

HISTORY OF OBUASI

Obuasi is located in the Ashanti region of southern Ghana, approximately 80km south of Kumasi and some 320km north-west of the capital Accra. It is primarily an underground mine operating at depths of up to 1,500m with a continuous history of mining dating back to the 1890s.

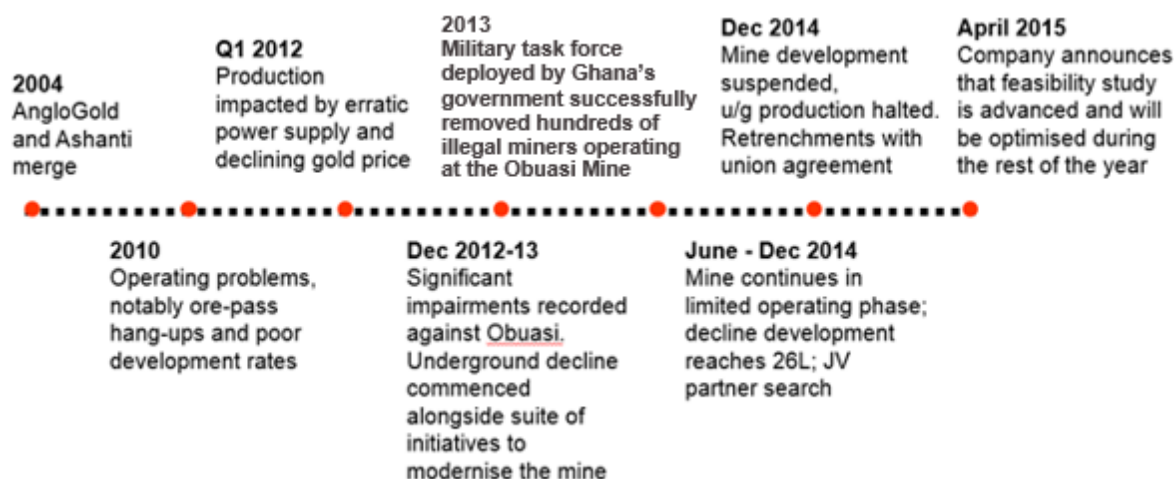
Underground production was suspended in late 2014; with activities restricted to production from developed stopes and the processing of surface mining tailings. A detailed feasibility study using input from international consultants began, following on from an earlier in-house study.

The mine is situated in a largely forested region, with surrounding land occupied by subsistence farmers. The mining concession covers an area of 47.5ha. Eighty communities lie within a 30km radius of the mine.

The feasibility study is considering the optimum mining methodology and schedule for the underground mine, based on modern mechanised mining methods and refurbishment of underground, surface and process plant infrastructure. A significant rationalisation and/or replacement of current infrastructure will enable the delivery of high utilisation and productivity metrics. During the limited operating phase, underground activities have been essentially limited to continued development of the Obuasi Deeps' Decline and underground infill drilling.

Obuasi...a world class resource with a century of history

Several legacy issues addressed and a significant contribution made to Ghana's economy...



Obuasi...limited operations state

Placing the mine in limited operations mode has allowed an opportunity to reset...

- **Transition to limited operating state completed Dec. 2014**
 - workforce retrenched, full entitlements paid, Collective Agreement dissolved
 - continued stakeholder engagement with good support for Obuasi strategy

- focus on changing work culture – emphasis on accountability, productivity, delivery

■ **Obuasi in limited operating state – with decline development continuing**

- Development of Obuasi Deeps decline has continued and has reached 26Level
- Diamond drilling of Block 8L has confirmed the modelled resource tonnes and grade
- Tailings rehabilitation underway, generating some revenue
- Ongoing activities include pumping, care of u/g and surface infrastructure, security
- Social investment and skills development has continued throughout

■ **Feasibility Study commenced in July 2014; draft complete and now being optimised**

- Covers all aspects of the operation, including operating footprint, power, infrastructure
- Detailed mine closure plan developed

...and create a solid foundation for a sustainable, profitable long-term mining operation