



Experts in global  
mining risk and insurance  
Capability Profile



Insurance | Risk Management | Consulting





# Industry experience fuelled by our competitive edge

Gallagher is a global mining specialist providing bespoke solutions to protect a diverse range of mining organisations. Our team has successfully placed complex risks and provided insurance solutions for over 40 years.

Every mining company, from junior explorers to producers, takes risks that are measured and well mitigated in order to be successful. There are, however, risks that are inherent in the mining sector that are more difficult to control. Our team has witnessed virtually every imaginable mining risk and it is our diverse experience that allows us to develop robust and tailored insurance and risk management solutions to protect your organisation.

From conventional insurance programs to highly complex alternative risk financing and captive structures, our team has the experience and expertise to match the solution to our client's needs.

## The Gallagher mining insurance service offering is based on

- understanding client risk and needs
- advocacy on risk improvement
- translation to the insurance market
- achievement of superior outcomes
- delivery by experienced, motivated personnel
- adhering to the highest standards of moral and ethical behaviour.

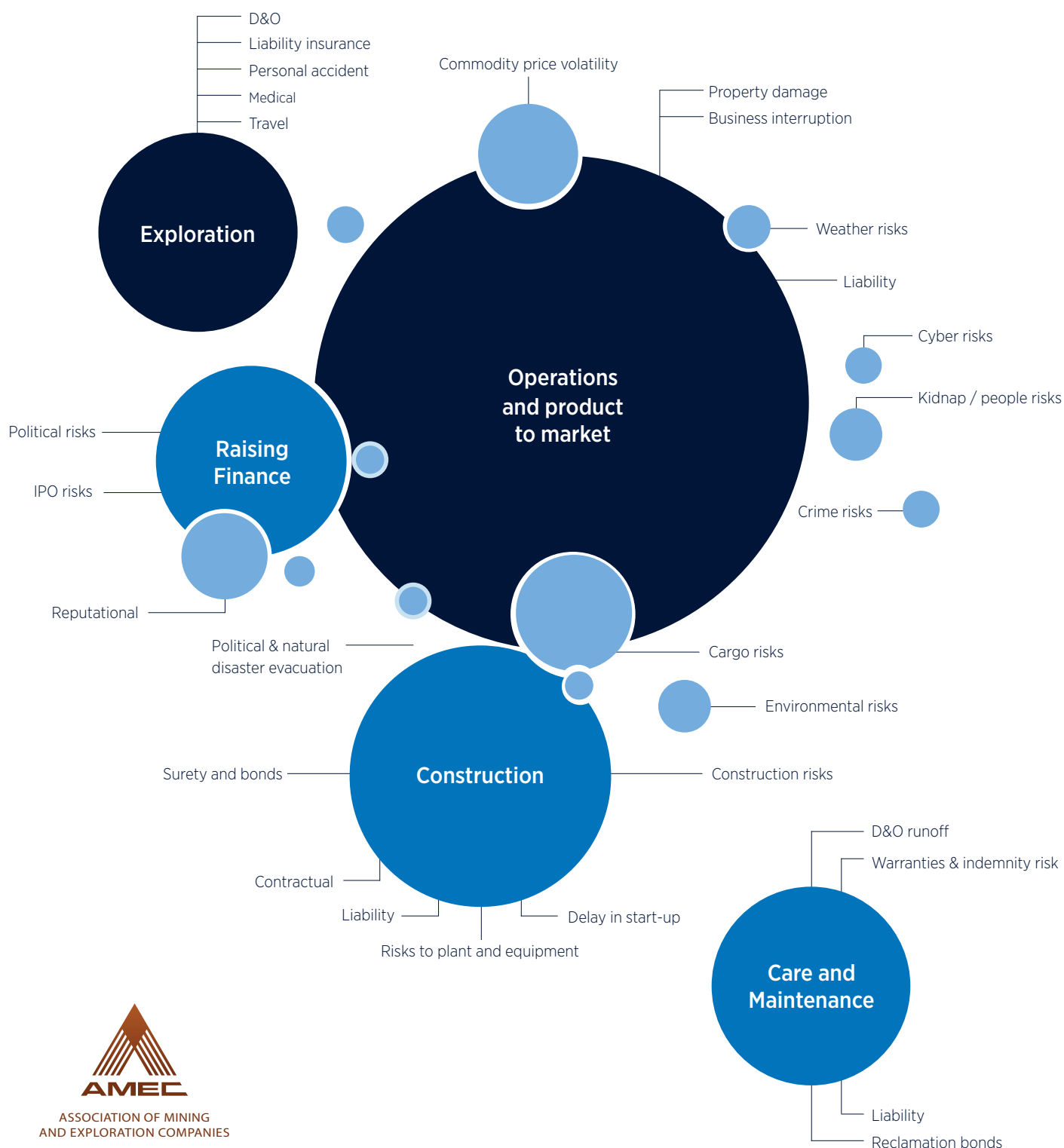
<p>Our Australian team works with</p> <h1>300+</h1> <p>ASX listed mining and exploration clients with operations, projects and investments across the globe.</p> 	<p>We service clients in</p> <h1>60+</h1> <p>countries.</p> 	 <p>strong emerging market expertise in Africa and South America.</p>	<p>Specialist risk, alternative risk transfer and captive consulting.</p> 
	<p>Only senior mining specialists manage our mining clients.</p> 	 <p>Work on a truly cross class basis and across the project lifecycle.</p>	<p>We consult to explorers, miners, contractors, traders and financiers.</p> 

