

## ASX and Media Release

1 September 2011

### **INVESTOR PRESENTATION**

Paul Arndt, the Company's Managing Director & CEO, Angelo Christou, the Company's Chief Financial Officer and Paul Marinko, Perilya's Company Secretary, will be conducting analyst and investor presentations in Sydney today, 1 September, and in Melbourne tomorrow, 2 September. A full copy of that Analyst and Investor Presentation is attached.

**For more details, visit [www.perilya.com.au](http://www.perilya.com.au)**

ENDS

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# June 2011 Half-Year Financial Result



## **Disclaimer:**

*This presentation contains forward looking statements that are subject to risk factors associated with an underground mining business.*

*Where the company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward looking statements. Such risks include, but are not limited to metals price volatility, currency fluctuations, production performance, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, project delay or advancement, environmental risks, approvals and cost estimates, as well as political and operational risks in the countries and states in which we sell product to, shipping risks and governmental regulation and judicial outcomes.*

*The company does not undertake any obligation to release publicly any revisions to any forward looking statement to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.*

*All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated. References to "Perilya" or "company" are references to Perilya Limited (ABN 85 009 193 695) or its applicable subsidiaries.*

## **Competent Person Statement:**

*The information contained in this presentation relating to:*

- the Ore Resource at Mt Oxide is based on information compiled by Mr Martin Jones who is a full-time employee of Perilya and is a member of the Australasian Institute of Mining and 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'. Mr Jones consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.*
- The Ore Reserves for Southern Operations is based on information compiled by Mr Noel Carroll who was at the time of compiling the report a full-time employee of Perilya and is a member of the Australian Institute of Geoscientists. Mr Carroll has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr Carroll consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.*
- The Mineral Resource estimates for Broken Hill's: Southern Operations, Southern Extensions, Silver Peak, Central Blocks, Flying Doctor, Pinnacles (1130 and Henry George deposits), North Mine Uppers, North Mine Deeps and Potosi and is based on information compiled by Mr. Noel Carroll who is a full-time employee of Perilya and is a member of the Australian Institute of Geoscientists. Mr. Carroll has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr. Carroll consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.*
- The Mineral Resources estimates for Reliance, Aroona, Aroona 2, Moolooloo and Aristotle deposits and is based on information compiled by Mr. Dean Rogers. Mr. Rogers who is a full-time employee of Perilya and is a member of the Association of Professional Geoscientists of Ontario, a recognised Overseas Professional Organisation included in a list promulgated by the ASX from time to time. Mr. Rogers has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr. Rogers consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.*
- The information in this presentation that relates to exploration results for Cerro de Maimón the other Dominican projects and for the Moblan West Lithium project is based on information compiled and/or reviewed by Dr. Sergio Gelcich., PhD, P.Geo., Senior Geologist. Dr. Gelcich has visited the projects on a number of occasions during devolvement of the exploration programs and has validated all relevant data. Dr Gelcich has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Qualified Person as defined under NI 43-101 (Canada). Dr. Gelcich consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.*

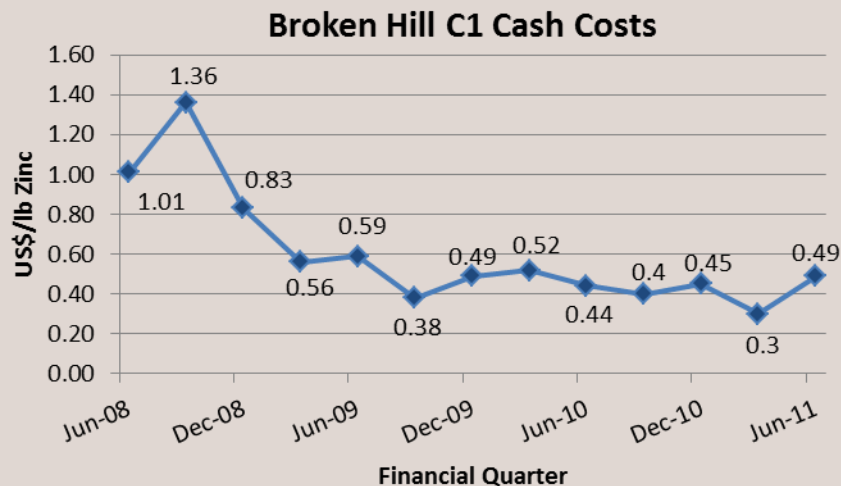
## **Notes:**

*Unless otherwise stated, all Mineral Resources figures reported represent estimates at 30 June 2010. Rounding, conforming to the JORC Code, may cause some computational discrepancies.*

*Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC).*

# Key Milestones - Recent History

- Restructure of Broken Hill Operations (workforce reduced from 766 to 366 people and held constant) production maintained at pre-restructure levels October 2008
- Introduction of Zhongjin Lingnan (Nonfemet) as major shareholder (50.1%) raising \$45.5 million at a 61% premium to the 5 day VWAP prior to announcement December 2008
- Buyback of Broken Hill silver production 11.2Moz for US\$55 million (approximately US\$4.91/oz) Current price ~US\$40.00/oz July 2009
- Return to profit with NPAT of \$28.5 million (Net loss after tax of \$215 million during preceding 18 months) - NPAT of \$74.1 million 2010 December 2009
- Acquisition of GlobeStar Mining Corp (former TSX:GMI) for CAD\$184 million. December 2010
- Announcement of development approval for the Potosi / Silver Peak mines in Broken Hill, NSW February 2011
- More than doubling of Mineral Resource at the Moblan Lithium Project to 14.25 million tonnes containing 1.41% Li<sub>2</sub>O using a cut-off grade of 0.60% May 2011
- Maiden Resource estimate for North Moolooloo June 2011
- Significant increase in full-year production guidance for copper, gold & silver at Cerro de Maimón and reduction in costs by over 50% July 2011
- Significant & sustained reduction in operating costs at Broken Hill following implementation of the restructure in October 2008 with Broken Hill C1 Cash Costs reducing from US\$1.03/lb in 07/08 to US\$0.44/lb in FY2010 2008 - 2011



