IFC TO INVEST US$60M IN SIERRA RUTILE

GANGAMA EXPANSION COMMISSIONED

SIERRA RUTILE CLINIC RECEIVES MAJOR UPGRADE

DEVELOPING OUR LEADERS AND MANAGERS

INVESTING IN EDUCATION
Sierra Rutile Limited

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ON THE COVER
The Gangama DM2 expansion project was commissioned in May 2019

Sierra Rutile, a subsidiary of Iluka Resources, is a multi-mine operation located in the Bonthe and Moyamba districts, south west Sierra Leone.

Sierra Rutile has the world’s largest natural rutile deposit and encompasses two mines, Lanti and Gangama, a mineral separation plant and a dedicated port facility. Sierra Rutile’s primary product stream is natural rutile. The operation also produces smaller quantities of ilmenite and zircon in concentrate.

Sierra Rutile provides world-class mineral products to the global marketplace, with end-use applications that are part of everyday life. From paint to aeroplanes; sunscreen to smartphones, Sierra Rutile’s products are present in pigments, ceramics, titanium metal, catalytic converters, fuel cells, water purification and fibre optics.
Welcome to the first edition of our new Sierra Rutile newsletter. With an operating history spanning more than 50 years, Sierra Rutile is one of Sierra Leone’s oldest and most storied companies, enjoying a strong affinity with the country and its communities. At the heart of Sierra Rutile is our people.

Putting our people first

Sierra Rutile has undergone several evolutions since its inception in 1967. The most recent of these was its merger with Iluka Resources in December 2016. Since then, we have dedicated significant financial resources to developing the skills of our people and improving the health and safety of our employees and contractors.

This dedication is critical as we deliver a series of expansion projects and developments to ensure our proud history in Sierra Leone continues over the coming decades.

To promote education in the communities around our operations and in support of the government’s Free Quality Education drive, Sierra Rutile is investing in a number of programmes. In this edition, read about the reintroduction of the Sierra Rutile Educational Scholarship; improving the skills and employability of graduates from the Jackson and Devon Anderson Technical Institute; and upgrades to the Ruby Rose Educational Resources Centre.

We have also dedicated considerable resources to improving health, environmental and community development outcomes, including major upgrades to service and equipment at Sierra Rutile’s Mobimbi Clinic.

A year of transition

2019 is year of transition for Sierra Rutile as we expand existing operations to double production capacity at Lanti and Gangama. The company has invested over $70 million over the past 18 months to achieve this.

Our priority is to deliver on the substantial programme of capital investment and expansion we have in front of us. I am pleased with the improvements and enhancements to current operations that have occurred over the past two years. The task now is to build on this momentum and deliver on operational performance and expansion targets.

We have made progress this year and I commend the project teams for delivering the Gangama expansion project and the successful repurposing of the historic Payne dredge from the Lanti wet mine.

IFC investment to support mine expansion and community development

I am pleased to report that Iluka Resources signed a partnership agreement with International Finance Corporation for investment into the Sierra Rutile operation. The partnership will provide benefits to Sierra Rutile, IFC and the people of Sierra Leone by promoting the continued, sustainable development of the operation.
IFC TO INVEST US$60M IN SIERRA RUTILE

Sierra Rutile and its local communities are set to benefit from a US$60 million investment into the Sierra Rutile operation by International Finance Corporation (IFC).

IFC and Sierra Rutile’s parent company, Iluka Resources Limited (Iluka), officially signed an agreement in a ceremony held in Freetown to commence a strategic partnership in relation to our operation.

IFC only enters into investment partnerships with companies that demonstrate high levels of corporate governance and sustainability performance. This includes strong health and safety, anti-bribery and corruption and environmental management outcomes.

ICF will initially invest US$20 million for a 3.57% stake, with a further investment of US$40 million to increase its stake to 10% to occur if or when Iluka approves the construction of early works for the Sembehun project. The Sembehun deposits comprise more than 70% of Sierra Rutile’s remaining ore reserves and development of Sembehun has the potential to extend the life of Sierra Rutile’s operations significantly.

IFC will also work with Sierra Rutile to increase its positive impact on local communities. A three-year advisory services agreement between IFC and Sierra Rutile will help the mining company implement a new community investment and engagement strategy, improve the transparency and use of community-managed mining revenues, and develop a women and youth social and economic empowerment programme.
IFC’s global expertise in sustainable community initiatives will strengthen local economic development including women and youth opportunities. It will enable close collaboration and alignment on areas of mutual interest, including capacity building, skills enhancement, infrastructure, and community development.