*Award winning standards*  
Recognised as a world's most ethical  
company for seven years consecutively.



## Understanding client risk and needs

For over four decades, the Gallagher mining team has provided advocacy and solutions for mining opportunities and investments to manage risk at all stages of the project lifecycle.



ASSOCIATION OF MINING  
AND EXPLORATION COMPANIES

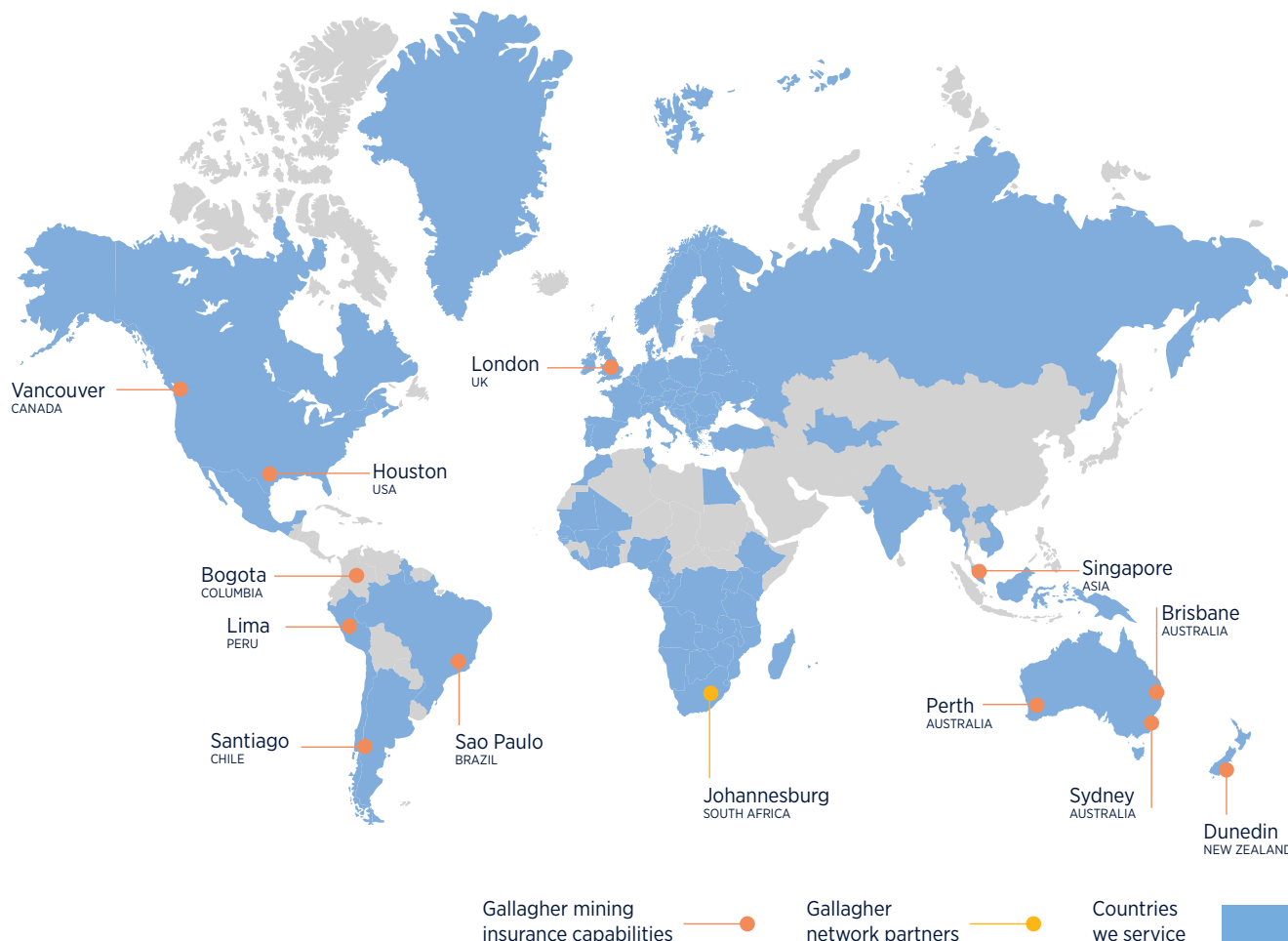
**2018 PARTNER**

### *Peak body endorsement*

For the past 12 years, Gallagher is the only insurance broker to be endorsed by the Association of Mining and Exploration Companies (AMEC).

# We are where our clients need us

Gallagher mining team stretches from Australasia, Europe and the Americas through to our extensive experience in Africa and South America. We have experts in the world's leading mining financial centres and regional networking brokers that provide local service at the mine site. We offer local service with global reach, for accessing international insurance markets.



## Africa

Angola • Botswana • Burkina Faso • Cameroon • Congo-Kinshasa  
Cote d'Ivoire • Egypt • Ethiopia • Gabon • Gambia • Ghana • Kenya  
Lesotho • Liberia • Madagascar • Malawi • Mali • Mauritania • Mauritius  
Morocco • Mozambique • Namibia • Nigeria • Niger • Senegal  
Sierra Leone • South Africa Swaziland • Tanzania • Uganda  
Zambia • Zimbabwe

## South America

Brazil • Peru • Chile • Argentina • Guyana

## Trusted by the industry

Gallagher provides insurance to **more than 300** of Australia's publicly listed mining and exploration companies.

**25+**  
Diverse commodities,  
from gold to uranium



**60+**  
countries



**400+**  
Mining clients  
operating globally





## Our approach

We recognise that mining companies are used to operating within unpredictable environments and understand that for them strategic risk taking is an inherent part of success.

Companies that can demonstrate a more sophisticated approach to risk are inevitably better supported by the insurance markets. As a result, our clients recognise the important role that we can play as risk management partners, as opposed to 'just' insurance brokers.

### An approach guided by expertise

Our service and products are bespoke for every client. We take the time to understand your business inside out and design and develop a comprehensive insurance program to suit your individual needs.

We constantly assess your exposures and deliver a program that grows with you, continually improving options and products, and providing ongoing support.

Our approach can be summarised as A,B,C: **Analysis, Broking, Claims.**

## Analysis

The diversity of our book means we understand mining from many perspectives and we offer a range of services to help our clients make more strategic decisions about risk.

### Risk Consulting

1. **Structuring, placement and insurance pricing:** program design cost versus benefit analysis, total cost of risk analysis and benchmarking.
2. **Reserving:** self insured retention (SIR) funding adequacy studies, burning cost analysis and stress testing.
3. **Visualisation:** tools to understand your risk profile in respect of natural hazards, weather and topography. Also includes geopolitical event or scenario analysis.

