

# BHP Billiton Base Metals



## BHP Billiton Tintaya S.A.



### Tintaya

- Located at SE Peru
- At 4100 meters
- 270 Km from Arequipa and Cusco



# BHP Billiton Tintaya SA – Our Charter....

## **WE ARE BHP BILLITON, A LEADING GLOBAL RESOURCES COMPANY.**

Our purpose is to create value through the discovery, development and conversion of natural resources, and the provision of innovative customer and market-focused solutions.

### **To prosper and achieve real growth, we must:**

- actively manage and build our portfolio of high quality assets and services,
- continue the drive towards a high performance organization in which every individual, accepts responsibility and is rewarded for results,
- earn the trust of employees, customers, suppliers, communities and shareholders by being,
- forthright in our communications and consistently delivering on commitments.

### **We value:**

- Safety and the Environment – An overriding commitment to health, safety, environmental responsibility and sustainable development.
- Integrity – Doing what we say we will do.
- High Performance – The excitement and fulfillment of achieving superior business results and stretching our capabilities.
- Win-Win Relationships – Having relationships which focus on the creation of value for all parties.
- The Courage to Lead Change – Accepting the responsibility to inspire and deliver positive change in the face of adversity.
- Respect for Each Other – The embracing of diversity, enriched by openness, sharing, trust, teamwork and involvement.

### **We are successful in creating value when:**

- our shareholders are realizing a superior return on their investment.
- our customers and suppliers are benefiting from our business relationships.
- the communities in which we operate value our citizenship.
- every employee starts each day with a sense of purpose and ends each day with a sense of accomplishment.



# Our HSEC Policy...

## WORKING RESPONSIBLY AT BHP BILLITON: OUR HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY POLICY

At BHP Billiton, we are committed to sustainable development. Health, safety, environment and community responsibilities are integral to the way we do business.

We commit to continual improvement in our performance, efficient use of natural resources and aspire to zero harm to people and the environment.

### Wherever we operate we will:

Develop, implement and maintain management systems for health, safety, environment and the community that are consistent with internationally recognized standards and enable us to:

- identify, assess and manage risks to employees, contractors, the environment and communities
- strive to achieve leading industry practice
- meet and, where appropriate, exceed applicable legal and other requirements
- set and achieve targets that include reducing and preventing pollution
- develop our people and provide resources to meet our targets
- support the fundamental human rights of employees, contractors and the communities in which we operate
- respect the traditional rights of indigenous peoples
- care for the environment and value cultural heritage
- advise on the responsible use of our products.

### Seek opportunities to share our success by:

- working with communities to contribute to social infrastructure needs through the development
- and use of appropriate skills and technologies
- developing partnerships that focus on creating sustainable value for everyone.

Communicate with, and engage, employees, contractors, business partners, suppliers, customers, visitors and communities to:

- build relationships based on honesty, openness, mutual trust and involvement
- share responsibility for meeting the requirements of this Policy.

We will review regularly and report publicly our progress and ensure this policy remains relevant to the needs of our stakeholders. We will be successful when we achieve our targets toward our goal of zero harm and are valued by the communities in which we work.



- Health, Safety, Environment and Responsibility with Communities are an integral part of our business.
- We continually commit to improve our performance to use the natural resources efficiently and aspire **to zero harm for people and the environment.**
- In BHP Billiton, **we are committed with sustainable development.**

# Our Fundamentals..





# Tintaya has been national and internationally recognised for its commitment towards HSEC

## Awards

### John T Ryan Safety Award, 2003



Premio JOHN T. RYAN, premio a la mejor empresa minera a tajo abierto (2002-2003).



Premio corporativo política HSEC: "HIGHLY COMMEND DEL HSEC AWARDS, EN LA CATEGORÍA DE SALUD"

RECONOCIMIENTO a Manuel Muro por resultados de investigación: Evaluación cardiovascular de niños que viven en la altura: base metals: BHP Billiton Tintaya SA: Tintaya: Perú.

### BHPB HSEC Award – Health & Community work distinction

### Perú 2021 Organization – Best Environmental and Socially Responsible Company in Peru (2003)

BHP Billiton Tintaya, fue galardonado con el "PREMIO PERU 2021 a la RESPONSABILIDAD SOCIAL Y AMBIENTAL DE LAS EMPRESAS" por la Asociación Empresarial Perú 2021 en el grupo de Grandes Empresas.



