

Notes for Minearc facility opening – 9 October 2013

Open and Introduce Minearc and Australian METS

- Introduce self; Australian High Commissioner to South Africa also accredited to Angola, Botswana, Lesotho, Mozambique, Namibia and Swaziland. Acknowledge special guests (Mike Lincoln; Australian General Manager of Minearc, John Madew; Australia's Senior Trade Commissioner in Africa). Delighted to be in South Africa since January this year. Very happy to be here today for the opening of the Minearc facility.
- Minearc is a great example of an Australian Mining Equipment, Technology and Services company which has grown since inception in 1999 to have a presence in Africa, China (Beijing), South America (Chile) and North America and a HQ in Perth
- METS is an extremely important sector to Australia. According to a recently released Austrade/AusMine METS survey of 860 Australian METS companies, annual revenues are around \$90b and METS companies employ 386,000 people in Australia
- 55% of METS companies export. Of these, 47% have some kind of overseas presence like Minearc, employing local people and contributing to local communities
- In Africa, METS companies are in over 27 countries with a wide range of goods and services

- When benchmarked against other industries, the METS sector has a strong innovation culture. This ethos allows the free and frank exchange of ideas and a focus on innovation from a tactical and strategic point of view
- Importantly, as well, METS companies invest. They invest in their customers, in their staff, in their products and in their future. METS companies spent well in excess of \$1.6 billion on R&D last year
- Survey can be found at www.austmine.com.au or www.austrade.gov.au
- It is this innovative spirit that has led to companies like Minearc, the global leader in the manufacture and supply of emergency safe-refuge systems to the underground mining, tunneling, and chemical processing industries
- And I am delighted that Minerac has shown its confidence in South Africa and the African continent more broadly by establishing this facility in Johannesburg

Australia in Africa

- The African continent remains interesting for Australian companies in large part because of the four key drivers of growth:
 - Unexploited resources i.e. mining
 - Land – 45% of the world's arable unfarmed land is in Africa

- Demographic dividend – in a world growing old, Africa has young people. By 2030, it is estimated there will be 1.6 billion people in Africa, 70 per cent of whom will be under 30
 - Improving governance – from 2 democracies in 1990, there are now around 20, suggesting a positive trend
- Australia's mining presence in Africa is significant with over 250 listed miners, plus METS making us a substantial player in the continent
- Australian companies are active in 43 countries in Sub Saharan Africa
- Estimates of Australia's presence range from \$25bn in projects underway and up to an additional \$25bn in the pipeline
- Australia is a good partner for Africa because:
 - We are a mining superpower, with over 100 years' mining experience and with leading edge regulatory arrangements, governance, management, technology and services
 - We are a good international citizen, with a strong track record of Corporate Social Responsibility), environmental and social
 - We have global experience of what works
- Australian companies' interest in Africa looks set to continue over the long term.
- Minearc is like many companies in that they see South Africa as a good base into the continent
- A combination of familiar regulatory environment, the best infrastructure in Africa, and good connections into

the rest of the continent make South Africa the leading choice as an African base for Australian business

- You would all be pleased to know that bilateral relations between Australia and South Africa are in very good shape.
- Various levels of collaboration: the UNSC, G20, IOR-ARC, Asian Pacific, SKA, Sport (Cricket and Australian Rules Football), Trade and Investment, Chamber of Commerce, Mining Indaba of which Minearc will be a part of

Close

- Conclude my remarks by saying it is a privilege to be invited to open the facility
- I would like to thank Minearc for inviting me and wish you every success for this exciting new venture