDP
ATTRIBUTABLE
TO PHU BIA MINING
ACTIVITY IN 2018

** The Company estimates Laos' real GDP to be approximately US\$17.7 billion. Total Phu Bia Mining activity including indirect benefits through employment, training, community development and payments to local suppliers accounted for 2.4 per cent of this estimated GDP. 2018 GDP data was not available as at 31 March. The 2018 GDP estimate was calculated using a five-year average growth rate.*

Other Economic Benefits



US\$208m

to Lao suppliers of goods and services in 2018



MORE THAN

US\$62m

invested in public road infrastructure and maintenance since 2006.



OVER

49%

of external expenditure on goods and services was to companies in Laos and Lao-based suppliers



18.6 %**

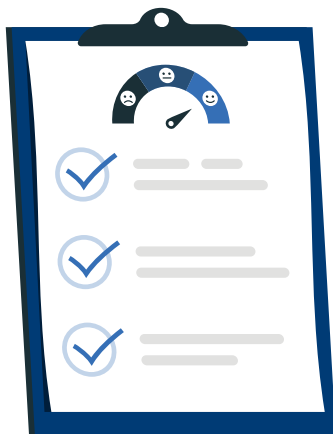
of total Lao goods and
exports attributable to
PBM revenue

****PBM revenues of US\$768 million for the sale (and export) of copper, gold and silver in 2018 represents 18.6 per cent of total Lao goods exports (estimated by the Economist Intelligence Unit as US\$4,126 million).**

US\$158,000 donated to a wide range of recipients through cash and in-kind donations



OPERATIONAL REVIEW



748,000

tonnes(t) copper produced since 2008



1.48m

ounces (oz) gold in cumulative production from the Phu Kham and Ban Houayxai Operations



10.38m

oz silver produced in the Phu Kham and Ban Houayxai Operations





COMMUNITY DEVELOPMENT AND COMMUNITY RELATIONS



SINCE 2008, MORE THAN

US\$4.8m

has been invested in the Company's community development programs in Laos.



MORE THAN

US\$10.3m

purchased from local small community businesses producing consumables such as vegetables, drinking water, eggs, cloth bags, fruit and fish.



In 2018, 31 community development fund (CDF) projects related to infrastructure, health, education, agricultural development, small business development, microfinance and infrastructure were implemented.





ENVIRONMENTAL PERFORMANCE



95%

of water recycled at the Phu Kham
Copper-Gold Operation



Caterpillar

5-star

contamination control rating for the
Phu Kham and Ban Houayxai Operations



0

significant environmental incidents





OVER
49,000
seedlings produced in
nurseries for land
rehabilitation

HEALTH AND SAFETY PERFORMANCE



ISO 45001:2018

certified in PanAust Group assessment and management of health and safety risks through its Safety Management System



21,436

hours of safety inductions and HSE training was completed



114 %

lower than the annual target of 0.15 in lost time injury frequency rate in 2018





0.6

total reportable injury
frequency rate was
achieved

OUR PEOPLE



3,292

full-time employees



92%

Lao workforce



85

completed the Apprenticeship program – 16 from Chifeng LXML Sepon – obtaining Australian Certificate III Trade Qualification and a Lao Diploma of Technical Training



650

Lao workforce completed in house leadership development program since Operations commenced



A photograph of two female Lao employees standing in front of a large yellow mining truck. The employee on the left is wearing a white hard hat, glasses, and an orange safety jacket with reflective silver stripes. The employee on the right is also wearing a white hard hat, glasses, and an orange safety jacket with reflective silver stripes. Both are smiling and have identification badges around their necks. The mining truck behind them is yellow with the number '175' on its side and '777D' on its front. The background is a dark, industrial setting.

84

Lao employees promoted
to senior technical or
team leader roles

Total Payments by Phu Bia Mining to the Government of Laos since 2003

Contribution	2016	2017	2018
Payroll tax	4.24	4.16	4.21
Customs excise (Import service fee)	1.74	1.70	2.35
Road tax	4.48	4.70	4.54
Profit tax (Income tax)	16.19	25.32	28.90
Royalties	35.55	43.81	41.01
Concession fees	0.06	0.06	0.06
Dividend	4.5	10.50	5.35
Total contribution	66.78	90.26	86.42
Copper price (US\$/lb)	2.25	2.84	2.88

Direct contributions to Laos (cumulative)

Year	US\$ millions
2016	538
2017	623
2018	716







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