MANAGING RISK
IN THE MINING SECTOR
Managing risk in the Mining sector

Participants in the mining industry face a myriad of geographic, political, economic and infrastructure risks. They are exposed to environmental concerns, commodity price volatility, reliance on contractors, consultants and joint ventures, reputational damage and a range of other exploration, construction and maintenance risks associated with large scale projects.

Marsh works closely with many leading mining operators to help manage risk so that it becomes a source of competitive advantage and profitability. Our insurance and risk management programs allow players in the mining industry – from junior miners to large multinational corporations - to tackle opportunities with greater confidence and the knowledge that measures have been put in place to reduce volatility and the impact of a loss.

Marsh typically works with operators in the mining industry to go beyond the purchase of insurance by incorporating a range of risk solutions. Clients benefit from our immense experience in the sector, which translates to more certain outcomes. Our risk financing programs provide clients with access to market- leading coverage and competitive prices, supported by a comprehensive understanding, by all parties, of the unique risk management capabilities of the client’s business.

Competitive prices are achieved by differentiating, and clearly and accurately presenting, the client’s risk profile to insurance markets. The volume of premium that Marsh places into these markets on our clients’ behalf provides the economies of scale that allow us to access optimised solutions from the market.

Mining operations in Asia are exposed to a myriad of risks which could undermine the feasibility of an exploration project, construction project or an operational mine. Those companies with sound risk management strategies stay ahead of the rest by reducing their vulnerability to interruptions, delays and unforeseen losses.
RISK FINANCING AND INSURANCE BROKERAGE FOR THE MINING INDUSTRY

Marsh adopts a comprehensive range of risk financing processes and products, with programs tailored to each client:

| RISK PROFILING | Identifying the risks inherent in your business operation and the like consequences. |
| QUANTITATIVE MODELLING AND ANALYSIS | The optimisation of risk tolerance and risk retention strategies, supported later by comprehensive benchmarking to help make informed decisions about insurance program design. |
| RISK TRANSFER | Devising risk transfer options, including the placement of exploration, erection, construction and operation risks into the insurance market. Utilising captive programs and other alternative transfer strategies. |
| CLAIMS ADVOCACY AND MANAGEMENT | Full technical claims handling and advocacy support on complex and contentious claims. Claims handling services for below deductible losses. |

Our dedicated global mining practice of over 200 specialists has a deep understanding of the challenges inherent in the mining industry, drawn from its unrivalled experience with over 70% of the world’s mining companies.

SUPPORT SERVICES

CUSTOMISED BENCHMARKING
Helps clients make informed decisions about their insurance limits, coverage, risk retention, premium and deductibles.

CAPTIVE AND ALTERNATIVE RISK TRANSFER SOLUTIONS
Captive management and alternatives to traditional insurance.

MERGER AND ACQUISITION RISK SOLUTIONS
Managing risks involved with investing in or divesting of mining assets.

MANAGEMENT OF ENVIRONMENTAL RISKS
Protecting an operation against losses arising from environmental disputes and incidences.

INCIDENT RESPONSE AND CRISIS MANAGEMENT
Effectively responding to a major business interruption to protect the ongoing resiliency of a mining project and its output.

WORKERS’ COMPENSATION AND OCCUPATIONAL HEALTH AND SAFETY
Solutions to maximise the efficiency and reduce the cost of workers’ compensation programs, while ensuring best-in-class safety and protection of workers.

PROPERTY RISK ENGINEERING
Minimising the risk of damage and interruption at a mine site and production of Property Underwriting Reports.

FORENSIC ACCOUNTING SERVICES
Business interruption and pre-loss reviews. Claims preparation for optimal financial recovery after a major loss.

MANAGING POLITICAL RISKS
Protection against a host of political risks faced by mining operations in foreign jurisdictions that might have a high sovereign risk exposure, thereby reducing investment risk.
For more information about mining and other solutions from Marsh, visit marsh.com, or contact your local Marsh representative.

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