

PRESS RELEASE

QUARTERLY INFORMATION AS AT JUNE 30, 2019

- ▶ **Significant drop in metal prices notably for cobalt, copper, zinc & silver**
- ▶ **Notable increase in production of silver, of gold at Manub & cobalt at the end of June 2019 vs the previous period**
- ▶ **Continued progress in developing the Group's strategic projects**

Q2 2019 SALES DATA

IN MDH	Q2 2018	Q2 2019	H1 2018	H1 2019
Turnover	1 230	1 201	2 474	2 160

Turnover at the end of June 2019 totaled 2 160 MDH down by 13% compared to the first half of 2018.

Key factors of note:

- ▶ A significant drop in international metal prices: Cobalt -62%, Zinc -16%, Copper -11%, Silver - 9% and Lead -20%.
- ▶ Recovery in SMI operations generating a 35% increase in silver production
- ▶ Significant increase in Manub gold production following start up of 2400t capacity extension in Sudan
- ▶ Major increase in Cobalt production (+36%) due to increase in secondary raw material capacity treatment

H1 2019 BALANCE SHEET DATA

IN MDH	31.12.18	30.6.19
Net Debt*	2 792	3 517**

- ▶ Net debt stood at 3 517 MDH up 725 MDH, as a consequence of the momentum of the Group's investment programme, the acquisition of the additional stake in Tri-K and the impact of IFRS 16 with the inclusion of operating lease contracts.

IN MDH	Q2 2018	Q2 2019	H1 2018	H1 2019
CAPEX*	339	345***	637	798**

- ▶ CAPEX totaled 798 MDH of which 30% relates to new development projects.

* IFRS

** includes the impact of the IFRS 16 for operating leases, effective 1.1.2019

***excludes impact of IFRS 16

MAIN H1 2019 ACHIEVEMENTS

In the first half, significant progress was made in developing the Group's strategic projects

- ▶ Start up of Sudan production extension in February 2019 following completion of all engineering, construction, assembly and commissioning.
- ▶ Completion of commissioning tests at SMI's dike treatment plant
- ▶ Acquisition of an additional 30% stake in the JV partnership with Avocet Mining, taking Managem's stake to 85% in SMM (Société Minières de Mandiana)
- ▶ Launch of Tri-K project financing programme in Guinea as well as the different due diligence studies
- ▶ Launch of the feasibility study for the Tizert copper project.

About Managem

Managem is a private mining operator, listed on the stock exchange. Since its creation in 1930, it has developed expertise in the entire mining value chain, from exploration and extraction to the commercialization of minerals. Today, Managem, an international Group with a presence in nine countries, employs nearly 6,000 people. It is recognized as a leading operator on the African continent. To this end, it provides all its know-how in the severest respect of international standards and local regulations, in order to ensure the positive impact of its activities over local economies and populations.

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