### Silent policy review

Our global specialists conduct due diligence on insurance programs to give mining companies a valuable second opinion on the adequacy of their wordings. We make recommendations on suitability, price and renewal suggestions.

### Alternative risk transfer (ART)

Risk transfer doesn't have to mean traditional insurance. Gallagher has particular expertise in alternative risk transfer (ART), non-traditional risk solutions including bonding, capital solutions and captives. We can conduct feasibility studies to assess whether a captive, bonding or capital solution makes financial sense.

### Employee benefits (EB)

Gallagher's EB practice helps miners with talent attraction and retention. We can also benchmark and advise on the best ways to reduce workforce costs.

# Broking

Our core expertise lies in the design, structuring and placing of insurance programs with the international insurance markets.

Mining is a complex industry that requires specialist knowledge. Only senior specialist mining brokers work on each mining account and it is their experience that makes all the difference..

We have international teams to help you manage a range of risks:



Property & liability



Management liability & D&O



Construction



Cargo & stock throughput



Specie & bullion



Environmental impairment liability



People risk



Structured credit & political risks



Crisis management, terrorism & kidnap



Personal accident, medical & travel



Employee benefits



Captives and alternative risk transfer



Political & natural disaster evacuation



Cyber & crime

## Added value

### People risk

Our workplace risk and workers' compensation team create projections of the evolving workplace and analyse how changes may affect employers. We apply new perspectives and insights to help our clients respond appropriately, develop seamless risk mitigation programs and position themselves to achieve long-term improvements in safety and productivity. We ensure our clients are informed, capable, confident and supported in protecting their people and successfully managing workplace risk.

### Cyber threats

Sensitive information about clients and employees provides cyber criminals with tools for tricking, stealing or extorting money from individuals and organisations, or disrupting major utilities and services. To safeguard and limit the damage in terms of financial compensation, Gallagher has developed a suite of cyber protection insurance products and mitigation strategies.

### Trade and political risk

Gallagher's Trade and Political Risks practice was established in 2004 in response to a growing demand for an experienced and independent political risk insurance (PRI) service provider within this niche market. Gallagher is focused on providing a comprehensive service to lenders and/or hedge providers, project sponsor's equity and assets, foreign equity investors and exporters. Our comprehensive service has two main specialist components: political risk and international trade credit customers.

### In-country insurance laws

Most countries have legislation that provides the manner in which insurance has to be placed for risks in that country, with harsh penalties for non-compliance. Gallagher understands the requirements and ensures that none of its clients are in breach of these laws with respect to insurance we place.

## Claims

The true value of an insurance policy is claims performance. We assist our clients in understanding potential loss scenarios and increase their preparedness so that in the event of a loss they can get back to business more quickly.

- **Pre-loss claims support:** we work with clients to develop claims protocols across each of the company's insurance classes, in addition to running workshops to enhance preparedness.
- **Distressed claims:** we have the ability to consult on prospective clients' claims which may have become distressed. For example, claims which have been declined in whole or in part or which have become unduly delayed.
- **Insurer claims performance benchmarking.**
- **Complex claims project management.**





# Achieving superior outcomes

## Case study: Property and business interruption

### Company type:

Iron ore miner

### Loss:

\$155 million

### Incident:

The failure of a section of the previously constructed seawall bordering the 1.8 kilometre main pit at Mount Gibson's Koolan Island iron ore operation resulted in the pit being inundated with seawater.

Normal ISR policies have an exclusion relating to certain damage by seawater. This was identified as a key risk and our mining specialists negotiated appropriate cover in the policy.

### Insurance response:

In settling this technically challenging and complex claim Gallagher was involved in the negotiation of an \$86 million cash settlement for the property damage component and a \$69.5 million cash settlement for the business interruption component.

### Moving forward:

Due to the robust tripartite relationship developed between client, ourselves and the underwriters, we were able to secure a comprehensive insurance program for the reconstruction project and are in the process of negotiating an operational insurance program with largely the same underwriters who paid the claim.

