



Len Jubber  
chief executive officer  
overview of business activities  
29 November 2006



perilya



## Managing Director and CEO

- Len Jubber

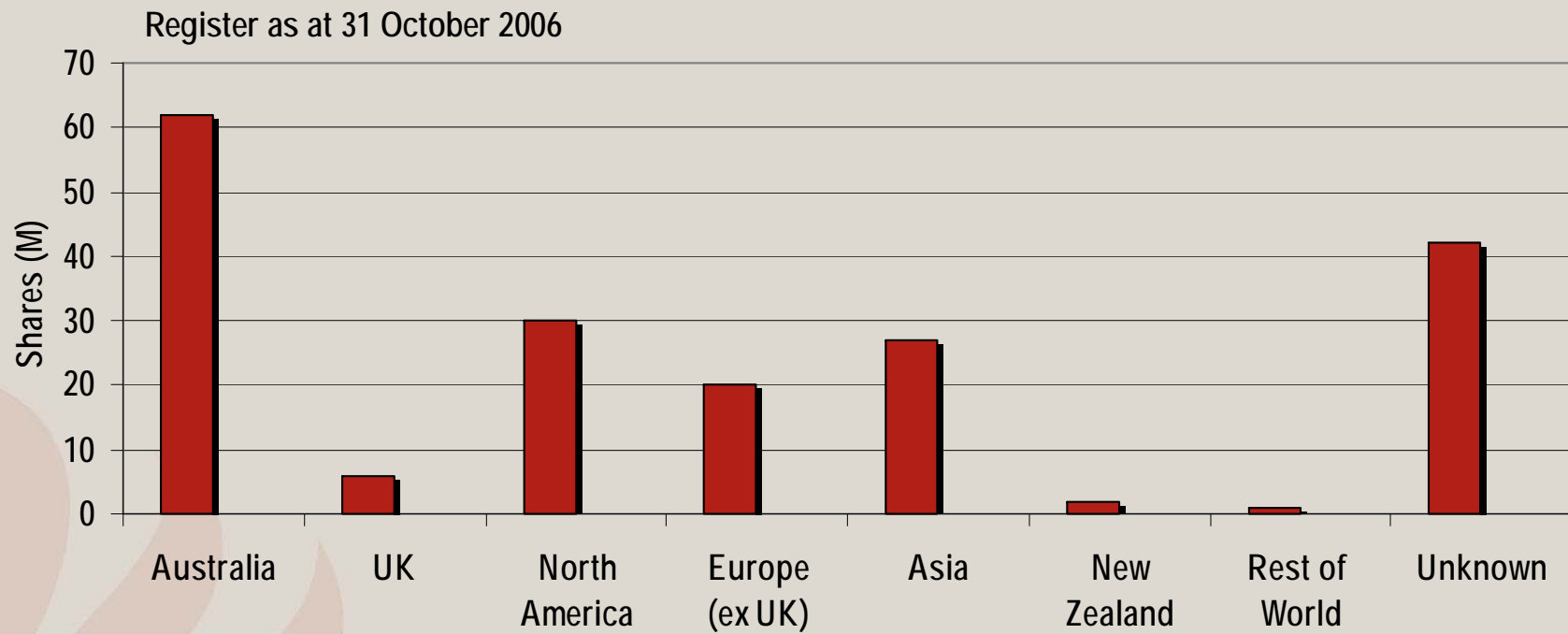
## Executive team

- John Barton                      Exploration & Development
- Tim Carstens                      Corporate Development
- Peter Eggleston                      Sustainable Development
- Tim Manners                      Finance
- Rob Scargill                      Broken Hill

# Capital structure

ASX Code	PEM
Shares on Issue	191.6 m
Unlisted Options	7.9 m
Share Price	A\$4.50
Market Capitalisation	A\$862m
Daily Turn-over (3 mths)	1.3 m shares

