The Weir Group PLC

Weir Minerals: positioned for long term sustainable growth



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Introduction to Weir Minerals

Keith Cochrane, CEO



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Agenda

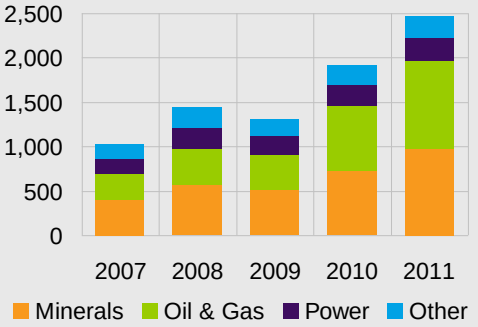
▪ Introduction to Weir Minerals	Keith Cochrane, CEO
▪ Weir Minerals: track record of value creation	Scot Smith, Divisional MD
▪ The Mill circuit: the vital component	Ricardo Garib, MD, Latin America
▪ Selling the full product portfolio	Dave Athey, MD, Africa
Break	
▪ Expanding into adjacent markets:	
▪ Mine dewatering	Geoff Moore, Sales & Marketing Director
▪ Oil sands	Warren Martin, MD, North America
▪ Growing through strategic acquisitions: Linatex	Rob Brown, MD, Asia Pacific
▪ Competitive advantage through:	
▪ Technology	Fred Bradner, Director of Technology
▪ Operational excellence	Kevin Spencer, MD, Europe
▪ Weir Minerals: positioned for sustainable growth	Keith Cochrane, CEO

This presentation contains certain forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing to the Company, anticipated cost savings or synergies and the completion of the Company's strategic transactions, are forward-looking statements. By their nature, these statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. The forward-looking statements reflect the knowledge and information available at the date of preparation of this Capital Markets Day Presentation, and this presentation will not be updated during the year. Nothing in this Capital Markets Day Presentation should be construed as a profit forecast.

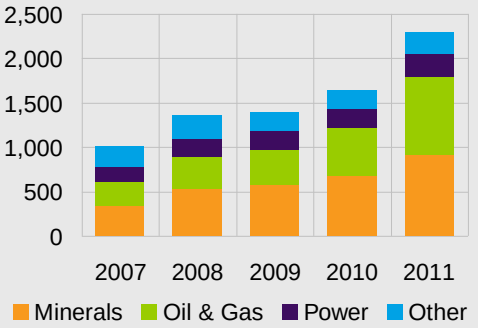
Minerals division: central to The Weir Group

- Strong, consistent, organic and acquisitive growth
  - *Revenue: up 133% since 2007, increased every year*
  - *Margins: from 14.2% in 2006 to 17.6% in 2011*
  - *Weir's largest business, 53% of revenue in 2011*
- Market leading business aligned to core Weir business model
  - *Highly engineered equipment*
  - *Equipment vital to operations*
  - *Abrasive applications: aftermarket support critical*
- Strong underlying demand drivers: emerging market growth
  - *Declining ore grades: increasing minerals processing demands*
  - *Resource constraints demand innovative solutions*
  - *Water and power consumption, automation*

Group input by sector, £m



Group output by sector, £m



Acquisitions & alliances expanding addressable market by over £1bn

- 2007: A$22m Multiflo
- 2008: US$231m CH Warman
- 2010: KHD HPGR agreement
- 2010: US$200m Linatex

Source: Weir

High performing division with strong structural growth story

Leveraging Minerals across the Weir Group

- 13% of divisional input from Oil & Gas and Power markets
  - *Oil Sands: slurry pumps, spools, dewatering solutions*
  - *Power: ash handling systems, flue gas desulphurisation equipment*
  - *Mid and downstream oil & gas: vertical turbine pumps*
- Minerals technology applied in upstream Oil & Gas product development
  - *Downhole swellable packers utilising Minerals elastomer technology*
  - *Frac slurry pump utilising Minerals alloy and hydraulics expertise*
- Leveraging Minerals operational capabilities
  - *Facilitating geographic expansion of other divisions*
    - *Oil & Gas in Australia, Power & Industrial in South Africa*
  - *Leveraging Group scale in key markets (China, India, Canada, UAE)*
  - *Best practice transfer, secondment of senior staff across Group*



SPM Gladiator frac slurry pump



Oil sands dewatering barge

Minerals: excellent operational and engineering platform

Weir Minerals: excellent track record of value creation

Scot Smith, Divisional Managing Director



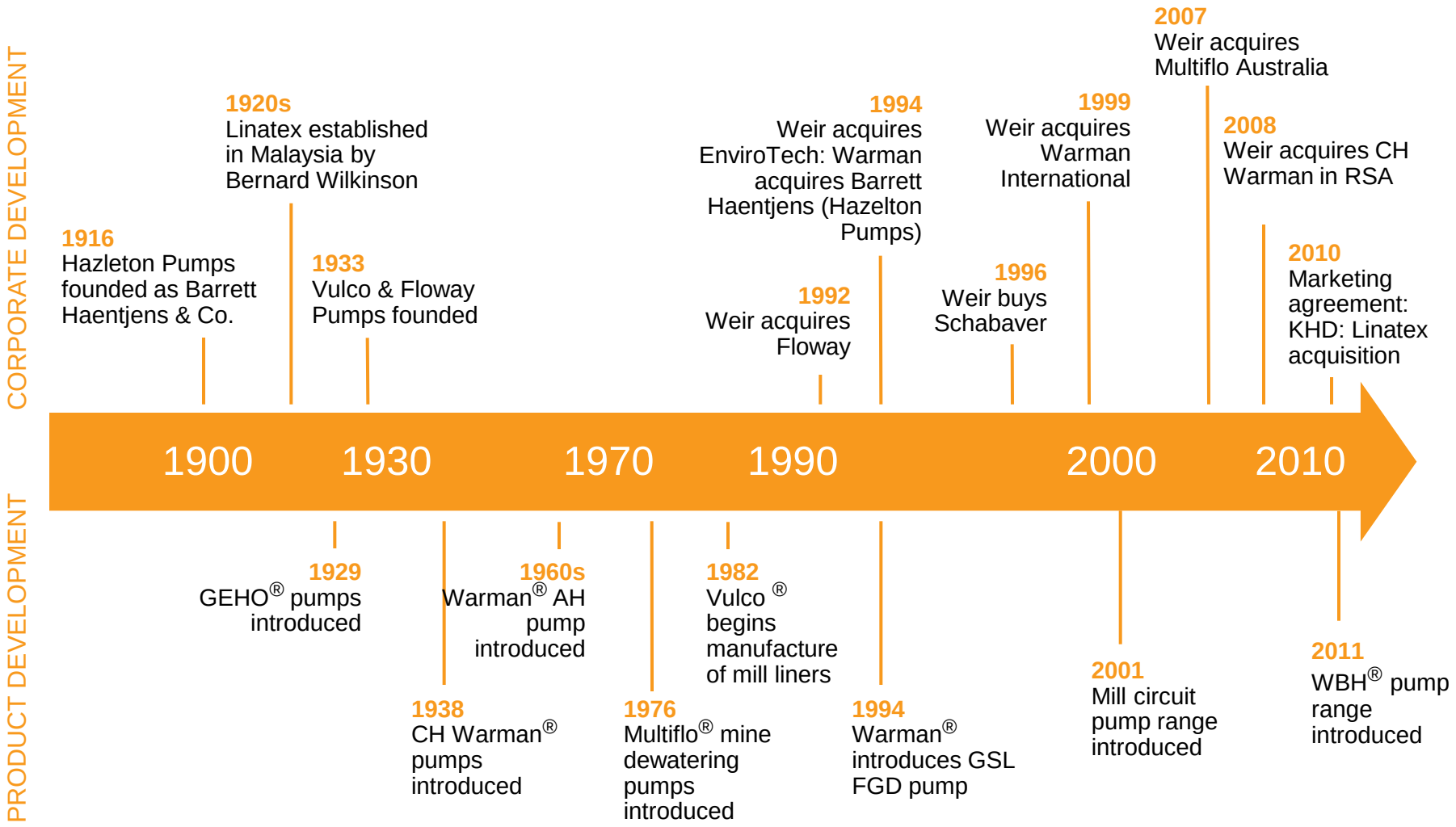
Minerals division today

- Best in class equipment and service provider for operation critical processes
- Specialist equipment targeting high wear mining applications
  - *Mill circuit - comminution - slurry transportation - mine dewatering - speciality pumps*
  - *Applying technology in aligned sectors: oil sands - power generation*
- World leading pump brands leveraged to cross-sell growing product portfolio
  - *Capitalising on existing footprint and customer base*
- Focused on differentiated offering built upon core competencies:
  - *Technology: materials science, hydraulic design, wear mechanics*
  - *Engineering expertise*
  - *Operational excellence*
  - *Leading global service and sales infrastructure*



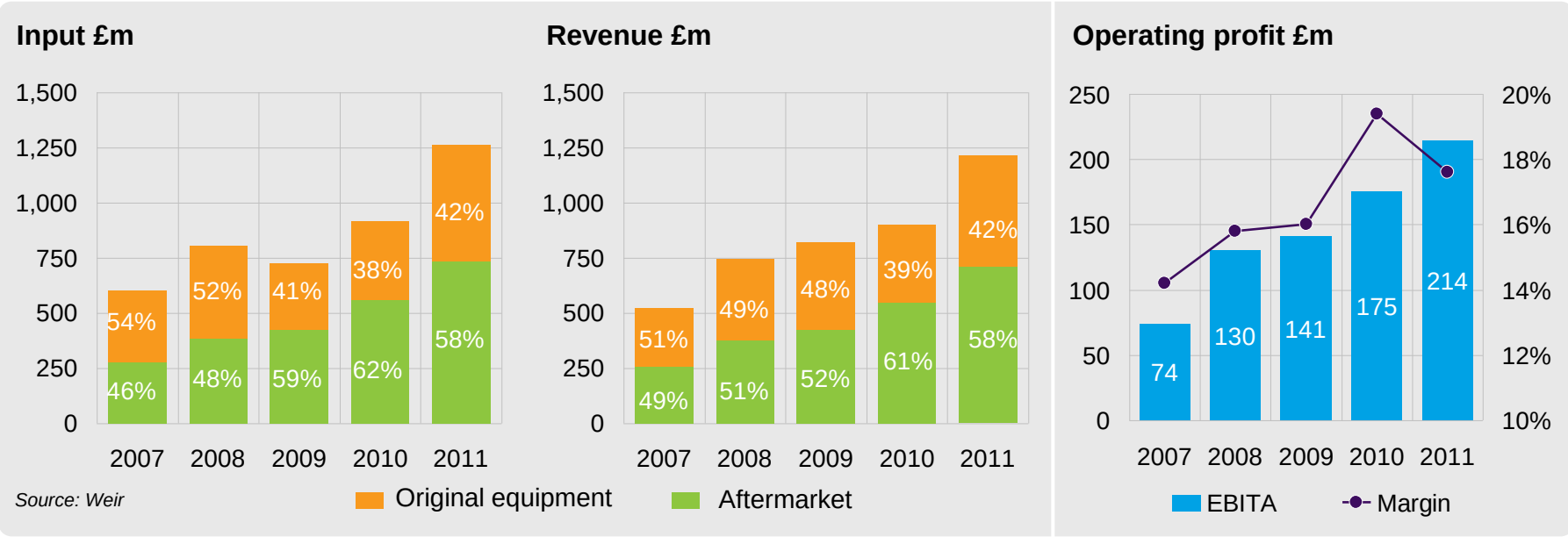
Differentiated by superior equipment & service performance

Weir Minerals: nearly 100 years in the making



Global mining equipment leader for over 60 years

Minerals division financial performance



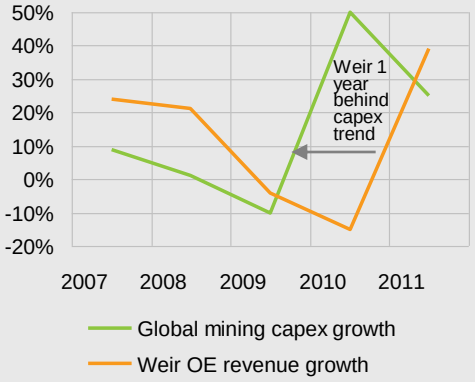
- Sector leading performance
  - *Revenue more than doubled, profits nearly trebled in four years*
- Robust performance through the cycle
  - *Aftermarket revenues increasing each year: over 90% retention of aftermarket opportunity*
  - *Profits continued to grow during 2009 global recession*
- Margin growth supported by increasing aftermarket mix
  - *Margins increased by nearly 400bps over four years*

Robust, market leading growth through the cycle

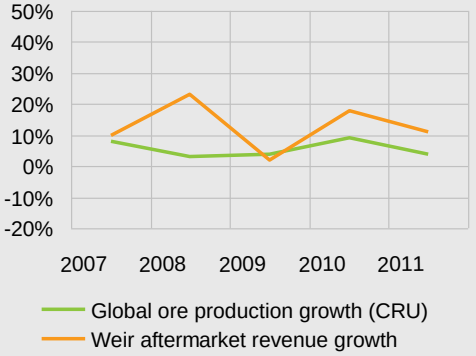
Minerals division revenue drivers

- Mining exposure correlated to industry capex and production
- OE revenues from greenfield, brownfield and maintenance capex
  - *Original equipment revenue growth lags capex by around 1 year*
  - *Processing plant installed after completion of upstream plant sections*
- Aftermarket growth driven by mined ore production growth
  - *Weir aftermarket growth rate has outperformed this benchmark*
  - *Largest slurry pump installed base*
  - *Market share gains and extending product portfolio*
  - *Declining ore grades require greater processing*

% annual growth in OE revenues
Weir OE revenue growth rate v global mining capex growth



% annual growth in AM revenues
Weir AM revenue growth rate vs Growth of global ore production



Constant currency basis
2008 growth rate excludes CH Warman acquisition
2011 growth rate excludes Linatex acquisition

Source: Weir/CRU May 2012

Growing faster than our end markets

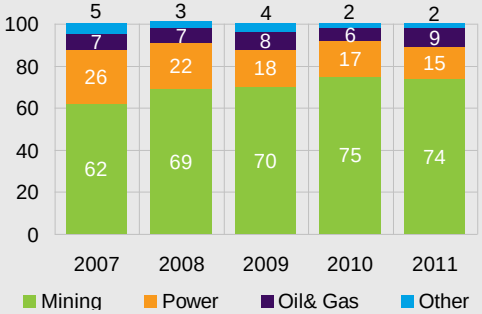
Diverse global business

- Global presence covering all key mining geographies
- Emerging market contribution increased from 37% to 48%
  - *Exposure to US & European markets reduced to 32%*
- Fast growing mining markets exposure increased to 74%
  - *Absolute Power and Oil & Gas revenues increased by over 40%*
- Balanced exposure across range of commodities
  - *Largest exposure equivalent to c.20% of divisional revenues*
- Good exposure to commodities with strong growth prospects
  - *Copper: long-term structural shortages predicted*
  - *Gold: commodity prices incentivising new projects*
  - *Iron ore and coal: strong demand growth*

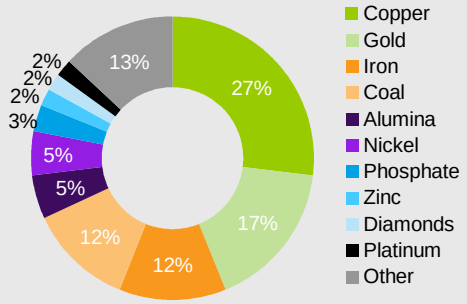
Geographic mix[1]



Sector mix



Mining sector commodity mix



Balanced portfolio driving sustainable growth

1. *Developed mining markets = Europe and North America, developing mining markets = Asia, Australia, Latin America, Middle East and Africa*

Minerals extraction and processing markets

MARKET SEGMENTATION

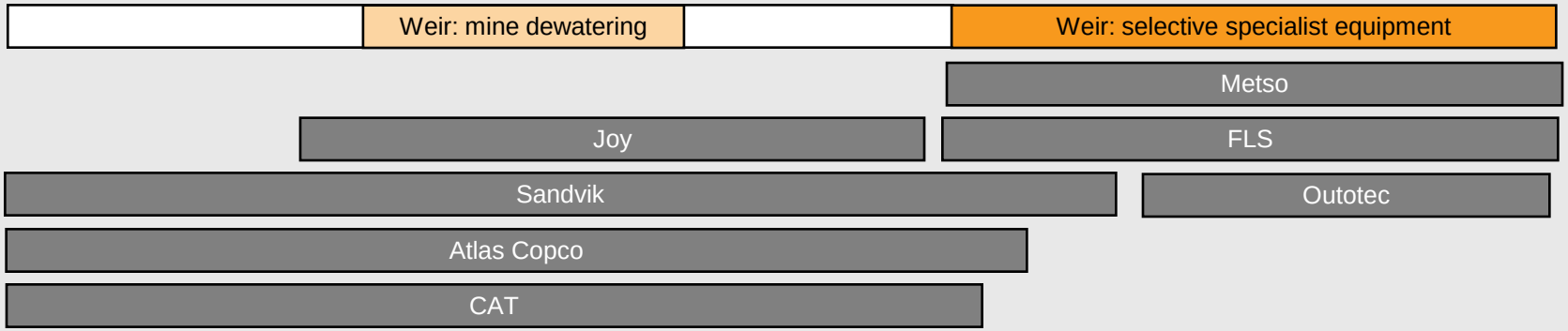
Total mining equipment market £46bn

Ore extraction and materials handling (mine side)			Ore concentration and processing plant	
£9bn	£12bn	£13bn	£7bn	£5bn
				
Drills & Breakers	Underground equipment	Surface mining	Crushing and mill circuit	Process equipment

