

# Fوسفatos del Pacífico



# Disclaimer



This report contains forward-looking statements. These statements are based on the management's current view, third party analysis and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial conditions, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of the management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on various assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause future results to differ materially from current expectations.

# Fosfatos del Pacifico Overview

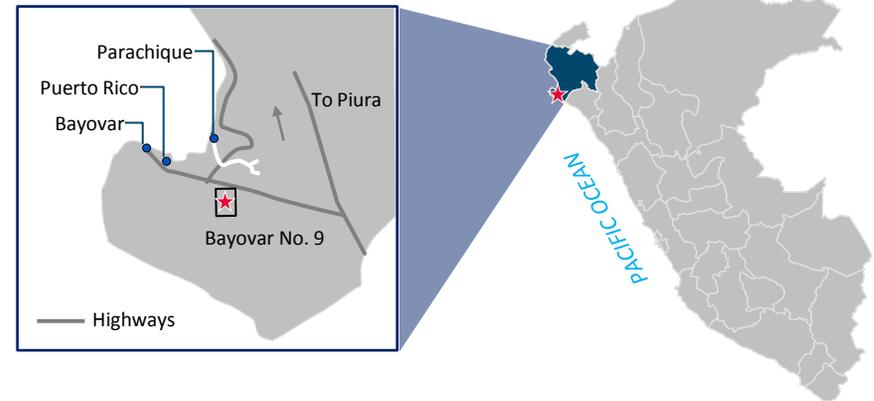
## Phosphate Rock Project in Northwestern Peru



### Project Overview

- Diatomite concession in the Bayovar 9 area, located in the North coast of Peru, with significant deposits of phosphate rock
- Phosphate mine will be developed as a multi-layer, open pit mine, using continuous and conventional mining methods
- Expected production of 2.5 mm concentrate MT/year of phosphate rock at 30.4% P<sub>2</sub>O<sub>5</sub>
- Certified reserves of 108.1 mm MT (NI 43-101/JORC) with an average P<sub>2</sub>O<sub>5</sub> content of 17.8%
  - Life of Mine (LOM): 20 years
- Potential to significantly increase LOM: certified resources of 546.1mm MT (NI 43-101/JORC) with an average P<sub>2</sub>O<sub>5</sub> content of 18.2%
- Strategic partnership with Mitsubishi Corporation to develop Fosfatos del Pacifico:
  - Ownership: Cementos Pacasmayo (70%) and MCA Phosphates (30%)<sup>(1)</sup>
  - Mitsubishi Corporation entered into a 20 year off-take agreement for a minimum of 2.0 mm MT/year, with the option of purchasing additionally 0.5 mm MT/year

### Location



### Key Highlights

Partnership with Leading Firms to Ensure Project Quality

1



Efficient and Cost-Effective Production Process

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Board of Directors

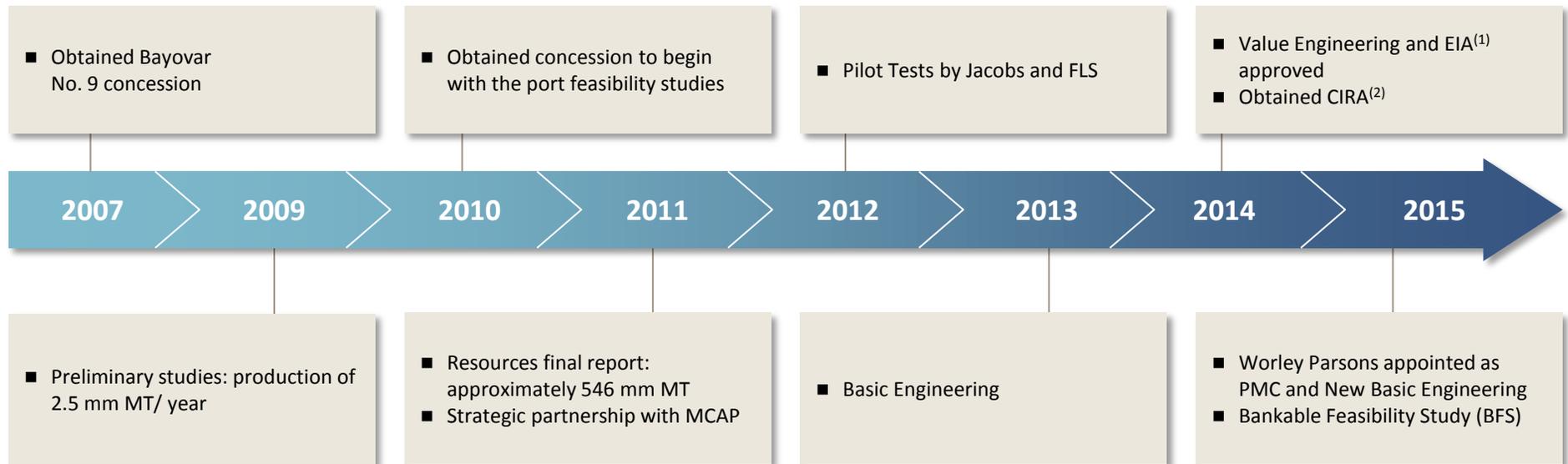
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# Project Timeline