## Highlights:

- ✓ Strong EBIT & NPAT for H1 notwithstanding major unfavourable variances in silver hedging losses due to continuing strengthening of the Australian dollar and an inventory purchase price adjustment of A\$7.5m relating to the GlobeStar acquisition
- ✓ Strong consolidated financial performance notwithstanding the challenges of significant reductions in both lead and zinc prices and the continuing strengthening of the Australian dollar during H1
- ✓ Increase in free-cash on hand at end of H1 to A\$92.2 million (up from A\$40.3 at the end of Q1 2011)
- ✓ Successful integration of the GlobeStar accounting and finance functions into Perilya
- ✓ Establishment of new banking relationship with ICBC with the provision of a rolling unsecured US\$30 million facility
- ✓ Resumption of sales from Port Pirie following successful commissioning of new ship loader facilities
- ✓ Repayment of Bank of China loan of US\$49.5 million immediately post end of half year

- ✓ Solid balance sheet underpinned by improved operational performance and highly successful takeover of GlobeStar Mining Corporation
- ✓ Net C1 cash costs (notional) for Broken Hill of US\$0.49/lb of zinc ahead of guidance of US\$0.50-US\$0.60/lb
- ✓ Net C1 cash costs (actual) for Cerro de Maimón of US\$0.00/lb of copper ahead of guidance of US\$0.80/lb

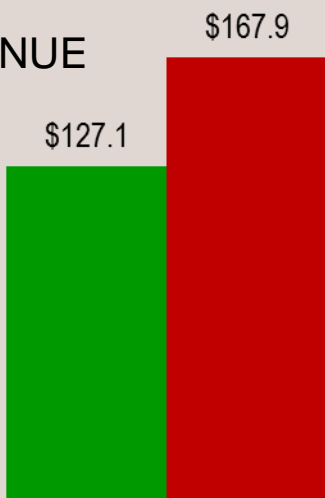
### Key Group Financials (A\$m) (Comparatives exclude Globestar for 2010)

	Jan 11 - Jun 11	Jan 10 - Jun 10
	A\$'000,000	A\$'000,000
Cash Balance (As of 30 Jun)	92.2	119.4
Total Assets (As of 30 Jun)	612.6	311.7
Net Assets (As of 30 Jun)	234.2	180.2
EBIT	32.2	11.0
NPAT	21.3	18.5
Net Cash-flow from Operations	37.0	23.5
Cash Operating Margin - Broken Hill	US\$0.56/lb Zn	US\$0.42/lb Zn
Cash Operating Margin - Maimón	US\$4.19/lb Cu	N/A

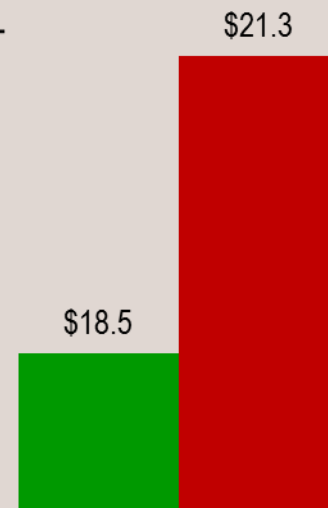
# Improved & Sustained Financial Performance

**AUD\$ millions**

REVENUE



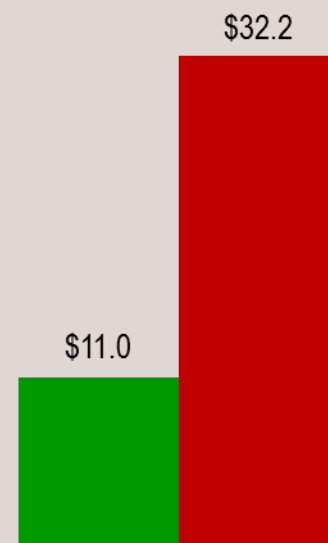
NPAT



EDITDA



EBIT



Jun Half-Year 2010

Jun Half-Year 2011

# Diverse Revenue & EBIT Streams

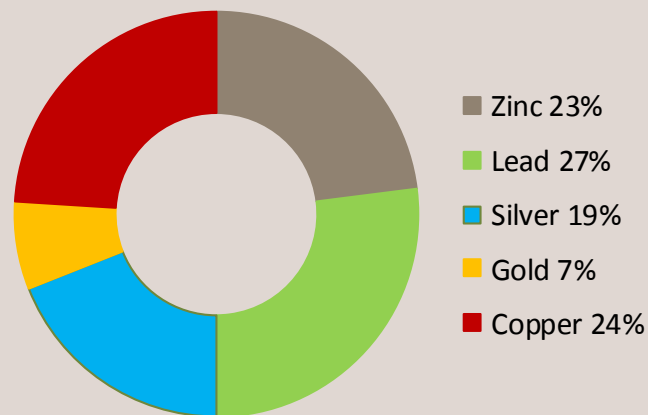
GlobeStar acquisition provides diversification to other metals – copper, gold and larger exposure to silver