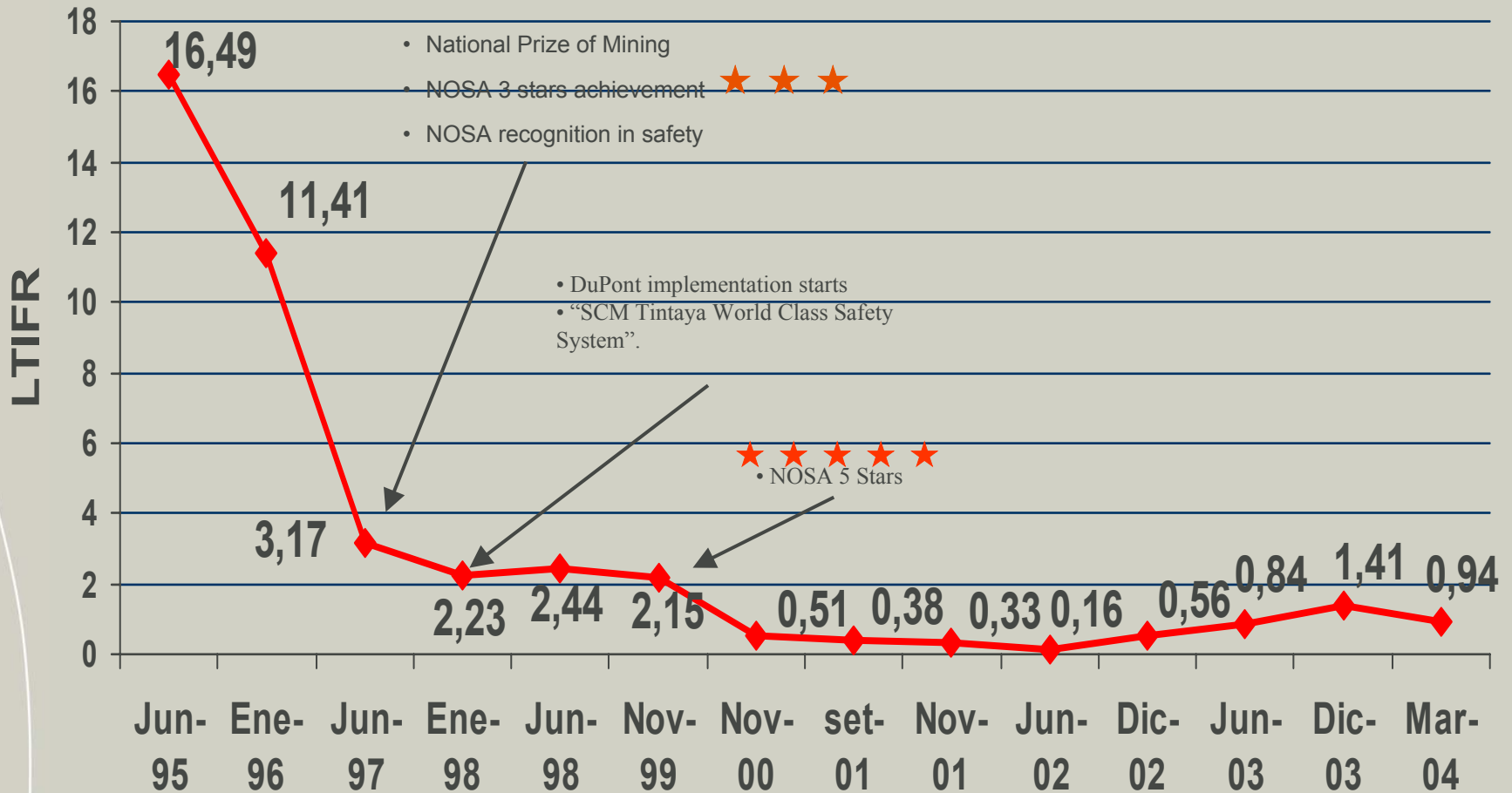
### Winner of the National Prize of Mining Industry in Peru, 2003



