

SUSTAINING OUR ECONOMIC PERFORMANCE



KEY ISSUE:

Financial performance – Strong financial performance includes delivering on our growth and operational plans.

On 31 December 2010 MMR completed the acquisition of MMG from CMN. MMR's reported consolidated financial results for 2010 include MMG's performance and thus reflect both the past year and also the exciting future facing MMR as a whole.

In 2010 the MMG assets generated 53.6% of MMR's revenue and excluding the impact of business acquisition expenses of US \$86.4 million, 93.9% of adjusted company Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of US\$964.9 million and 93.8% of adjusted company Earnings Before Interest and Tax (EBIT) of US\$646.4 million.

Key investments made by MMG during 2010 included:

- US \$307.7 million invested in capital expenditure, US\$170.8 million for growth/development capex including Sapon nameplate capacity expansion to 80,000 tonnes per annum, Golden Grove TSF3, Rosebery ventilation shaft, Century expansion and US\$136.9 million for sustaining capex.
- US\$50.9 million invested in active and substantial exploration, including prospective outlook for the Izok Lake and High Lake properties in Canada in addition to progressing other exploration projects in Indonesia, Canada and Australia.

2010 PERFORMANCE DATA

FINANCIAL PERFORMANCE FOR MMG MINING OPERATIONS IN 2010

US\$ MILLION	REVENUE*	EBITDA	EBIT
CENTURY	711.4	356.2	136.7
SEPON	596.7	358.6	343.7
GOLDEN GROVE	391.3	192.4	155.6
ROSEBERY	220.5	104.5	78.8
TOTAL MMG MINING OPERATIONS	1,919.9	1,011.7	714.8

*Revenue includes revenue from external parties and from related parties.

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2011 MMR TARGETS AND INITIATIVES FOR ECONOMIC PERFORMANCE

- Target value focused acquisition – creation of shareholder value is paramount in the execution of M&A and exploration strategy and management has set clear investment criteria to achieve this objective.
- A capital raising was undertaken in April 2011 which raised US\$500 million.
- Major projects development pipeline (more than US\$2 billion based on known projects).
- Potential to expand and achieve sustainable growth through organic initiatives focusing on upstream mining operations.
- Divestment of assets that are not core to the business strategy including the majority of the MMR fabrication and Trading segments.

SEPON SUPPORTS LOCAL LAO SUPPLIERS



On 14 August 2010 Sepon commemorated the signing of its major logistics contract for all transportation needs with Lao Freight Forwarders to the value of approximately US\$21 million per year.



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