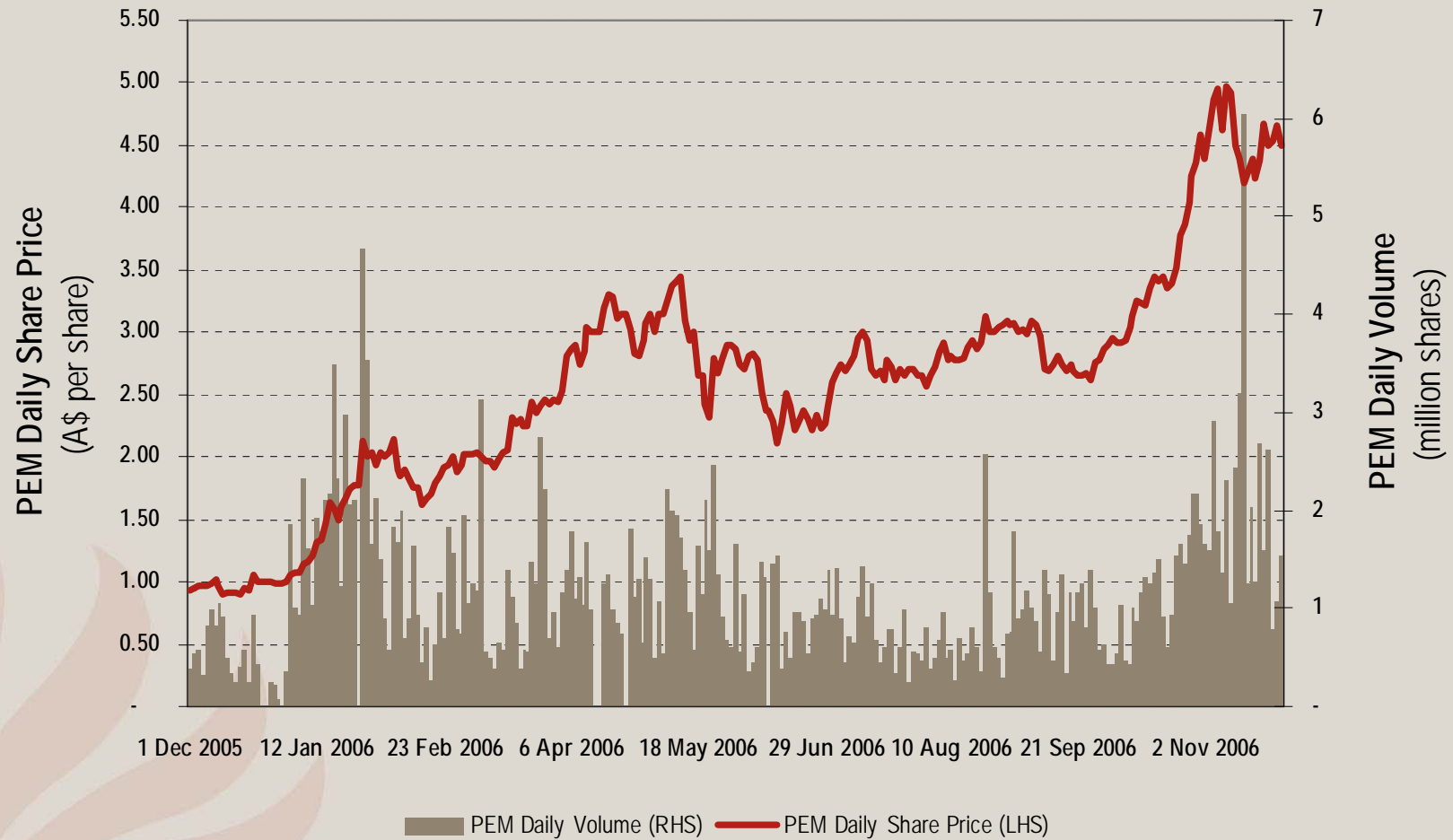
# Investor profile



## Balance Sheet as at 30 Sept 2006

- Cash & receivables A\$201.3 million
- Total borrowings A\$6.8 million
- Gearing ratio 5.5%

# Exceptional financial return



## 2005/06 - the year in review previous AGM commitments

- ✓ Continue to strengthen our organisational capability
- ✓ Optimise Broken Hill production
  - and reduce Broken Hill unit costs
- ✓ Accelerate definition of additional ore sources at Broken Hill
  - Complete Daisy Milano optimisation study and ramp up production
  - Finalise and implement strategic business plan
- ✓ Prioritise and accelerate exploration and development activities
- ✓ Extinguish price and production linked payment obligations

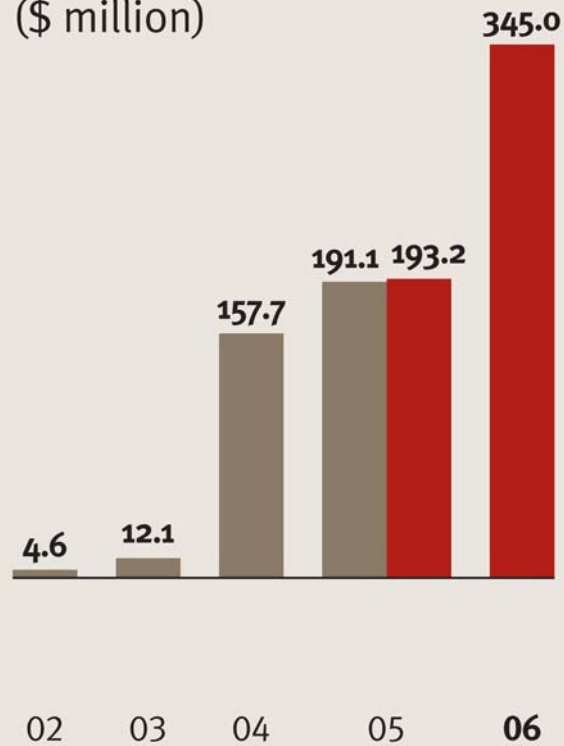
✓ *Delivered in 05/06*

➤ *Carried over into 06/07*

# 2005/06 - financial performance

## REVENUE

(\$ million)

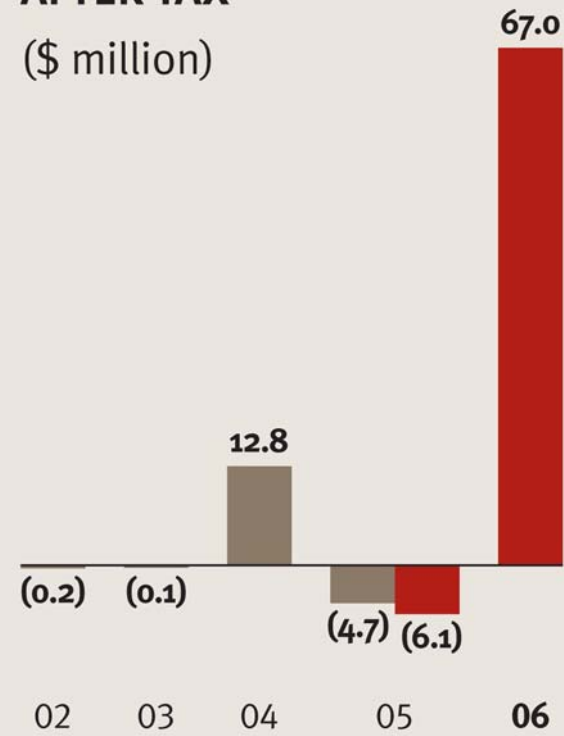


■ AGAAP ■ AIFRS

## NET PROFIT/(LOSS)

AFTER TAX

(\$ million)