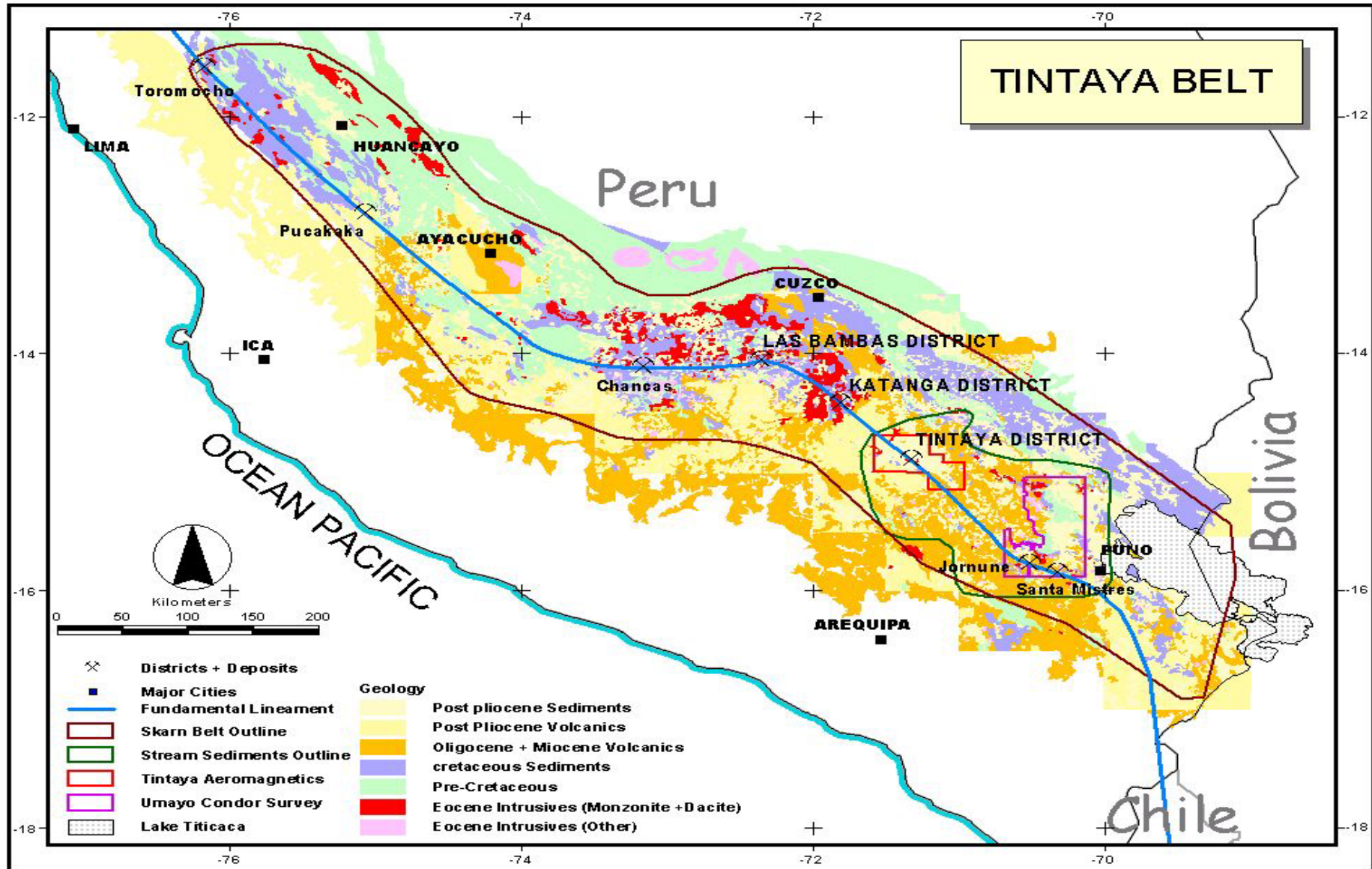
Premio ISEM (INSTITUTO DE SEGURIDAD MINERA), premio a la mina de tajo abierto más segura del Perú.