Source: Freedonia, includes parts

COMPETITOR ASSESSMENT

ALIGNMENT OF KEY SUPPLIERS

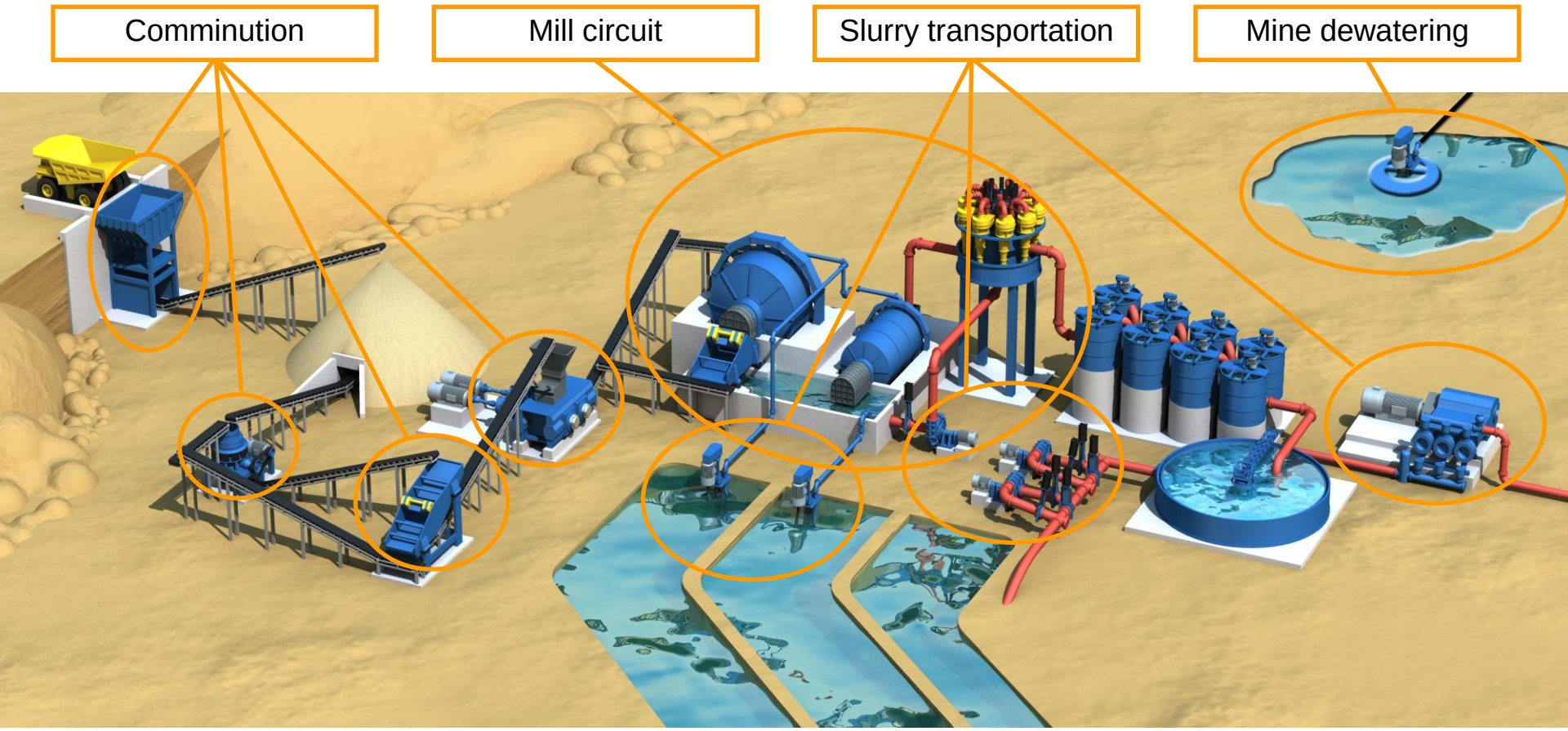


Source: Weir estimates

Weir: no presence | Heavy abrasion | Lighter abrasion

Aligned to high aftermarket market segments

Minerals processing: operation critical high wear applications





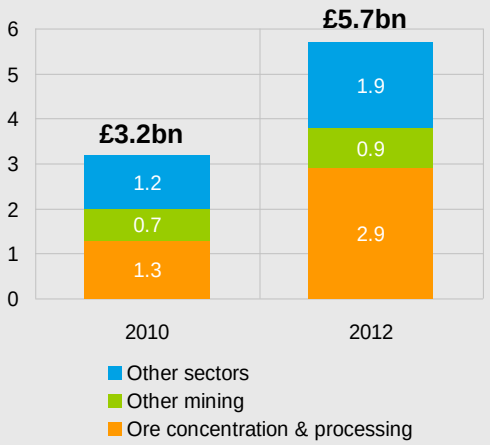
The Weir Minerals Mill CIrcuit Solution

Growing the opportunity

- Weir's addressable market increased >75% in 2 years to £5.7bn
  - *£1.4bn end-market growth (45%)*
  - *£1.1bn expansion of adjacent products & markets*
    - *Aligned to core competencies: critical, high wear applications*

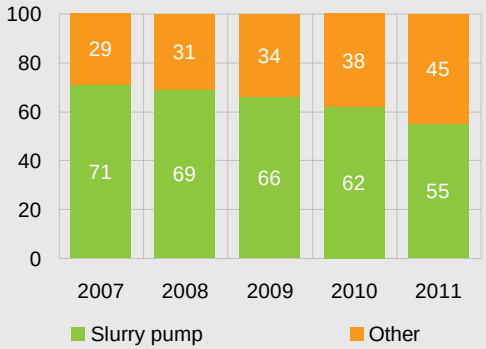
- Successfully leveraging the platform in adjacent markets
  - *Organic: cyclones, oil sands, mine dewatering*
  - *Inorganic: Linatex - extending elastomer technology and products*
  - *Large speciality pumps business: Geho, Hazleton, Lewis, Floway*
  - *Non-slurry pump products forecast to represent 50% of revenues*
  - *New products and markets provide scope for further growth*

Weir addressable market, £bn



Source: Weir estimates

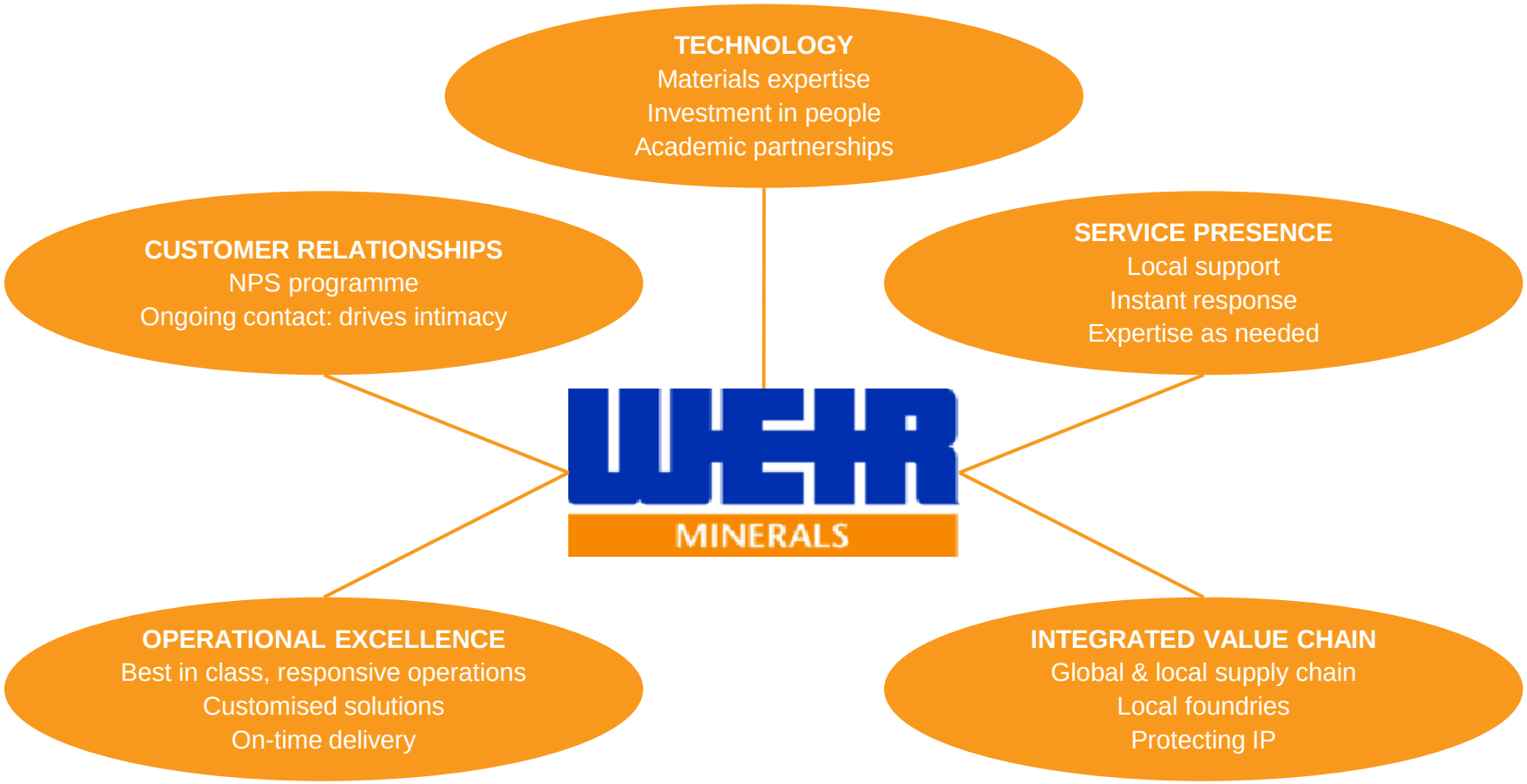
Weir product mix, %



Source: Weir

Growing faster than end markets by expanding the portfolio

Weir Minerals : a differentiated business model

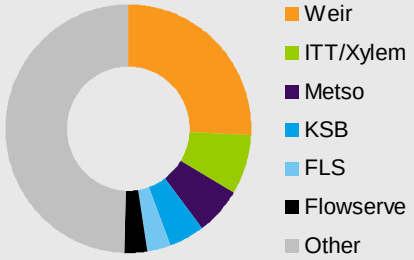


Delivering lowest total cost of ownership for our customers

Differentiation drives superior results

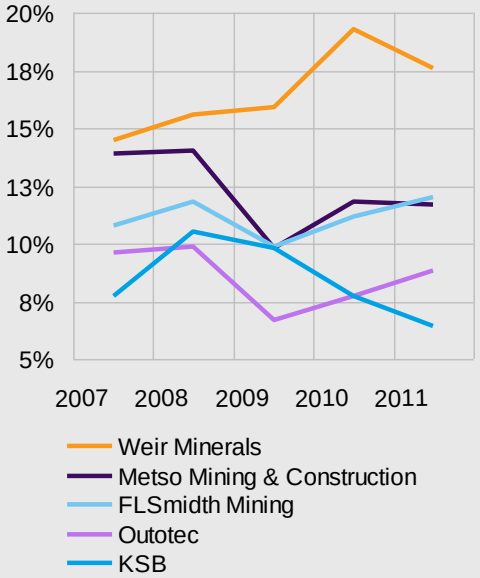
- Market leading position in addressable markets: c.25% share
  - *No1 in slurry pumps, oil sands offering*
  - *No2 in cyclones, mine dewatering, rubber mill liners, HPGR, services*
  - *Growing position in a range of complementary products:*
    - *Screens, hoses, spools, valves*
- Successfully grown market share over past two years
  - *Mine dewatering increased from 15% to 18%*
  - *Cyclones increased from 22% to 25%*
- Differentiated business model delivering higher margins
  - *Consistently higher and more stable margins through the cycle*
  - *Lower reliance on capex cycle*
  - *Higher aftermarket exposure*
  - *Technologically differentiated product offering*
  - *Local, responsive, service and manufacturing footprint*

2012 Weir addressable market share, %



Source: Weir estimates

Published headline margin, %



Source: Annual reports

Sustainable competitive advantage, superior returns

Positioned for sustainable, profitable growth

Equipment market trends	Strategic initiatives
Declining ore grades	▪ Investing in advanced materials to reduce wear and increase efficiency
Water scarcity and environmental	▪ Improving water recovery in mine dewatering, water management and tailings processing
Lower energy consumption	▪ Reducing energy consumption through hydraulic design
On-going drive for lowest ownership cost	▪ Applying materials and design technology to new products and markets (mill circuit, comminution, oil sands) ▪ Expanding low-cost sourcing and production
Low cost competition and replicators	▪ On-going investment to enhance existing product differentiation
Geographic shift of demand	▪ Extending service network and offering
Customers: shortage of skilled people	▪ Expanding service capability and up-skilling team

Extending position as the lowest total cost of ownership provider

Mill circuit products: the vital component

Ricardo Garib, Regional Managing Director, Latin America



Codelco-Chuquicamata mine, Chile

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Latin America: home to the world's largest mining projects

- Largest and lowest cost copper producer
  - *> half global annual investment and production*
- 3rd largest iron producer in the world

World copper mining projects

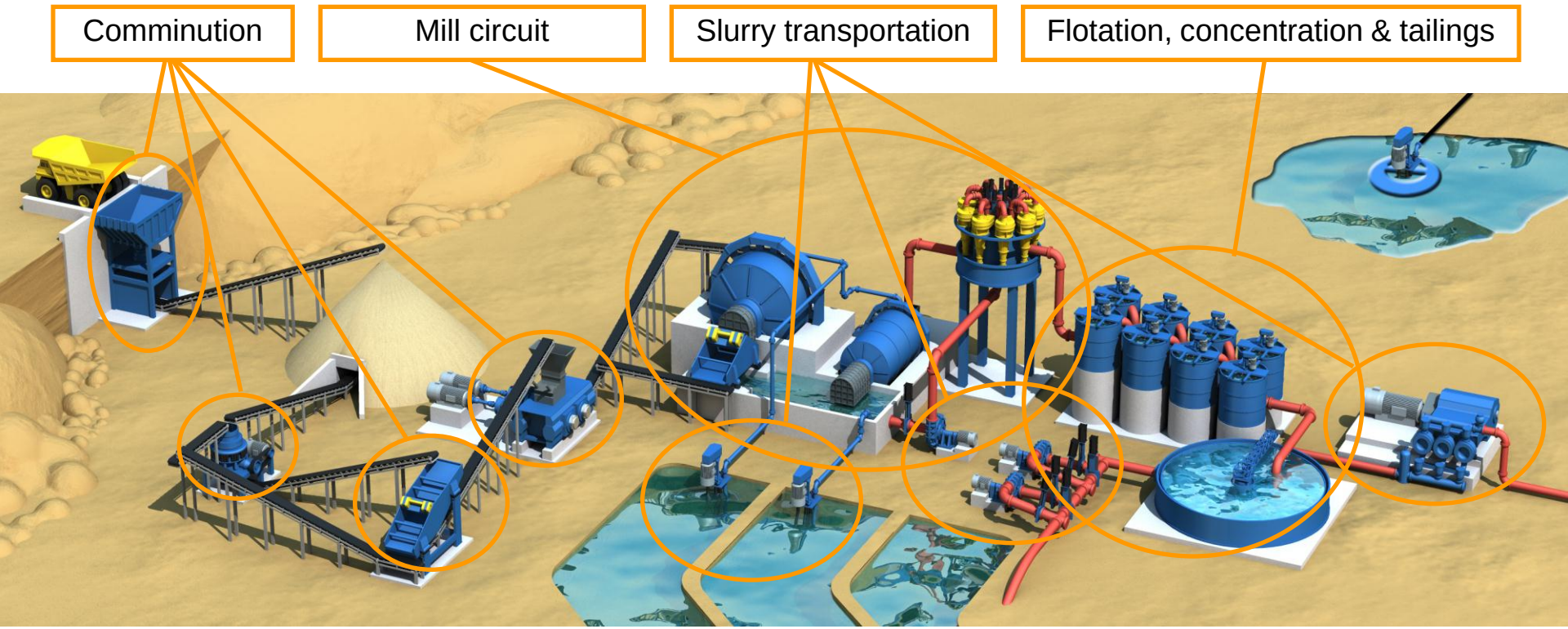
Region	Projects 2011 - 2016	Investment US$bn	Annual production 000MT
Africa	24	5	2
Latin America	**69**	**36**	**7**
North America	26	5	1
Asia	25	10	2
Europe	7	2	0.5
Australia	15	7	1
World	**166**	**65**	**12**

Source: www.cochilco.cl includes Green and Brownfield projects



Supplying critical components to world's largest mining projects

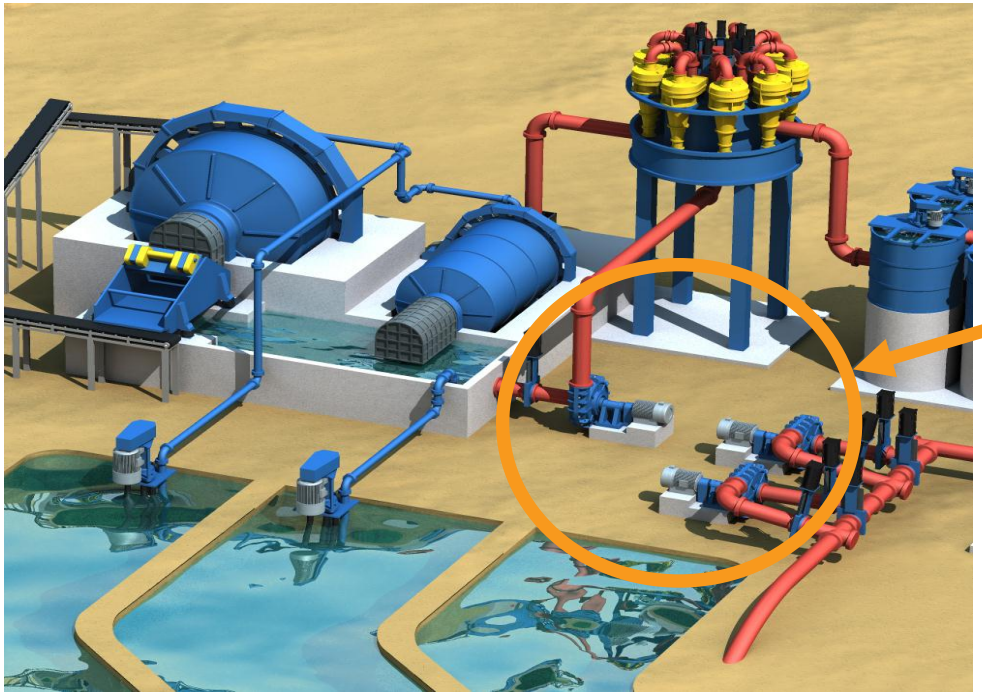
Minerals processing: from ore to concentrate