Two operating assets reduces reliance on Broken Hill by providing balanced contributions to revenue and earnings and reduced exposure to Australian Dollar

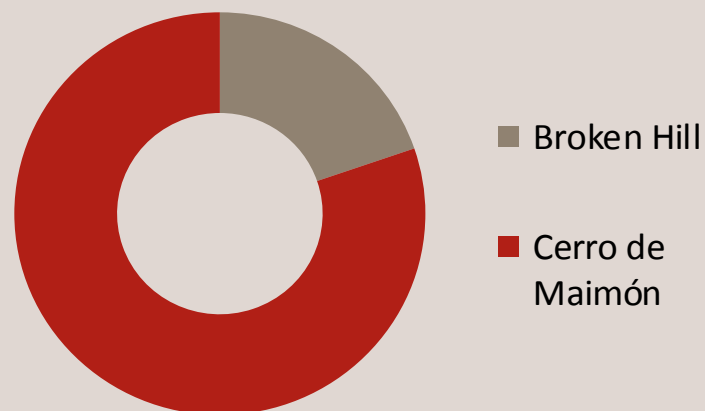
Highly successful takeover of GlobeStar demonstrates our ability to acquire successfully and operate beyond Australia

Increased suite of new development projects with the acquisition of GlobeStar

June Half 2011 Revenue Breakdown



June Half 2011 EBIT Breakdown



## Multiple Cash Positive Assets

- Broken Hill has demonstrated sustained productivity and earnings improvements as a result of the strategic re-sizing of the operations in late 2008 to a lower production profile and cost base, even with sustained strengthening of the Australian dollar placing significant upward pressure on costs.
- Cerro de Maimón is a proven low cost copper mine with H1 C1 cash costs for 2011 of US\$0.00/lb of payable copper. Productivity and earnings improvement strategies initiated upon Perilya take over of operations with immediate results seen in H1 2011 performance

## Large Development Project Pipeline

- Potosi/Silver Peak Mine development underway, production anticipated in late 2012 expected to produce approximately 45,000t of combined metal (zinc/lead) p.a. – utilises spare mill capacity
- North Moolooloo zinc silicate project with an Indicated Resource of 214,000t grading 34.4% zinc
- North Mine Uppers Broken Hill, development decision anticipated early 2012, anticipated to add approximately 250,000-300,000t of additional mill feed at Broken Hill
- Moblan Lithium Project, development study underway, native title and permitting work commenced
- Cumpié Hill laterite nickel project, development study underway development decision anticipated during 2012
- Cerro de Maimón an updated Mineral Resource and Ore Reserve is being prepared with a view to extending the mine life
- Mt Oxide copper project, extended study underway to access high grade underground mine option, development decision anticipated during 2012

## Geographic, Product and Currency Diversification

- Acquisition of GlobeStar forms part of Perilya's long term strategic plan of product and geographic diversification to reduce impact of sustained appreciation of the Australian dollar.
- De-risks Perilya's exposure to appreciating Australian dollar.
- Perilya provides a "safe haven" for investors in times of economic uncertainty with exposure to precious metals (26% of revenue in H1 2011) – demonstrated by consolidated EBIT performance to budget notwithstanding high Australian dollar and lower than expected zinc/lead prices.
- Significant upside on base metals with upward supply-side pressure on zinc/lead prices with 3 largest zinc/lead mine closures in the next 2-3 years, coupled with improved economic outlook.
- Exposure to copper with strong mid-term price outlook.

## Acquisition Focus with Demonstrated Ability to Successfully Acquire

- Proven ability to acquire overseas assets and companies demonstrated with highly successful takeover of former TSX listed GlobeStar Mining Corporation
- Strong Spanish speaking mining, exploration and development teams located in Central/Latin America provides a strong base for growth in the region
- Strong support from the Company's major shareholder, Zhongjin Lingnan, who have provided parent company support with regards to the Company's financing arrangements
- Very strong support from the Company's bankers, with Perilya's demonstrated capabilities to both acquire and successfully operate assets in other jurisdictions.

# 6 Month Operational Performance - Cerro de Maimón

Items		Jan-Jun 11 Actual	Jan-Jun 11 Budget	% Change
<b>Cerro de Maimón Physicals</b>				
Sulphide Concentrate	tns	22,695	18,165	+24.0%
Contained Copper	tns	5,468	4,776	+14.5%
Contained Gold	oz's	3,187	2,237	+42.5%
Contained Silver	oz's	292,607	123,759	+136.4%
<b>Precipitate</b>				
Silver Oxide	oz's	57,722	55,795	+3.5%
Gold Oxide	oz's	4,641	5,059	-8.3%
<b>Total Production</b>				
Copper	tns	5,468	4,776	+14.5%
Gold	oz's	7,828	7,296	+7.3%
Silver	oz's	350,329	179,554	+95.1%
<b>Net Cash Cost (Actual)</b>	lb/Cu	<b>US\$0.00</b>	<b>US\$0.80</b>	✓✓✓