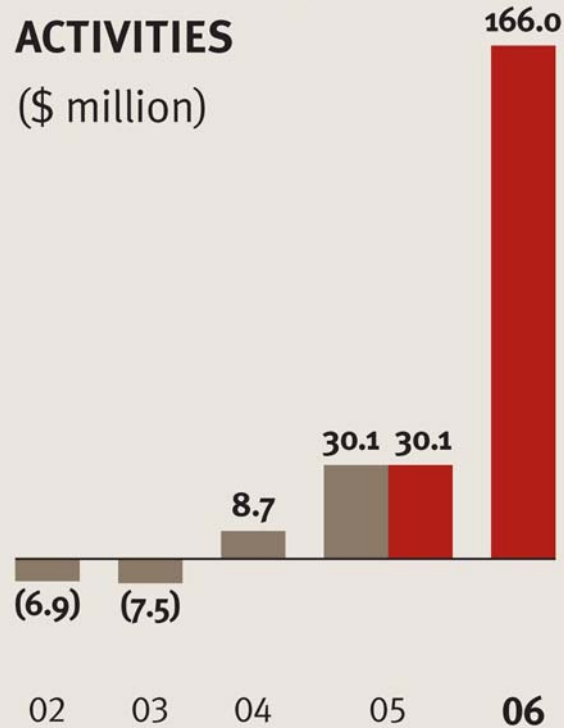


■ AGAAP ■ AIFRS



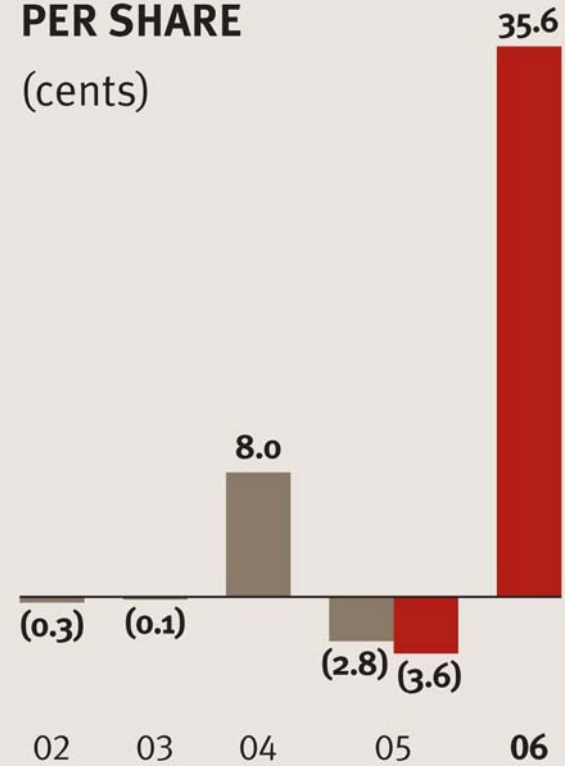
# 2005/06 - financial performance

**CASH FLOW FROM OPERATING ACTIVITIES**  
(\$ million)



■ AGAAP ■ AIFRS

**BASIC EARNINGS PER SHARE**  
(cents)



■ AGAAP ■ AIFRS

# 2005/06 - operational performance

## Production

### Broken Hill

zinc	↑	9.2%
lead	↑	22.4%
silver	↑	14.9%
US\$/lb zinc	↑	\$0.53

### Daisy Milano

gold	27,298 oz
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## Resources & Reserves

### Broken Hill (zinc)

Resource	↑	11.4%
Reserve	↑	12.0%

### Mount Oxide (copper)

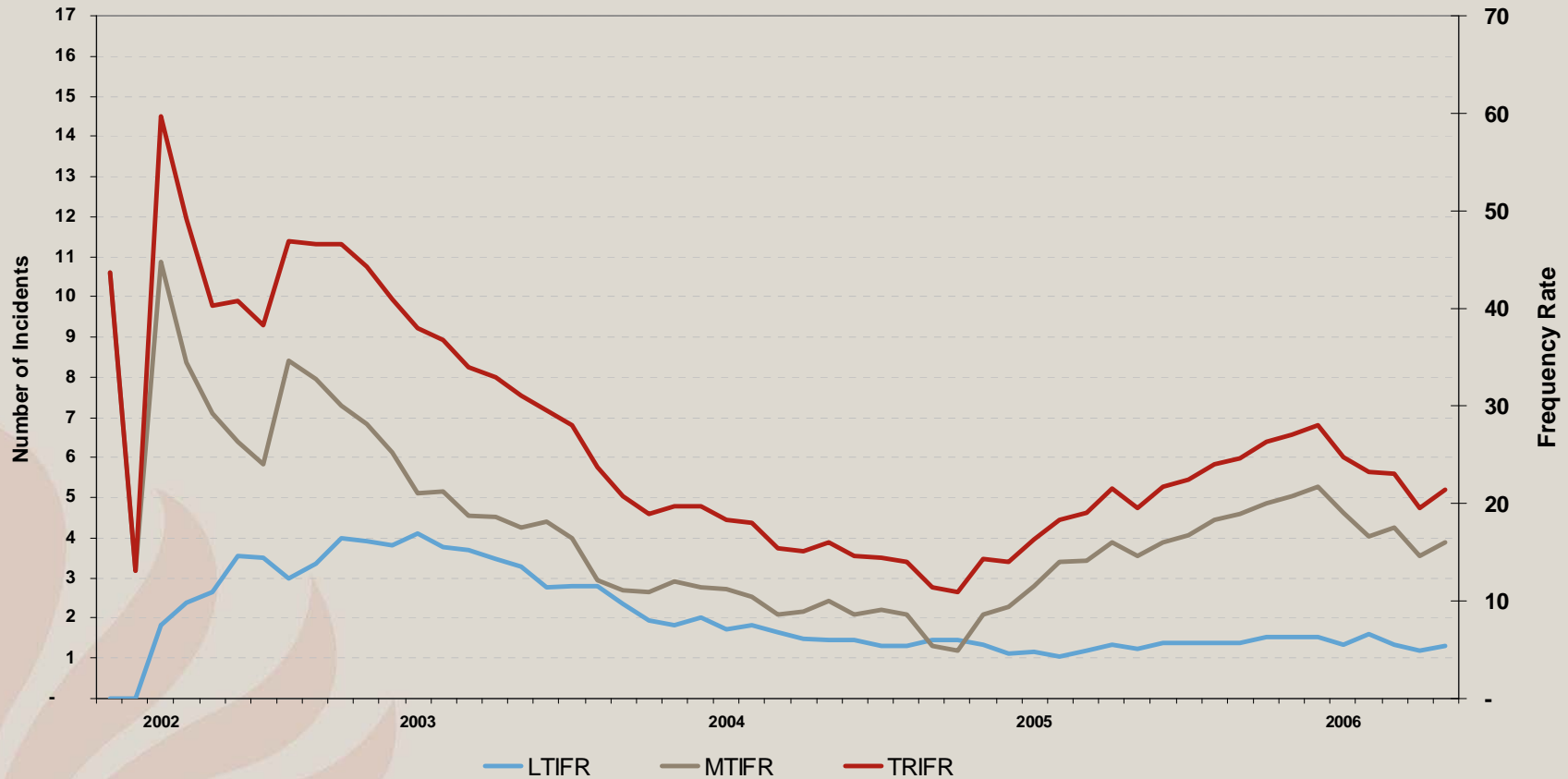
Resource	↑	23.0%
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- Paid A\$55 million deferred Broken Hill acquisition obligation
- Inaugural 5c/share fully franked dividend
- Implemented employee share acquisition plan
- Rebranded Perilya
- Admitted to S&P/ASX 200



