

The Secret Ingredient

I have two reflective thoughts on which to end the year.

- Why am I wearing a kilt? That's what happens when you go to a wedding in Ukraine.

The Buck's party consisted of climbing Mt. Hoverla which is twice as high as Western Australia's highest mountain.

It was on that mountain that the movie Brave Heart was filmed and the locals were so impressed at the sight of Mel Gibson running around in a kilt that it has become something of a local tradition.

Although I missed the Buck's Party, by one day, they did save me a kilt and made me climb the highest peak in Lviv for the kilt presentation.

So, being very big on tradition, here I am bringing some Ukrainian culture to Perth.

- The other main point is to thank the great team that I'm working alongside and that includes both the Mannwest Group (our hosts for tonight) and our Mannkal Foundation.

There are only three times in my long business career where I feel that I have got the formula just right and each time there has been one single, great big factor driving the success of that organization.

Let me mention the three occasions:-

1. Back in Kalgoorlie, around 1972, with the sudden collapse of the nickel boom I said to our Mannwest Group team, at that time, "Everything that each of us is doing is exactly wrong for these times and we are losing money at such a serious rate that we need to change the whole nature of our business."

"This is a serious downturn and all of our customers are losing money, so hold the fort here and I'll go visit other mining centres around the world and find some ideas and equipment that we can bring back and introduce to our struggling industry."

As an example of the mining industry's condition, of the 385 Australian and international companies searching for nickel, only two ever made a profit.

Our courageous move paid off and we transformed our company and with our magic ingredient that team prospered and was able to launch itself into the three month gold boom commencing in January, 1980.

2. The second time was when Mannwest floated off our mining interests as a public company, Croesus Mining.

It was a period of despondency just as our explorers are currently experiencing right now.

We were the only public company to list that year - 1986.

We had a small team, there were five of us - none of us were extra special in any way but we had that magic ingredient which I'll explain later.

We then developed Croesus Mining into the third largest Australian gold producer (momentarily second when one of the major companies fell over).

Then after twenty years of success we lost that magic ingredient and the company had to be restructured and is continuing on as Sirius Resources where that new team has restored that magical ingredient.

3. The third time I managed to get it all right, again with that magic ingredient, is right now, both on the Mannwest Group where we have all aspects of the company performing well, property & investments, with our small team of Judy, Henri and Geoff. The same comments apply to our Mannkal Foundation where we again have an incredible team, many of you here today and that includes the expanded Mannkal team, such as the Board, the Advisory Council and the Ambassadors, many scattered around the world.

We have gone from sending one student, per year, to an internship to the point where right at this moment we have 18 very bright young Western Australian scholars located in different parts of the world and we feel as though we are just scratching the surface of the potential of our outward internship program.

I can't remember when I've enjoyed being in business and being in the Mannkal Foundation world of ideas as much as I do right now.

Oh yes, what is the magic ingredient that featured in each of these three great eras for me?

It was simply 'trust'.

Each of us has complete confidence in each other and we spend very little time on obtaining second opinions or checking up on each other.

We are entirely results and performance oriented and I'm sure we'll continue to perform well, as long as we maintain this focus.

Respect and trust are both as fragile as freedom itself and require constant nurturing.

So let us now drink a toast to:-

"Maintaining that trust and respect."

and, to a very happy Christmas and festive season.

Ron Manners

18.12.14

p.s. Robyn / Andrew