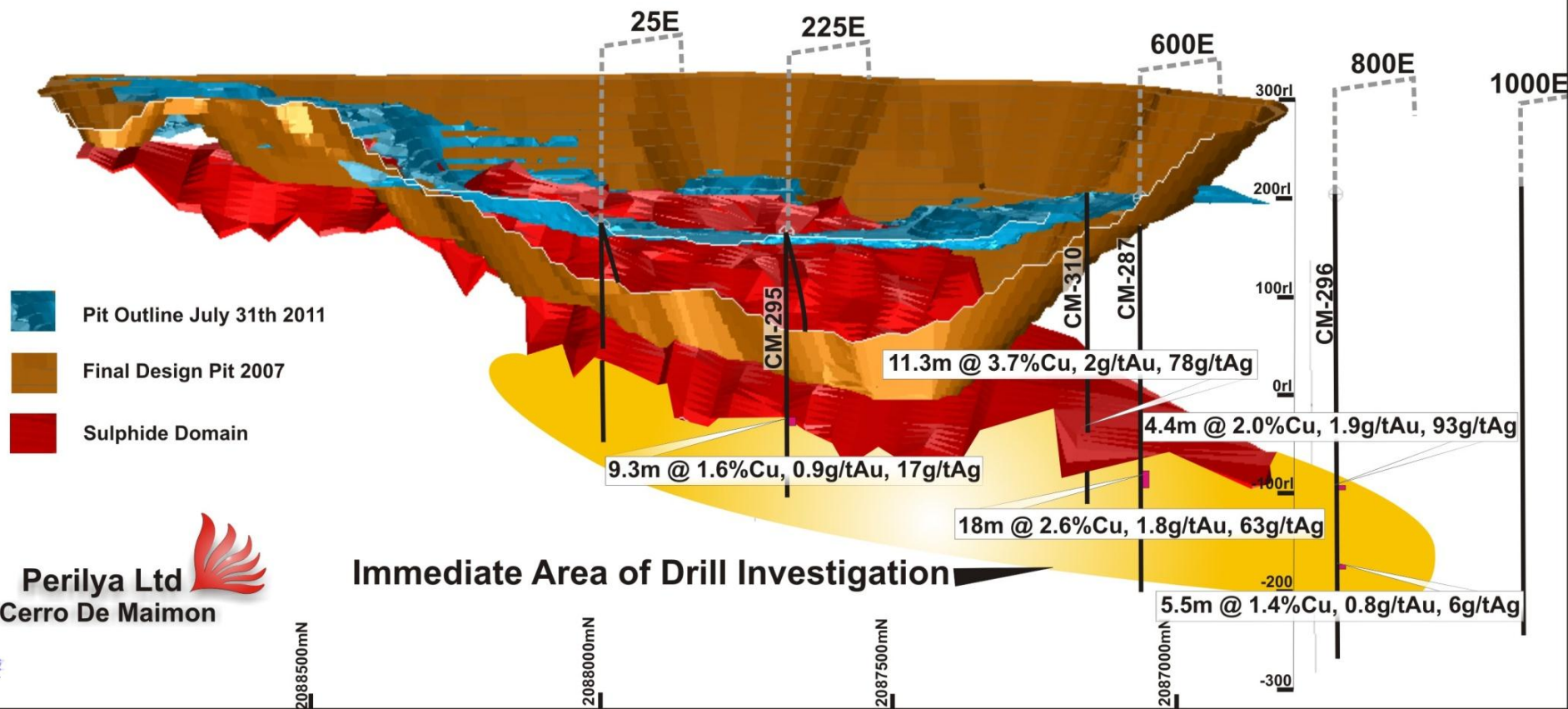
<b>Cerro de Maimón Operations</b>				
<b>Mineral Resource as at April 2007</b>		<b>Tonnes</b>	<b>Cu</b>	<b>Ag</b>
		'000	%	g/t
<b>TOTAL OXIDE</b>	Proven	927.3		37.1
	Probable	230.1		23.9
Total Proven & Probable		1,157.4		34.5
<b>TOTAL SULPHIDE</b>	Proven	4,285.8	2.66	35.7
	Probable	538.7	1.52	28.7
Total Proven & Probable			2.54	34.9

## Highlights:

- ✓ H1 copper production is 14.5% above Budget, gold is 7.3% over Budget and silver is 95.1% over Budget primarily due to higher ore grades, better recoveries and higher mill feed in the sulphide circuit and reflecting the benefits of several improvement initiatives
- ✓ Outstanding cost performance with net C1 cash costs for H1 was US\$0.00/lb copper, well ahead of the targeted C1 Cash Costs of US\$0.80/lb
- ✓ The reverse osmosis water treatment plant successfully commissioned in H1 and officially opened on July 1<sup>st</sup> by the Minister for Environment
- ✓ Assay results confirmed the good grades intercepted by depth and strike extension drilling at Cerro de Maimón confirming continuity of the ore-body extension. Updated Resource and Reserve estimates progressing with final reports expected in the second half of 2011
- ✓ Significant Improvement in safety performance year on year following short term secondment of Peter Lean from the Broken Hill Operations to Cerro de Maimón

## Cerro De Maimon Longsection - 2011 Drill Sections

(view looking east)



