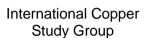
JOINT STUDY GROUPS' REPORT







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.

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