



30 SEPTEMBER 2011

# Media release:

## Minmetals Resources Limited C\$8.00 per share cash offer for Anvil Mining Limited

### Highlights

#### Compelling offer for Anvil shareholders

- The all cash Offer price of \$C8.00 per common share (or a total of approximately C\$1,330 million) provides certainty for Anvil shareholders in volatile markets.
- The Offer represents a 30% premium over the 20 day trading Volume Weighted Average Price (VWAP) of Anvil's common shares on the Toronto Stock Exchange (TSX) up to 29 September 2011.
- MMR has entered into a lock up agreement with directors, senior officers and the major shareholder Trafigura Beheer B.V. to tender 40.1% of the total shares into the Offer.
- The Anvil Board has unanimously approved entering into a support agreement and will recommend that Anvil shareholders tender to the Offer.

#### Immediate copper production increase for MMR with high quality Kinsevere mine

- Anvil's key asset, the Kinsevere mine located in the Democratic Republic of Congo ("DRC"), will add 60,000 tonnes per annum of copper cathode increasing MMR's copper output by approximately 60%.
- The Kinsevere mine adds substantially to MMR's copper reserves with a 14 year mine life.
- MMR can leverage off its significant experience in similar operations such as its Sepon project in Laos that will produce around 80,000 tonnes of copper cathode in 2012.

#### Delivering on MMR's growth strategy

- Anvil's copper operations are an excellent fit with MMR's strategy to build an upstream, international diversified base metals company.
- The Anvil acquisition is expected to be cash flow and earnings per share accretive.
- Expected proceeds from the sale of MMR's non-core trading and fabrication businesses will directly offset against the funding for this transaction.
- Anvil provides a sound platform and experienced management and operations team for MMR to further expand into the Central African copper belt and Southern Africa.

Minmetals Resources Limited (HKSE: 1208) ("MMR" or "the Company") announced today that it has entered into a support agreement with Anvil Mining Limited (TSX: AVM) (ASX: AVM) ("Anvil") for MMR to make a friendly takeover offer to acquire all of the common shares (on a fully diluted basis) of Anvil ("the Offer"). The Anvil Board has unanimously determined that the Offer is in the best interests of Anvil's shareholders and will recommend that shareholders accept the Offer.

The Offer will be for C\$8.00 per Anvil share in cash, or a total of approximately C\$1,330 million (equivalent to approximately HK\$10,044 million). The Offer represents a 30% premium over the 20 day trading Volume Weighted Average Price (VWAP) of Anvil's common shares on the TSX up to 29 September 2011.

In addition, MMR and Anvil have today agreed to enter a lock up agreement with Trafigura Beheer B.V., the majority shareholder of Anvil, and each of Anvil's directors and senior officers to tender all of their shares, representing 40.1% of the total common shares (on a fully diluted basis), to MMR during the Offer.

Andrew Michelmore, CEO and Executive Director of MMR said: "We are very pleased to announce this agreement today together with Anvil, and to take this important step forward in MMR's growth strategy."

“An acquisition of Anvil meets MMR’s investment and strategic growth objectives and offers Anvil shareholders compelling value for their shares.”

“MMR’s aim is to build an international mining group based on a unique operating model that brings together the skills and experience of an international management team with the long term commitment of a major Chinese corporation as its major shareholder.”

“We believe this acquisition, which will expand MMR’s global footprint and add a pure copper play to our diversified portfolio, will propel us further along that path.”

MMR will finance the Offer, including fees and expenses, through a combination of an acquisition finance facility from its majority shareholder, China Minmetals Nonferrous Co., Ltd, and its own cash reserves.

The Offer is subject to the approval of MMR shareholders. An Offer circular together with a notice of an extraordinary general meeting (EGM) to approve the Offer is expected to be dispatched to MMR shareholders on or before 11 November 2011. If permitted by the Listing Rules of the Hong Kong Stock Exchange, shareholder approval may be obtained through a resolution in writing signed by the holders of a majority of the ordinary shares in the capital of the company.