# Continued improvement in health & safety

LTI, MTI and TRI Perilya Stats 2002 - 2006

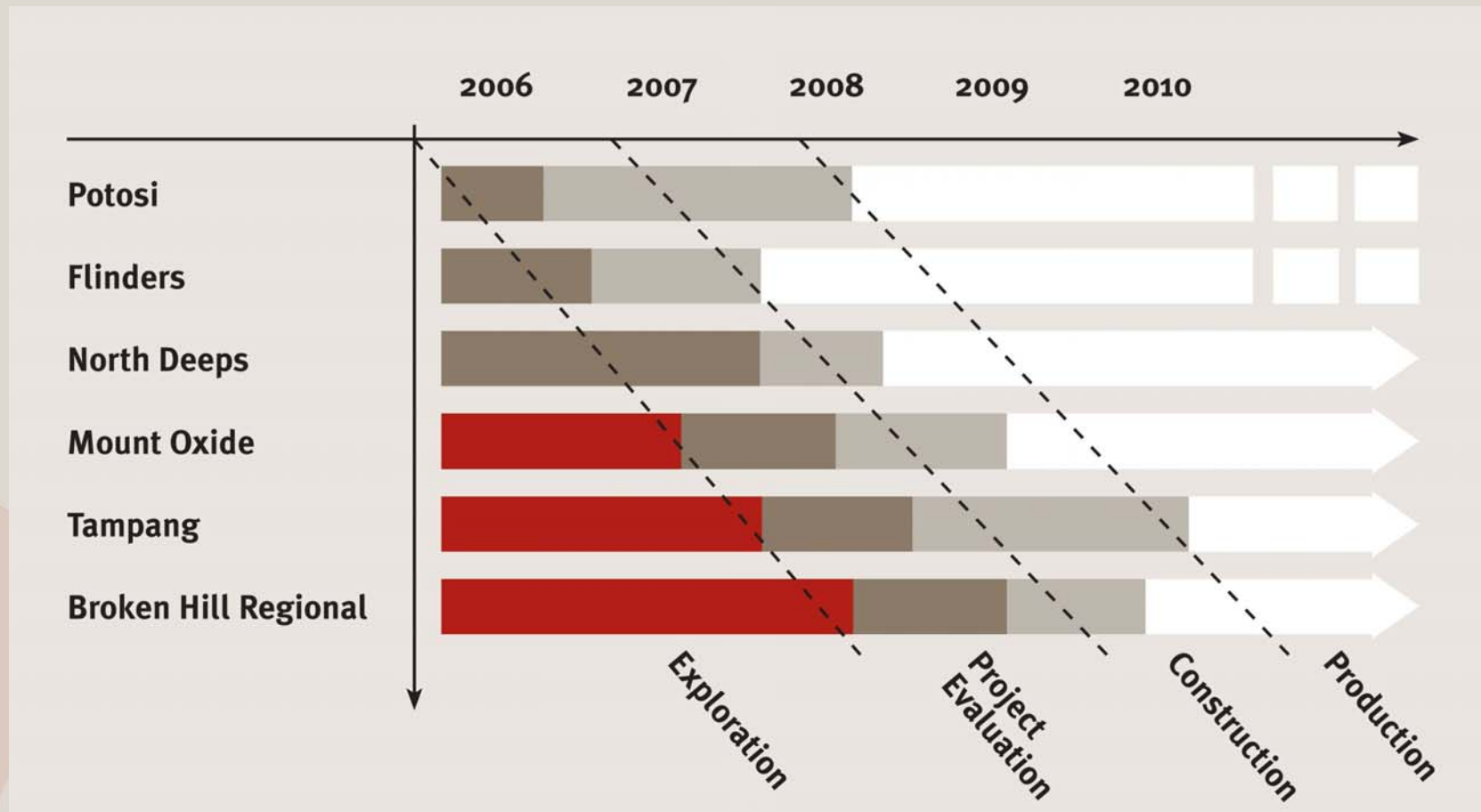


# Strengthening project pipeline



	BASE METALS	GOLD
OPERATING	1 Broken Hill (Zn, Pb, Ag)	2 Daisy Milano
DEVELOPING	3a Potosi, BH (Zn, Pb, Ag)	
EVALUATING	3b North Mine Deeps, BH (Zn, Pb, Ag)	
	4 Flinders (Zn, Mn)	
RESOURCE DRILLING	5 Mt Oxide (Cu)	7 Moyagee
EXPLORING	6 Tampang (Cu)	
	8 Rockhampton (Cu, Zn)	10 Holleton
	9 Woodline Well (Ni)	11 Honeymoon Well
		12 Kanowna