## Engineering Studies and Feasibility Study Completed



### Key Milestones

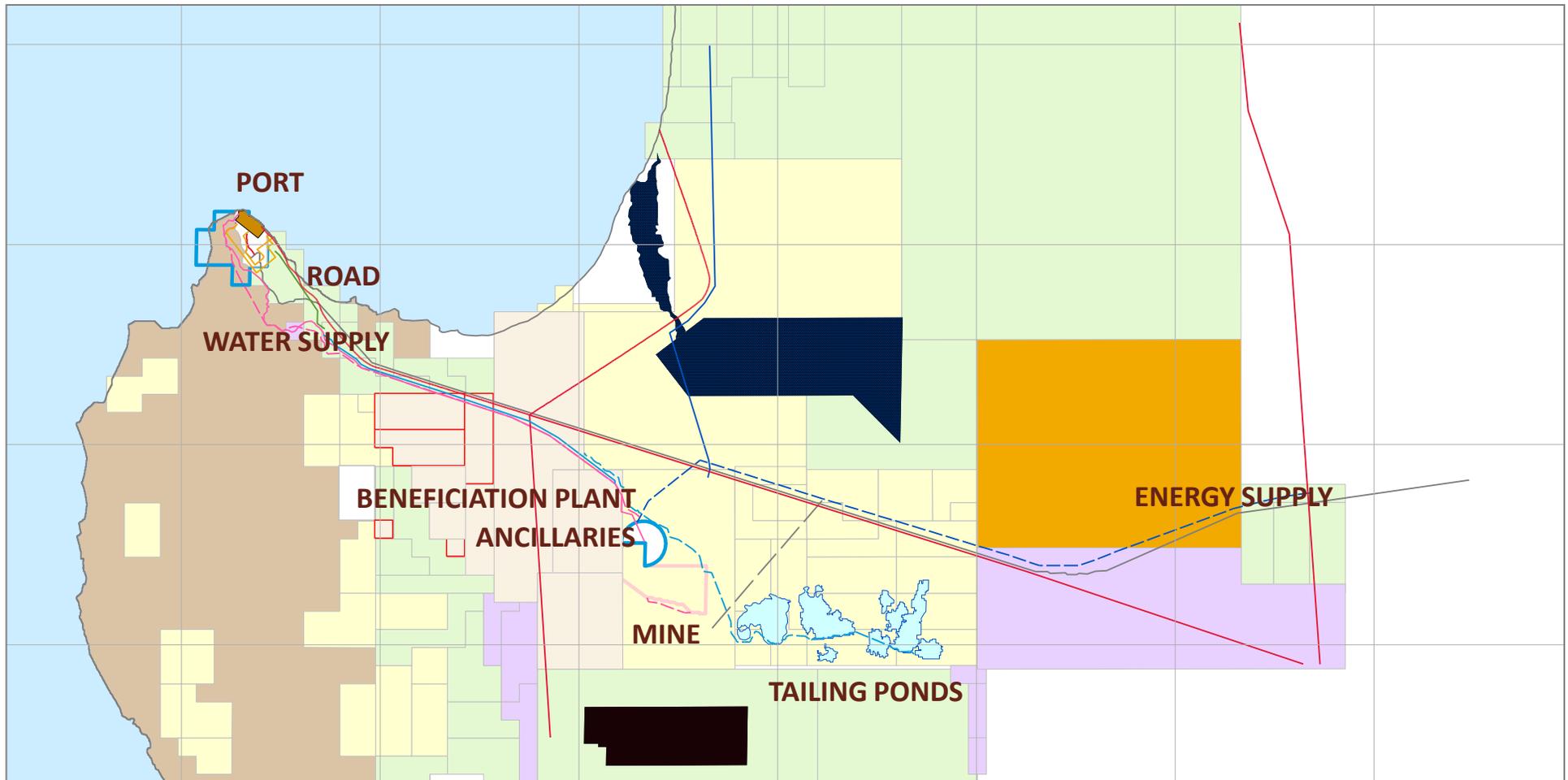


### Relevant Permits and Licenses Already in Place



- ✓ Definitive use of the aquatic area for the construction and operation of the port for 30 years - DICAPI
- ✓ Environmental Impact Studies approved in March 2014
- ✓ Certificate of Inexistence of Archaeological Remains approved in August 2014
- ✓ Onsite Laboratory certified as Overseas Member of the Association of Fertilizer and Phosphate Chemists and with ISO 9001

# Project General Layout



*Access to the site of Bayovar 9 Mine from Piura is via the Pan American Highway for approx. 110 km then westward for 30km on a local paved road connecting the Pan American Highway to Bayovar*

LEGEND	
	FOSPAC/CPSAA Concession
	Public Road
	Miskimayo Concessions
	Tailing Ponds
	Other Concessions
	Transmission Line

# Partnership with Leading Firms to Ensure Project Quality

Operational Excellence Achieved by Use of Cutting-Edge Technologies and Services Agreements with World-Class Contractors



**Fosfatos del Pacífico**

## World-Class Contractors

## Cutting-Edge Mining Equipment

*Fosfatos del Pacífico hired WorleyParsons as the Project Management Consultant to supervise and integrate the development of all Basic Engineering Packages*

Metallurgical Tests	Geological Model	Basic Engineering Mine & Tailing Ponds		Basic Engineering Beneficiation Plant	Basic Engineering Port	Basic Engineering Power & Water Supply				
 		Mine  	 		 	Tailing Ponds 				
Value Engineering	PMC	Basic Engineering Update								
  		Mine 	Beneficiation Plant  	Port   	Power Supply  Water Supply   Road 					



Bucket Wheel Excavator



Scraper and Dozer



Surface Miner

## Experienced and Well-Known External Advisors

### Henry Lamb

- ✓ Over 30 years of experience in phosphate and potash mining
- ✓ Technical advisor to several global companies in phosphate rock projects (Agrifos, Ma'aden, etc)

### Glenn Gruber

- ✓ Over 45 years of experience in mining engineering
- ✓ Has held senior management positions in Jacobs Engineering and Zellars-Williams

### Edmund Finch

- ✓ Over 45 years of experience in mining engineering
- ✓ Self-employed consultant for the last 35 years primarily in the Phosphate Industry

### Garry Pigg

- ✓ Over 30 years of experience in phosphate and potash mining
- ✓ Has held senior management positions in IMC Global and Freeport-McMoRan