The Offer is to be made pursuant to the terms and conditions of the support agreement. These conditions include that MMR accumulates 66<sup>2</sup>/<sub>3</sub>% of the outstanding common shares (on a fully diluted basis) of Anvil. In addition the support agreement contains customary non-solicitation covenants on the part of Anvil, a matching right for MMR in the event any superior proposal arises, a break fee of C\$53.2 million payable by Anvil to MMR in certain circumstances (including if Anvil recommends a superior proposal), and a reverse break fee of C\$20 million payable by MMR to Anvil if MMR shareholder approval is not obtained within 80 days of the commencement of the Offer.

MMR has sought approval from the Australian Foreign Investment Review Board for the acquisition. MMR understands that as the Anvil assets are located in the DRC and the management and executive team are based in Australia, that Investment Canada is not expected to review the transaction.

BNP Paribas is acting as financial advisor to MMR and Davies Ward Phillips Vineberg (Canada), Linklaters (Hong Kong and Paris), Kalamba & Associates (DRC) and Freehills (Australia) are providing legal advice.

For further details please view the Hong Kong Stock Exchange announcement available at [www.minmetalsresources.com](http://www.minmetalsresources.com) or [www.mmg.com](http://www.mmg.com)

### **About Minmetals Resources Limited**

Minmetals Resources Limited (HKSE 1208), is an international upstream base metals company. It is one of the world’s largest producers of zinc as well as a substantial producer of copper, lead, gold and silver. MMR has mining operations located in Australia and Asia and a large portfolio of exploration and development projects in Australia, Asia and North America. Its operations include the Century zinc mine in Queensland, Sepon copper and gold operations in Laos, Golden Grove underground base and precious metals mine in Western Australia and the polymetallic Rosebery mine in Tasmania. MMR is managed by an international management team, headquartered in Australia, is listed on the Hong Kong Stock Exchange and is supported by its majority shareholder, China Minmetals Nonferrous Co., Ltd.

### **About Anvil Mining Limited**

Anvil Mining Limited (TSX:AVM) (ASX: AVM) is an African focused base metals mining and exploration group. Its principal activities include mineral exploration, development and mining. The Anvil group’s copper production for the six months ended 30 June 2011 totalled 9,315 tonnes. Its interests comprise a 95% equity interest in the Kinsevere project in the Katanga province of the DRC and a 70% equity interest in the Mutoshi project in the Katanga province of the DRC.

Anvil also holds 14.5% of the issued and outstanding capital of Mawson West Limited, which has a large interest in the Dikulushi mine in the DRC, and has interests in a number of exploration properties in the DRC.

-Ends-

## Investor and media teleconferences

### Hong Kong and Australia

#### Investors and Analyst Presentation

Time: 10.00 – 11.00am Friday 30 September HK Time (12.00-2.00pm Melbourne Time)

#### Analyst Presentation Webcast Public Link:

[http://www.todayir.com/webcasting/minmetals\\_20110930/analyst.php](http://www.todayir.com/webcasting/minmetals_20110930/analyst.php)

#### ACCESS NUMBER(S)

Hong Kong (Auto) : (852) 2112 1888

Australia toll free : 1 800 007 642

Sydney Access : (612) 8223 9906

China Access : 4006 786 766

China Access : 4008 108 338

**Passcode:** 7078530#

#### Media Conference

Time: 12.00 – 1.00pm Friday 30 September HK Time (2.00-3.00pm Melbourne Time)

#### Press Conference Call Webcast Public Link:

[http://www.todayir.com/webcasting/minmetals\\_20110930/press.php](http://www.todayir.com/webcasting/minmetals_20110930/press.php)

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Sydney Access : (612) 8223 9906

China Access : 4006 786 766

China Access : 4008 108 338

**Passcode:** 7476530#

### Canada

#### Investors and Analyst Conference

Time: 10.00-11.00am Friday 30 September (Toronto Time)

#### Press Conference Call Webcast Public Link:

[http://www.todayir.com/webcasting/minmetals\\_20110930/analyst2.php](http://www.todayir.com/webcasting/minmetals_20110930/analyst2.php)

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LA Access: 1 562 265 1449

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San Francisco Access: 1 650 360 0173

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