# Indicative development timetable\*



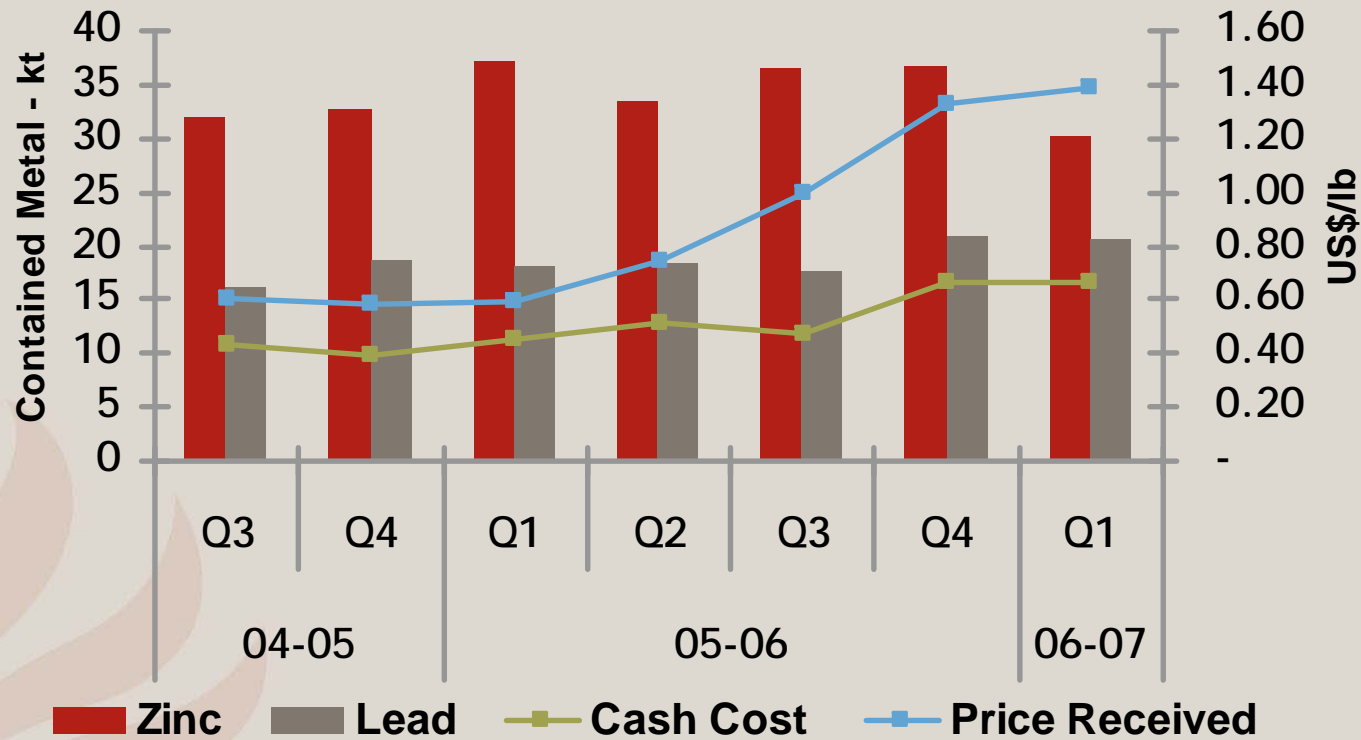
*\*Based on calendar year*

## Broken Hill is poised for growth

- Production:
  - 130,000+t zinc, 70,000+t lead, 2 Moz silver per annum
  - Six year mine life on existing ore reserves
- Reserves 11.7 mt (plus 7.5 mt additional resources)
- Drilling added five years reserves to date
- Operating at 75% of concentrator capacity
- Potosi mine presents third source of ore
- Evaluating North Mine Deep

# Consistent operations and growing margins

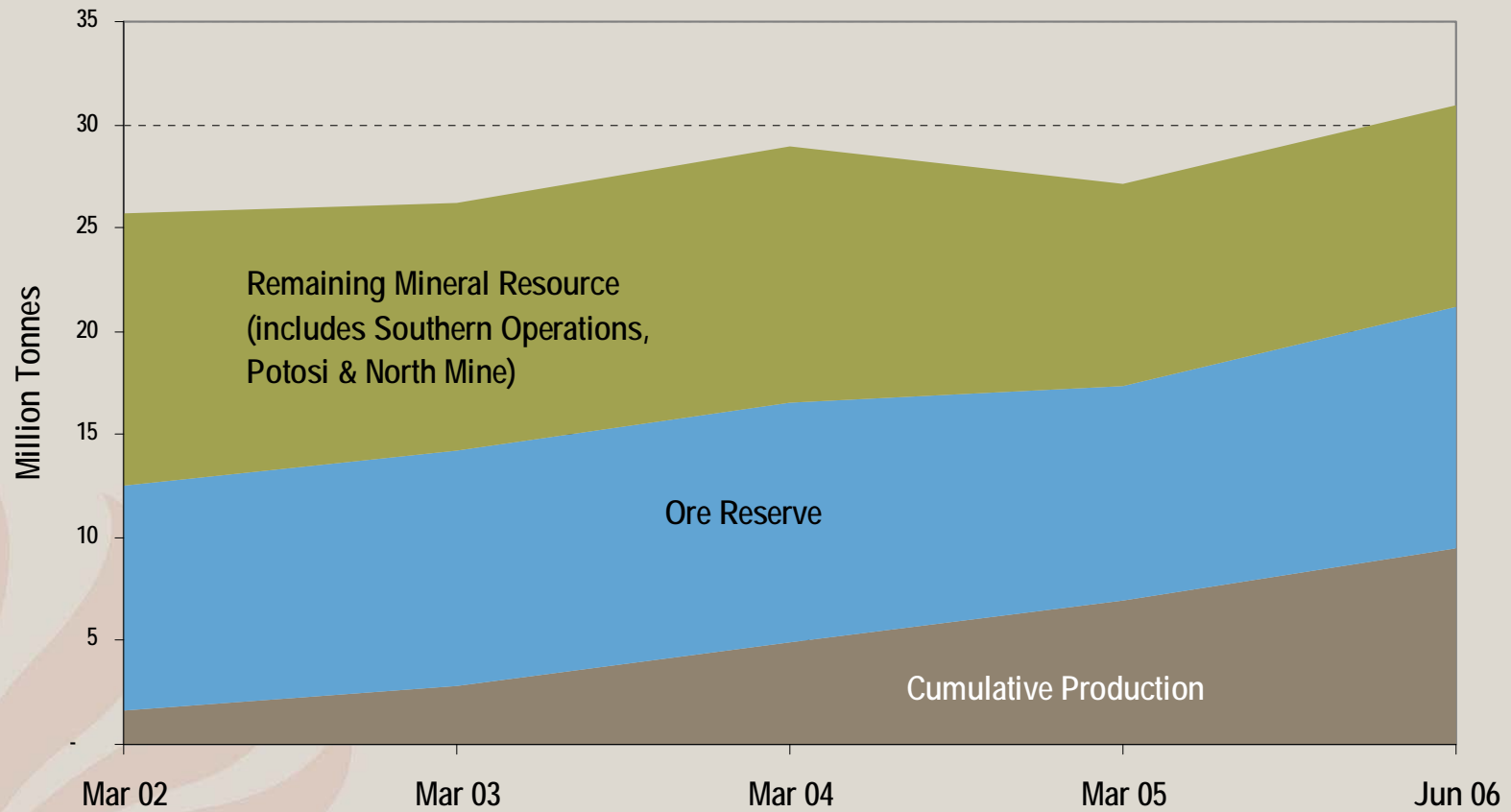
## Metal Produced and Cash Operating Costs



