

THURSDAY 26 NOVEMBER 2009

Media release:

MMG brings forward dividend in response to National Assembly

MMG LXML announced today that it would bring forward to December 2009 payment of a US\$2 million dividend to the Government of Laos. The decision was made in response to discussions on the Lao national budget during the current National Assembly session. Special resolutions of directors and shareholders will be passed immediately to ensure that the dividend - which would not normally be available until after LXML's 2009 profit is finalised in April 2010 - can be paid to the Government.

Assisted by rising copper and gold prices, stable funding arrangements and a resumption of original operational plans, LXML has been able to reverse its forecast that it would not be in a position to pay a dividend in 2009.

CEO of MMG and Managing Director of LXML, Mr Andrew Michelmore, expressed his pleasure in announcing the decision. "MMG is aware of the significant expenditure pressures facing the national budget which includes hosting the SEA Games, the 450th Anniversary of the founding of Vientiane and the large unexpected outlays required to assist those affected by Typhoon Ketsana."

"In order to help the government meet these challenges we decided to bring forward the dividend payment. We are proud to be part of the Lao community and look forward to supporting the country's economic development for many years to come".

"This is the latest of a number of positive developments since June 2009, when the new ownership of MMG was announced" said Richard Taylor, GM Corporate Affairs Asia. "While the copper price will remain volatile and is dependent on the pace of economic recovery in world markets, LXML has now resumed its position as a major driver of growth in the Lao PDR. In October and November expenditures of US\$12 million and US\$60.4 million respectively were announced for the construction of a second power line to the company's Sepon plant, as well as a 20% expansion of the plant's copper production capacity. In addition, a further US\$4 million is being spent on incremental and strategic exploration of the Sepon tenement."

MMG LXML is also scheduled to deliver US\$3.7 million in royalties to the government on 27 November 2009. The payment is for 3 months royalty on copper and gold production. The company pays four different types of tax in addition to dividends. These are profit tax, royalty, and salary tax and tenement rental fees. Combined revenue accrued to the government from the project is estimated to be more than US\$80 million in 2009, with the project providing to the government more than US\$430 million since the project started production at end in 2002.



Education development is one of MMG LXML Sepon's community development activities for the Vilabouly local community.

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