“IFC’s investment in Sierra Rutile Limited highlights our long-term commitment to the private sector in countries recovering from conflict and has the potential to generate thousands of local jobs and millions in government revenues.”

- Lance Crist, IFC Global Head of Equity

About IFC

IFC is a sister organization of the World Bank and member of the World Bank Group, which is the largest global development institution focused on the private sector in emerging markets. IFC work with more than 2,000 businesses worldwide, using its capital, expertise and influence to create markets and opportunities in the toughest areas of the world. In fiscal year 2018, IFC delivered more than $23 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity.

About Iluka

Sierra Rutile merged with Iluka in December 2016. Based in Australia, Iluka is an international mineral sands company with over 60 years’ experience and expertise in exploration, development, mining, processing, marketing and rehabilitation. Iluka is investing substantially in Sierra Rutile and plans to increase production levels.
Sierra Rutile undertook to double the production capacity at its Gangama operation from 500mtph to 1,000mtph through the construction of a second processing plant.

The DM2 expansion project was commissioned in May and involved building a second plant, introducing a second mining fleet and training new operators.

DM2 is the first major expansion project undertaken by Sierra Rutile since it was acquired by Iluka Resources. The performance of the plant exceeded expectations with a quicker than expected ramp up in terms of run time and throughput, resulting in budget savings. Contractor DRA Global built the plant and it was pleasing there were no major safety incidents throughout the commissioning.

In addition to building the plant, a second mining fleet was delivered. The new operator team practiced their skills on a Volvo simulator, which provided immersive training prior to commissioning.

The successful delivery of the project was testament to good operational readiness planning. The safe commissioning of a second mining fleet is a notable achievement, particularly given the mining fleet had new operators with little experience. It is a credit to the team and training programme. “

– Keith Prentice, Project Manager.

The DRA team in front of the new plant.
The Lanti dry mine has been a hive activity this year with the DM1 expansion project. Skills development has been a key focus at the Lanti operation to increase plant availability and overcome challenges associated with the complexity of tasks. A full skills assessment has been undertaken for the maintenance teams including boiler makers, electricians and fitters. Employees are benefiting from raising their skills competencies through a buddy training method.

Earlier this year, the floating concentrator was repurposed from the Payne dredge. The concentrator was beached, relocated and reconditioned to double the capacity at Lanti. Careful planning and team work across the project and operations teams, together with specialised contractors, helped to realize both capital and operational cost savings.

“The concentrator project was delivered well within the timeframe and without safety incident. Congratulations to everyone who contributed to the successful beaching operation, a unique engineering feat truly to be proud of.”

- Stehan van der Post, General Manager Projects

The Lanti operation is undertaking no less than 46 projects as part of the DM1 expansion, with the aim of increasing production by 50%.

1. To beach the concentrator, the team constructed dam walls into the dredge pond, effectively creating a channel, and prepared a stone pad for the concentrator to be landed upon.

2. The floating concentrator was positioned within the channel.

3. A coffer dam was created by building a third wall and enclosing the area behind the concentrator. The water level was raised and the concentrator carefully guided onto the site of the stone pad.

4. The team lowered the water level by pumping water back into the dredge pond, leaving the concentrator to rest on the stone pad.
SIERRA RUTILE CLINIC RECEIVES MAJOR UPGRADE AND SERVICE IMPROVEMENTS

Advances in medical technology are providing better health outcomes for patients every year. Sierra Rutile’s Mobimbi Clinic has received equipment upgrades to deliver high quality health care to our employees and their dependants.

- A portable ultrasound has been installed for antenatal screenings and emergency presentations. Local employees at all levels have been trained in the use of the device to ensure the equipment is available 24 hours a day.
- A 12-lead electrocardiography monitor and an automated defibrillator have been installed for identification of cardiac irregularities and autoregulation for patients found to be in cardiac distress. Additional devices will be deployed at strategic locations and additional training provided.
- An Optika B290-TB series laboratory microscope with a digital display and a Pentra 200 blood analysis machine will aid diagnostic procedures.
- Clinic room upgrades and the addition of a kids corner has improved the flow and service for patients with children.

In addition to infrastructure and equipment improvements, Sierra Rutile provides an ongoing training programme and resources to the health care personnel to improve the quality of care and service. This year, Sierra Rutile appointed additional qualified personnel including a Practice Manager; a Chief Medical Officer; four Advanced Life Support Paramedics; an Administrative Assistant; a Community Health Nurse and a Ward Officer.