# 6 Month Operational Performance – Broken Hill

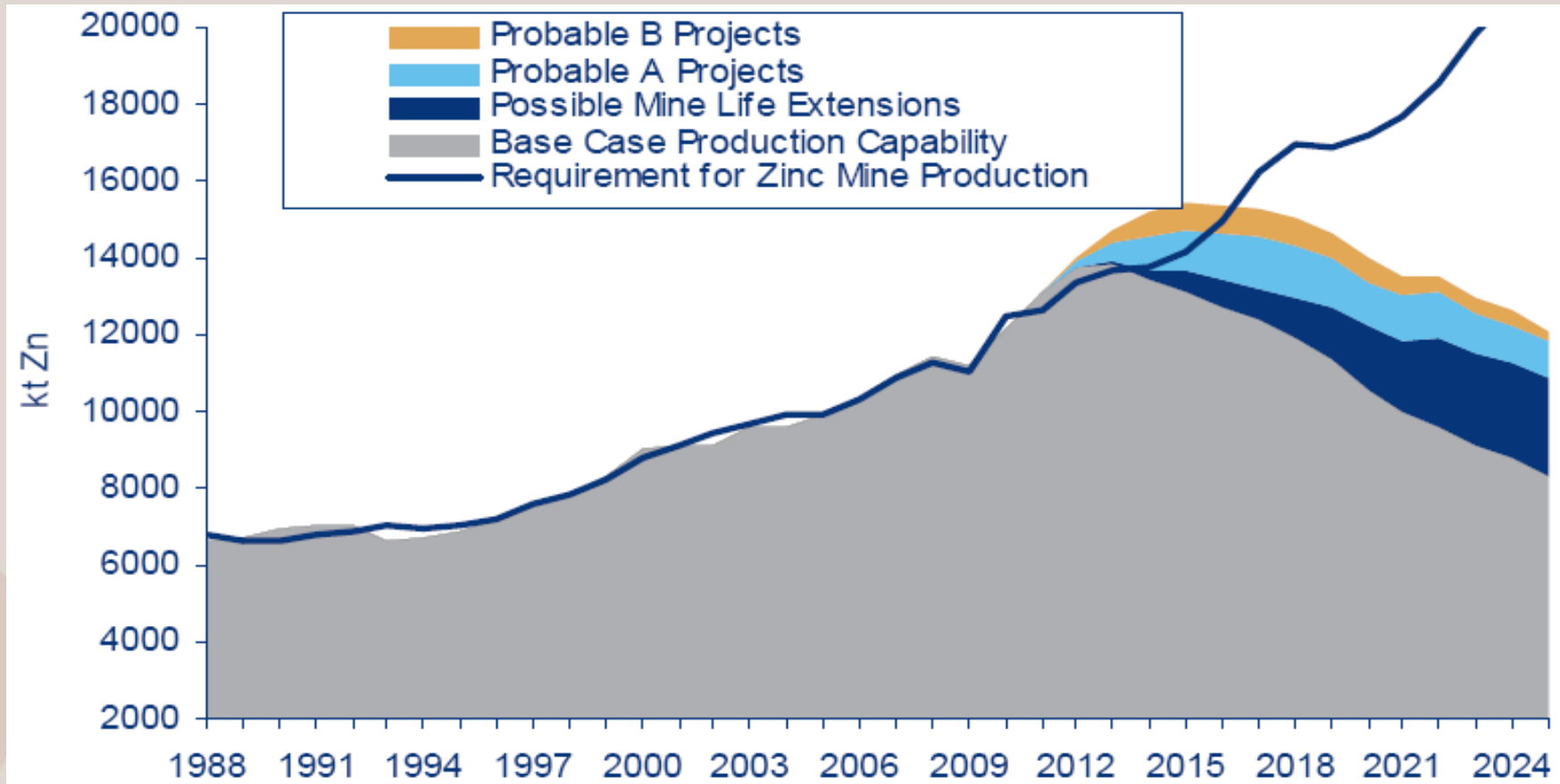
Items	Jan 11 - Jun 11	Jan 10 - Jun 10
<b>BH Physicals</b>		
Ore Mined (kt)	<b>846.3</b>	<b>830.2</b>
Ore Treated (kt)	<b>837.0</b>	<b>827.2</b>
Zinc Grade (%)	<b>4.1</b>	<b>4.6</b>
Contained Zn (kt)	<b>30.2</b>	<b>33.1</b>
Lead Grade (%)	<b>3.5</b>	<b>3.8</b>
Contained Pb (kt)	<b>25.7</b>	<b>27.0</b>
<b>BH Cash Cost &amp; Margin (US\$/lb Zinc)</b>		
<b>Average Price Received</b>	<b>1.05</b>	<b>0.98</b>
Direct Cash Costs (Actual)	<b>1.49</b>	<b>0.97</b>
By-product credits (Notional 2011)	<b>(1.35)</b>	<b>(0.87)</b>
Zinc TCs incl. Freight & handling	<b>0.35</b>	<b>0.39</b>
<b>Net Cash Cost (Notional 2011 )</b>	<b>0.49</b>	<b>0.48</b>
<b>Cash Operating Margin</b>	<b>0.56</b>	<b>0.49</b>

Broken Hill Operations						
Ore Reserve as at 30 June 2010			Tonnes	Zinc	Lead	Silver
			'000	%	%	g/t
Reserve	Southern Operations	Proved	6,175	6.9	5.5	55
		Probable	9,086	4.3	2.9	34
		Total	15,261	5.3	4.0	42
Mineral Resource as at 30 June 2010			Tonnes	Zinc	Lead	Silver
Resource	Southern Operations	Measured	8,447	9.5	7.0	70
		Indicated	3,289	9.4	6.9	71
		Inferred	1,996	9.9	9.2	91
		Total	13,732	9.6	7.3	73

## Highlights:

- ✓ Despite structural damage to the haulage shaft restricting tonnes hoisted, a strong production performance was maintained at Broken Hill operations during the first half.
- ✓ Net C1 cash cost (Notional) for H1 was US\$ 0.49/lb zinc, ahead of targeted C1 cash costs of US\$0.50 – 0.60/lb and despite very strong upward pressure on costs as a result of the high AUD.
- ✓ Significant improvement in recoveries during the first half due to changes in reagents used and improving grades due to better separation of waste rock from the ore pass.
- ✓ Starting to see the positive effects of newly commissioned batch plant and slick line with savings in the order of \$350,000 to \$400,000 per month.
- ✓ Commissioning of the new Larox filter and the first shipment of lead from the newly upgraded Port Pirie ship loading facility occurred during the half year.

