



June Quarter 2011 Review*

25 July 2011



*This presentation should be read in conjunction with the June quarter 2011 activities report

Highlights



Phu Kham Copper-Gold Operation

- Quarterly copper in concentrate production of 15,184t at an average C1 cash cost of US\$1.04/lb copper (after gold and silver credits)
- New Phu Kham Ore Reserve announced
- 'Brown-fields' exploration success with potential extension to the Phu Kham mineral resource and potential new discovery at the LCT prospect

Growth projects

- Ban Houayxai Gold-Silver Project on track for commencement of commissioning in late 2011; new Ore Reserve supports nine year mine life
- Phu Kham Upgrade: ahead of schedule and below budget with commissioning scheduled for the June quarter of 2012
- Phonsavan Copper-Gold Project: major resource drill programs continued at KTL and Tharkhek

Phu Kham Operations



- Copper in concentrate production of 15,184t at an average cash cost of US\$1.04/lb¹ after precious metal credits from 13,976oz gold and 136,666oz silver; YTD cash cost US\$0.99/lb
- Above nameplate mill processing rates achieved
- High rainfall has caused lost production of two days in June and three days in July. Mining and processing operations have recovered but access to relatively high-grade ore will be postponed until September
- Access road being restored and bulk consumables reaching the site



1: C1 direct operating costs based on payable copper in concentrate produced, after precious metal credits.

Phu Kham Operations

- YTD production of 30,213t copper; 27,268oz gold; and 257,885oz silver
- High-grade ore scheduled to be accessed from September and through the December quarter
- Full year guidance unchanged at between 62,000t and 65,000t of copper in concentrate at an average cash cost¹ of between US\$0.95/lb and US\$1.05/lb copper after precious metal credits from 50,000oz to 55,000oz gold and 450,000oz to 500,000oz silver
- Copper likely to be at lower end of guidance and precious metals at higher end of guidance

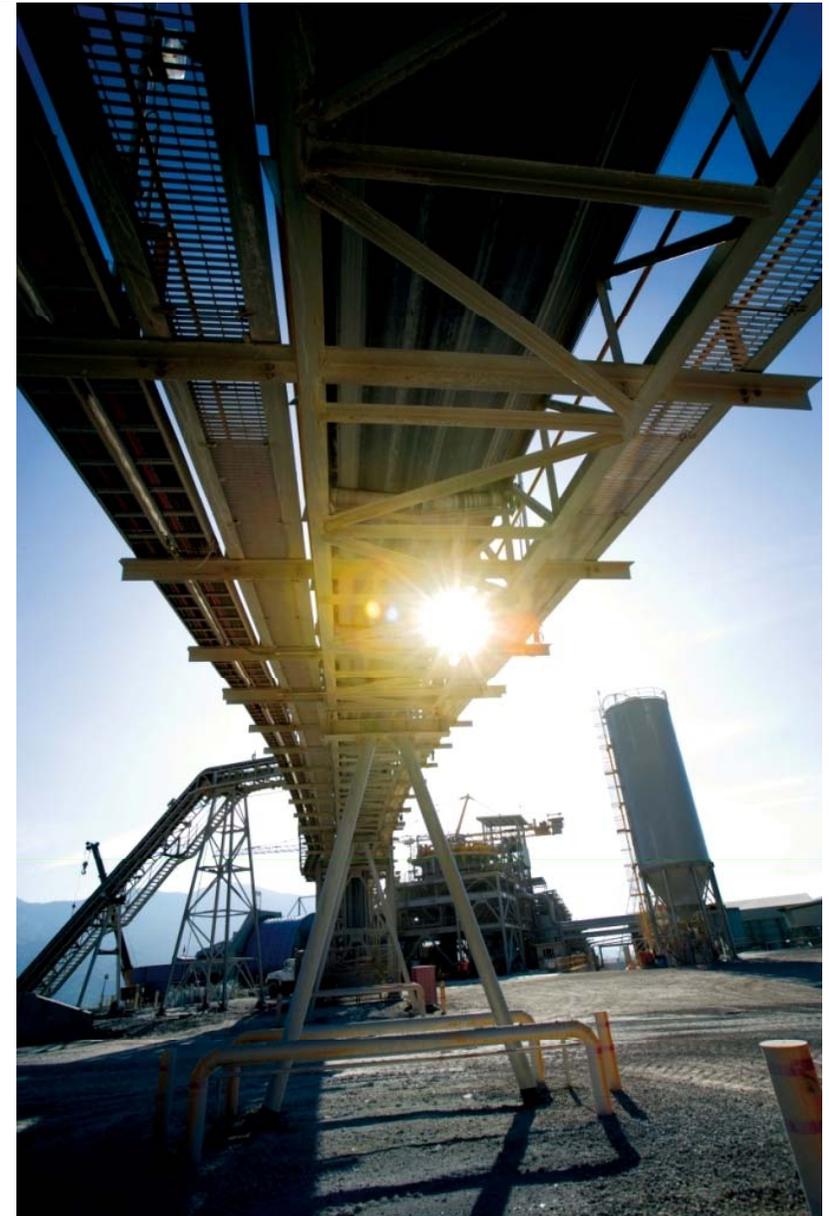
1: C1 direct operating costs based on payable copper in concentrate produced, after precious metal credits.



