



International Manganese Institute

CHAIRMAN'S ADDRESS

as prepared by Marco Mendonça

IMnI 35th ANNUAL CONFERENCE

Madinat Jumeirah Hotel, Dubai
Tuesday, June 9, 2009



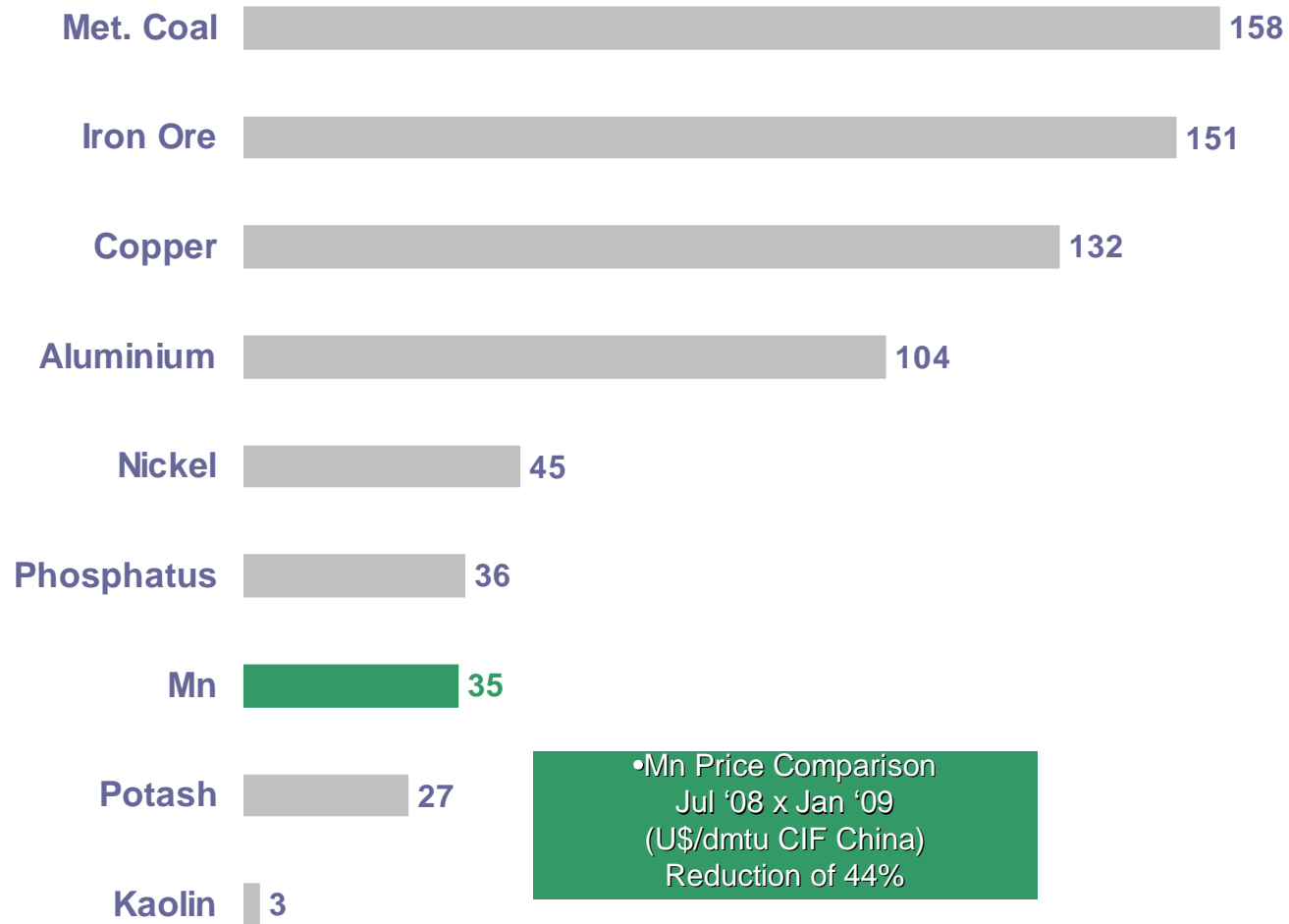


Points to be Covered:

- Manganese Market Size
- Steel Production Forecast 2000-2011
- Distribution of Global Mn Alloy Production
- IMnI's role going forward



*2008F - Manganese Market Size – in US\$ billion



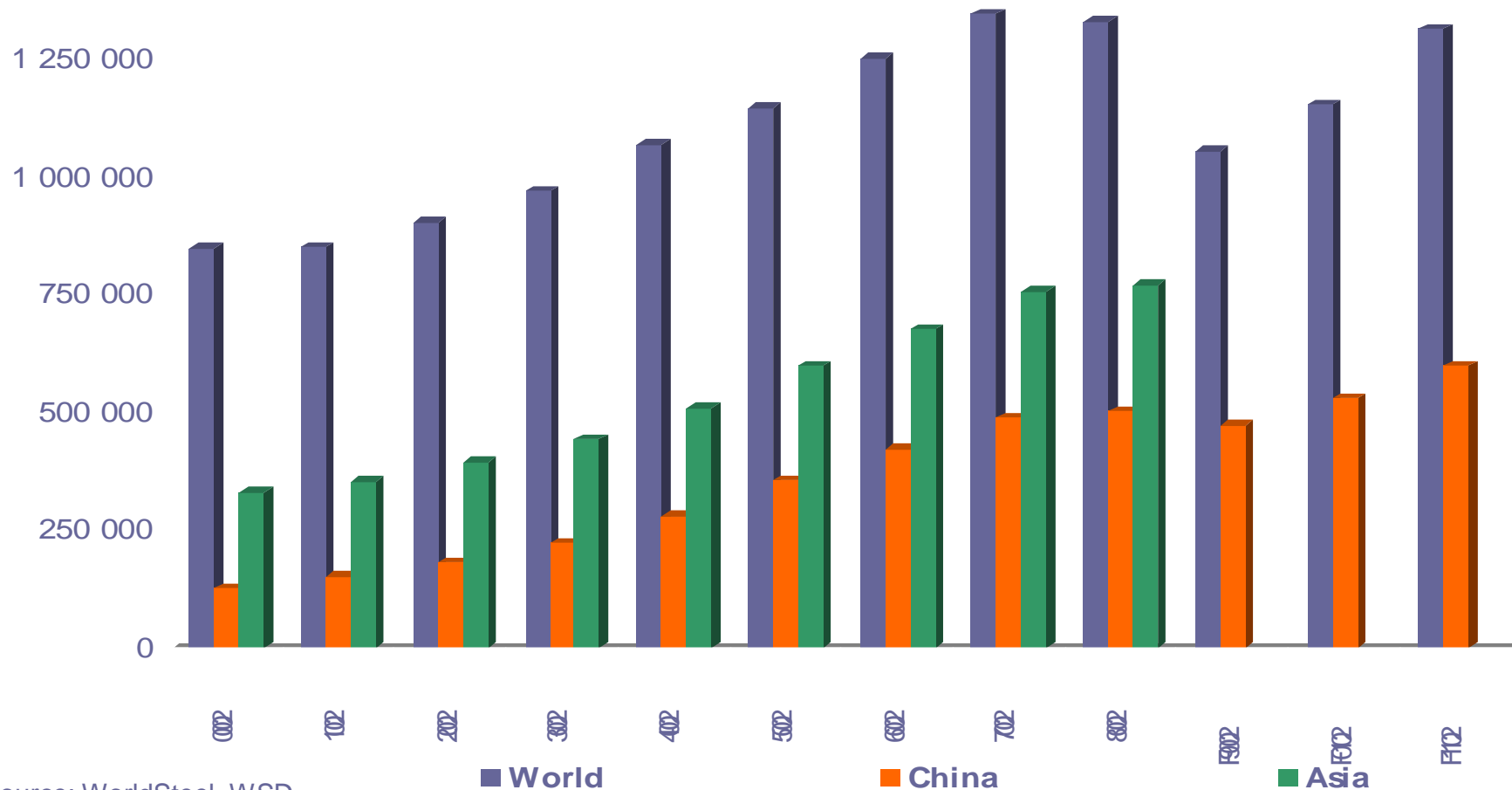
*Forecast made on July 2008 – Vale



Steel Production Forecast 2000 - 2011

000 mt
1 500 000

*Asia accounted for 39% of global production in 2000 versus 58% in 2008...
WSD forecasts that China alone will account for 46%, in 2011.*