To improve the efficient running of the clinic, a patient waiting-time reduction strategy has been implemented which has reduced the average wait time by 90 minutes. Efficiencies to reduce waiting times include providing injectable medications on first consult and pairing doctors and nurses in a single examination room. Along with the ongoing triage practice and the prioritization of employees over dependents, staff are being released from the clinic back into their operational roles more quickly than before.

**Faster medical response and support across the entire operation**

A major challenge for the clinic’s health care professionals is providing rapid care to employees across the remote and wide footprint of the operation. To overcome this, Sierra Rutile has supplied the clinic with two fully fitted ambulances for operational emergencies and emergency transfers. The ambulances are operated by highly trained, qualified paramedics who can promptly dispatch from two strategic locations.
INFECTIOUS DISEASES REDUCED

Sierra Rutile’s preventative health campaigns have successfully reduced the impact of infectious diseases. Evidence indicates a 32.5% reduction in malaria and a 2.35% reduction in typhoid compared to the same period last year.

HEALTH PROGRAMME EXPANSION

At Sierra Rutile, the health and safety of our people is at the heart of everything we do. The EHS team have focussed on delivering training and health promotion programmes, and implemented significant improvements to equipment and resources with excellent results.

Plans are underway to expand the scope of health promotion programmes to target exercise, nutrition, smoking cessation and stress management. Further programmes will also target reproductive health, planned parenthood and sexually transmitted diseases. Other improvement initiatives include the introduction of “Health Worker of the month” as a way of increasing staff engagement.

LIFE SAVING COMMITMENTS SAFETY CAMPAIGN

Sierra Rutile strives to maintain a fatality-free workplace and minimise the severity and frequency of injuries. The Environmental Health and Safety (EHS) team developed the Life Saving Commitments campaign after evaluating the fatality risks across the sites. The campaign involves training and materials designed to make employees aware of the top risks on Sierra Rutile sites, such as working at heights and confined space entry.

The Life Saving Commitments campaign was launched at the monthly Leadership Team meeting. Sierra Rutile’s leadership embraces workplace safety and generated their own personal safety commitments from the session.

The campaign has been rolled out across the business with banners and posters installed at strategic locations across the mine. The banners and posters explained key risks and what employees can do to keep themselves and others safe at all times.

Weekly departmental toolbox meetings have been assigned topics by the EHS team for discussion on how to maintain a safe and fatality-free workplace.

HEALTH WORKERS OF THE MONTH

Q2 2019

April
Christian Amara, Ward Officer

May
Hannah Tibbie, Midwife

June
Sattu Goba, Shift Nurse
RAFFIA PALM REHABILITATION TO PROVIDE ECONOMIC BOON TO COMMUNITY

The economic and social benefits of raffia palm are diverse. It is used in local roofing material, local basket and fishing material, ceilings of building, local mats and more.
The Rehabilitation team has successfully introduced the raffia palm (*Raffia vinifare*) species to its rehabilitation planting plan for the first time. Community feedback during the Area 1 Environment, Social, and Health Impact Assessment emphasised the high economic value of this tree species.

Among other things, raffia palm fronds provide a locally important roofing construction material. They are also used to manufacture baskets, fishing nets, ceiling tiles and sleeping mats. While raffia palm is one of the most desired economic trees, it was not previously included in the planting plan due to difficulties with seed germination.

Sierra Rutile’s nursery team, led by Superintendent Hadji Massaquoi and Supervisor Magnus Sandy, undertook a preliminary trial of seed treatment methods. Initial results yielded 760 raffia seedlings, which will be ready to plant in 2020.

Local Section Chief of Kahekay, Chief Alfred Tuayemie, commended Sierra Rutile’s rehabilitation team for this early success.

In September 2019, Hadji Massaquoi will spend a week with seed collection and germination experts at Iluka’s Western Australian rehabilitation site in Eneabba. The stay is as part of a three week education programme which will continue to build knowledge and improve the quality and success of Sierra Rutile’s rehabilitation practices.

“Congratulations to the rehabilitation team, led by Superintendent Hadji Massaquoi and Supervisor Magnus Sandy, on the first successful germination of this valuable species.”

– Laura Vedral, Rehabilitation Manager
MEET DR TAMBA MANYEH

Chief Medical Officer, Sierra Rutile

Dr Tamba Manyeh joined Sierra Rutile on 1 April 2019 as Chief Medical Officer.

After completing a Bachelor’s degree in Biological Sciences, Dr Manyeh achieved a Bachelor of Medicine and Surgery degree at the College of Medicine and Allied Health Sciences. He took great interest in public health branches related to research; emergency preparedness and response; and infectious diseases.