## Case study: Contingent business interruption

### Company type:

Largest producer of ammonia in South East Asia

### Loss:

\$249 million

### Incident:

A supply pipeline was damaged by an explosion, resulting in the loss of gas supply to our client's plant which was forced to cease production.

### Insurance response:

The loss was insured through Lloyd's of London. We had negotiated the largest business contingency interruption cover in the world at the time and were able to secure indemnity from underwriters before the proximate cause of loss was established.

This still remains the largest business contingency interruption claim indemnified by insurers and, notwithstanding the loss, a successful placement of continuing cover was obtained for the insured at competitive rates.



## Gallagher Australia mining team

Gallagher Australia New Zealand's highly experienced mining brokers are long-term complex risk insurance professionals with expertise across one or more key specialties



### John Koepler

National Head of Mining

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John has been an insurance broker for over 40 years. His experience began in Africa where he specialised in complex alternative risk finance and captive insurance management. For the past 30 years John has been broking mining business in international insurance markets on behalf of Australian and international mining companies.



### Colin Todhunter

Mining Specialist

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Colin's experience in mining spans 40 years. He spent 10 years working as an insurance and risk manager with a prominent mining company and more than 30 years as an insurance broker in senior positions with international brokers, working with some of the world's largest mining companies.



### Steve Tarr

General Manager - Mining

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Steve is a senior member of the Gallagher mining team, with over 30 years' insurance experience in both underwriting and broking. He has extensive experience in major project placements and has been directly involved with overseas projects in countries such as New Zealand, Africa, Canada, Indonesia, Colombia, Brazil, Mozambique, Japan, Europe and the Middle East. His specialisms include instating risk transfer and global insurance purchase strategies.



### Richard Todhunter

Client Manager - Mining

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Richard has been working in the insurance industry for 12 years, firstly as a workers' compensation case manager, then as an underwriter, business development manager and in the last five years in the Gallagher mining team. During that time he has negotiated and placed construction and operational programs, both open cast and underground, utilising local and international markets.



**James Healy**

Client Manager – Mining

**P:** +61 8 6250 8368**M:** +61 428 549 830**E:** James.Healy@ajg.com.au

James has worked as an insurance broker for the past 24 years, predominantly in the London insurance market, and has extensive experience in European, African, Australian, Asian and South American markets. He has been responsible for a number of high profile clients with complex insurance and risk management requirements, including many large global mining organisations.

**Traude Roberts**

Client Manager – Mining

**P:** +61 8 6250 8404**E:** Traude.Roberts@ajg.com.au

Traude has 26 years' experience in the insurance industry working for international brokers and is experienced within many markets, including London, Ghana, Canada, USA, Indonesia and Australia. She has been responsible for the placement and negotiation of programs for a variety of large Australian and overseas mining companies with complex insurance and risk management requirements – through both construction and operational phases.

**Larry Mansom**

Senior Consultant – Mining

**P:** +61 8 6250 8431**E:** Larry.Mansom@ajg.com.au

Very well known in the mining industry, having been a skilled underwriter in this space for many years. Larry fulfils the role of technical adviser to the mining team.

**Chris McKeown**

Branch Manager – Brisbane Corporate

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Throughout his career Chris has acted on behalf of numerous junior exploration companies through to some of Australia's largest multinational mining companies. Additionally Chris has been involved in the resolution of some of Queensland's largest and more complex resource sector insurance claims.

**Jason Fuller**

General Manager – Mining

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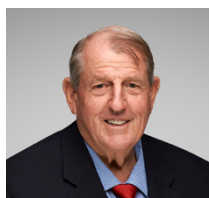
Jason has 25 years of insurance experience as an international broker in the Australian and London insurance markets, and as a corporate underwriter. He has worked with resources and energy clients through each stage of their business from IPO to exploration through to development and operation.

**Jeff Tonkin**

Senior Account Executive – Mining

**P:** +61 8 6250 8407**E:** Jeff.Tonkin@ajg.com.au

Jeff has over 11 years' experience in the insurance industry, working on a diverse portfolio of clients including large corporate companies, mining and engineering. Jeff has been responsible for the placement and broking of a number of operational mining programs across varying commodities, into Australian, London and US insurance markets.