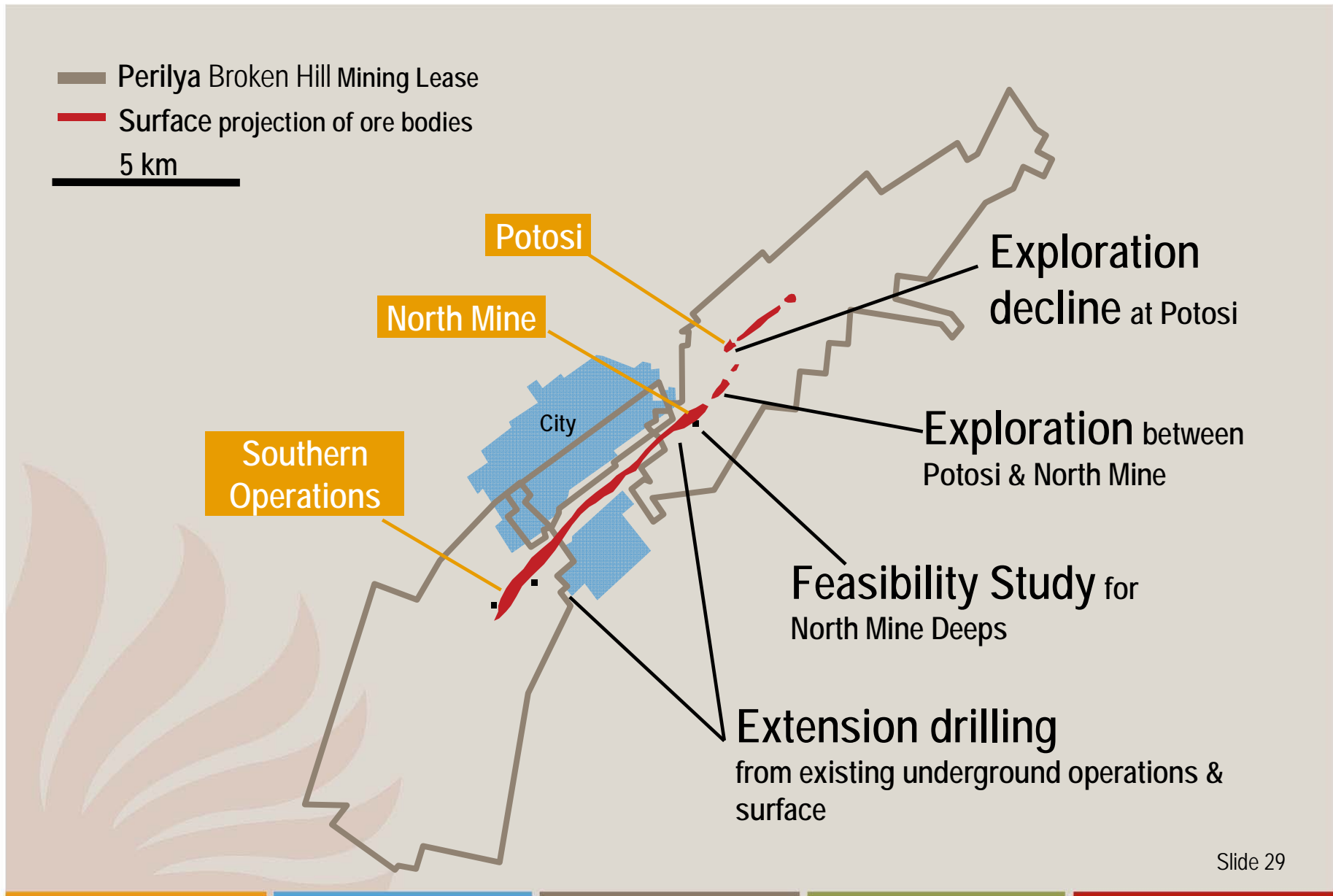


# A track record of reserve replacement

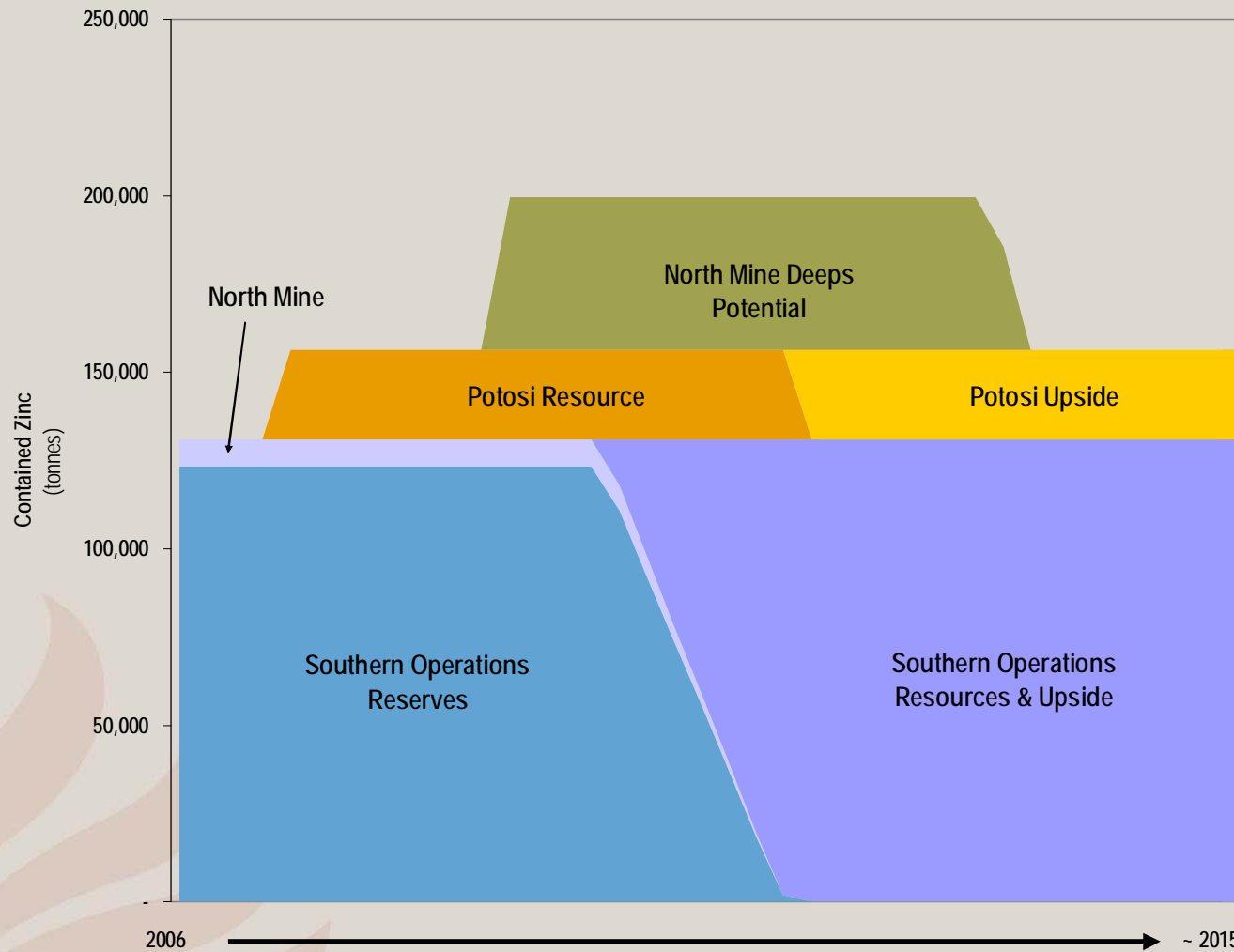
Broken Hill Cumulative Production, Reserves & Resources