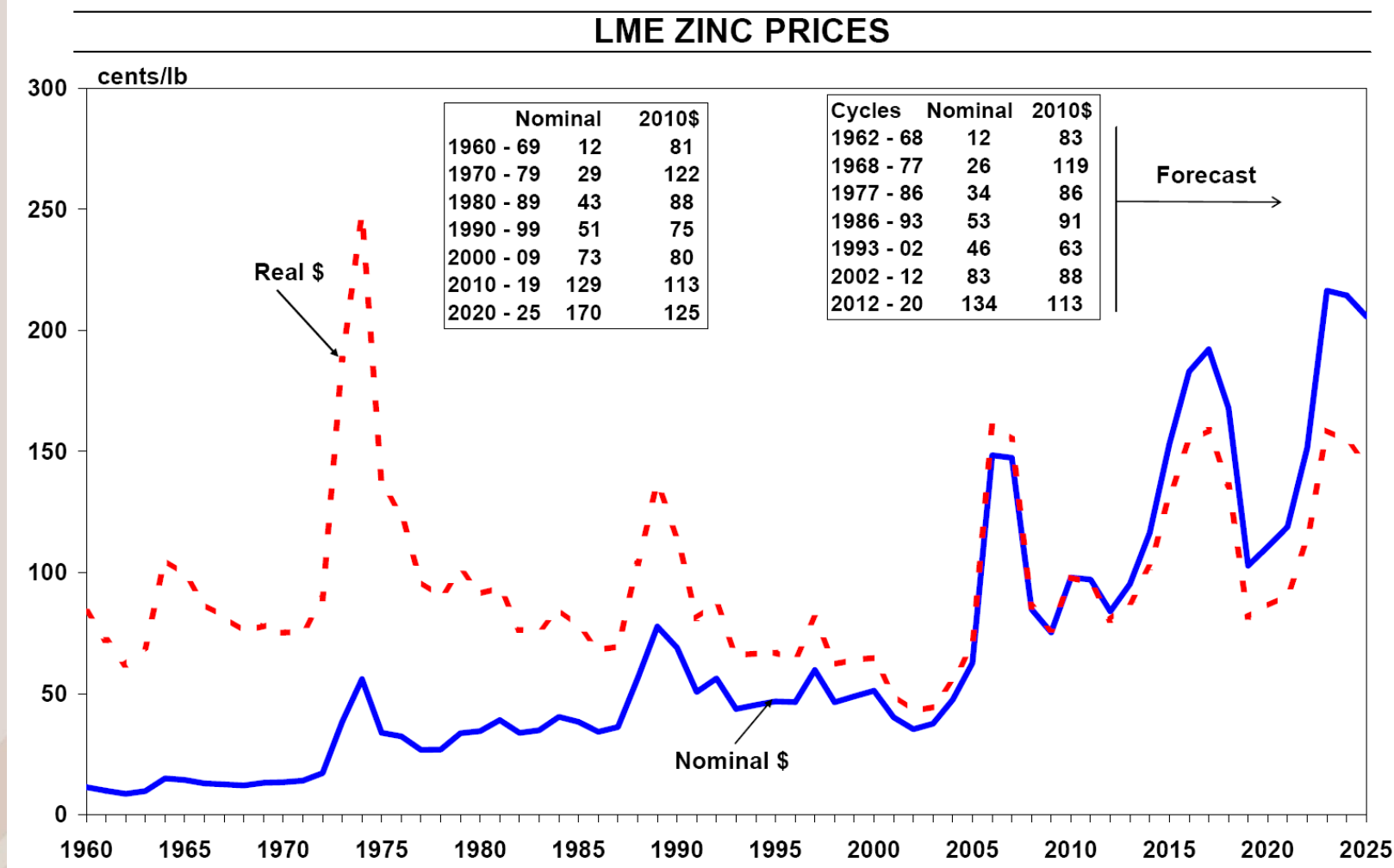
# Zinc Mine Supply v's Projected Demand



Source: Brook Hunt (March 2011) – A Wood Mackenzie Company

- Fundamentals remain strong, despite current supply surplus with China and India remaining large, growing sources of demand
- Mine supply falls away significantly in 3 – 5 years, with no major new mine supply coming on-line to replace
- No “Super Giants” have been found (e.g. Broken Hill, Mt Isa, Red Dog)
- Cost profiles increasing – structural shift to lower grade / higher cost mines
- Strong push from smelters to acquire mines in recognition of future supply shortage