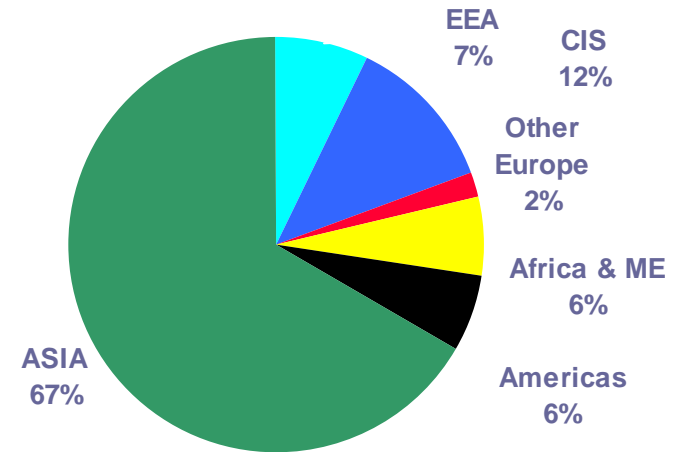
Source: WorldSteel, WSD



Global Mn Alloy Production is Fragmented

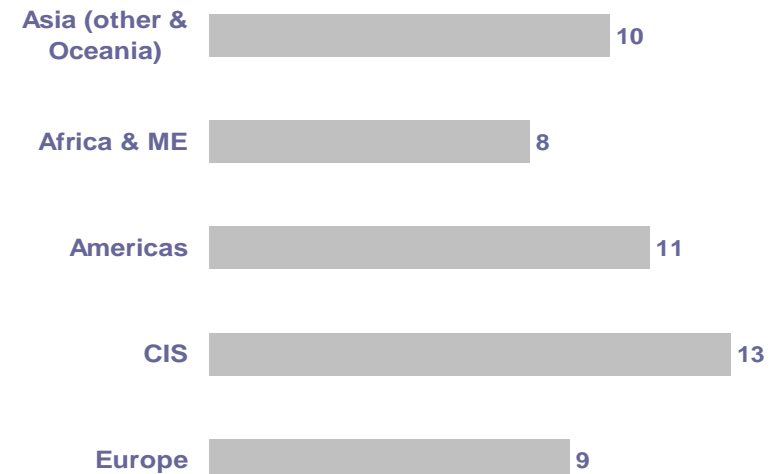
**Market Share is Concentrated in Asia –
13.5 million mt in 2008**

- Overall, ASIA accounted for 67%
- China alone accounted for 51% - 6.9 mln mt
- India accounted for almost 8% - over 1 mln mt



Industry Highly Fragmented

- In a given region there tends to be around 10 or so producers of differing size and market share
- China and India (excluded on the right), however, are much more fragmented
- China producers > 100 companies
- India producers > over 60 companies





Summary of Steel & Mn Industries:

- The Mn industry is a major 35 billion US\$ industry – close to that of Nickel.
- Growth in steel production has come from Asia (primarily China) and the Mn industry has followed this same trend.
- The Mn industry is fragmented, with many players of differing sizes – this is particularly true for China and India.



Steel Uncertain but Push for “Green” Inescapable

- Sustainability Issues will continue to be a priority for regulators globally
- After REACH, we see other countries/regions getting ready to implement similar regulations: Global Harmonization System (UN worldwide), Champ (US Chemical Risk Assessment)...
- Also, other issues of growing importance, include: CO2 emissions and carbon trading, recycling & environmental priorities, as well as worker health & safety concerns



IMnI's Role Going Forward:

- The IMnI must increasingly strive to become a centre of excellence and mirror the size and importance of the industry.
- Increasing membership in Asia should be one of its primary goals, so as to reflect the reality of the industry but also to create a level playing-field for all committed companies.
- IMnI could be a centre for coordinating and pooling resources to oversee projects regarding **sustainability**, i.e. dust or slag studies etc., as well as actively encourage research on **new applications** for Mn, such as high strength steels, new Lithium-ion Mn batteries and other opportunities.



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Thank you!