Typical copper mine:

- 20,000 - 200,000 tonnes of ore processed per day
- Assuming 1% metal content this is the equivalent of £1m - £10m of revenue per day

World leading Warman® slurry pumps





- Highly abrasive mill circuit application: moves ore through the processing circuit
- Superior performance through patented materials and engineered hydraulics
- Throughput increased, energy consumption, maintenance and downtime costs reduced
- Pump wear parts typically last 2,000 to 4,000 hours[1]

1. Subject to ore grades and conditions

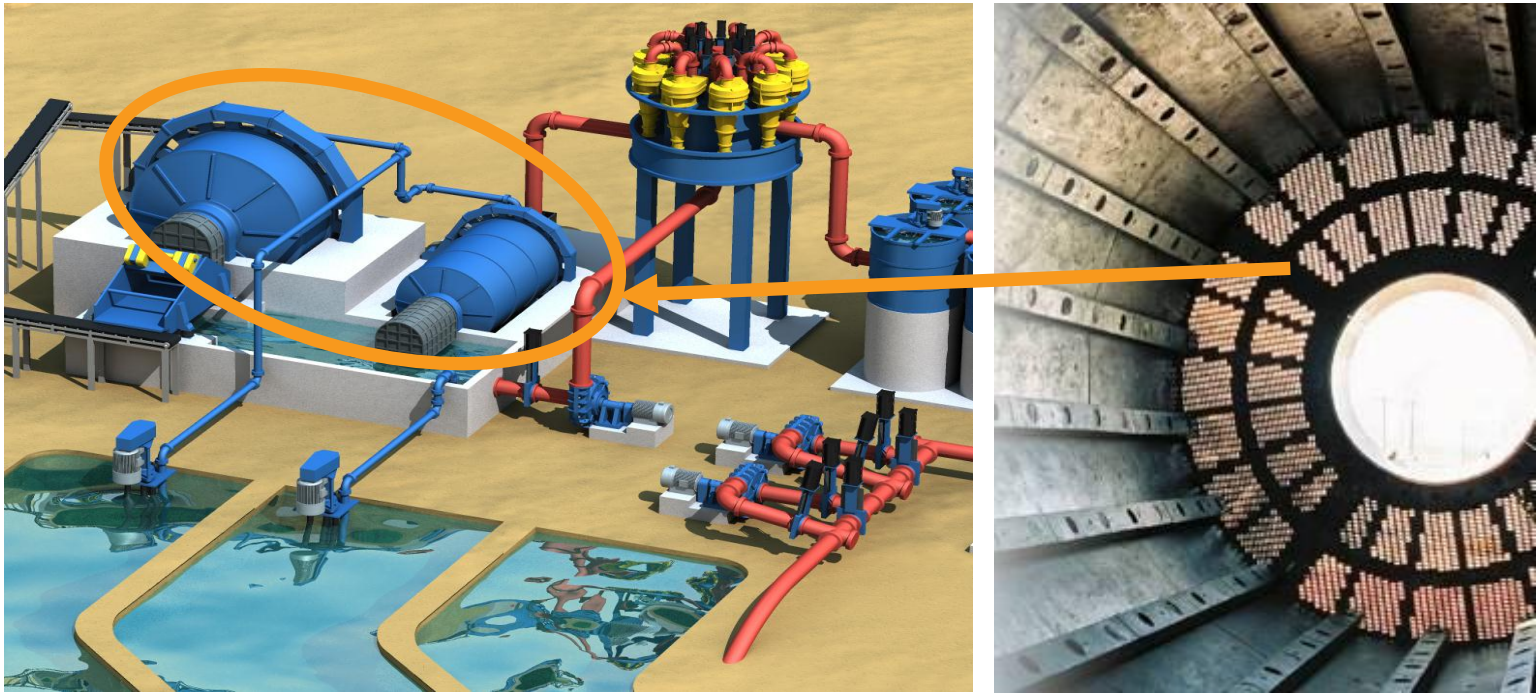
Leading Cavex® hydro-cyclones





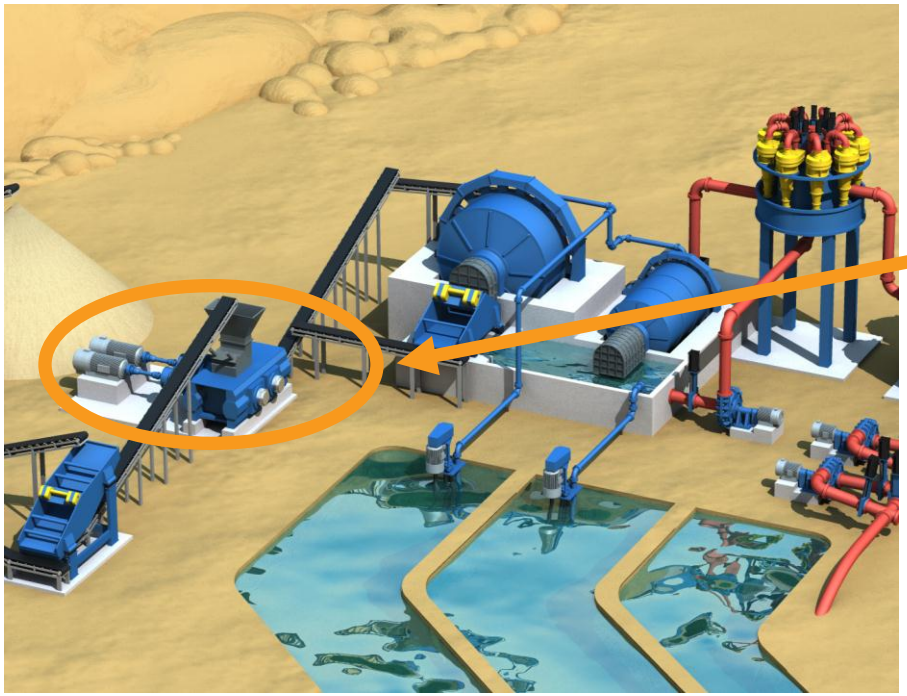
- Separates ore from rock through centrifugal force
- Improved performance via patented technology: enhances flow control, reduces turbulence
- Throughput increased, lower maintenance costs

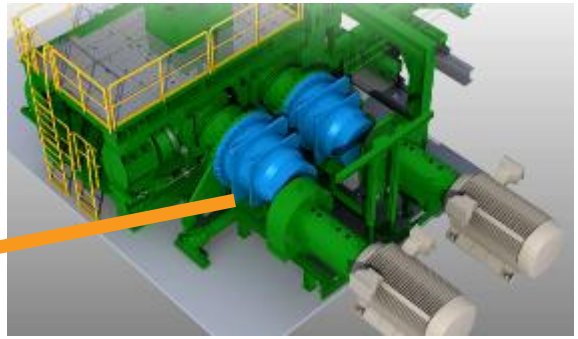
Vulco® custom designed mill lining systems

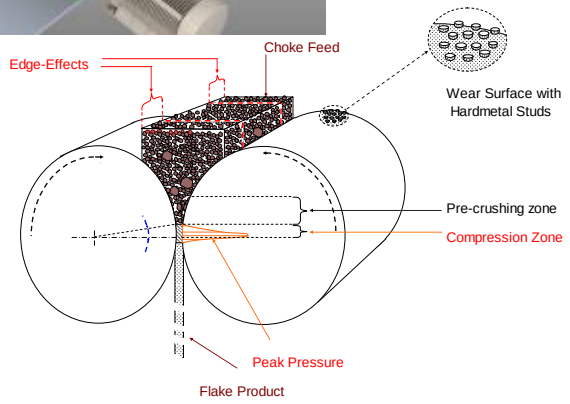


- Aftermarket mill liners protect mill casing and maximise rock grinding
- Utilises patented elastomer technology to improve wear life
- Throughput increased, lost production time minimised

KHD high pressure grinding rolls (HPGR)

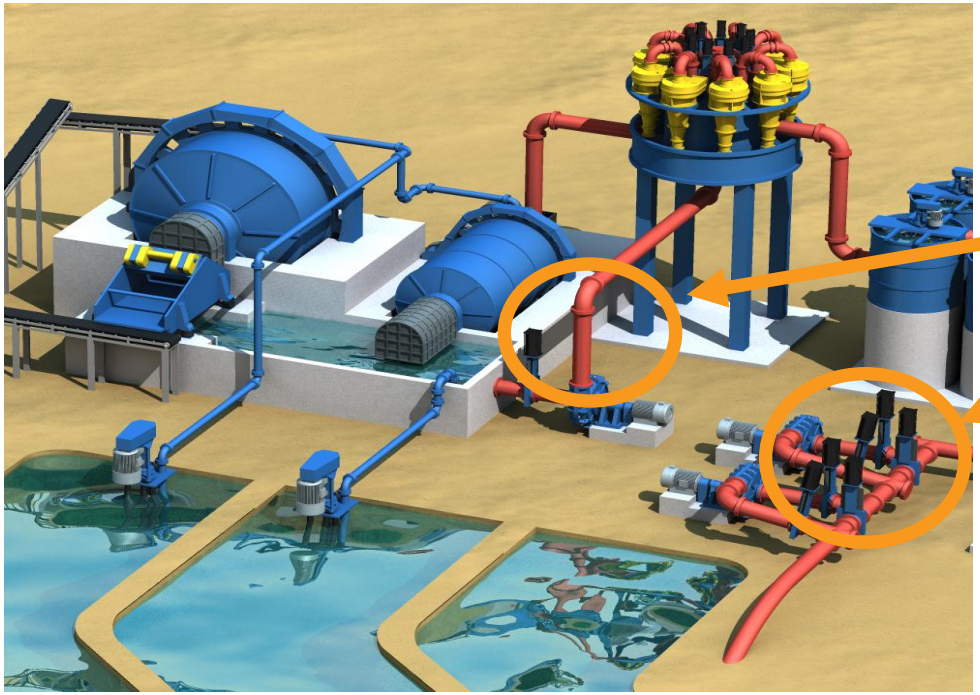






- Redefining the largest minerals processing operation in partnership with KHD
- More effective and efficient alternative to traditional mill arrangements
- Broadens product and aftermarket offering

Complementary mill circuit components







- Valves, spools, hoses, screens, targeted at abrasive mill circuit applications
- Utilises our expertise in materials technology and fluid dynamics
- Enhanced wear life over traditional market products

Sustaining the aftermarket: targeting abrasive applications

Mill circuit process	Weir equipment	Wear rate	Annual spares to OE revenue ratio
Comminution	High Pressure Grinding Rolls	Medium	40%
	Screens	Medium	40%
Mill circuit	Slurry pumps	High	100%
	Cyclones	Medium	45%
	Spools	Medium	30%
	Rubber liners	Medium	40%
Flotation	Slurry pumps	Low	20%
	Rubber liners	Medium	40%
Tailings and concentrates	Slurry pumps	Medium	40%
	Dewatering pumps	Low	20%
	PD pumps	Low	25%
	Rubber liners	Medium	40%
	Cyclones	Low	20%

High wear applications generate sustained aftermarket demand

Source: Weir estimates

Growing our installed base

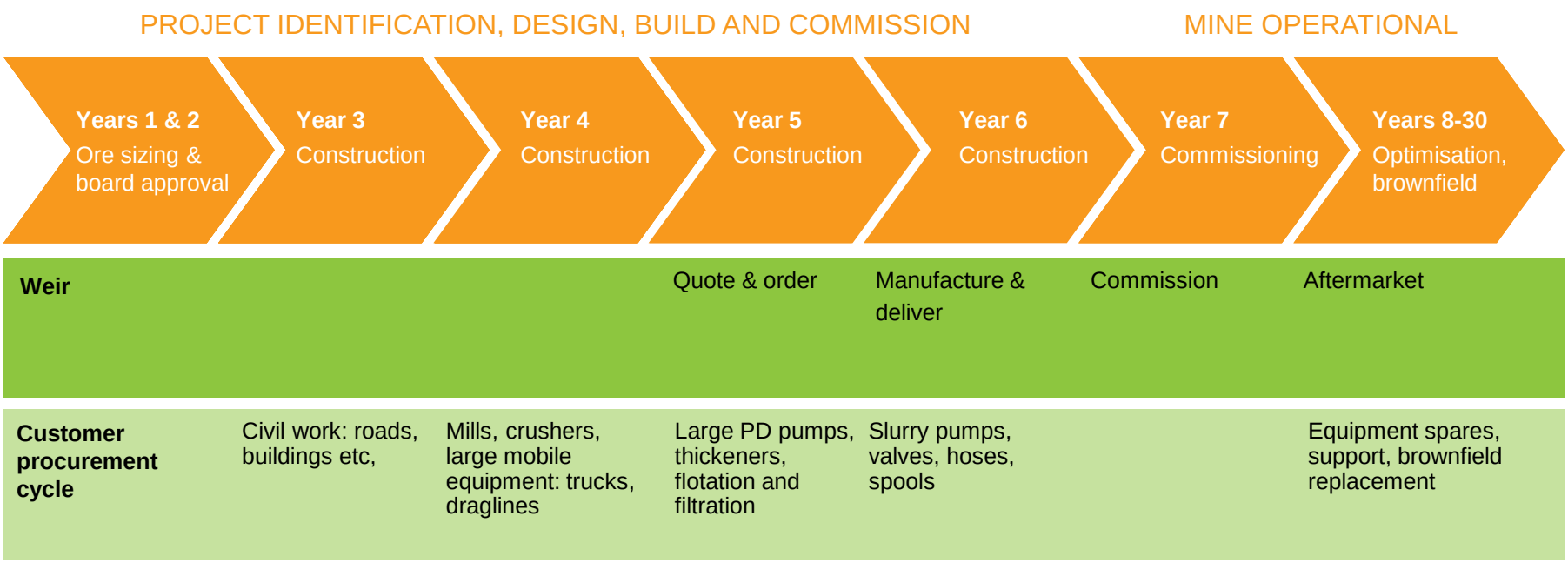


- New greenfield projects:
  - *Multi-year projects (5 year+ programmes)*
  - *Principal decision makers: EPCMs (Bechtel, Fluor, SNC, Jacobs)*
  - *Initial capital cost weighted to infrastructure and mine site development*
- Brownfield projects and expansions:
  - *Normally fast track (1 to 2 year programmes)*
  - *Role for EPCMs, but greater customer involvement*
  - *Preference for existing suppliers' equipment*
- Momentum and plant optimisation:
  - *Very short cycle (<6 months)*
  - *Direct relationship between end customer and Weir engineering*
  - *Customer benefits directly from performance enhancement*
  - *Requires significant local plant and operations knowledge*

Growth opportunities for installed base generates aftermarket

Greenfield project to aftermarket lifecycle

- Weir equipment bought late in capex cycle
  - *Bulk of project spend committed: low risk of cancellation*
  - *Number of projects at initial construction stage: significant pipeline of future OE awards*
- Aftermarket resilience driven by long term ore production



Installed base offers over 20 years aftermarket potential

Greenfield project: Pascua Lama gold mine

- Commissioning date: 2013/14, >25 year life
- Mill capacity: 45,000 tonnes of ore per day
- Gold production: 800,000 ounces per annum
- Weir equipment: <1% annual operating costs
- Visible future revenue stream: > 90% of aftermarket captured



Pascua Lama gold mine, Chile[1]

Revenue profile

Product	Capex POs (US$m)	Annual aftermarket (US$m)	Planned overhaul (every 5 years) (US$m)
Slurry pumps	13	6	6
Cyclones and valves	4	1	1
Lining (Mills & Cells)	10	9	3
Spools	23	3	4
Services & Others	3	1	0
Total	**53**	**20**	**14**



Aerial view of Pascua Lama ore concentration plant

$53m original equipment generates > $100m aftermarket over 5 years

Source: Weir estimates; 1. Source: www.barrick.com

Brownfield project: Collahuasi copper mine

- Copper production: 50mt per annum, value £2bn
- Mill capacity: 5 circuits processing 150,000 tonnes/day
- Cost of 1 days downtime for 1 circuit: £2m revenue[1]
- Objective: reduce downtime and enhance performance
- Equipment installed:
  - *Mill circuit and GEHO PD pumps at greenfield stage*
  - *Service capability enabled replacement of competitors equipment:*
    - *Hydro-cyclones, valves, hoses, spools*
    - *Rubber lined tanks, rubber lined pipe*
    - *Vertical turbine pumps*
  - *Less downtime, lowest overall lifetime cost*





