

# MCC---An Emerging Force For Development of Oversea Resources

Yongguang Wang, Vice President China Metallurgical Group corporation on July 17, 2006 in Ottawa, Canada



#### **Presentation Structure**

- Brief introduction of MCC
- The Status of MCC Resources Development
- MCC's speeding up to develop resources



# MCC's Business scope

Metal scientific research

**Prospecting** 

**Engineering** 

**MCC** 

**Construction** 

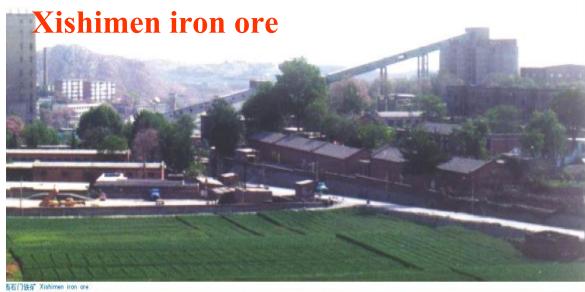
**Equipment manufacturing** 

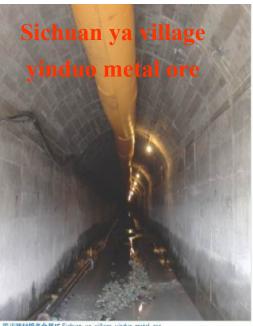
**Further processing of Products** 

Minerals mining processing and sales

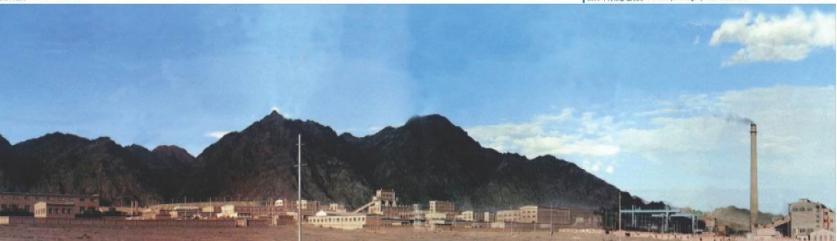








四川岬村银多金属矿 Sichuan ya village yinduo metal ore



Qinghai xitie hill lead & zinc ore



#### The basic information about MCC

**Business turn-over in 2004**: up to 53.7 billion RMB

The top 225 globally recognized contractors in 2004: Ranking the 27th

Among 500 Chinese enterprise conglomerates in 2004: Ranking the 25th

Among 500 major Chinese companies in 2004: Ranking the 39th

Business turn-over in 2005: up to 68.8 billion RMB



#### The Status of MCC Resources Development

•Leasing operation:

Saindak Copper-Gold Complex in Pakistan

•Investment:

Duddar Lead-Zinc Project in Pakistan Ramu Nickel Mine in Papua New Guinea

•Exchanging resources through project construction KOV Copper Project in Republic of Congo Capital International Airport in Mauritania Turn-key contract



#### Leasing operation Saindak Copper Gold Project

The first non-ferrous resources project completed on turn-key basis abroad

The first operates and manages overseas industrial plants on the basis of leasing mode





The ceremony of signing for leasing by MCC and Pakistan, witnessed by two Countries Government leaders in Pakistan

The overlook view of Saindak Copper-





#### The situation of production of Saindak Project

With the award of leasing right in 2002, MCC injected an investment of USD25M.



In 2003, 4,800 tons of blister copper were produced



In 2004, another 13,000 tons of blister copper were produced



In 2005, 18700 tons of blister copper were produced

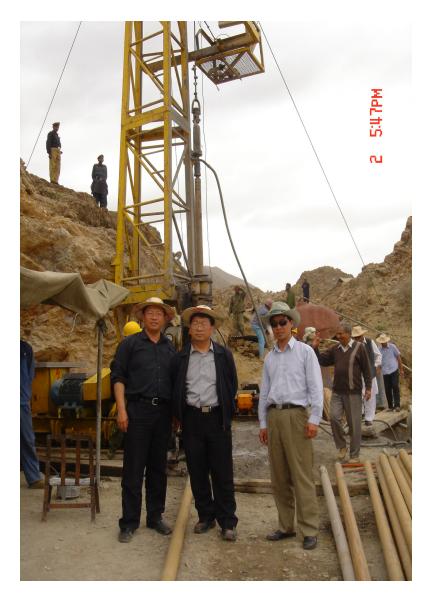


#### The contribution of Saindak Project to Pakistan

- Provide more than 900 jobs.
- Injected fresh impetus to the local economic development in Pakistan.
- Strengthened the co-operation and friendship between China and Pakistan.
- Gained popularity and praise in Pakistan.



#### **Duddar Lead-Zinc Project in Pakistan**





An investment of USD76M
The capacity of design:
100,000 tons of zinc concentrates,
zinc metal content of 54,000 tons
32,000 tons of lead concentrates
lead metal content of 20,000 tons



#### Ramu Nickel Mine in Papua New Guinea

**Investment: USD670M.** 

Mine and beneficiate 4.65M tons of ores.

Process 3.21M tons of ores in the smelter annually.

