

JOINT STUDY GROUPS' REPORT



International Copper
Study Group



International Lead & Zinc
Study Group



International Nickel
Study Group

Risk Factors in Developing Mineral and Metal Projects

- An up-to-date and authoritative study examining a wide range of issues and risks currently affecting the development of mineral and metals projects. The approach is global with a particular focus on copper, lead, zinc and nickel. The report covers the metals industry including mining, smelting and refining and was conducted by Oakdene Hollins of the UK on behalf of the three Study Groups.
- The 84-page report is intended to inform future minerals policies, aid decision-makers involved with exploration, mine and refinery development, and provide assistance in planning new projects.
- The study identified and examined fifteen key risk factors within five general categories:
 - Finance risks:* poor allocation of CAPEX; adequate finance not available; project cost escalation; volatile commodity market.
 - Political risks:* resource nationalism; government actions and national security.
 - Technological risks:* poor regional infrastructure; lack of available skills; declining ore yields and grades; restricted access to energy; restricted access to water; scrap metal shortfall.
 - Environmental risks:* project impacting on environment; environment impacting on project.
 - Social risk:* not gaining social acceptance.
- Copper, Lead and Zinc and Nickel projects are examined separately and comparisons made among the four metals.

Contents

1	Executive summary	1
2	Introduction	5
2.1	Report context	5
2.2	Introduction to risks faced by the metals and minerals industry	5
2.3	Aims and scope of this report	7
2.4	Structure of this report	7
3	Research methodology	8
3.1	Overview	8
3.2	Identifying the risk factors	8
3.3	Ranking the risk factors	9
3.4	Analysing the risk factors	10
4	Risk factors	11
4.1	Information sources	11
4.2	Identified risk factors	11
5	Copper project risk	18
5.1	Results of the risk ranking exercise	18
5.2	Sensitivity of the risk factors to change	20
5.3	Discussion of key risk factors	22
6	Lead and zinc project risk	32
6.1	Results of the risk ranking exercise	32
6.2	Sensitivity of the risk factors to change	34
6.3	Discussion of key risk factors	36
7	Nickel project risk	44
7.1	Results of the risk ranking exercise	44
7.2	Sensitivity of the risk factors to change	46
7.3	Discussion of key risk factors	48
8	General project risk	53
8.1	Results of the risk ranking exercise	53
8.2	Sensitivity of the risk factors to change	58
8.3	General discussion of project risk factors	60
9	Conclusion	62
9.1	Concluding remarks	62
9.2	Guidance and recommendations	65
	Appendices	69

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