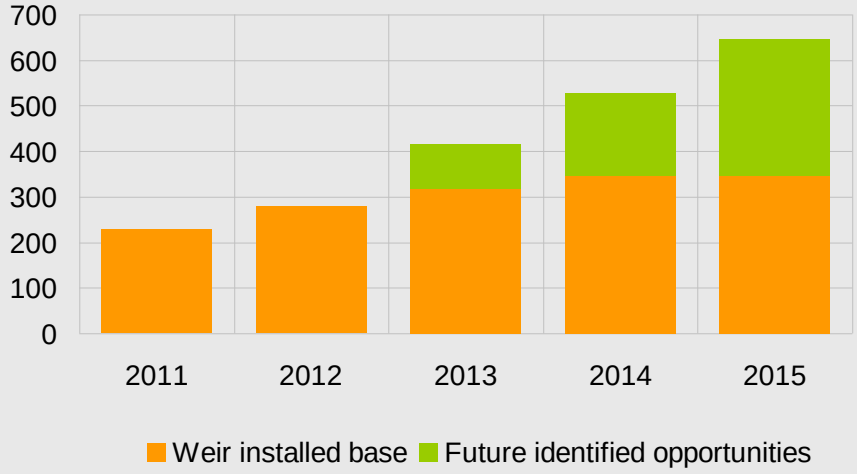
Collahuasi processing plant

Customer intimacy and product capability drives cross selling opportunity

1. Assumptions: 2 x8 hours shifts run per day with 250 operating days per annum. Picture Sources: Mining-technology.com

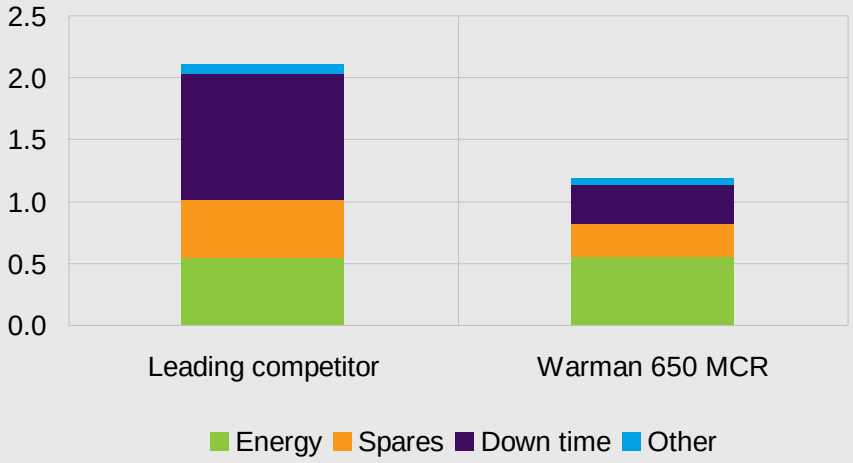
Driving sustainable growth: securing the installed base

Large MC pumps world wide installed base: actual orders / potential opportunity, units



Source: Weir

Operational costs comparison under same conditions: independent test, annual costs, US$m



Source: Weir Minerals head to head comparison with leading competitor by Engineering consultants Ingeniera La Cumbre Ltda (2009)

- Securing order intake for large mill circuit pumps drives sustainable future revenue
- Independent auditors validate superior performance of Weir Warman mill circuit pumps

Compelling value proposition drives capture of installed base

Well positioned for future growth



- Mill circuit is a critical component of the process
- Applications are highly abrasive and demanding on equipment
  - *Requires highly engineered products with superior wear life*
  - *Aftermarket necessitates strong local support*
- Weir's unparalleled product and service offering drives:
  - *Growing installed base*
  - *Developing aftermarket opportunity, continued momentum activity*
  - *Stepping into new highly abrasive applications: screens and beyond*
  - *Expansion opportunities beyond the mill circuit*
  - *Continued focus on applications aligned to core competencies*

Weir's superior offering supports growth in mill circuit products

Selling the full product portfolio

Dave Athey, Regional Managing Director, Africa



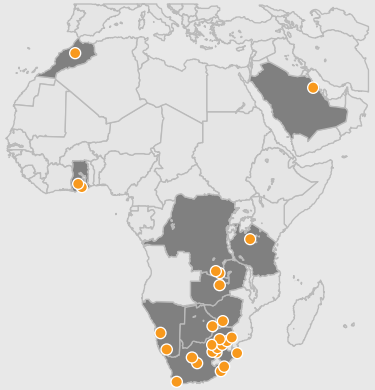
Weir Minerals sample product range

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Platform for growth across Africa

- 2008: Weir acquired a platform for growth
  - *Slurry pump company with extensive pan-African footprint*
  - *CH Warman's footprint provided basis to launch Weir portfolio across Africa*
- Full portfolio market acceptance driven by 3 strategies:
  - *Leveraging the footprint*
    - *assurance of being there*
    - *assurance of expertise and support*
  - *Trial programme*
    - *assurance of product quality*
  - *Customer intimacy*
    - *assurance we understand the need*

Service footprint



Trial programme



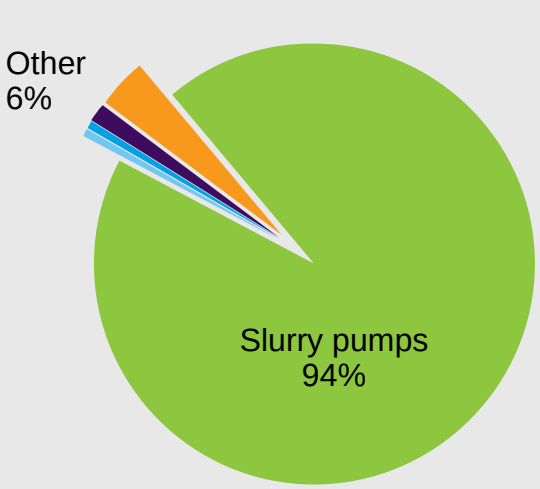
Customer intimacy



Leveraging the core to sell the full product portfolio

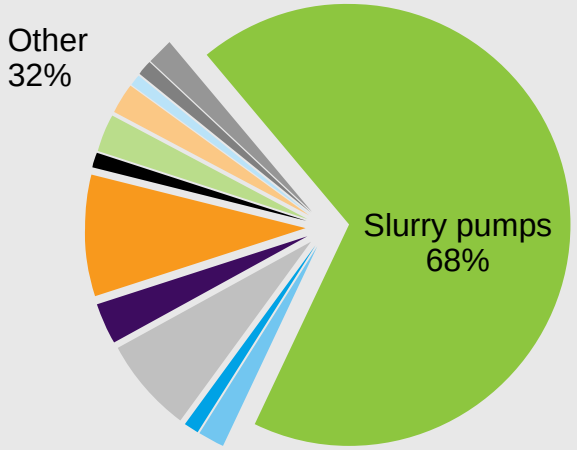
Rapid growth of complementary product sales

Africa input 2008





Africa input 2011



13% sales CAGR

Non slurry pump sales to represent 40% in 2012 revenues

Extensive service footprint: assurance of being there

South Africa

Service centres: 10

Commodity exposure: (chromium, coal, diamonds, iron, gold, phosphates, platinum, heavy minerals)

Rest of Africa

Botswana (copper, diamonds, gold, nickel)

Ghana (gold)

Morocco (phosphate)

Namibia (diamonds, uranium)

Tanzania (gold, nickel)

Zambia (cobalt, copper)

Zimbabwe (chromium, gold, platinum)

Future locations

DRC (cobalt, copper, diamonds, gold)

Mozambique (coal, iron, heavy minerals)



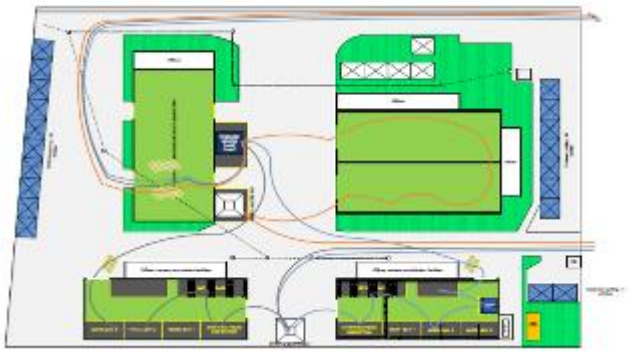
Model replicated in every major mining market in the world

Service centres: assurance of expertise and support

Assurance and expertise

- 24 / 7 support close to the customer
- Expertise, when and where needed
- Full spectrum of service:
  - *Commissioning*
  - *Repairs and replacement*
  - *Preventative maintenance*
  - *Equipment optimisation*
  - *Product training*
  - *Rental*

Standardised and transferable





Middleburg Service centre, South Africa

Standardised, proven model applied across all geographies

Trials strategy: assurance of product quality

- Underpins robust total cost of ownership model
- Proving the product in the field critical
  - *Limits risk in traditional, risk averse industry*
  - *Risk shared: payment on result*
- Leverages strong customer relationships
  - *Successful trials at flagship sites establish reference*
  - *Average conversion rate 80%*

Product	Total trials	Converted	Conversion rate	New trials underway
Mill lining systems	38	38	100%	5
Valves	24	23	95%	6
Cyclones	43	24	55%	10
Hoses	4	2	50%	-
Screens				13



24|7 365



Demonstrating superior value and performance

Continuous customer driven development



Feedback loop drives growing customer satisfaction

Customer intimacy: assurance we understand the need



- Customer need:
  - *Increased dewatering requirements during seasonal rainfall: limited capital budget*
- Weir solution:
  - *Rental model allows access to technologies through operational expenditure budgets*
  - *Service and maintenance agreement, ensuring operational efficiency and availability at fixed cost*

Customer intimacy driving market acceptance

Differentiation by reputation and support

The service is absolutely amazing. Always friendly and helpful.
EPCM customer, Africa

Robust, heavy duty and reliable products. Excellent services, knowledgeable and experienced staff.
Gold customer, Australia

Every thing is spot on if we have any problems we just ring and you fix the problem straight away.
Lead-zinc customer China

Great service before and after sales. Good product with great technical expertise behind to support all issues.
EPCM customer, Chile

I would highly recommend Weir products and service personnel.
US power customer

Great service and customer experience, sales reps really know their products well.
Oil sands customer Canada





Global reputation for great products and outstanding service

Expanding into adjacent markets: mine dewatering

Geoff Moore, Divisional Sales & Marketing Director



Weir Multiflo, dewatering operation, Russia

Excellent
Engineering
Solutions

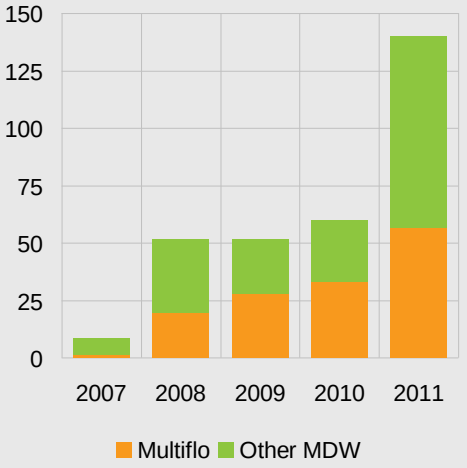
Mine dewatering: rapid growth in new market

- Mine dewatering: aligned to core competencies and global footprint
  - *Critical to our customers' operations*
  - *Utilises Weir's global routes to market*
  - *Leverages our extensive pump expertise*
  - *Footprint fits 24-7 service levels critical to ensuring the mine stays open*
- Catalyst: Multiflo acquisition, Australia 2007
  - *Market leader in heavy duty open pit pumps Australia and Indonesia*
  - *Multiflo input CAGR 3 years to 2011 55%*
  - *Targeting further growth in 2012*
- Strong market growth driven by
  - *Environmental: waste water management*
  - *Changeable weather patterns driving rental demand and pump sales*



Weir Multiflo, Russia

Mine dewatering sales, £m



>£100m sales growth in 4 years: number 2 in £600m market

Creating a competitive advantage

- Unique value proposition
  - *The only total solution provider to the market*
  - *Serving open pits to the deepest underground mines*
  - *Specialist knowledge, service, product range and unrivalled footprint*
- Complete water management solutions
  - *Mine water supply*
  - *Tailings water recycling*
  - *Process fluid pumping*
  - *Water treatment plant pumps*
  - *Leaching process pumps*
- Entry into pump rental market extends business model
  - *Dewatering pump rental synergies with service capability*



Oil sands tailings operation, Canada



Multiflo, Russia

Providing a unique and complete solution for our customers

Mine dewatering applications: the complete range



MULTIFLO & WARMAN SINGLE STAGE PUMPS
Up to 180 m lift





BARGE & PONTOON MOUNTED PUMPS



FLOWAY TURBINE PUMPS
Up to 1,000m lift





GEHO APEX HOSE DIAPHRAGM PUMPS
Up to 3,000 m lift



MULTIFLO ELECTRIC DRIVE PUMPS



MULTIFLO DIESEL DRIVEN
SELF PRIME PUMPS
Up to 140 m lift



GEHO PISTON DIAPHRAGM PUMPS
Up to 3,000 m lift



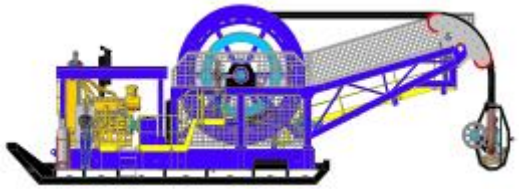
MULTISTAGE PUMPS
Up to 1,700 m lift



WARMAN SUBMERSIBLE
Up to 100 m lift

Innovation drives sustainable growth

- Continuous innovation
  - *New equipment designs for specific applications*
  - *Improved core pump range*
  - *Expanded rental services*
- Future growth plans
  - *Australian and Indonesian coal markets*
  - *Geographical expansion of Multiflo*
  - *Expanded service offerings*
  - *Environmental protection driving new needs*
    - *Water management in Oil & Gas*
    - *Tailings pond clean-up in oil sands*



Breaking new ground with the high wall dewatering pump



Water and waste management key driver across many markets


No job too big
MULTIFLO®
Mine Dewatering Solutions
Call: 1300 MULTIFLO
Excellent
Minerals
Solutions
WEIR
MINERALS

Expanding into adjacent markets: oil sands

Warren Martin, Regional Managing Director, North America



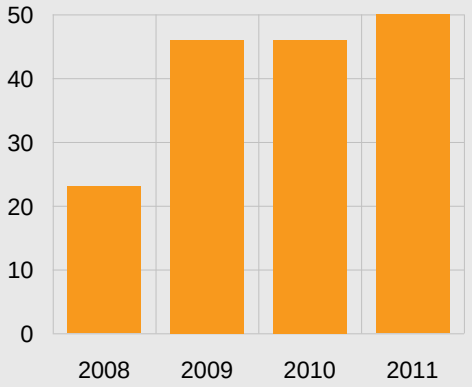
Suncor operation Oil Sands, Canada

Excellent
Engineering
Solutions

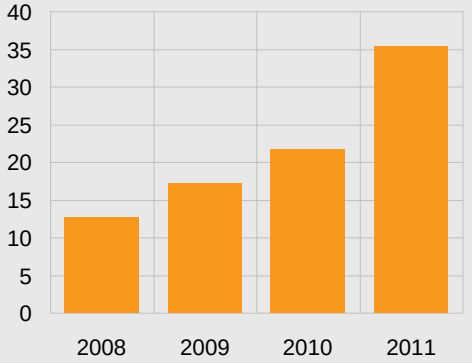
Oil sands: rapid growth in new market

- Aligned to core competencies and global footprint
  - *Mission critical processing equipment*
  - *Harsh operating environment*
- Some of the most challenging operating conditions
  - *Extreme temperatures*
  - *Highly abrasive*
- Weir provides differentiated technology and longer wear life
  - *Organic development of hard metal pumps in 2000*
  - *Superior technology to withstand 200 degrees fahrenheit*
- Capex since 2008 >C$35bn
  - *Installed base to 2011: 50 pumps*
  - *Associated annual aftermarket revenue potential c.C$20m*
- Growth through leveraging the core
  - *Pump range provides platform for broader product portfolio*

Weir large pump installed base, units



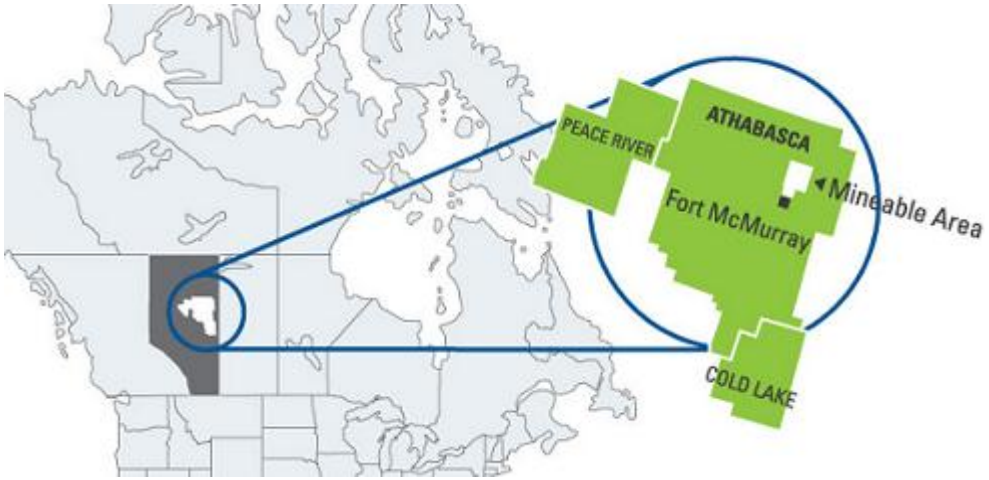
Oil sands market cumulative capex, $bn

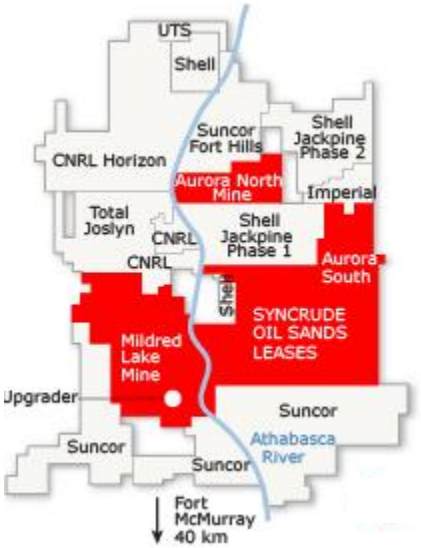


Source: Weir estimates

Joint leader in fast growing market

Canadian oil sands overview





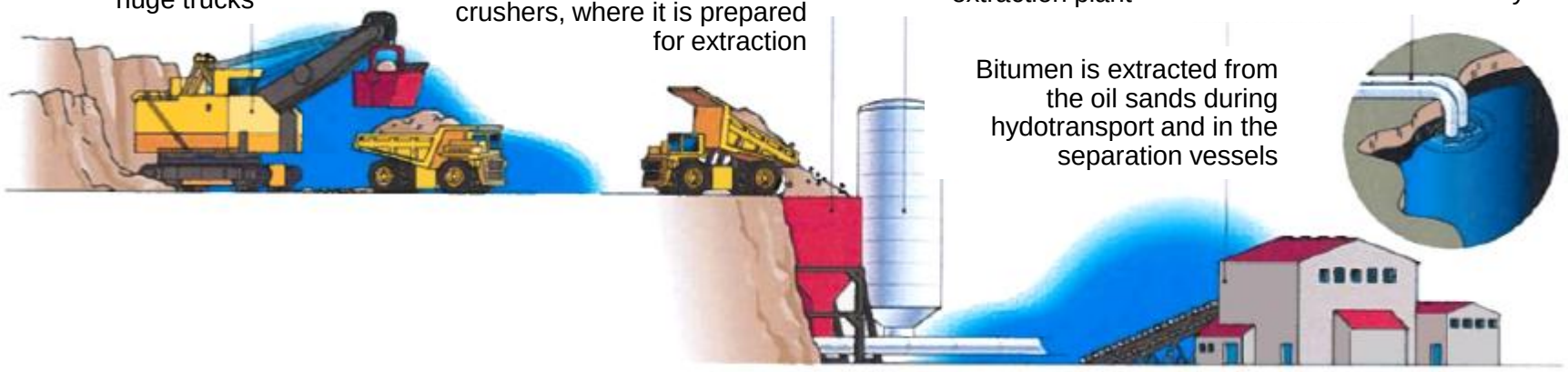
Minerals shovels dig into sand and load it into huge trucks