The annual production of Nicle Cobalt Sulphide

will be 58000 tons.

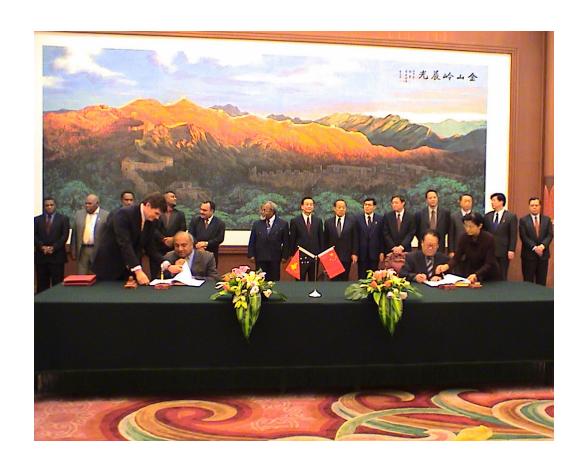


#### The location of Ramu Nickel Project in PNG





On Feb.9,2004, Chinese
 Prime Minister
 Wenjiabao and PNG
 Prime Minister Sir
 Michael Somare
 wintnessed the signing
 of Framework
 Agreement on Ramu
 Nickel Cobalt project.





#### **KOV Copper Project in Republic of Congo**

The project be constructed by MCC on EPC basis.

MCC be responsible for production operation.

MCC be responsible for management.

MCC be responsible for products selling.



#### Capital International Airport in Mauritania

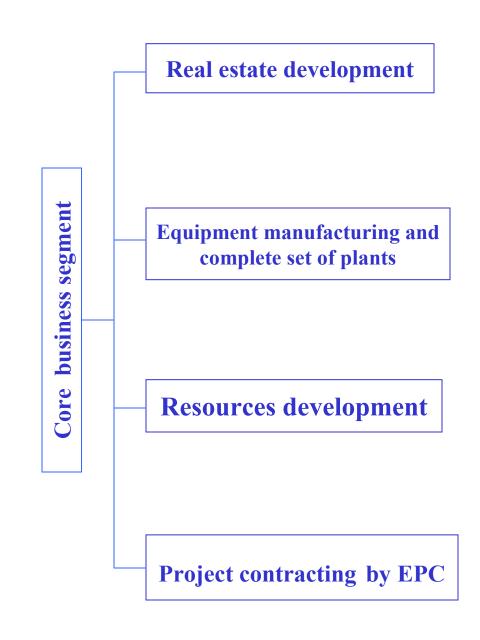
- Turn-key contract
- The total contract value of almost USD200M
- Mauritanian will supply 0.40M tons of iron
  - ores to repay project payments every year



# The strategy of resources development

- The core business segment
- The development target
- The basic principles
- The models of development resources

# MCC's core business segment







## The development target

- Becoming a member of Top 500 enterprises in the world by year 2010
- Becoming one of the biggest resources enterprises in China

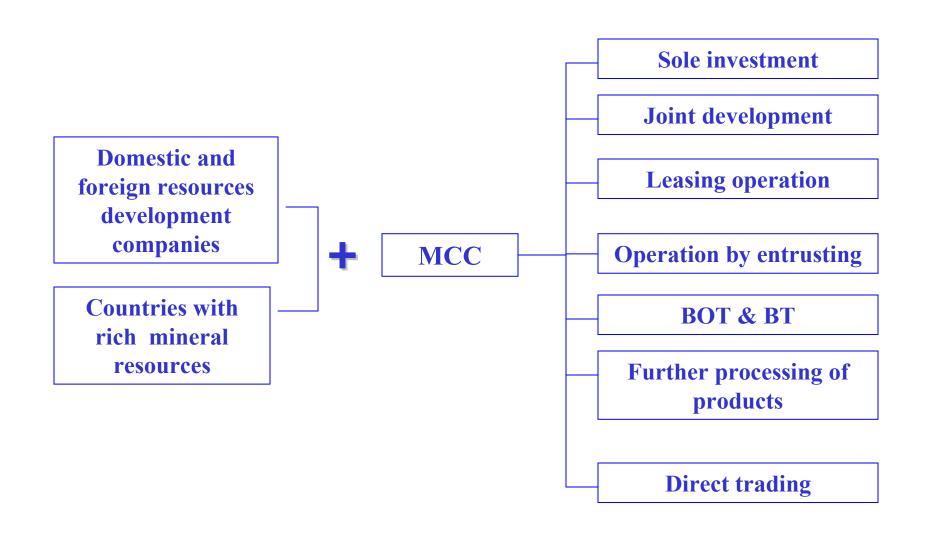


# The basic principles

- Implement the National Strategy
- Meet the needs in the market
- Bring self advantages into full play
- Develop in multi-modes
- Strengthen domestic and overseas co-operation
- Promote mutual development



### The modes of develop resources





# Win-Win Cooperative With You

MCC warmly welcome interested partners to work together with us and explore opportunities for mutual benefits and win-win result so that through resources development our co-operation can be elevated to all directions and levels with the goal to jointly create a splendid future.



