

March Quarter 2011 Review*

20 April 2011



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

Highlights



Phu Kham Copper-Gold Operation

- Copper production for the quarter was in-line with the production schedule
- Cash cost performance better than budget due to higher precious metal production and prices received

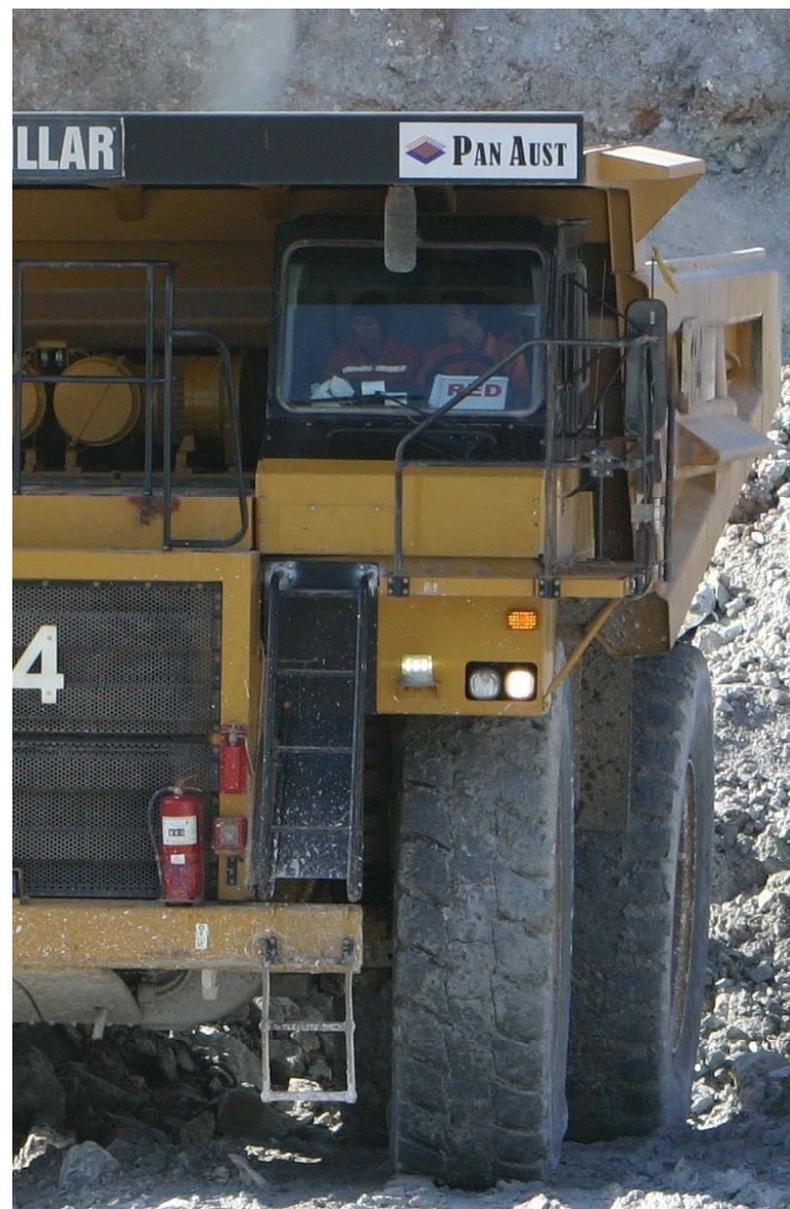
Growth projects

- Phu Kham Upgrade project: detailed engineering commenced; scope changes are expected to reduce the capital cost
- Ban Houayxai Gold-Silver Project: on track for commencement of commissioning in late 2011; upward pressure on capital cost due to stronger A\$ and higher than budgeted earthworks
- Inca de Oro acquisition completed; feasibility study work commenced
- Phonsavan Copper-Gold Project: initial Mineral Resource estimate for the KTL copper-gold deposit

Phu Kham Operations

- Copper in concentrate production of 15,029t at an average cash cost of US\$0.90/lb¹ after precious metal credits
- Monthly record for total material mined of over 3Mt set in January
- Above nameplate mill processing rate achieved despite reduced mill availability due to scheduled maintenance and unscheduled shutdown
- Increased flotation capacity should lead to improved copper recovery rates

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



Phu Kham Upgrade



- Detailed engineering commenced
- Test work has confirmed that additional filter and crushing capacity is no longer required; these changes in scope are expected to reduce the capital cost estimate of US\$110 million to less than US\$100 million
- The upgrade is planned to deliver, from mid-2012, an increase in design copper production to between 65,000t and 70,000t, more than offsetting the scheduled decline in ore head grades