**Peter Purser**

Mining and Construction Consultant

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Peter has worked in mining insurance for over 44 years, commencing as an engineering risk manager undertaking engineering surveys of operating mines and power stations. He was later appointed as registered engineer for an international specialist insurer. Prior to joining Gallagher he was the senior technical manager of construction and engineering for a major Australian insurer.

**Mark Oatway**Managing Director  
Placement and Insurer Relations**P:** +61 2 9242 2062**E:** mark.oatway@ajg.com.au

Mark has had over 30 years' broking and underwriting experience and specialises in complex placements particularly in the mining sector. Mark also looks after one of Australia's largest underground coal mining companies.

## International expertise



### Neil Stewart

Managing Director of Global & Corporate –  
Gallagher International

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Neil specialises in the placement of insurance programs for complex global businesses. He has over 30 years' experience designing and placing insurance structures for a wide spectrum of industry groups ranging from retail and light industrial through to the complexities associated with a national oil company and of course, major mining groups.



### Stuart Hill

Partner, G & C Property –  
Gallagher International

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Stuart recently joined Gallagher's as a Director in 2017, specifically to focus on mining risks. Stuart has experience of broking complex mining risks across a diverse range of commodities and has led the placement strategy for clients with assets ranging from single site operations to global project portfolios.

## Gallagher specialist teams



### Racheal Tumelty

National Head of Credit, Surety & Political Risks

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Racheal has been involved in the credit, surety and political risk insurance sector for almost 30 years, both in the United Kingdom and Australia. She has extensive experience in structuring innovative trade finance solutions for corporate entities, financial institutions, mining companies and private equity firms.



### Vivienne Toll

National Head of Workplace Risk

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With more than 15 years in the personal injury and occupational health and safety fields, Vivienne has significant experience in reducing workplace incidents and improving premium performance. She has managed large national and single state client portfolios, as well as a national workers' compensation consulting practice.





# Why Gallagher?

Gallagher is a highly experienced provider of mining sector services across whole of lifecycle requirements and the full range of commodities. Through our established relationships with international industry partners we have built a network of resources that provides competitive capacity. We also leverage our relationships with insurance providers to deliver the best fit in appropriate insurance programs.

Our advice is based on in-depth knowledge of the needs and challenges of the mining industry.

We are experts at identifying risk mitigation strategies and have a strong track record of developing insurance solutions for businesses of all sizes and various areas of operations.

We deliver a complete service offering: we are consultative, analytical, creative, supportive and well connected. Protecting your business from any insurable event is our primary and consistent focus, and we undertake to continuously review and update our clients' expanding needs as they evolve, and to support them through the claims process as required.

## We're an ethical business, and proud of it

Gallagher has been recognised as one of the World's Most Ethical Companies by the Ethisphere Institute, a global arbiter of ethical business practice, for seven years in a row, the only insurance broker in the world to achieve this distinction.

This recognition underscores Gallagher's unwavering commitment to ethical business practices and is validation that our enduring core values and corporate culture are true differentiators and provide a competitive advantage in the marketplace.

## Who we are

Gallagher is one of Australia's – and the world's – largest insurance broking and risk management companies. We're the broker of choice for more than 120,000 Australian businesses – from micro-SMEs through to multinational corporations and iconic brands.

With 25+ regional and metropolitan branches across Australia, we understand local business communities because we're part of them ourselves.

Globally, the Gallagher network of 650+ offices in over 30 countries enables us to leverage relationships with international insurance partners to create programs that achieve claims outcomes beyond the scope of many other brokers.

### In Australia



**25+**

Metro and regional locations



**900+**

Professionals



**120,000+**

Clients

**650+ offices**  
**30+ countries**

150 network partner countries

### Fortune 500 company #462 in 2017

NYSE listed

**1987**

**100+**

insurance and risk  
management solutions



**An ethical business leader  
for a 7<sup>th</sup> consecutive year**





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