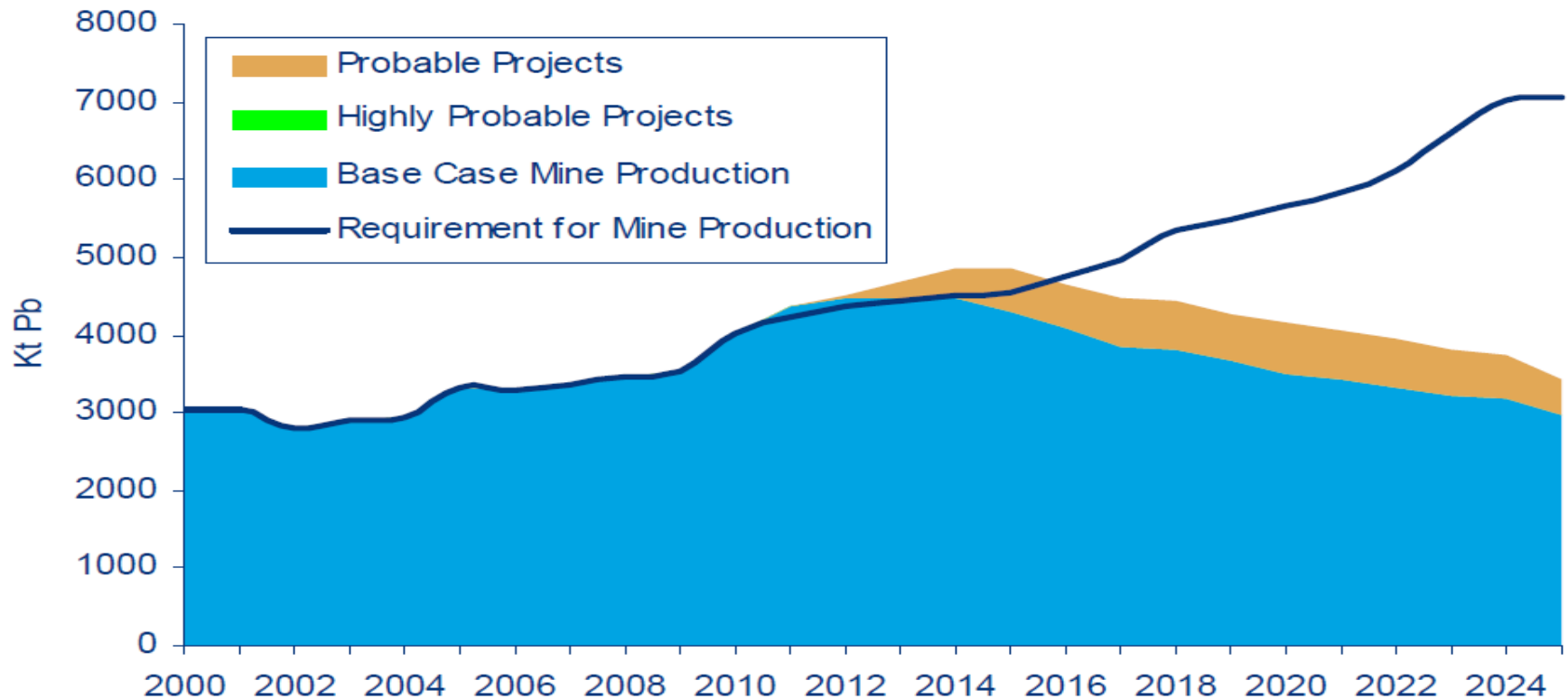
# Projected LME Zinc Prices



Source: Brook Hunt (March 2011) – A Wood Mackenzie Company

Consensus forecasts predict stable prices for 2011-12 increasing in subsequent years