Ban Houayxai Gold-Silver Project



- On schedule for commissioning in late 2011; expenditure and commitments totalled approximately US\$84M
- Ball mill shell installed; installation of CIL tanks well advanced
- Environmental approvals received
- Upward pressures on the original (Nov 2009) capital cost estimate of US\$150M are expected to result in an increase of approximately US\$25M
- Drilling has confirmed the continuity of vertical high-grade gold-silver shoots; follow up drilling underway



Ball mill shell installed

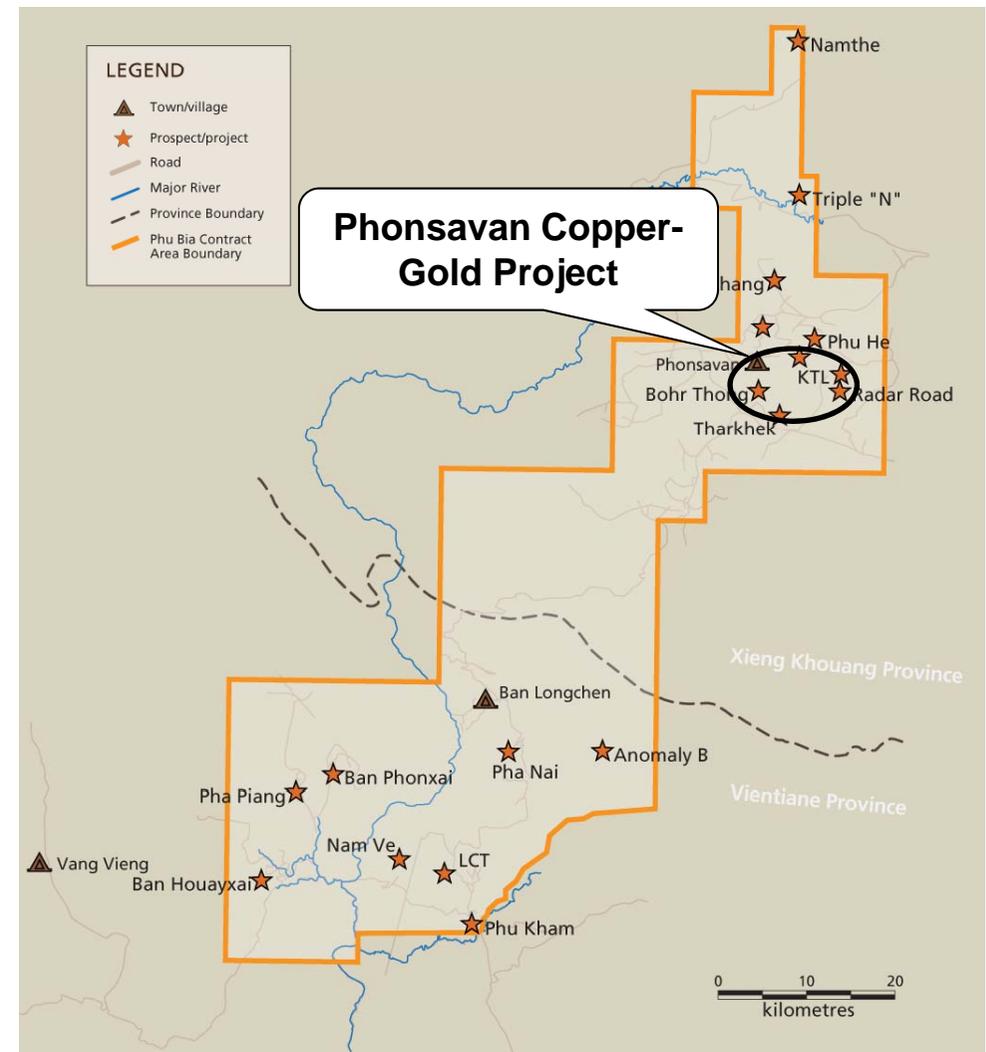


CIL tanks

Phonsavan Copper-Gold Project



- Initial Mineral Resources estimate for KTL released during the quarter; infill and resource extension drilling continuing
- Scoping studies commenced on the development concept for the Phonsavan Copper-Gold Project
- Drilling commenced at the Tharkhek copper-gold deposit; intercepts of skarn mineralisation up to 26 metres have been encountered
- Drilling at Tharkhek will also test extensions to the high-grade gold skarn mineralisation which is adjacent to the copper-gold deposit (announced in June 2010)



Inca de Oro Copper-Gold Project



- Acquisition of a majority interest in Inca de Oro completed
- PanAust South America office established in Santiago
- Moving rapidly to complete the feasibility study; study manager appointed and recruitment of technical team well advanced
- Drill program commenced in early April to provide additional data for incorporating into the feasibility study



Outlook

- Total tonnes processed and hence concentrate production is scheduled to increase through the balance of the year
- 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
- Improved copper recovery rates are expected at Phu Kham; actual rates will continue to be influenced by ore type processed
- New Mineral Resources and Ore Reserves estimates nearing completion

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

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