



PLATTS **GLOBAL METALS** AWARDS

and Trade

cooking new markets

Steel/Scrap Nexus

A Resource Revival

# Global Metals: Gripped by Politics

2016 was a transformational year for the company. It completed construction and commenced production on its flagship asset: Las Bambas in Peru, the largest greenfield copper development in the last 10 years. It also pursued Queensland's Dugald River project, one of the world's largest and highest-grade zinc development projects, at a time of shrinking global supply. Targeted to become operational in 2018, Dugald River is expected to be one of the world's 10 largest zinc mines.

Judges were particularly impressed by MMG's strategic approach to securing funding during a down cycle in support of expansion efforts. In late 2016, the company announced plans to conduct a fully underwritten \$512 million rights issue to strengthen its balance sheet and fund growth of Las Bambas and Dugald River. The company also benefits from the support of its majority shareholder, China Minmetals Corporation, including loans and guarantees.

Judges applauded MMG for making bold decisions about investment, growth prospects and diversity in preparation for opportunities ahead. They felt that this Industry Leader is on the right track to achieve its goal of becoming the world's most respected diversified base metals company.

### Industry Leadership Award Precious Metals

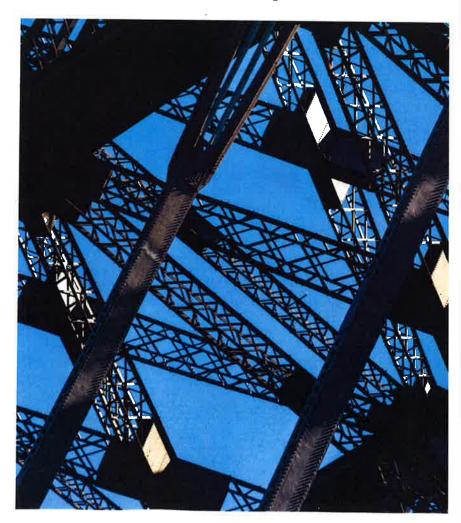
Dillon Gage Inc United States



The inaugural winner for Industry Leadership Award in Precious Metals drew judges' attention with its display of "innovation and commitment." The company has successfully navigated difficult political requirements to establish strong relationships with precious metals dealers, financial institutions, banks and brokerage houses worldwide. It has also assisted its clients in successfully managing price volatility issues through its unique combination of both personal service and technological advancement.

Founded in 1976, Texas-based Dillon Gage operates one of the world's largest wholesale precious metals trading firms. The company is one of the few dealers authorized to purchase directly from all major world mints and maintains inventory in more than 20 countries globally.

Through the strength of these relationships, Dillon Gage offers real-time bid/ask pricing for gold, silver, platinum and palladium via its electronic trading



platform, FizTrade. The FizTrade system, designed for wholesale dealers, institutional investors and private wealth clients, provides access to physical metals trading on hundreds of products. The company also operates an in-house research and development group, Digital Metals, charged with constantly improving its precious metals market solutions and implementing real-time changes and customization.

"This is the direction the world is going," applauded one judge in admiration of Dillon Gage's dedication to its robust online trading technology. The company continues to innovate and plan for the future, recently opening a new office in Singapore, and judges acknowledged this industry leader is well positioned to increase its global presence in the precious metals markets.

## Industry Leadership Award Raw Materials & Mining

Fortescue Metals Group Australia



The Metals Company of the Year, FMG swept its Industry Leadership category, impressing judges with its "sustained success." By creating and installing its own major infrastructure, applying technological savvy and focusing on safety, the Australian iron ore producer effectively powered through difficult market conditions.

"Lowering their cost of production is where Fortescue excels," observed one judge. The company's massive infrastructure includes four mine sites, an integrated supply chain including a five-berth seaport and the world's fastest heavy haul railway. Leading-edge technology is incorporated throughout, from mine to market. It was the first company in Western Australia to control a railway remotely, and the first in the world to use the Caterpillar autonomous haulage system on a commercial scale, resulting in a 20% productivity gain compared to its regular fleet.

When selecting the company as a Rising Star in 2014, judges were prescient in noting its ability to ramp up quickly; the company has continued to excel in production, rising from more than 27 million mt in 2008 to current production of 165 million-170 million mt/year. Product quality control is also fundamental to the company's success. Their ability to efficiently access challenging resources while maintaining a low cost of production has helped them during the price downturn.

Despite cost reductions across the board, Fortescue continues to steadily improve its safety performance, achieving a 15% reduction during the year. The company targets continued improvement in this critical area, vowing, "We look after our mates, and ourselves."

The judging panel expressed unanimous admiration for this leader of the Raw Materials & Mining space. Addressing his company's solid performance, CEO Nev Power hints that continued evolution is on the way: "We will be anything but boring."

## Industry Leadership Award Scrap & Recycling

#### Nikkei MC Aluminium Co Ltd Japan



The concept of a circular economy has long been familiar in Japan, the home country of this year's Scrap & Recycling Industry Leader, due to resource scarcity and energy dependence. Judges agreed that the category's winner, Nikkei MC Aluminium (NMA), "stands out in a competitive space" by taking the circular concept global.