Trucks take oil sands to crushers, where it is prepared for extraction

Hot water is added to the oil sands and then fed via hydrotransport to the extraction plant

Bitumen is extracted from the oil sands during hydotransport and in the separation vessels

The tailings are pumped to the settling basin, where the water is recycled



Maps courtesy of www.cdnoilsands.com and canadianoilstocks.com

Weir Minerals products in the Oil Sands



Warman 600 HTP heavy duty slurry pumps



Linatex oil sands resistant Hose



Warman 12 TAHF froth pump



Multiflo barges operating at Suncor under winter conditions

Extended product range successfully deployed in last 2 years

Slurry pump spares: improvement programme

The future: 3,000 hours, two new initiatives underway

4th upgrade: 1,500 hours, experimental hard metal

3rd upgrade: 1,000 hours, tungsten coating

2nd upgrade: 670 hours, redesigned impeller, elastomer material

1st upgrade: 500 hours, hard metal

Original life: 350 hours, standard materials



600 HTP Throatbush: 4th upgrade

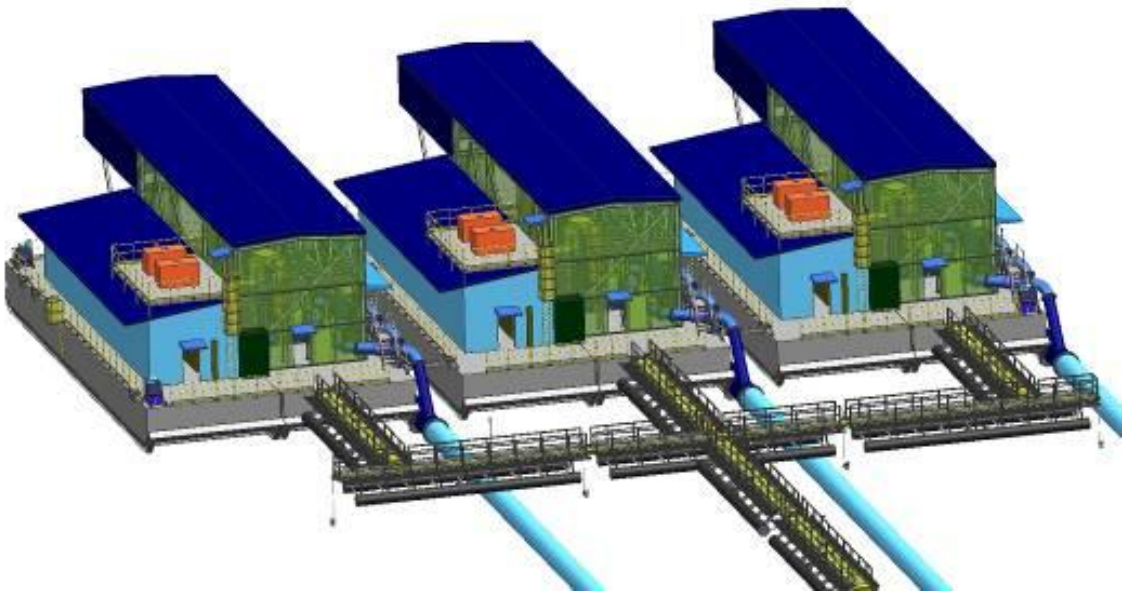


600 HTP Throatbush: original

Constant innovation responding to customers need to minimise downtime

Innovation drives sustainable growth

- Tailings Reduction Programmes (TRO): customer driven solution
  - *Environmental clean-up directive for Province of Alberta*
  - *Mega barge solution developed by Weir Canada*
  - *Brings together Hazleton and Multiflo technology in a unique solution*
- Largest ever Weir Minerals order
  - *Final contract size C$90M*
  - *Delivered on time*



Innovating to provide comprehensive solutions for customers

TRO mega-barges: full operational flow from day one



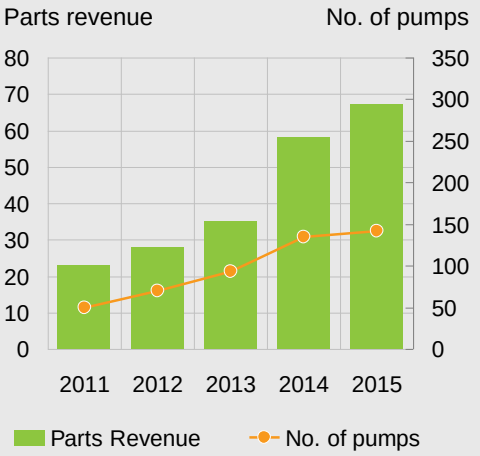
Initial coffer dam flooding to inspect buoyancy

Excellent
Engineering
Solutions

Oil sands: future growth opportunities

- Growth in oil sands projects drives
  - *Rapid growth in installed base*
  - *Accelerated growth in aftermarket*
- Securing the aftermarket
  - *Installed base to nearly treble by 2015; confirmed orders received*
  - *Investing in technology, service and support to secure aftermarket*
  - *2015 aftermarket potential: >3 x 2011*
- Cross-selling the full portfolio
  - *Hoses, de-watering solutions, full pump range*
  - *Complementary products revenue target: 45% of total by 2015*
- Projected capex to 2020 > C$100bn
  - *Potential for additional 280 large pumps*
  - *Significant original equipment and aftermarket opportunity*

Installed large pump base and related parts revenue opportunity



Source: Weir estimates

Projected oil sands projects	Project value $bn	Planned start up	Est no pumps
CNRL	$26	2015/19	60
Total Canada	$21	2016/17	20
Shell / Marathon / Chevron	$8	2017	20
ExxonMobil	$9	2017	20
Total / Suncor / INPEX	$10	2017/18	40
Suncor / T. Canada / Teck	$15	2019	20
Teck	$16	2020	40
Syncrude Canada	$10	2020/22	60
Total	**$115**		**280**

Source: Weir

Delivering sustainable, profitable growth from installed base

Growing through strategic acquisitions: Linatex

Rob Brown, Regional Managing Director, Asia Pacific



Linatex rubber

Excellent
Engineering
Solutions

Why Linatex?

- Met strategic and financial criteria
  - *End market alignment*
  - *Extends the portfolio*
  - *Opportunity to leverage the business*
  - *EPS accretive, ROCE > cost of capital within 3 years*
- Significant synergy opportunities
  - *Leverage the Weir global sales and service channels*
  - *Integrate and leverage product ranges*
  - *Margin improvement potential:*
    - *Rationalise and eliminate duplicate costs and infrastructure*
- Strong fit with Weir Minerals
  - *Brand recognition driven by superior rubber capability*
  - *70% aftermarket business*
  - *Expanding and complementing existing rubber mill circuit offering*
  - *Significant potential in Canadian oil sands*



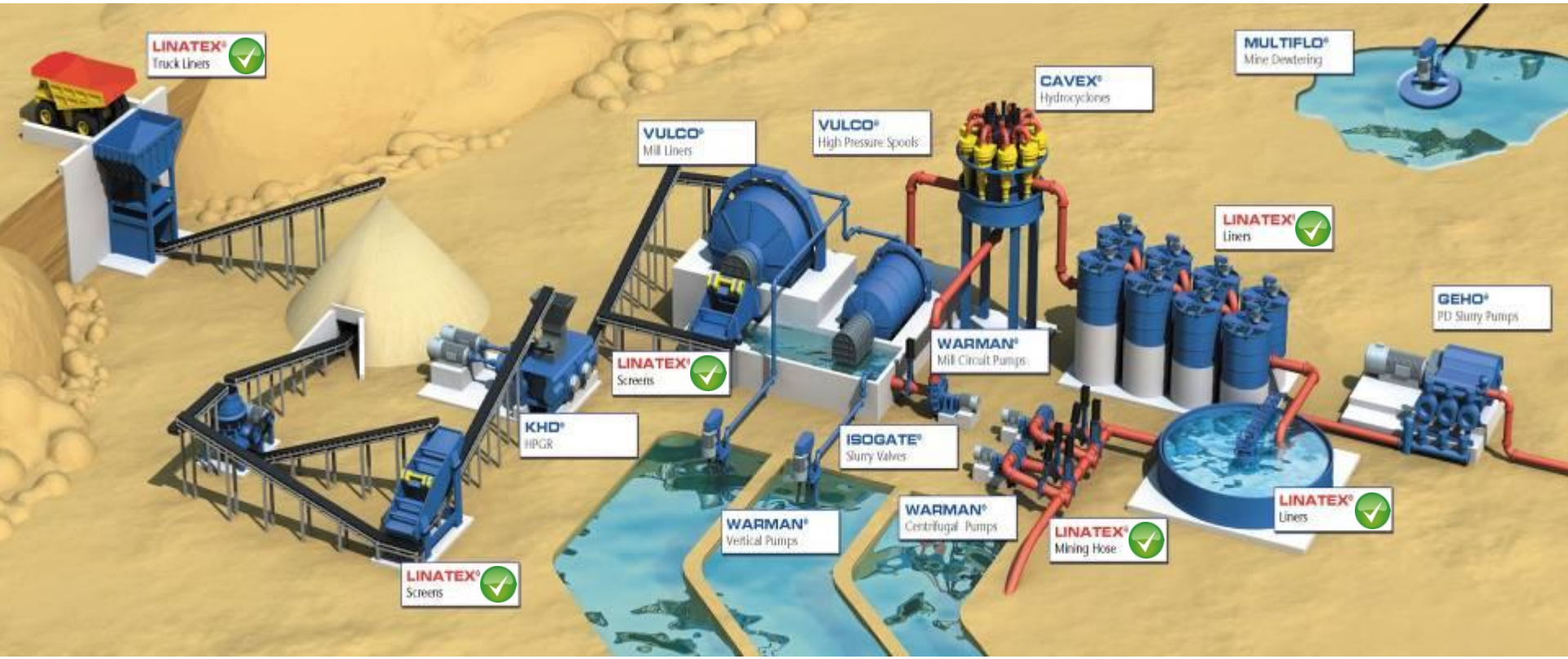
Equipment damage



Rubber solution

Strong fit with Weir's established acquisition criteria

Excellent fit with core mill circuit products and competencies



Linatex: expanding the mill circuit portfolio

The Linatex® difference

- Proprietary vulcanised natural gum rubber
- Only company to use liquid latex to produce rubber sheet
- Inherent properties retained via the unique manufacturing process
  - *Strength*
  - *Resilience*
  - *Wet abrasion resistance*
- Strict rubber recipe with self developed technology providing unique IP ownership



Pure natural rubber



Liquid latex



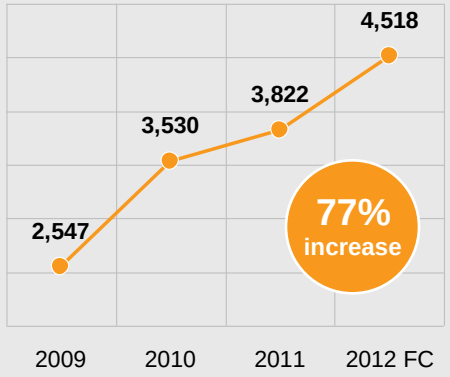
Advanced continuous press technology

Rubber technology providing new competitive advantage

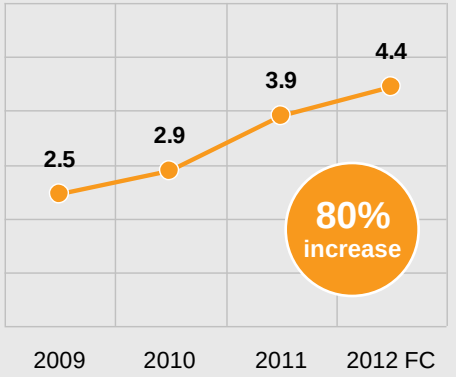
Integration success highlights

- Financial:
  - *US$15m annualised synergies*
  - *Exceeded cost of capital first year*
  - *Headcount reduced by 12%*
- Operational and commercial:
  - *Integrated into Weir regional structure in under 1 year*
  - *DCO established for rubber products, hoses and screens*
  - *Key Linatex technical staff retained*
  - *Linatex product portfolio integrated into Weir offering*
  - *Approved ISO14001 status*
  - *WPS score increased from 34% to 71%*
  - *Tonnage per employee increase 80% since 2009*