# Our safety performance....

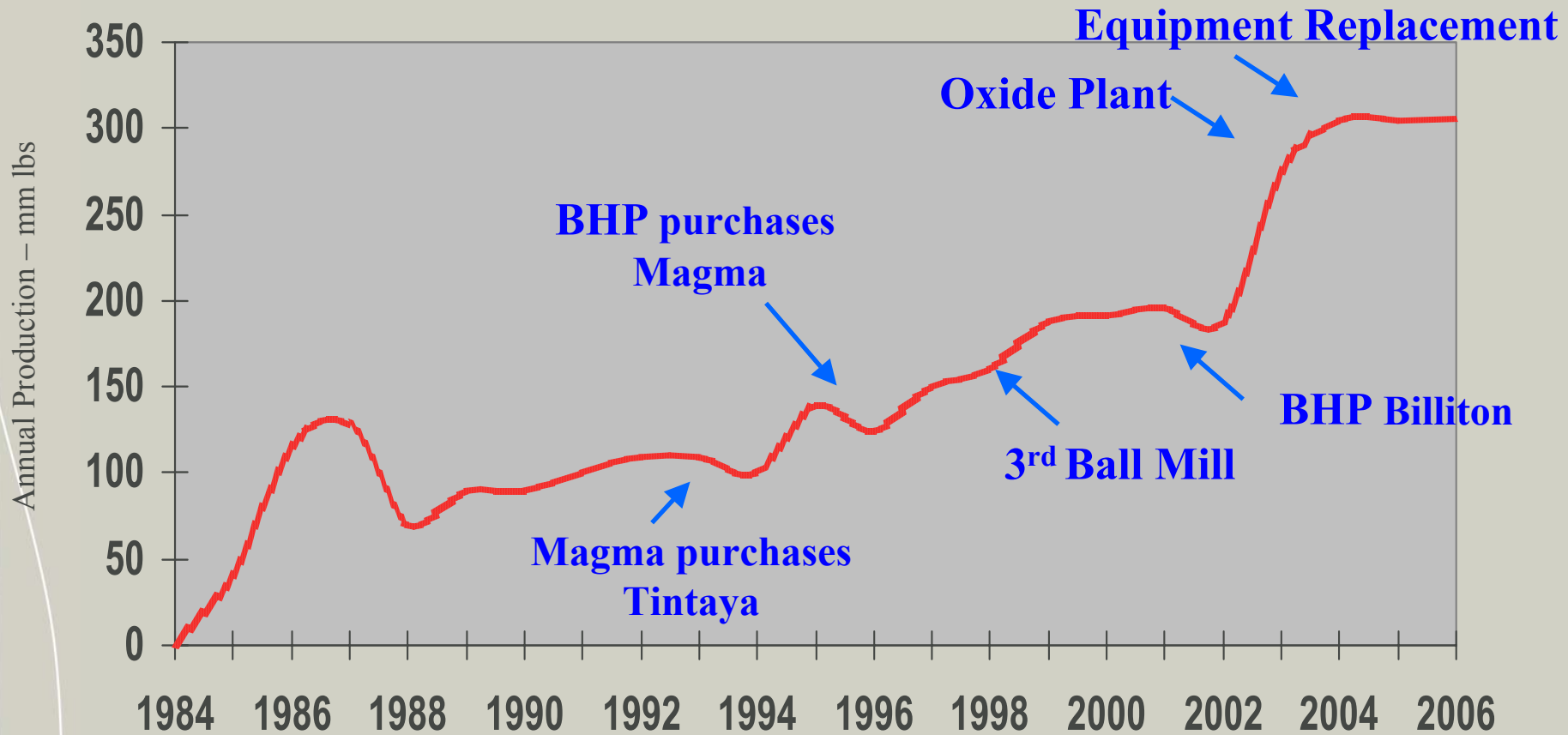
## LTIFR – Accidents with lost time (own employees and contractors)



# Our natural resources...



# Key milestones and production levels...





# BHP Billiton Tintaya S.A. - Facts

- ❑ Current Life of Mine : 2013
- ❑ Reserves as of 2003 Annual Report (Total Resources)
  - Oxide = 43 mt @1.23% cu
  - Sulphide = 117 mt @1.47% cu
- ❑ Annual Production : 90 kt Cu in Concentrate (3 Mills)  
: 38 kt Cathode (SXEW plant)
- ❑ Net Operating Assets : US\$ 420m
- ❑ Operates with Tax Stabilisation Contracts
- ❑ 625 permanent employees; 600 contractors

# Our equipment ...

## Mine:

- 2 P&H 2800 Shovels
- 1 P&H 2300 Shovel
- 2 x P&H Drills
- 2 CAT 994 Loaders
- 15 Komatsu 830E Trucks
- 3 x CAT 789 Trucks

## Plant:

- 2 Allis Chalmers Ball Mills
- 1 Nordberg Ball Mill
- Svedala and Outokumpu Flotation Cells

## Oxide :

- 3 x CAT 785 Trucks
- 1 x CAT 994 Loader





# Oxide Plant process...



The 6 phases of operation:

Mining

Primary  
Crusher

Secondary  
Crusher

Leaching

SX Solvent  
Extractions

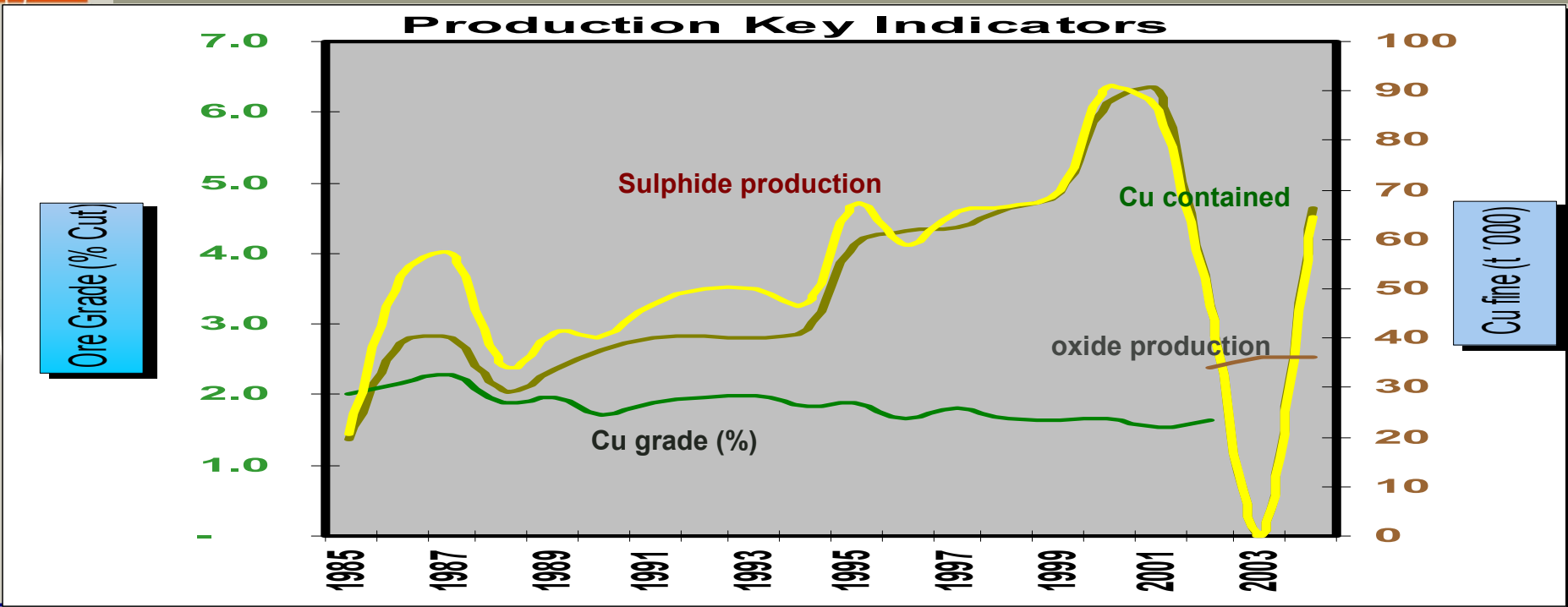
EW Electro  
Winning

## Oxide history and Production

- Commenced operation in May 2002 with planned production of 34 kt per year
- Project completed early and under budget
- Phase 1 ramp up to 36 kt per year in FY03
- Phase 2 ramp up to 38 kt per year in FY04
- Future plan in FY05 is 39 kt per year
- Cathode is LME grade 99.999%
- Technology innovations
  - E-Cats, Reverse Flow Sx,
  - SAME acid mist hoods



# Production performance...



- 37% production increase from 1995 to 2000
- 50% production increase from 2000 to 2005
- 122% increase in productivity per FTE since 1995
- Reduction in Personnel from 1400 to 620 since 1987
- January 2002 suspension of Mine and Concentrate Operations due to low Cu Price



# How do we operate ?

- **Keep excellent relationships with our stakeholders**
  - **5 Years collective labour agreement**
  - **Negotiations with communities led to restart of the operation August 2003**
  - **Mesa de Dialogo process in place with participation of NGOs**
- **Management Systems in place**
  - **ISO 14001 certified**
  - **BHPB 15 HSEC Standards/Fatal Risk Protocols**
- **Process stability and cost control**
  - **Production output as planned**
  - **Cost reduction efforts throughout Six Sigma program**
  - **Cathode and Concentrate quality continues to be preferred by our clients**

# Our social Foundation....

## Business Development



**“BHB Billiton Tintaya is committed to work with stakeholders to promote a sustainable development in the communities”**

## Basic Infrastructure



## Agricultural Development



## Health and Safety



## Learning and Training



# The Future – Key Message

- **Maintain and improve current HSE standards**

- Keep our achievements of ISO certifications, NOSA awards and safety recognitions
- Drive a culture change towards achieving safe work behaviours
- Reinforce the use of BHPB HSEC standards as a mean to improve HSEC performance

- **Good relations and agreements with communities**

- Become a model of a sustainable development in BHPB

- **Good usage of management systems**

- Charter, Six Sigma and Zero Harm embedded in the organization

- **Stability in production**

- Consistency (quantity and quality)
- Improve recovery (develop competitive advantages around Mine/Oxide/Sulphide interaction)

- **Solid finance results**

- Consistently deliver positive results over time
- Improve budgeting and cost management culture (Six Sigma main tool to drive business improvement)

- **Need to identify new reserves in the area to increase life of operation beyond 2012**