Dr Manyeh pursued the career development pathway for medical officers in Sierra Leone. He rotated through all the major disciplines at the main tertiary health care facilities in the country, culminating this experience in the Pediatric department of the renowned Emergency Hospital and Trauma Centre. During his broad professional experience, Dr Manyeh identified his preference for the discipline of clinical medicine.

During the Ebola epidemic, Dr Manyeh worked with the World Health Organization as a Surveillance Programme Officer attached to the Kambia District Field Office. He served with a multidisciplinary team of specialists that pooled efforts to eradicate the deadly virus from the district. Dr Manyeh worked closely with a team of doctors that collaborated on a ring vaccination clinical trial that saw the rollout of the RVSV-ZEBOV Ebola vaccine.

Dr Manyeh sees his move to Sierra Rutile as an opportunity to work with a larger population.

“I look forward to applying my experiences from postgraduate training and contribute to implementing strategies that focus on largescale health interventions including health care management, disease prevention and control, health promotion strategies and wellness campaigns that specifically target resource-limited communities.”

- Dr Manyeh, Chief Medical Officer

He has a wealth of knowledge working in multi-ethnic industrial settings and is driven by a passion to mould a career built on the pillars of leadership, teamwork and personal and people development.

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SIERRA RUTILE LONG SERVICE AWARDS 2019

Grant Ferey, General Manager – Services, said it was an honour to celebrate with employees who reached a significant service milestone in a special ceremony on 27 April 2019.
DEVELOPING OUR MANAGERS AND LEADERS

CTI, a leadership and management consultancy firm, was engaged in 2018 to identify, develop and implement learning and development programmes to support the leadership team at Sierra Rutile.

One of the initiatives being undertaken throughout 2019 is a series of leadership and development retreats for 38 middle and senior managers. Abu Bakarr A. Turay, IT Manager, found the retreat format was a good way to learn leadership skills.

“My key learnings from the retreat was that great leaders are those who coach, instead of direct; that respect must be earned; to prepare for change at any given time; and to tailor communication style to meet the needs of any given situation.”

- Abu Bakarr A. Turay, IT Manager

One-to-one executive coaching is also delivered as part of the leadership programme. A customized learning and development programme is being developed for supervisors and first line managers.

Joseph Morie Alpha
Mohamed Brima Sheriff
James Amadu
Elizabeth Smith
Christopher Thomas Barlatt
Lansana Vandy
Joe Charllay
Alfred George
David Conteh
Maurice Moses
Mohamed Momodu Dauda
Joseph Pessima
Patrick Dixon
Simeon Andrew Samuels
Musa Fillie
Robert Joseph Silma
Francis Johnson -Smith
Rosamond Forster
Kolombo Kargbo
Edison Sammah
Abu Kargbo
Pessima Lebbie
Francis Kpandeh
Thomas Mansaray
Amara Kpanabom
Dominic Nallo
Abdul Sesay

The ceremony marked the reintroduction of a system of long service awards to recognise people who have been employed by Sierra Rutile for 15 continuous years.

“Sierra Rutile values the contribution of all its employees. The award recognises the loyalty, commitment and skills brought by the awardees, which are key factors in the company’s success.”

- Grant Ferey, General Manager - Services
INVESTING IN EDUCATION

A partnership with Sierra Rutile and German Technical Cooperation (GIZ) is set to develop Jackson and Devon Anderson Technical Institute (JADA) into a state of the art vocational institute supporting the capacity development of community indigenes and Sierra Leoneans as a whole.

JADA will benefit from €438,000 expansion and development project jointly funded by Sierra Rutile, GIZ and JADA. The objective of the two-year project is to improve the skills and employability of technical, vocational education and training graduates of JADA located in mining communities. The “From Mines to Minds 2” project involves building the capacity of the institute in the area of infrastructure, curriculum development and the training of instructors.

The project was launched on 30 May 2019 at JADA campus. The ceremony was attended by the German Ambassador to Sierra Leone, Mr Wolfgang Wiethof; Sierra Rutile CEO, Rob Hattingh; government representatives in the area of education; and key local stakeholders.

Principal of JADA, Albert Harding said the institute was overwhelmed with the level of support given by Sierra Rutile and GIZ.

“Improving the skills of youths will enhance their potential. It will also improve on the human resource base of the mining communities,” Mr Harding said.

Sierra Rutile’s drive to improve the institute is part of its commitment to invest in skills training of Sierra Leoneans, especially those from surrounding operational areas. CEO Rob Hattingh said that education stimulates growth and investment in education benefits everyone.