Phu Kham Ore Reserve, Upgrade and brown-fields exploration success



- New Ore Reserve supports a mine life of over 14 years with tonnes increased by 37% and contained copper, gold and silver increased by 20%, 38% and 55% respectively
- Upgrade detailed engineering, procurement and off-site fabrication of long lead items are all running ahead of schedule and significantly below the US\$110 million budget. Commissioning is likely to commence in the June quarter of 2012
- Discovery of new mineralised zones adjacent to the Phu Kham deposit and 6km northwest at the LCT prospect



1: C1 direct operating costs based on payable copper in concentrate produced, after precious metal credits.

Ban Houayxai Gold-Silver Project



- On schedule for commissioning to commence in late 2011; expenditure and commitments totalled approximately US\$118M
- Late delivery of detailed engineering drawings has hampered a pending review of the total capital cost for the Project, which is now scheduled for completion and approval in August
- New Ban Houayxai Ore Reserve announced with mine life extended to nine years
- High-grade continuous zone identified



Outlook

- December half 2011 production is scheduled to be higher than for the June half 2011; average copper grades scheduled to increase particularly for the December quarter
- Phu Kham 2011 production guidance unchanged: 62,000t to 65,000t of copper in concentrate at an average C1 cash cost¹ of between US\$0.95/lb and US\$1.05/lb copper after precious metal credits from 50,000oz to 55,000oz gold and 450,000oz to 500,000oz silver
- Full year copper production likely to be at the lower end of guidance and precious metal production likely to be at the upper end of guidance

1: Assumes gold and silver prices of US\$1,350/oz and US\$28.00/oz respectively and US\$0.85/litre diesel fuel cost

Outlook



- Ban Houayxai Gold-Silver Project is on track to commence commissioning in late 2011
- The Phu Kham Upgrade running ahead of schedule with commissioning likely in the June quarter of 2012
- Further exploration on brown-fields targets within highly prospective corridor north of Phu Kham including LCT
- Drilling to continue at the Phonsavan Copper-Gold Project
- Drilling and feasibility work to continue at the Inca de Oro Project in Chile

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The data in this presentation that relate to Ore Reserves for Phu Kham are based on information reviewed by Dr Jon Gaunt who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Gaunt is a full time employee of PanAust Limited. Dr Gaunt has sufficient experience relevant to the styles of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Gaunt consents to the inclusion in this presentation of the Ore Reserves in the form and context in which they appear.

The data in this presentation that relate to Ore Reserves for Ban Houayxai are based on information reviewed by Mr David Reid who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Reid is a full time employee of PanAust Limited. Mr Reid has sufficient experience relevant to the styles of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Reid consents to the inclusion in this presentation of the Ore Reserves in the form and context in which they appear.