Rubber output, tonnes

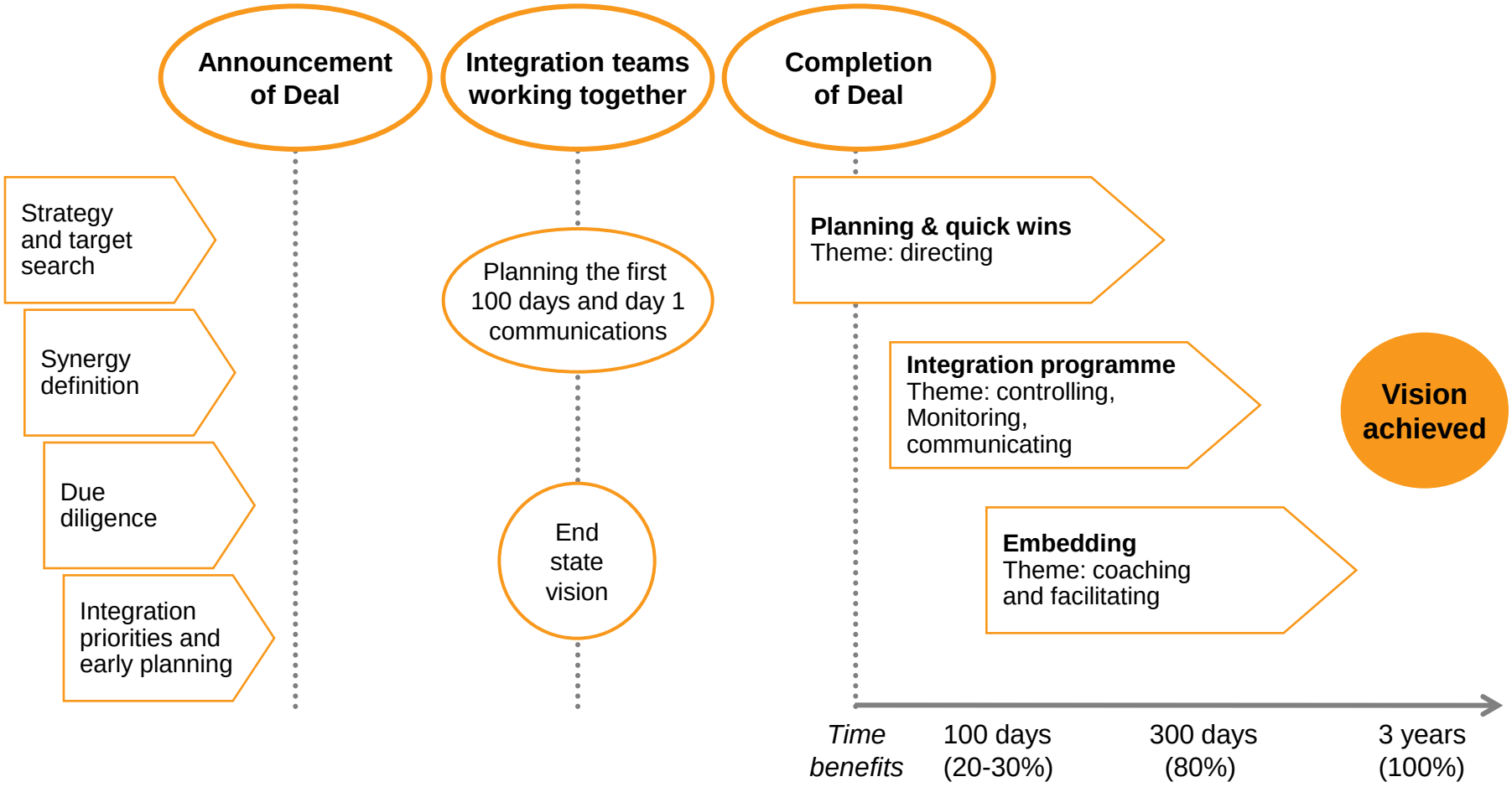


Tonnes per employee, Malaysia



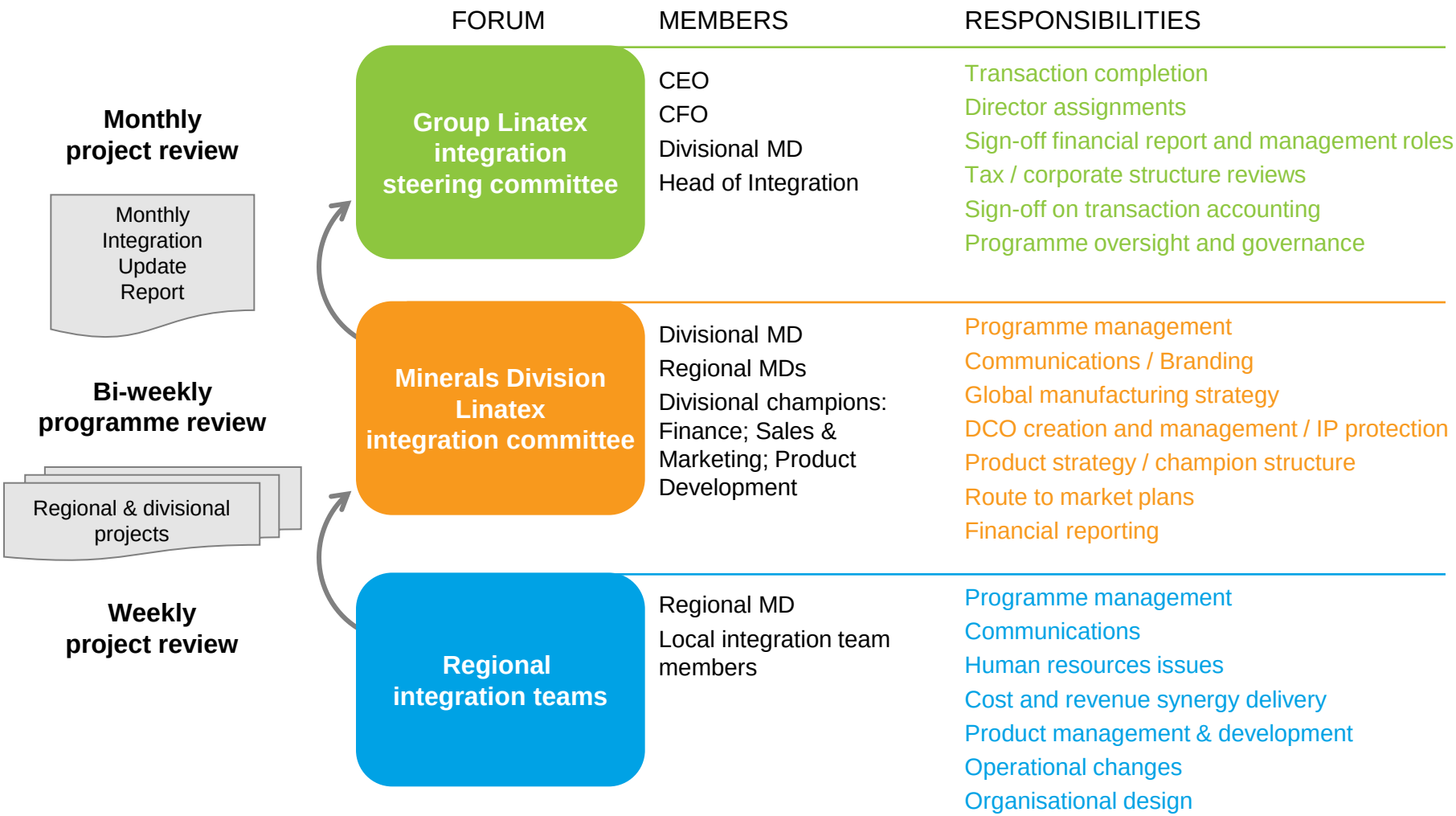
Substantial operational improvements driving high financial returns

Weir integration process



Robust integration process, recognised by Frost & Sullivan

Regional integration with divisional and group oversight



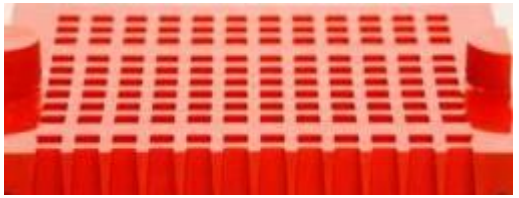
Well established process for global, multi-site integration

Core to our future growth strategy

- Comminution: upgrading existing screen technology
  - *Driving aftermarket growth with screen media technology*
  - *Investing in regional capability to match local market needs*
- Market development: oil sands and fracking
  - *Successful hose installations resulting in doubling of wear life*
  - *Lined pipe trials on-going presently*
  - *Potential applications in fracking*
- Service enhancement:
  - *Augmenting aftermarket capability with rubber handlay to address on-site applications (chute linings, truck linings etc.)*



Linatex screen







Linatex screen media

Materials technology differentiation core to our growth strategy


WEIR MINERALS
HAS UNCOVERED
A VALUABLE
RESOURCE.
LINATEX
While Linatex Premium Rubber products have been around for more than 80 years, only recently have they been added to the Weir Minerals brand portfolio. Thanks to Linatex's long lasting abrasion resistant products, Weir Minerals can now offer completely integrated solutions to your minerals processing needs.
This is one union that's as solid as a rock.
www.weirminerals.com
LINATEX®
Rubber Products
WEIR
MINERALS

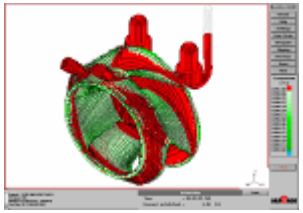
Competitive advantage through technology

Fred Bradner, Director of Technology, Weir Minerals

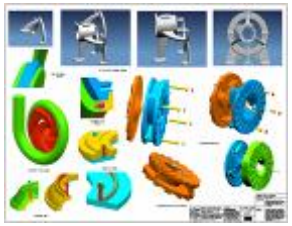


Excellent
Engineering
Solutions

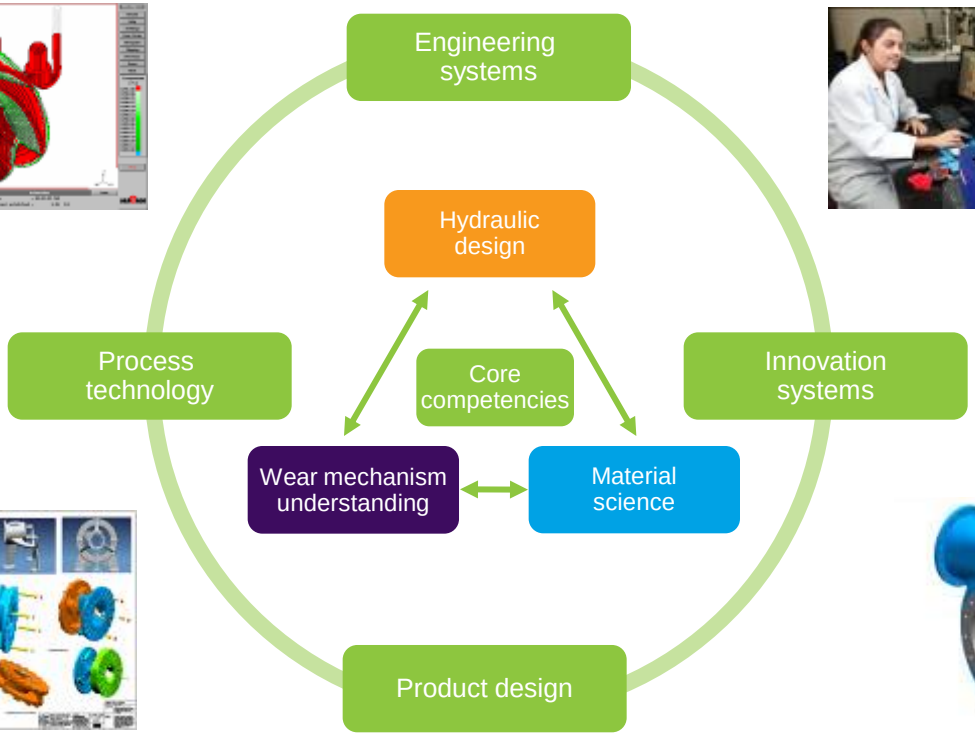
Weir Group core technical capabilities







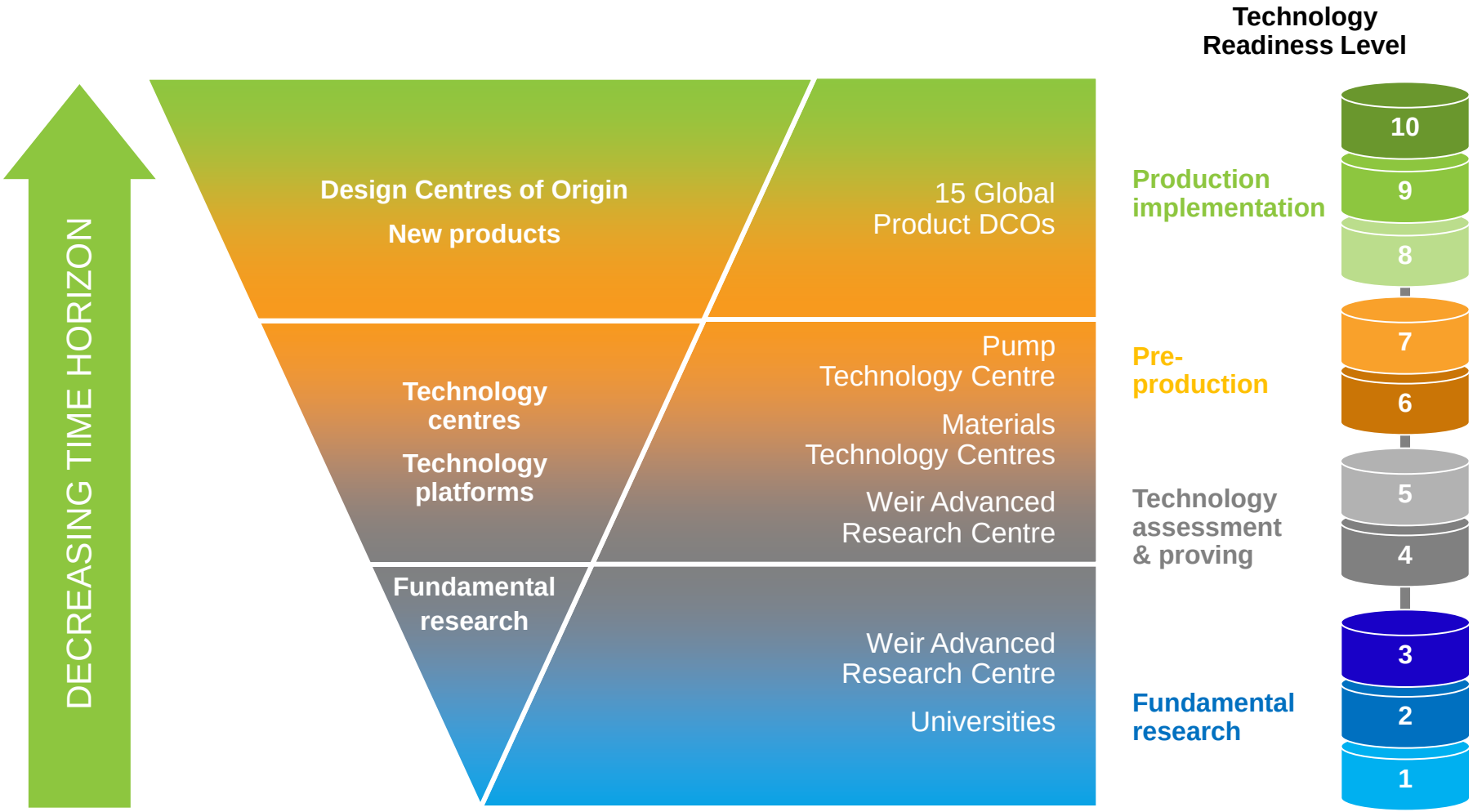




- Leading competencies in hydraulics and materials
- 40 years of product development and IP
- The best engineers in their field
- Robust processes and systems to sustain and grow

World class engineering capability and processes

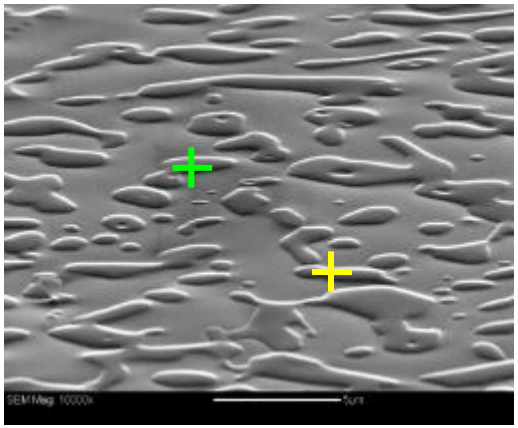
Strong pipeline of new product development



Robust, sustainable technology base to extend competitive advantage

Materials technology focused on high wear applications

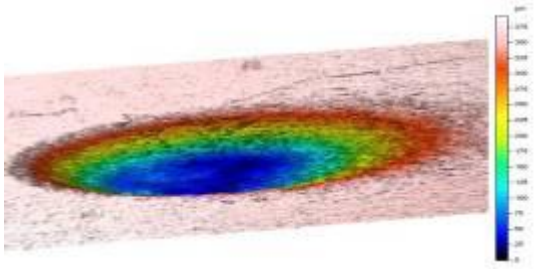
- Engineered materials that are a transferable differentiator across all our product categories
- Laboratories that create some of the worlds most wear resistant alloys and elastomers



A05 alloy microstructure

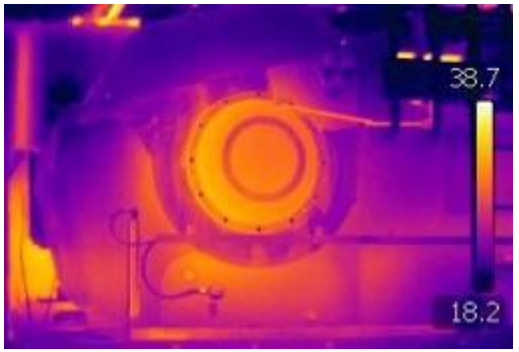


Trial casting in Weir's test foundry



Digital image of wear scar

- World class scientists and engineers employed at our Material Technology Centres in Australia and Malaysia



Thermal image

Materials technology: a source of competitive differentiation

Global engineering capability: design centres of origin (DCO)



- 15 designs centres of origin
- R&D headcount doubled in 4 years
- 90 technical staff
- 400+ engineers

Innovation: recent successes

- Materials
  - *Wear resistant white iron alloys in oil sands applications*
  - *New alloys to revolutionise wear resistance standards*
  - *Tough white iron: employed in mill liners and extending reach into larger mill applications*
- Manufacturing
  - *Screen Media: hi-tech manufacturing technique improving quality and reach*
  - *New composite ceramic manufacturing process allowing creation of chemical and wear resistant parts*
- Products
  - *"Smart Products":*
    - *control systems for optimising cyclone performance*
    - *electronic wear indicator for hoses*
  - *New range of pinch valve products*
  - *Upscaling range of screen machines*
  - *The WBH ® range of next generation slurry pumps*



WBH slurry pump

Consistently innovating across the product portfolio

Next generation slurry pumps: WBH® redefining performance

- Flagship pump range for heavy duty slurry pumping applications
- Developed at the Pump Technology Centre, Sydney Australia
- 9 sizes and many configured variants
- 7 patents and 20 design registrations
- Revolutionary one point front liner adjustment
- Versus current horizontal slurry pump technology:
  - *Less maintenance, less power usage, longer wear life, higher performance*

Sibelco's Tallawang mine, Australia

- Smooth and easy installation: 1 day versus 2
- Trial results
  - *Runs cooler, reduced energy usage, hours of down time saved, wear life predictability*

Coal & Allied Hunter Valley, Australia

- Smooth and easy installation: less than ten hours to switch out
- Trial results
  - *Reduced energy usage, shaft alignment improved, no damage to mechanical seals*
- 5 additional pumps ordered



"The pump ran beautifully from day one."

Matt Cosgrove, Sibelco Australia, Tallawang Mine, New South Wales, Australia



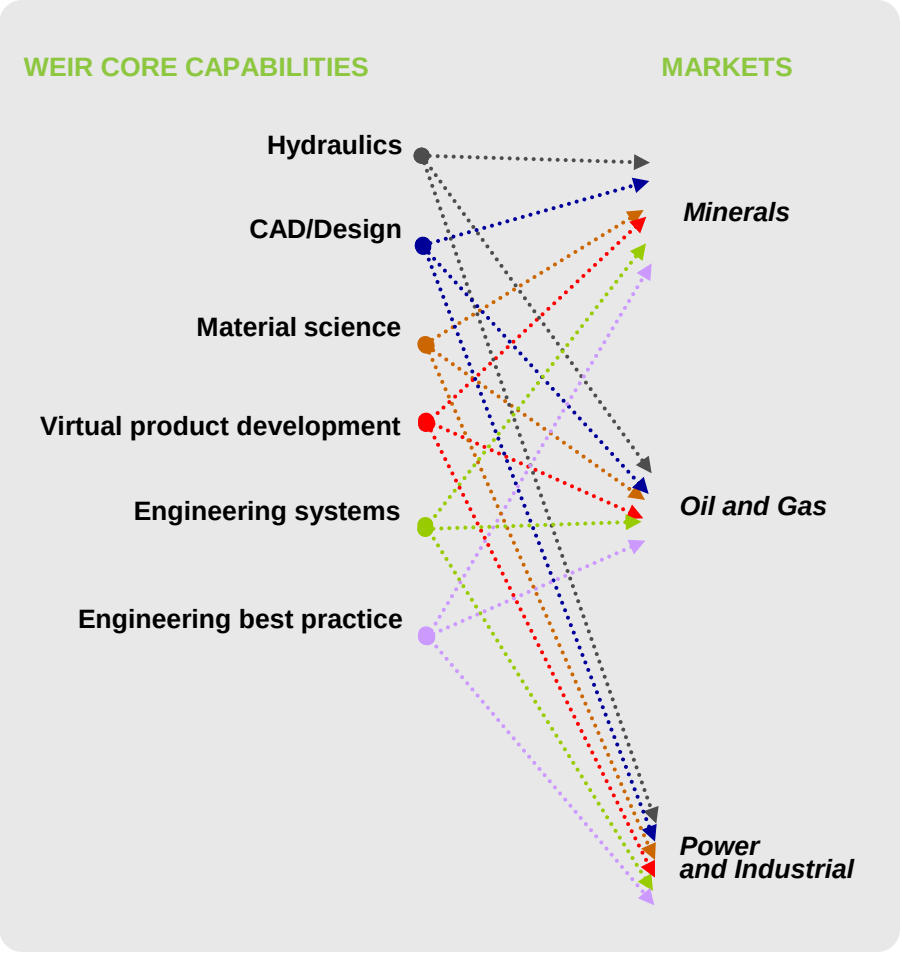
"It's definitely the pump of the future."