“Sierra Rutile is proud to contribute to this project which will empower youth and see them not only fit for employment at Sierra Rutile, but at other companies across the country.”

- Rob Hattingh, CEO

Sierra Rutile will deliver the mechanical and electrical workshop infrastructure and training equipment. The building will be ready for the 2019/2020 student intake.

SIERRA RUTILE EDUCATIONAL SCHOLARSHIPS

The 2018/19 academic year is special for 56 recipients of the Sierra Rutile Educational Scholarship. 2019 marks the reintroduction of the scholarship programme, since the restart of operations in 2005. It signals not only Sierra Rutile’s commitment to education and support of the government’s Free Education Drive, but the opportunity for students to improve their educational outcomes and help improve their lives and the lives of those in the community.

The programme is an academic achievement-based scholarship awarded to junior and secondary school pupils who are indigenes of communities in the five mining chiefdoms.

The award is given to pupils who achieve results in the top 10% of the National Primary School Examination (NPSE), the Basic Education Certificate Examination (BECE) and the West Africa Senior School Certificate Examination (WASSCE).

Successful NPSE and BECE students each receive an annual educational and financial support of five million Leones, while those in the WASSCE category will receive a annual support of ten million Leones.

2018-2019 scholarship awards ceremony.
LOCAL SCHOOLS AND COMMUNITIES BENEFIT FROM UPGRADED RUBY ROSE EDUCATIONAL RESOURCES CENTRE

The Ruby Rose Educational Resources Centre (Ruby Rose) located near the Sierra Rutile site in Kpanguma, is an important facility that provides education and skills training opportunities for the surrounding communities and our employees. Over the last 12 months, the team at Sierra Rutile has been working on a range of programmes to upgrade the facility and significantly improve the quality and range of services the centre provides to the community.

Education

The library is currently utilised by approximately 70 pupils per day from 10 nearby schools. Students from an additional 28 schools outside the immediate area in Imperi, Lower Banta and Upper Banta chiefdoms in Moyamba and the Bonthe Districts, can also access a book exchange programme and utilise the facilities. The centre received a significant amount of stationery, books, games, sporting equipment and art materials donated by Sierra Rutile and Iluka.

Education is a major emphasis at Ruby Rose and is part of the national movement to improve education, not only for school children but also for adults. The recently completed adult learning centre can help to support adult education with literacy courses as well as other learning programmes, such as business and computer skills. As a major employer in the region, improved educational outcomes can also help to create a pipeline of talent for Sierra Rutile’s future workforce.

In order to have it fully compliant with local legislation, Sierra Rutile has funded the business registration documents with the Bonthe and Moyamba district councils.

Facilities to support the community

Work to fit-out a sea container as a computer lab with internet access for community and library use is near completion. Book cases and furniture for the computer labs were constructed by local carpenters. Sierra Rutile’s community programme will also provide a boost to the centre’s amenities, with a newly drilled bore-hole (pictured below) to provide fresh drinking water for visiting children, establishing a vegetable garden and have provided a water tank that will be regularly filled for use in the ablution block.

Educational scholarship award ceremony

CEO Rob Hattingh was honoured to present the awards in a ceremony at the Sierra Rutile plant site in November 2018. The ceremony was attended by chieftain stakeholders, district education officers in the Bonthe and Moyamba districts, beneficiaries and their parents.

The scholarships were awarded to 56 students within the mining chiefdoms. In addition, 45 scholarships will be awarded to Sierra Rutile employees’ dependents within the company’s mining communities.

At the ceremony, Mr Hattingh emphasized the importance of education and the company’s priority on education for children in the five mining chiefdoms.

He urged parents to use the scholarship in promoting and supporting the education of their children. With quality education, scholarship recipients could gain employment both within and outside Sierra Rutile.

“My dream as CEO is to see a Sierra Leonean and an indigene of the mining community attain the position of Chief Executive Officer of Sierra Rutile in the future. This dream could only be realized if the mining communities emphasise quality education.”

- Rob Hattingh, CEO

Hon. Alice Kumabeh-Domingo, Member of Parliament representing constituency 092, commended Sierra Rutile’s management for the programme.

“This is a laudable venture. One of the key challenges in mining communities is the lack of education. The scholarship programme will create competition among pupils in the mining chiefdoms. With this opportunity, parents and pupils will be inspired to take education seriously,” Ms Kumabeh-Domingo said.
We welcome our employee’s feedback and suggestions for future stories in the newsletter.

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