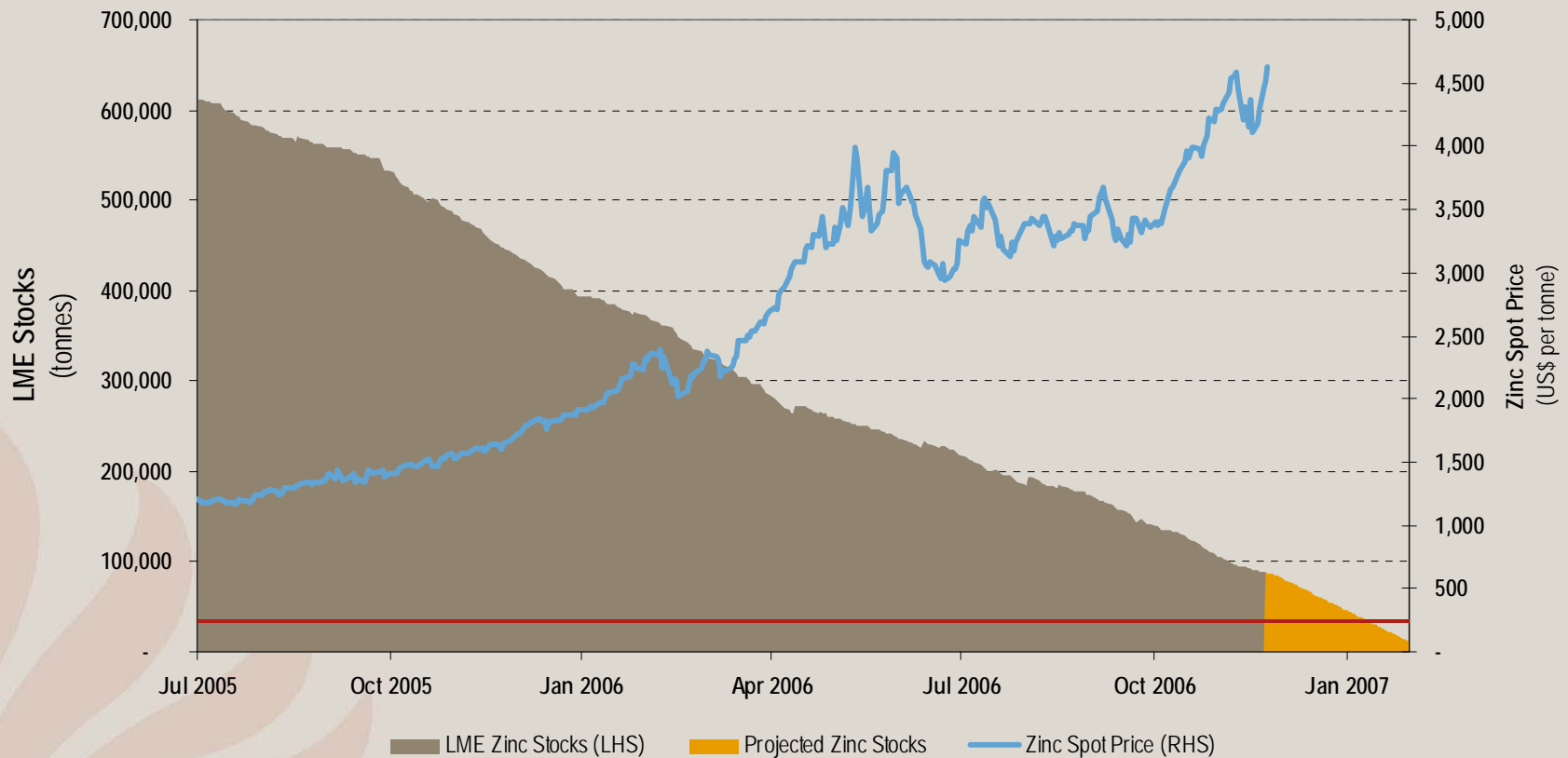
# Targeting 10+ year minelife



# Indicative production growth profile

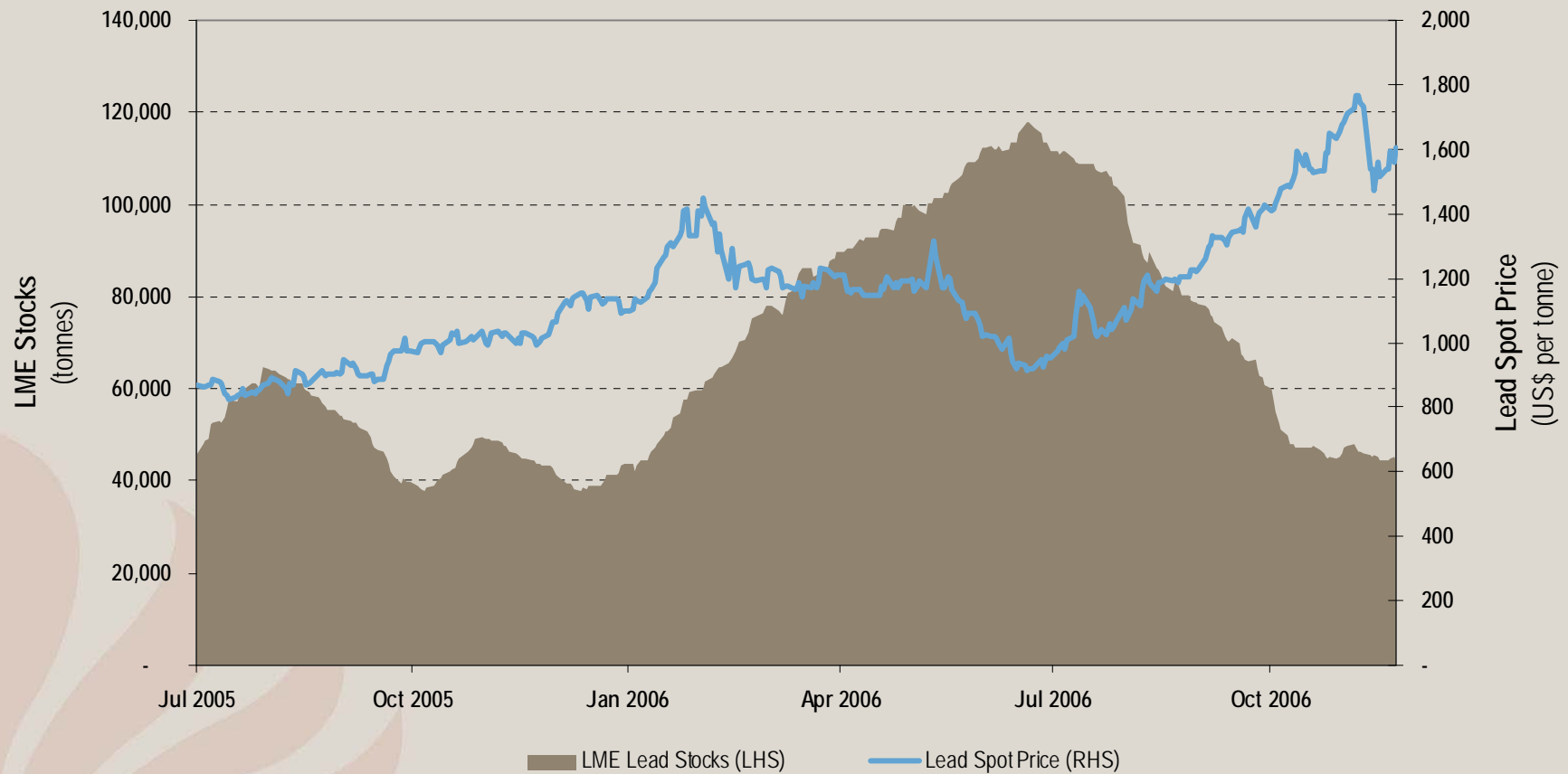


# Industry outlook zinc inventory approaching critical levels

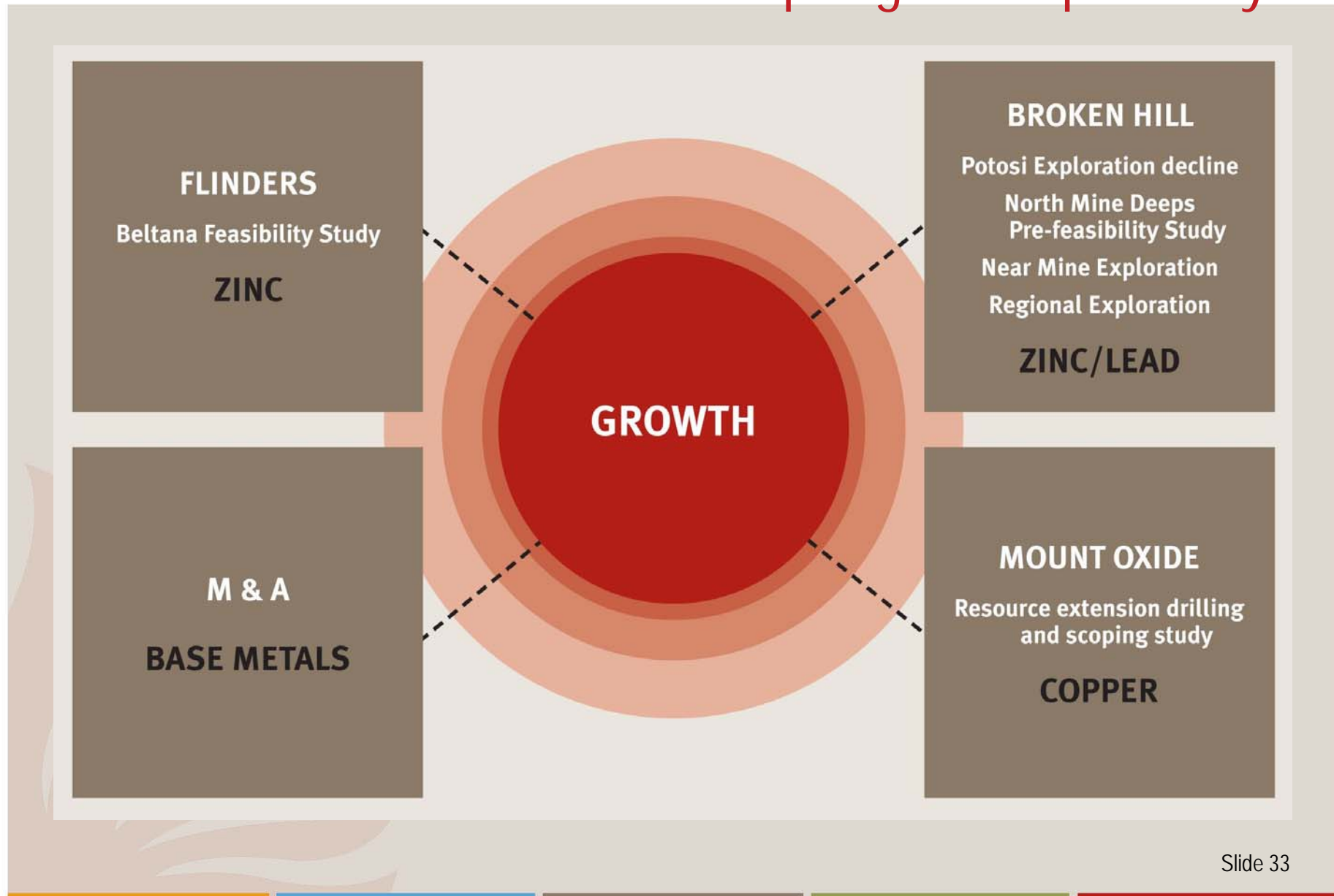


# Industry outlook

## dramatic reversal in lead inventory levels



# Business outlook multiple growth pathways



## Business outlook the year to date

- Consistent operations at Broken Hill
- Strong cash flow from growing margins
- A\$200 million in cash and receivables
- Two year zinc and lead hedging
- Committed to Potosi exploration decline
- North Mine Deeps prefeasibility commenced

## Business outlook the year ahead

- Develop Potosi and Flinders\* mines increasing zinc production capacity by 30%
- Divest gold assets
- Evaluate potential of Mount Oxide and Tampang
- Extend Broken Hill mine life
- Evaluate new business opportunities
- Build people and systems capability

*\*Subject to Board approval*





“Growing a leading mid cap  
base metals producer”



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