Paul Burgess, Coal & Allied's Mount Thorley Warkworth operation, Hunter Valley, Australia

Maintaining competitive advantage in our core now and in the future

The Power of One Weir

- Significant global network
- Oil & Gas Forum
- Engineering Excellence Committee
- Engineering best practice replication
- New product introduction system

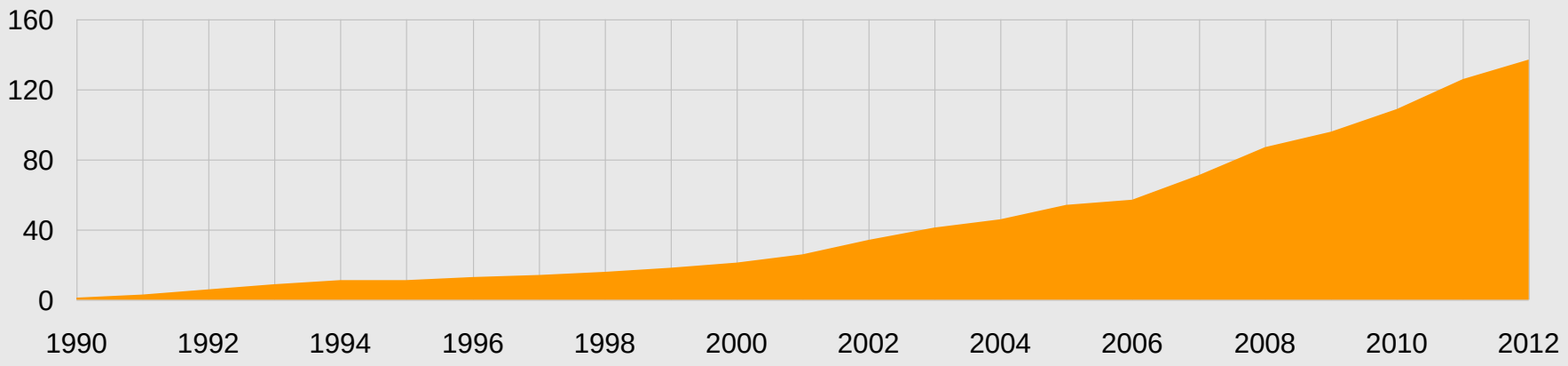


Collaborating to grow faster than our markets

Return on investment: 135 patent families registered since 1990

- Robust new product pipeline
- Not just pumps: a broad product base
- Short and long term technology development strategy
- Continual increase in patented technology
- Products that meet and exceed our customers performance requirements

Weir Minerals division: cumulative patents registered



Technology delivering sustainable growth

Competitive advantage through operational excellence

Kevin Spencer, Regional Managing Director, Europe



Weir Minerals, Brasil, Sao Paulo

Excellent
Engineering
Solutions

Don’t stop the mill

A typical concentration plant processes between 20,000 and 200,000 tonnes of copper ore per day. At 1% metal content that’s between c.£1m and £10m of copper. Keeping the plant running is critical.



Weir’s responsive manufacturing ensures the customer stays operational

“*Even the best products and services of the highest quality have limited value when they’re not delivered to the right place at the right time*”

Customer driven manufacturing strategy



- Delivering quality on time, every time:
  - *Regional supply chains: responsive and customised*
  - *Global sourcing: low cost / non IP standard products*

Local foundry, machine and rubber shops

- In-house control of critical components
- Protecting IP
- Ensuring on-time delivery
- Eliminating high shipping costs
- Custom design for local markets
- Responsive to the aftermarket

Standardising quality: WPS

- Weir Group version of lean
- Drives customer focused continuous improvement

Global manufacturing capability: thinking globally, acting locally

Weir Production System

Scope: work cell to divisional level

- Foundry and rubber facilities
- Machining
- Logistics
- Suppliers
- Order processing

Focus: eliminate waste, create value

- Safety performance
- Quality performance
- Cost performance
- Delivery performance
- Continuous improvement

Methods: the right tools for the job

- Value stream mapping
- 5S: Getting the basics right
- Shop floor data collection
- Total Productive Maintenance
- SMED: Reducing changeover times
- Kanban: Inventory control/ reduce lead time

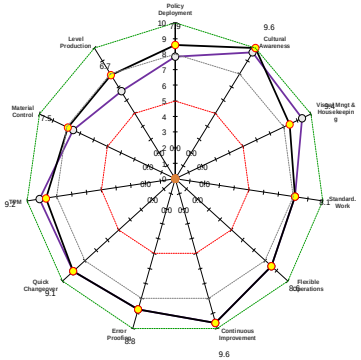
Measures: daily-annual, benchmarking

- Daily war room meetings
- Annual audits and improvement plans
- Best practice transfer systems
- Benchmarking
  - *Internal*
  - *External*

Customer driven continuous improvement across the value chain

Weir Production System: what it delivers

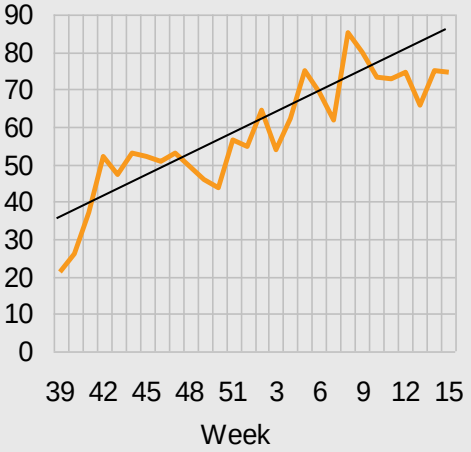
- Example benefits:
  - *Cutting tip supplier partnership: 20%-50% machining time reduction*
  - *70% reduction in cooling times for foundry castings*
  - *Doubling rubber press capacity through double day light presses*
  - *>50% increase in monthly foundry tonnage*
  - *Value stream mapping: customer focused value added*
- Global measures:
  - *Output per employee CAGR of 8% p.a. over 5 years*
  - *Best facilities recognised at top of industry league tables*
  - *Year on year improvement in Group WPS score*



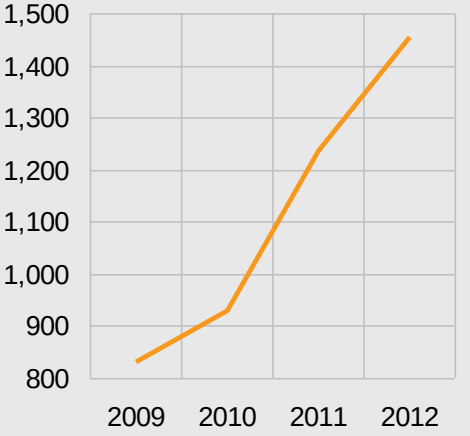


Delivering improvements

Machine shop efficiency %



Average foundry monthly tonnage



Executing customer defined improvement opportunities

Investing to sustain competitive advantage

- Future investment to meet market demands
  - *Chilean foundry investment driven by mill circuit growth*
  - *European foundry expansion driven by key emerging market demand in Russia, Middle East and beyond*
  - *New North American foundry to serve Canadian oil sands demand*
- Supply chain optimisation: the next area of focus
  - *Leveraging global external spend*
  - *Continued shift to low cost sources*
  - *Improving lead times and material control to improve working capital*







Sao Paulo case study

- 2009: US$17m foundry and new plant opened
- Average delivery shortened to 4 weeks
- Enabled rapid expansion in sales of a third within 2 years
- US$15.3m saving on working capital and US$ 1.2m transport costs
- Payback: < 4 years



Investing to meet demand and improve customer service

Weir Minerals: positioned for sustainable profitable growth

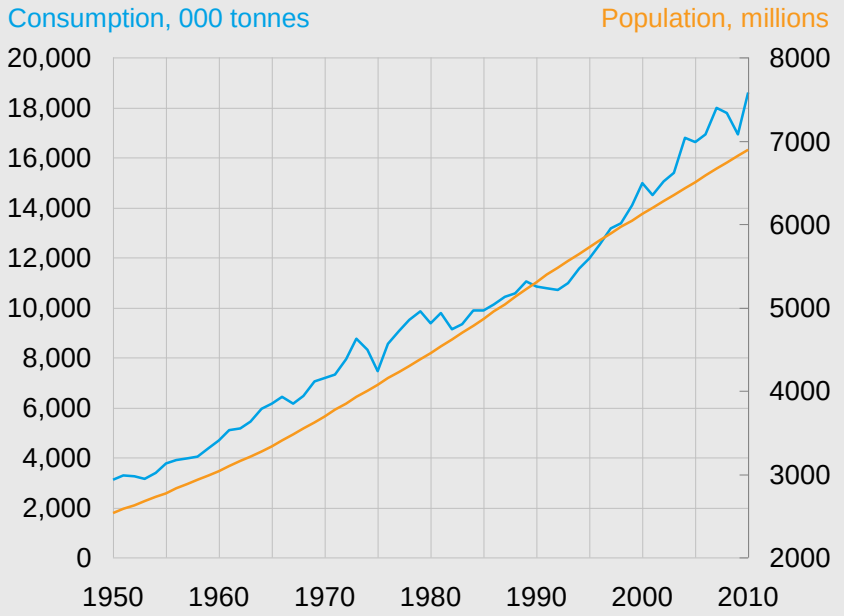
Keith Cochrane, CEO



Excellent
Engineering
Solutions

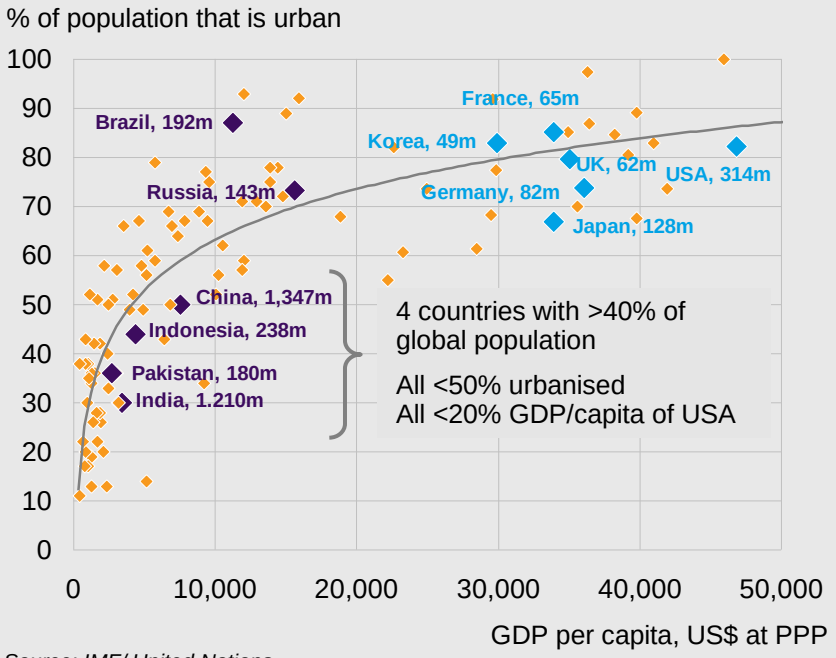
Structural demand drivers positive for the long term

Global copper consumption vs population: Last 60 years



Source: United Nations/ CRU

Global development curve



Source: IMF/ United Nations

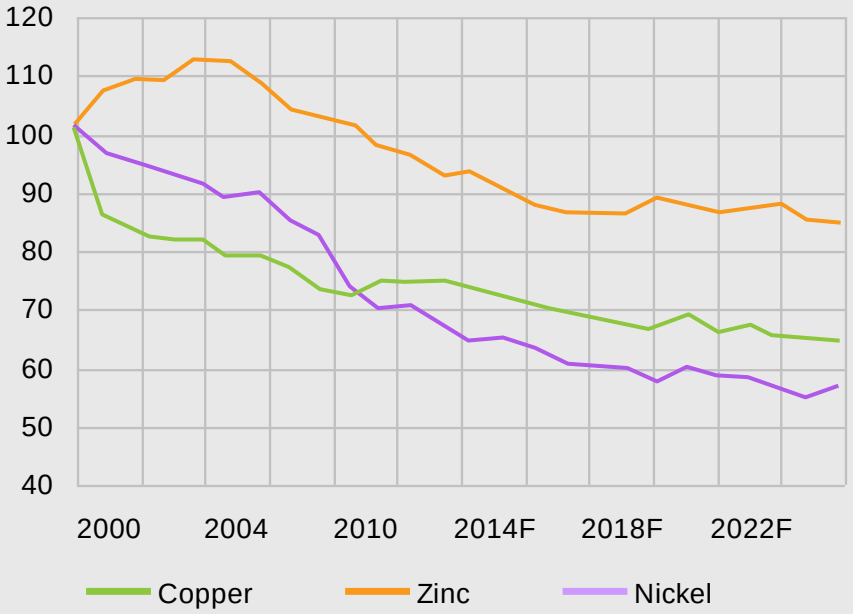
- Metals are a finite resource
- Substitution slow & limited
- Growing infrastructure & personnel demand

- Emerging markets major growth engines
- Extended period of growth
  - *1bn population growth (15%) by 2025*

Strong decade of demand growth expected

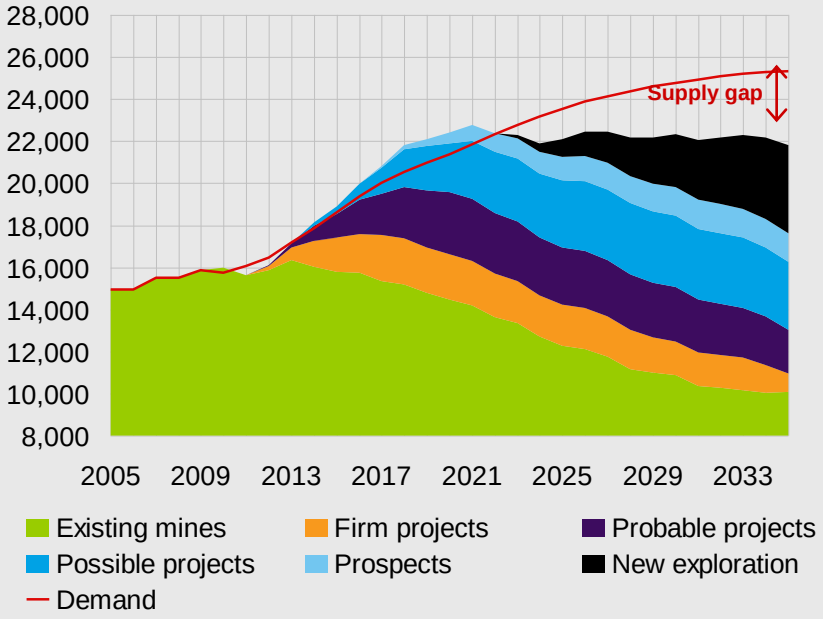
Substantial long term supply investment unavoidable

Head grades indexed to 2000 base



Source: Xstrata

Forecast copper demand versus supply
000t contained copper



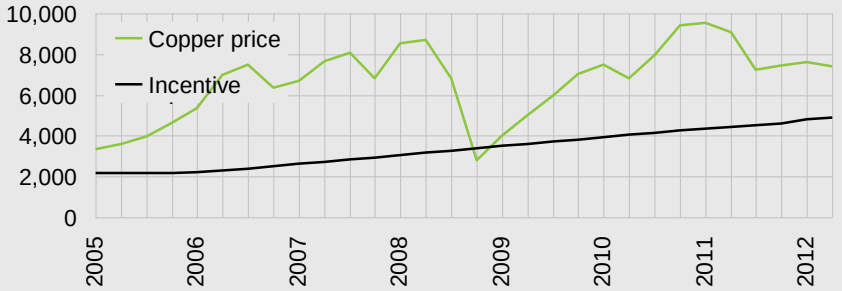
Source: CRU May 2012

- Declining ore grades
  - *Physical flows grow faster than metal demand*
- Supply constraints increasing
  - *Water and energy savings in focus*
- Maximising available resources
  - *Exploiting all mineral content*
- Project management resource constraints
  - *Solution deliveries, centralising decisions*

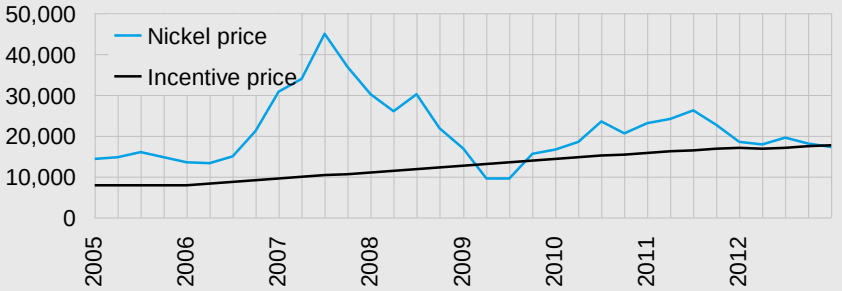
Weir positioned to benefit from supply trends