FOSPAC Advisors

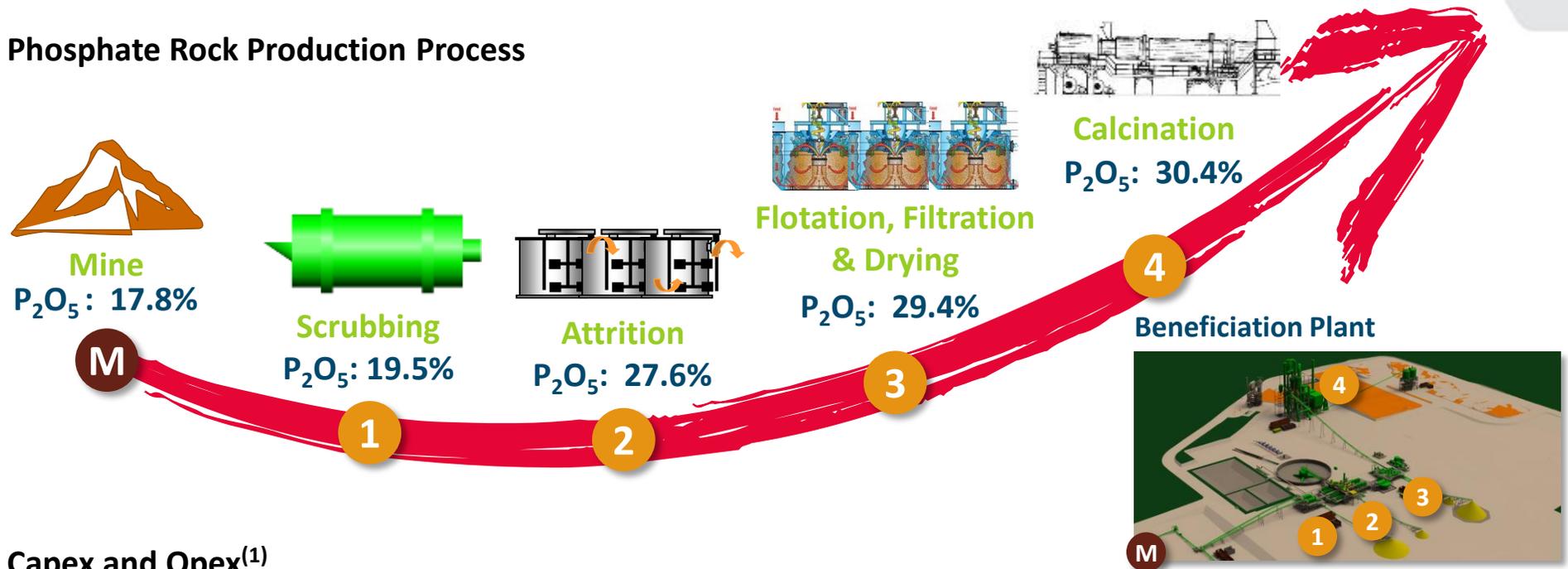
Mitsubishi Advisor

# Efficient and Cost-Effective Production Process

Four Step Process to Obtain a Product of up to 30.4% P<sub>2</sub>O<sub>5</sub>



## Phosphate Rock Production Process



## Capex and Opex<sup>(1)</sup>

### Construction Capex (US\$mm)

- |                       |                        |
|-----------------------|------------------------|
| <b>1 Direct</b>       | <b>2 Indirect</b>      |
| ✓ Mine                | <b>3 EPC &amp; PMC</b> |
| ✓ Beneficiation Plant | <b>4 Contingency</b>   |
| ✓ Tailing Ponds       |                        |
| ✓ Water Supply        |                        |
| ✓ Energy Supply       |                        |
| ✓ Port                |                        |
| ✓ Road                |                        |



### Opex (US\$/MT)

- |                       |                         |
|-----------------------|-------------------------|
| <b>1 Direct</b>       | ✓ Payroll & adm exp.    |
| ✓ Mine                | ✓ Mine closure          |
| ✓ Beneficiation Plant |                         |
| ✓ Tailing Ponds       | <b>2 Indirect</b>       |
| ✓ Water Supply        | <b>3 Other expenses</b> |
| ✓ Energy Supply       | <b>4 Depreciation</b>   |
| ✓ Port                |                         |
| ✓ Road                |                         |



# Board of Directors



## Board of Directors of Fosfatos del Pacífico

Name	Title	Age	Other Affiliations	Previous Experience
<b>Roberto Dañino</b>	Chairman	65	Vice Chairman of Cementos Pacasmayo and Hochschild Mining	Former Prime Minister of Peru and Ambassador of Peru to the United States
<b>Eduardo Hochschild</b>	Director	52	Chairman of Hochschild Mining and Cementos Pacasmayo	Joined Hochschild Mining in 1987, becoming Chief Executive Officer in 1998 and Chairman in 2006
<b>Humberto Nadal</b>	Director	52	Chief Executive Officer of Cementos Pacasmayo	Former Chairman of Fondo Mi Vivienda
<b>Raimundo Morales</b>	Director	69	Vice Chairman of Credicorp and Banco de Credito del Peru and Director of Cementos Pacasmayo and Alicorp	Former Chief Executive Officer of Banco del Credito del Peru
<b>Takahiko Nishitani</b>	Director	51	General Manager of the Fertilizer Division at Mitsubishi Corp. and Director of MCA Phosphates and other Mitsubishi's subsidiaries	Several management positions in Mitsubishi Corp.

# Fosfatos del Pacifico – Project Overview

## Key Development Milestones



**Fosfatos  
del Pacifico**

