SGS INVESTOR DAYS 24 – 25 OCTOBER 2013 USA

SGS METCON / KD ENGINEERING

Christopher Malone – Vice President Minerals Services

Investor Days, 24-25 October 2013

WHEN YOU NEED TO BE SURE

SGS

THE BUSINESS

- Date of acquisition:
  - 1 January 2013
- Size:
  - Employs 45 people (25 laboratory, 20 engineering)
- Description:
  - Process Engineering design services and Metallurgical testing facility located in Tucson, Arizona USA
- Market position:
  - Specializes in the design of mineral processing plants for the recovery of base and precious metals using our integrated approach of metallurgical testing and process design expertise

© SGS SA 2013 ALL RIGHTS RESERVED

WHAT WE OFFER

- Services offered – Metallurgical testing and process design:
  - Metallurgical Testing – Sample preparation, hydrometallurgy, beneficiation, environmental for bench and pilot scale programs
  - NI 43-101 Feasibility Studies – Metallurgy and process section
  - Detail Design work for processing plants – Process, civil, structural, mechanical, electrical
- Unique selling points:
  - Ability to integrate metallurgical testing and process design services to define the most optimal flow sheet in order to unlock the projects full economic potential
  - Staff includes Qualified Persons (QP's) to sign NI 43-101 reports and Professional Engineers (PE's) in various disciplines to stamp detail design drawings for construction
  - Located in the South-western United States in close proximity to large international copper and gold producers, Mexican and Central American markets and many Canadian Juniors

© SGS SA 2013 ALL RIGHTS RESERVED

WHO WE SERVE

- Market sectors:
  - Projects in U.S.A, Mexico, Canada = 75%, South America, Europe = 25%
    - Fully bi-lingual (English / Spanish) technical team
  - Mining companies focused on the recovery of base and precious metals including gold, silver, copper, molybdenum
  - Target total capital investment projects up to 100M USD
- The top 15 customers account for ~ 80% of sales
  - Large client base – Typically 60-70 clients annually and 100+ projects

© SGS SA 2013 ALL RIGHTS RESERVED

BENEFITS TO THE GROUP

- Consolidation:
  - Strengthens the SGS metallurgical laboratory footprint in North America
  - Enhances our technical expertise
  - Established brand names and extensive client network
  - Bridge the service portfolio gap that existed between metallurgical test work and operational status of mine / plant operations
  - Transfer and optimize metallurgical work from SGS Mexico to Tucson as our regional center for comminution testing

© SGS SA 2013 ALL RIGHTS RESERVED

BENEFITS OF ACQUISITION

- Growth:
  - Expanded services and capability – feasibility studies, process design and engineering, procurement, construction oversight
  - Become the Americas' center of excellence for our newly formed plant services SBU

© SGS SA 2013 ALL RIGHTS RESERVED

SGS INVESTOR DAYS
24 – 25 OCTOBER 2013
USA

2014
FOR THE COMPLETE PICTURE

WHEN YOU NEED TO BE SURE

SGS