

NURTURING THE MINING OF A VARIETY OF MINERALS, INCLUDING NICKEL AS AN IMPORTANT STEP IN ZAMBIA'S ECONOMIC DIVERSIFICATION - MINING FOR ZAMBIA

Zambia's fortunes have always been inextricably linked to the health of the copper mining industry, and that remains as true today as at any point in our modern past. However, Zambia has a wealth of other natural resources on which it has yet to capitalize. If Zambia has policy frameworks that encourage investment in a range of minerals – gold, manganese, iron, nickel, and copper too – put in place, Zambia's economic landscape might look very different in ten years' time, once new mines are online and the country starts to reap the direct and indirect economic effects and benefits of this new industry, it will become less reliant on the red metal alone.

Nickel is as volatile as it is valuable

Nickel has been on quite the rollercoaster ride over the last couple of weeks. In January 2022, nickel hovered at around US\$ 22,355 a tonne, with a forecasted supply deficit by the end of the year helping to keep prices high. But that was before Russia – the metal's third-largest producer who exports 17% of the world's top-grade nickel – invaded Ukraine.

Prices reached a record high of US\$101,365 a tonne on Tuesday 8 March, the London Metal Exchange (LME) saw no option but to halt trading. It's "the biggest crisis to hit the 145-year-old exchange" in several decades. Supply chain disruptions, regional instability, and moves by the West to sanction Russia all sent the metal skyrocketing. Added to this was the fact that Chinese billionaire Xiang Guangda, owner of **Tsingshan Holding Group, a nickel and steel titan, was forced to recoup on a massive short position** it had been building since 2021, when it wagered that prices would drop.

Nickel is now trading at a more sensible US\$ 33,100 per tonne but, until the murky and complex issues surrounding Tsingshan's big shorts are resolved, experts predict that it won't be smooth sailing for the LME for some time.

Mabiza is not currently benefitting from these prices as we are currently hedged, and Spot prices as indicated above will only be realized once hedges has been completed forecasted only in the 3rd Quarter of this year.



In picture is the Process Plant and the tailings dam.



OUR DAILY ROAD TO SUCCESS



COLLECTIVE AGREEMENT WITH THE UNION - GABRIELLE DECINA

Mabiza management commenced collective bargaining with the Union (Mine Workers Union of Zambia (MUZ), Consolidated Miners and allied workers Union of Zambia (CMAWUZ) and Technician and Artisans Union of Zambia (TAUZ) on 29th March 2022 and ended on 1st April 2022 for the 2022/2023 period. The collective bargaining agreement was concluded and signed between the parties with the following included:

- Salary Increment agreed at 12.5% of the basic pay across the board.
- Standard operating procedure for the Payment of a advance.
- 13th Cheque of 50% of employee's basic pay to be paid in December.

This means that all the proposals presented by the Union were discussed and agreed by all parties.

Time and Attendance

Mabiza Resources Management introduced a time and attendance system which went live on the 1st April 2022 to enable management to monitor employees' time management (working hours, late arrivals, early departures, time taken on breaks and absenteeism). The primary objective of a T&A system is to ensure that hours worked, hours in pay status and hours absent, are properly captured. Reliable data is important to accurately compute and account for computed pay, leave, and allowances. Employees are encouraged to use the T&A system for clocking in and out of the mine.

The three-set bonus scheme

The bonus scheme was introduced and became effective in March 2022. March's production target was achieved safely which meant that a ZMW 500 voucher was awarded to all Mabiza employees.

PRACTICE MAKES IMPROVEMENT AND NOT PERFECT (PERFECTION DOES NOT EXIST)-FOOD FOR THOUGHT PART 4 OF 2022: PATRICK ZYAMBO

In every situation, you must have a reason to hang on when times get tough. You always experience **TURBULANCE** when going to another level (especially higher) but don't loosen your **SEAT BELTS**. During the down moments you discover who you really are and what do you think keep you in the **GAME**, when times are **ROUGH**.

No matter what the situation can be, have a reason to hold on. The best revenge in life is **MASSIVE SUCCESS**. If you can look up (when you fall), then you can get up. The reasons that keep you in the game are important. Do not get too comfortable (Settled) in life. Life is too short to be taken seriously, find ways to be happy because you want to be happy now and **RIGHT NOW**.

It's the little things in life that **COUNT**. It takes a lot of energy to reach your goals. Find relationships that motivate you to reach your goals. There are some people that may not wish good for you because they do not want to go **DOWN THE DRAIN ALONE**.

Relationships should help us to become better persons because birds of the same feather flock together. Do not be with negative people all the time. Align yourself with powerful people from whom you can get motivation so as to learn from them. Always try to get on **TOP** because the **BOTTOM** is crowded(overcrowded). In life the biggest enemy to deal with is yourself.

Traditional proverb says: If there is no enemy within, the enemy outside can do no harm. You must have standards in everything you do. If you want to keep on getting what you are getting, keep on doing what you are doing. Change the game plan and look at where you are going. A journey of thousand miles begins with a step.

GENERAL MANAGER'S REMARKS ON THE STATUS OF THE BUSINESS FOR QUARTER 1 AND THE FUTURE ON MUNALI NICKEL MINE - ANDRE LABUSCHAGNE

No LTI's were recorded in the first Quarter of 2022 completing an LTI-free first quarter with the Lost Time Injury Frequency Rate zero. Compliance achieved on all leading indicators on Safety Targets i.e., VFL's, Hazard Identification, Planned Task Observations, Risk Assessments and Safety meetings. Let's use these tools to ensure that we have a Safe Environment for everyone at the Mine. Well done to TEAM MABIZA!

MARCH PRODUCTION		Units	Month start Month end		
			MTD totals		
			Budget	01-Mch-22	31-Mch-22
			Budget	Actual	% Variance
Mining	Waste dev - Capex	meters	160	35.6	-78%
	Waste dev Rse Bore - Capex	meters	20	0	-100%
	Waste dev - Opex	meters	0	73.2	+100%
	Ore dev - Opex	meters	70	28.3	-60%
	Ore dev Rse Bore - Opex	meters	19	0	-100%
	Long hole drilling	meters	8,293	10,029	+21%
	Mined - dev ore	tonnes	5,109	2,751	-46%
	Mined - stope ore	tonnes	49,760	50,627	+2%
	Trammed - total ore	tonnes	54,869	53,379	-3%
Process Plant	Crusher feed	tonnes	54,869	52,980	-3%
	Crushed grade (CV05)	%Ni	0.82	0.79	-3%
	Float feed grade	%Ni	0.98	0.92	-6%
	Flotation Recovery	%	82	88.52	+8%
Concentrate	Concentrate Bagged	tonnes	2,895	3,023	+4%
	Concentrate Sold	tonnes	2,895	3,161	+9%
	Ni Bagged grade	%Ni	12.5	12.72	+2%
	Ni in Concentrate Bagged	tonnes Ni	362	385	+6%

Budgeted Ni targets for the first Quarter on non-final and binding assays were not achieved, budget of 1,051t vs 980t (-71t below budget). The budget for March 2022 however was achieved which allowed the implementation and start of the bonus incentive scheme – A great monthly Performance – Well done TEAM MABIZA.

It is however of utmost importance that we ensure that we achieve targets to retain bonuses but also to make up deficits in under achievements in the first quarter going forward – CONTINUOUS IMPROVEMENT should be our focus -Remember to keep your SAFETY SWITCH on at all time!!!