

DECEMBER NEWSLETTER-2019

CHIEF EXECUTIVE OFFICER'S ADDRESS TO MABIZA EMPLOYEES ON 18TH DECEMBER, 2019.

The CEO welcomed everyone present, in his address he stated that yesterday, Wednesday the 18th of December 2019 was a tragic day for us as Munali family as we lost a colleague, teammate and brother Francis Mwaifunga in a mine Accident.

Francis Mwaifunga 40 years old, leaves behind his wife, Cecilia and two children and the CEO conveyed his deepest condolences to the Francis' family.

The CEO requested all employees to observe a moment of silence in memory of Francis. The CEO stated that people had mixed emotions, feelings and pains and that we will need time to heal as there was no short cut to resolving this.

He explained that Francis died from injuries sustained after falling down a raise in 005 Primary between 795m and 770m level in the mine and that in view of the accident, management had suspended all hand-held raise development at the mine indefinitely, and further suspended the contractor until safe practices were put in place. The CEO stated that he will ensure that everyone adheres to standard safety practices.

He further declared that this was the darkest hour for the Munali family, but that Francis's death will not go in vain as the mine will endeavour to recover its performance and deliver planned safe nickel in his legacy. He appealed to everyone to put up their best in terms of standard practice and prevent any further harm. (Anton Mauve)



PROCESS PLANT MANAGER SAYS:

For the month of December, both mining and the process plant underperformed on account of low fresh ore hauled and feed grade against the target. We also had a poor safety performance with the loss of our brother Francis Mwaifunga. The focus for Munali Nickel Mine shall remain at 10tonnes of Nickel @ 10%Ni grade for us to meet all commitments. I believe with everyone's input, we can do it. Let's look forward to achieving all our targets in 2020.



The outlook for January is positive with our business partner Epiroc back with us and planned average fresh ore hauled at 1700tpd from underground. The plant will undergo a 30hrs stoppage to derisk the crushing section to ensure and sustain plant availabilities of above 90%. This requires a lot of focus and hard work starting with adherence to safety standards of operational discipline at mining and the Plant. In addition, 2020 also calls for very close control on costs. We need your support in identifying cost initiatives that will add value to the value chain. Remember our cost of production is \$38/ton and the budget for the core disciplines mining and process are completed. The budget Ni metal to be produced is 303tonnes which is achievable. (Michael Musonda)

SENSE OF URGENCY/HUMAN RESOURCE CORNER (FOOD FOR THOUGHT PART 8)

At Munali Nickel Mine operating as Mabiza Resources Limited, we have determined that we do not want to be just another Zambian Mining Company but a world class firm. One of the key areas that will set us apart is “**sense of urgency**”. The term “sense of urgency” is used very often in business today. A key reason is that if you consider the pace of change 100 years ago versus today, change now is occurring at Supersonic Speed (**Speed of lightening**). This requires us to act quickly and timely on issues that impact on Munali’s performance. We do not have the time to say, “**Let us wait to see what happens**”. Please remember, the expectations from management is that all Munali employees and Contractors work with the highest sense of urgency without sacrificing safety. We need to get issues resolved, achieve the highest level of performance, while working safely with a high sense of urgency. (Patrick Zyambo)

PROPOSAL FOR PERFORMANCE MANAGEMENT

If any organization is to succeed, performance is key but most importantly how this performance is measured. There are various ways of measuring this performance and the major categorization would be **internal** with the other being **external**. Internally, it’s important that processes are efficient enough to avoid waste. We must all remain motivated and hopeful for a better tomorrow by investing company time well today.



To all managers, supervisors, down to casual workers, it’s imperative that as we work, we must remain focused on the big picture and that is to make a profit for Mabiza and its investors. This should of course be done in safe conditions as our motto advocates for. We must be reminded that even if we produced Nickel in good quantities but at the expense of an increased cost, Mabiza’s performance will never improve. We, therefore, must be encouraged to always think outside the box to find ways of how to reduce costs without compromising quality. These ways must be long lasting and beneficial not only to us today, but to our children’s children tomorrow. Together we can. (David Mutale) Finance Department.

FIRST AID TRAINING IN PICTURE