Commodity prices remain above greenfield incentive price

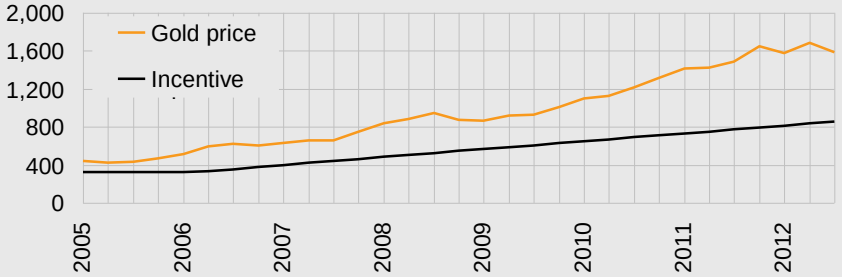
Spot copper price, US$ per tonne



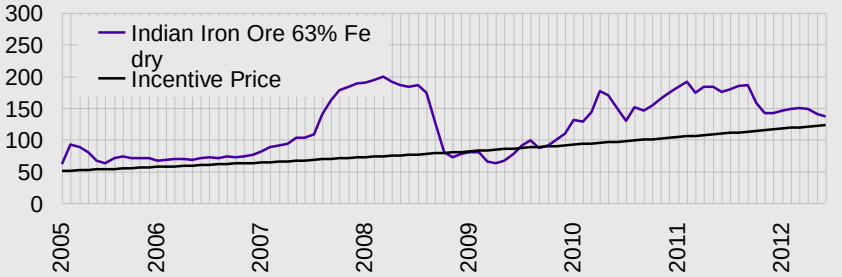
Spot nickel price, US$ per tonne



Spot gold price, US$ per ounce



Spot iron price, US$ per tonne



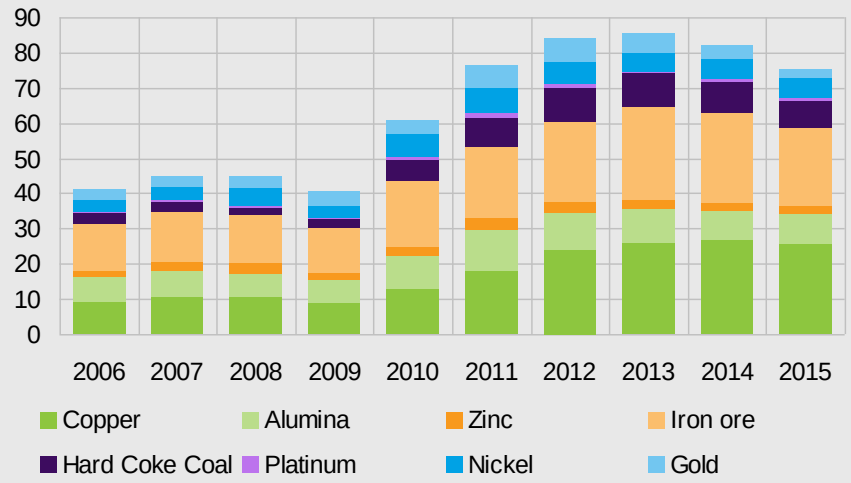
Source: BofA Merrill Lynch Global Research estimates

- Price levels substantially above marginal costs: mining remains highly profitable
- Brownfield incentive prices substantially lower than greenfield projects
  - *Mine and transport infrastructure already in place*
  - *Normally lower risk, incremental proposition*

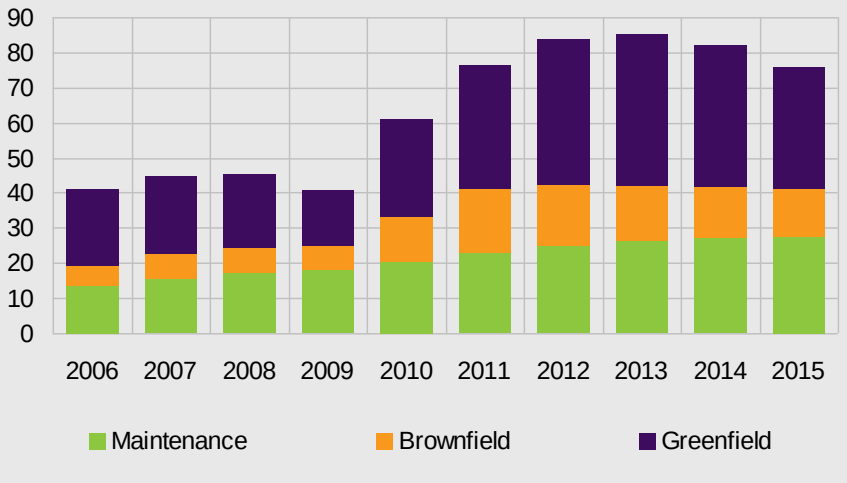
Commodity prices and industry profits continue to support investment

Capital expenditure to remain high in the medium term

Capital expenditure: key commodities, US$bn



Capital expenditure: project type, US$bn



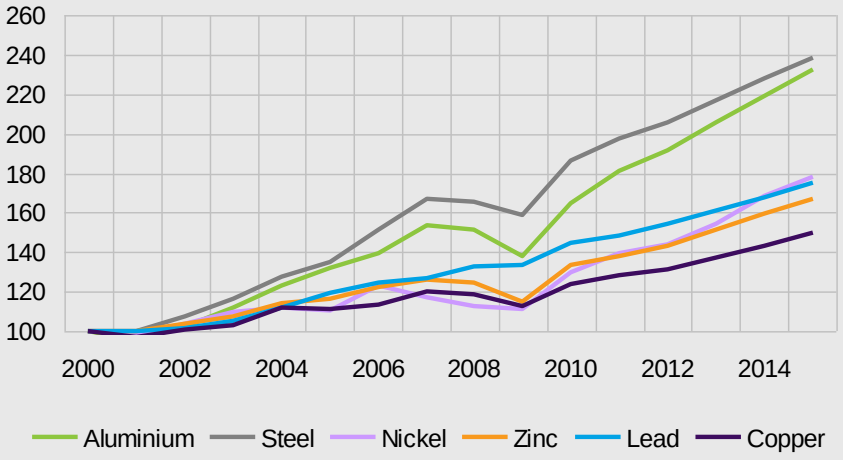
Source: CRU May 2012

- Capex to remain above 2011 levels through to 2015
  - *Based on known projects only: capex profile always points down in later years*
- Copper and iron ore expected to grow fastest
  - *South America and Australasia key beneficiaries*
- Maintenance capex continues regardless of economic conditions

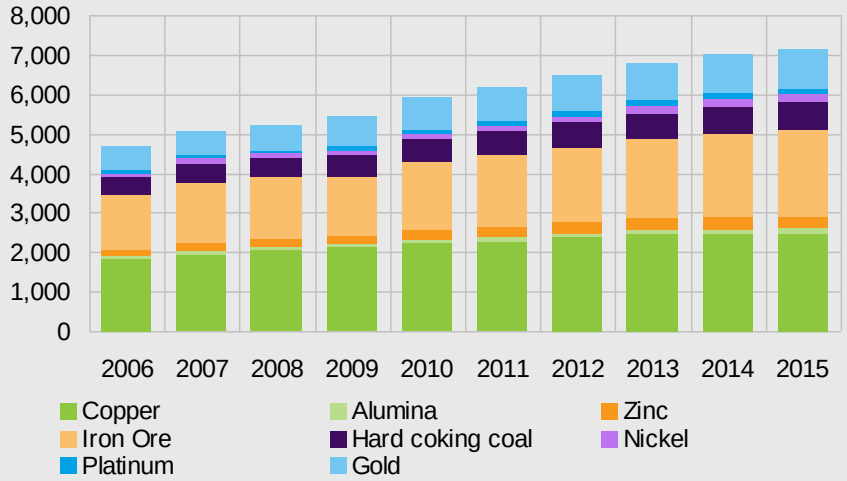
Brownfield and maintenance projects: 50% of capital expenditure

Production struggling to match demand in the medium term

Demand for industrial metals 2000 – 2016 (indexed)



Ore production by key commodity, million tonnes



Source: CRU May 2012

- Demand for all key commodities growing
  - *Fastest growth from infrastructure materials*
- Copper, nickel, zinc production growth slower than demand
- Ore production growing at 4%-5% per annum
  - *Ore grade declining leads to higher rate of physical processing growth*
  - *Africa, Australasia and South America fastest growing regions*

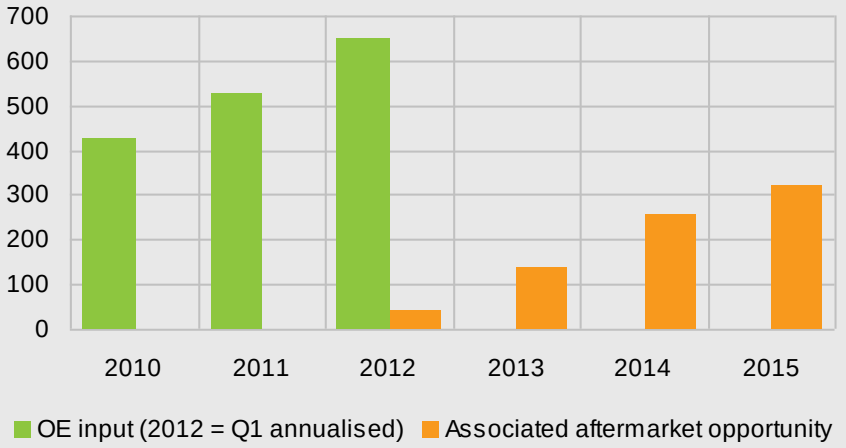
Processing requirements growing 5%+ per annum

OE input already secured to drive 2013-15 aftermarket growth

Selected projects and expected commissioning date

Project Name	Country	Commodity	Comm. Date
Karara	Australia	Iron	2012
Los Bronces	Chile	Copper	2012
Taganito	Philippines	Nickel	2012
Oyo Tolgoi	Mongolia	Copper	2012
Samarco	Brazil	Iron	2013
Suncor	Canada	Oil Sands	2013
Syncrude	Canada	Oil Sands	2013
MMX2	Brazil	Iron	2014
Pascua Lama	Chile	Gold	2014
OCP	Morocco	Phosphate	2015
Las Bambas	Peru	Copper	2015

Weir OE input drives aftermarket revenue opportunity: illustrative, £m



Source: Weir

- Over £1.1bn of OE capex input received in 2010 - 2012 Q1
  - *Supplying a number of projects due to commence production 2012-2015*
- Expected to generate up to £3bn aftermarket opportunity over 10+ years
- Equipment typically commissioned 1-3 years after order receipt
  - *Material growth in aftermarket opportunity 2013 to 2015*
  - *Provides long-term recurring revenue stream*

Weir has secured installed base to drive incremental aftermarket growth

Weir Minerals: positioned for long term sustainable growth

Aftermarket driving organic growth

- Installed based growing
- Commissioned projects driving higher margin aftermarket revenues
- Weir aligned to higher growth commodities

Market share expansion opportunities

- Ancillary products
- Services
- Lower share in certain geographies

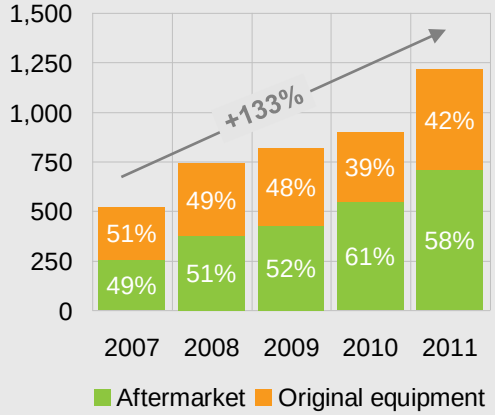
Developing new markets

- Expanding technology into aligned sectors
- Comminution product development
- Dewatering solutions

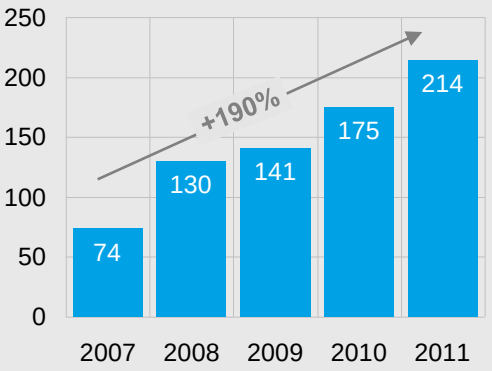
Further leveraging platform

- 30% increase in R&D spend in 2012
- Increasing value-add services
- Best cost sourcing, operational excellence
- Acquisitions aligned to strategy

Revenue £m



Operating profit £m



Source: Weir

Ambition to double 2011 operating profits by 2016

Weir Group growth drivers

Aligned to structural growth end markets

- Oil & Gas, mining and power demand driven by structural growth (90% 2011 input)
  - *Energy demand, urbanisation, environment, resource scarcity*
- High emerging market exposure (35% 2011 revenues)

Attractive industry dynamics

- Highly engineered, process critical products
- Market leading positions in secular growth segments
- Large installed base creates sustainable aftermarket opportunity

Best-in-class performance

- Unique global infrastructure
  - *Diversified geographies, sectors, commodities, customers and products*
- Top-quartile profit margins, culture of operational excellence, best practice sharing
- Resilient in downturn, agile in recovery

Positioned to deliver strong growth

- Organic growth in core and adjacent segments
- Platform and capacity for acquisitions
- Leveraging global footprint and service capability

Positioned to continue to deliver long term sustainable growth

Q&A



Appendix



Attendees: Weir Group PLC

KEITH COCHRANE
Chief Executive



Appointed Chief Executive in November 2009, having been Finance Director since 2006. A qualified accountant, Keith joined Stagecoach Group in 1993, becoming Chief Executive in 2000. He joined Scottish Power plc in 2003 where he became director of group finance.

JON STANTON
Finance Director



Joined the Board in April 2010 from Ernst & Young London where he led the audit of several FTSE100 companies. Jon was with Ernst & Young since 1988, becoming a partner in 2001 after extensive international experience including two-years in Detroit.

DEAN JENKINS
Power & Industrial Divisional MD



A graduate aerospace engineer, Dean joined Weir in 2010. He previously worked for Qantas Airlines and the Australian listed infrastructure services company UGL Ltd, most recently as Chief Executive of the latter's Rail Division

KEITH RUDDOCK
General Counsel and Company Secretary



Before joining Weir in 2012, Keith spent nearly 20 years with oil major Royal Dutch Shell PLC, latterly as General Counsel for Upstream International, Shell's largest business unit. He has extensive international commercial and legal experience, having worked in the US, Middle East and Europe and was a member of the leadership team.

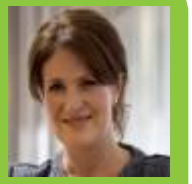
PAULINE LAFFERTY
Director of Human Resources



Before joining Weir in 2011, Pauline spent 13 years in executive search with Miles Partnership and Russell Reynolds Associates in the UK and Australia. Previously Pauline held business planning and operational roles for 11 years with Motorola and Digital Equipment Corporation (DEC) in Scotland, Australia and Hong Kong, ultimately becoming Asia Pacific Director of Supply for DEC.

Attendees: Weir Group PLC

VICKY FERRIER
Group Head of IR & Communications



Joined Weir in 2011, from SABMiller's IR function in January 2011. Prior to that she was in the finance function at Procter & Gamble, where she spent around half of her 9 years, in M&A. Vicky is a Chartered Accountant, with a degree in English Literature from the University of Aberdeen.

ANDREW NEILSON
Head of Strategy



Graduate engineer and qualified accountant with background in strategy, mergers & acquisitions. Investment banker with HSBC before joining Scottish Power as Corporate Strategy Manager. Prior to joining Weir in February 2010 he managed private equity investments for HBOS.

JONATHAN MILNE
Communications Manager



Joined Weir in 2011 from the Institute of Chartered Accountants of Scotland, where he was Director of Communications. He previously worked at the BBC as a television news editor and producer of current affairs programmes.

Attendees: Weir Minerals division

SCOT SMITH
Divisional Managing Director



An MBA, Scot joined Weir in 2001, having worked in the automotive industry for 18 years with companies including General Motors and Britax, where he held a number of positions. As previously announced, he will leave the Group in 2012.

RICARDO GARIB
Regional Managing Director: Latin America



Joined Weir in 1994 with the acquisition of Baker-Hughes Envirotech. Degree in Mechanical-Industrial Engineering, later adding an MBA. Served previously with Carbomet, as well as with one of the leading mining and industrial consulting companies in Chile.

DAVE ATHEY
Regional Managing Director: Africa



Graduate Engineer and MBA. Joined Weir in 2008. Previously held Managing Director positions in Murray & Roberts Engineering Solutions and Ingersol Rand Africa, as well as serving AECI / ICI in numerous managerial positions for 7 years. Completed Engineer in Training with Gold Fields.

GEOFF MOORE
Divisional Sales & Marketing Director



Graduate engineer and MBA with 40 years experience in Weir Minerals global businesses covering engineering, manufacturing, sales & marketing and general management.

WARREN MARTIN
Regional Managing Director: North America



Joined Weir Minerals in 2001 as President of the Madison, Wisconsin operations. In 2003 he was named Regional Managing Director of Minerals Division for North America. Prior to joining Weir he was at Fairbanks Morse Engine, a division of Goodrich, for 12 years, the last three as President.

ROB BROWN
Regional Managing Director: Asia Pacific



Joined Weir in 2006 having spent 25 years in the global electronics and telecommunications industry with Digital Equipment, Compaq, Nortel Network and Barco. With more than 20 years exposure to Asia. Rob started his engineering career with Rolls Royce in Glasgow and studied his MBA at Strathclyde Business School.

Attendees: Weir Minerals division

FRED BRADNER
Director of Technology
Weir Minerals



Joined Weir Minerals in 2008. Previous employment includes 20 years at 3M Company where he was involved in various Technology Management and General Management roles. Fred has a PhD in Physical Chemistry.

KEVIN SPENCER
Regional Managing Director:
Europe, Middle East, Russia



Graduate mechanical engineer who worked in the mining industry for 17 years, before moving into the mining supply industry. He held several senior positions with Joy Global and since joining Weir in 2005, Kevin has worked for Minerals in MD roles.

CEES ZAALBERG
Regional Managing Director:
Global GEHO Pumps



Dutch national and graduate mechanical engineer who started his professional career in the Oil & Gas business spending 15 years with BP Oil in several positions in various countries.
Prior to joining Weir in early 2005, Cees was Managing Director of the ATS Automotive Group in Germany.

PHIL MORRIS
Divisional Finance Director



Chartered Accountant who was appointed Minerals Finance Director in 2000. He joined Weir in 1999 with the acquisition of the Warman International Group. Prior to this he held finance director roles within the Hawker Siddeley and Vickers Groups.

ALASDAIR MONK
Divisional Marketing Manager



Alasdair joined the Group in 2007 as the Head of Marketing EMEA, Weir Minerals, before becoming the divisions Marketing Manager in 2010. Previous experience includes working for blue chip companies in telecoms and retail as well as being a professional footballer.