# Lead Mine Supply v's Projected Demand

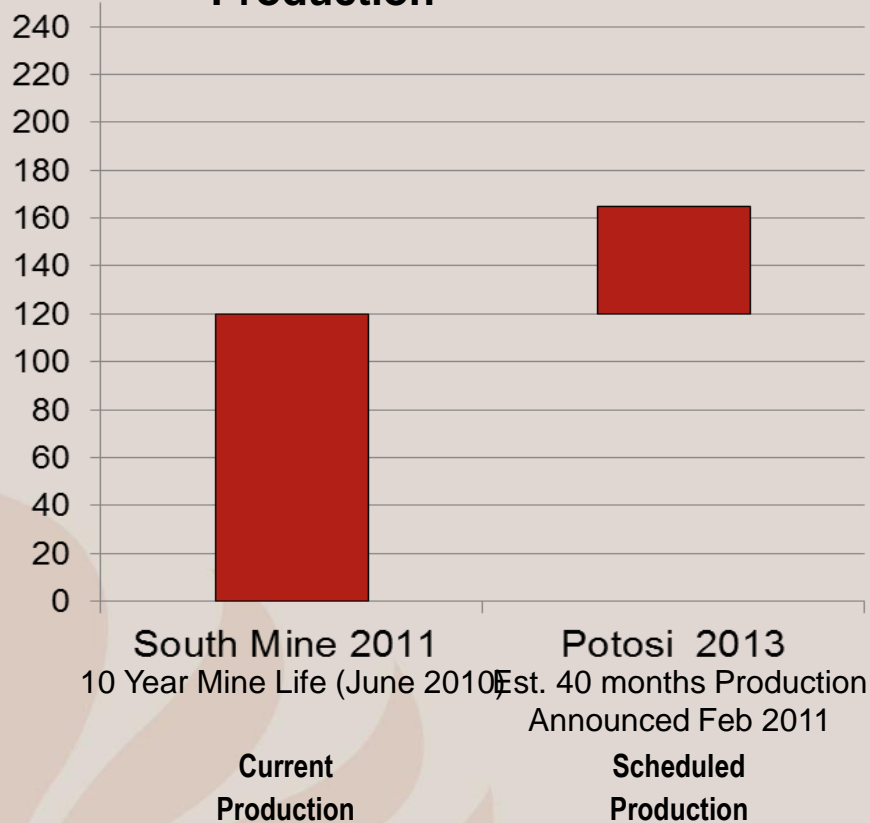


Source Brook Hunt - A Wood Mackenzie Company

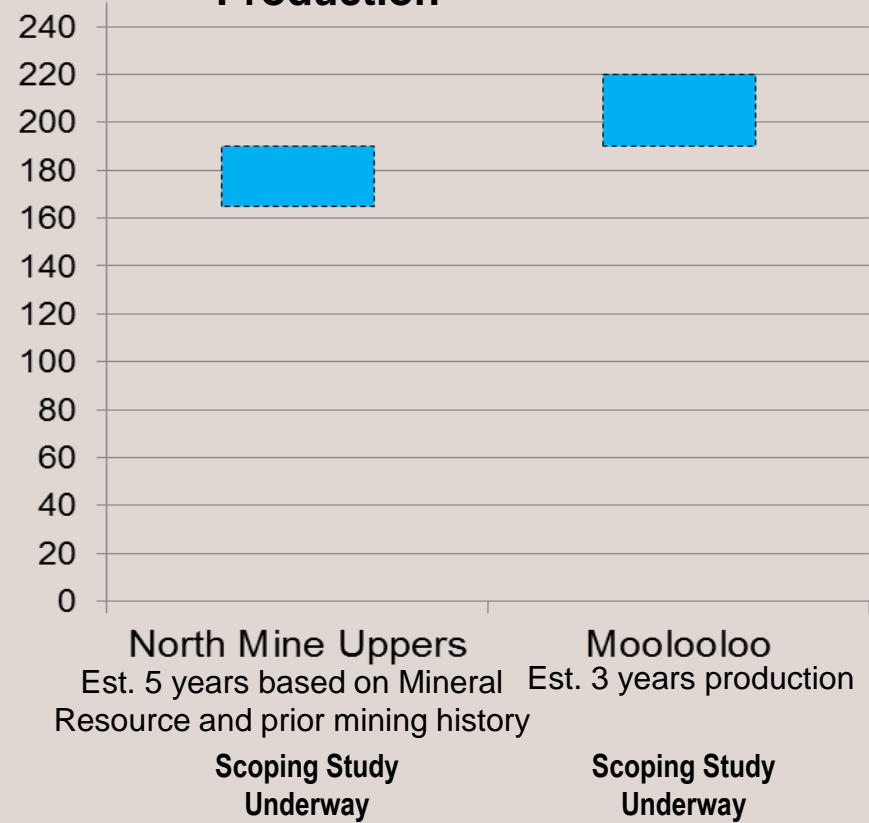
- Market broadly in balance
- No highly probable new mines – reliant on riskier projects coming on stream – still projected significant deficit
- Closure of major zinc mines also impact lead supply
- Strong forward demand – no imminent mass substitution
- Already very high levels of recycling

# Perilya Current, Projected & Possible Zinc/Lead Production

**Actual & Scheduled Production<sup>#</sup>**



**Possible Future Production<sup>##</sup>**



<sup>#</sup> Current, scheduled and possible future production rates on a per annum basis.

<sup>##</sup> Possible future production potential is the subject of current scoping studies with no development decision having been made. Any actual future production will be subject to the outcomes of those studies and should not be assumed to be planned future production.

## Management Highlights - 6 Months to 30 June 2011

- ✓ Completed the acquisition of GlobeStar Mining Corporation in January 2011
- ✓ Closure of the Toronto office resulting in significant reduction in administration costs
- ✓ Release of a new resource estimate for the Moblan Lithium Project increasing contained lithium by approximately 250% to approximately 14.25 million tonnes containing 1.41% Li<sub>2</sub>O using a cut-off grade of 0.60% (up from the previous resource estimate of 5.34 million tonnes at 1.51% Li<sub>2</sub>O using a cut-off grade of 0.43%)
- ✓ Approved and commenced the development of the Potosi/Silver Peaks mine in Broken Hill Initially targeting mining approximately 1.6 million tonnes of ore at an average grade of 8.3% zinc, 3.1% lead and 38 grams/tonne of silver, with good potential to extend the life of the mine
- ✓ Increase in resource estimate for Mt Oxide Copper project and an extension of the development study to include an underground option
- ✓ Release of a new Mineral Resource estimate for North Moolooloo with the Indicated Mineral Resource totalling 214,000t @ 34.4% Zn for a contained 73,530t of zinc metal at a 10% zinc cut-off grade



# **Positioning for the Future - Plans for 2011 2H & Beyond**



## Key Goals

## Status

✓ Complete a new Resource and Reserve estimate for Cerro de Maimón	Underway - due in 2 <sup>nd</sup> Half
✓ Increase in market guidance for production physicals at Cerro de Maimón	Announced July 2011
✓ Commence mining contract at Potosi/Silver Peaks mine	Commenced August 2011
✓ Progress a development study for near term projects including metallurgical modifications and mine expansion at Maimon, North Moolooloo, for a Beltana type campaign mining operation, and North Mine uppers at Broken Hill to a development decision stage late 2011/early 2012	Development Studies underway
✓ Progress the development study for mid term development projects including the Moblan Lithium Project in Quebec, Canada, the Cumpie Hill Laterite Nickel Project in the Dominican Republic and the Mt Oxide copper project in Queensland	Development Studies Underway
✓ Continued focus of cost control at Broken Hill in light of continuing strength in Australian dollar	Ongoing process
✓ Continue to evaluate external acquisitions	Ongoing Process

## Potosi / Silver Peaks

- Total estimated development budget of between \$50million to \$60 million
- Development Approval and other necessary permits received and Board approval of development announced in early 2011
- Underground mining operation
- Development commenced with mining contract work starting in August 2011
- Estimated to generate approximately 450Kt-500Kt of additional feed to the mill producing around 45,000Kt of contained metal p.a.
- Mine life 4-5 years with good potential to extend

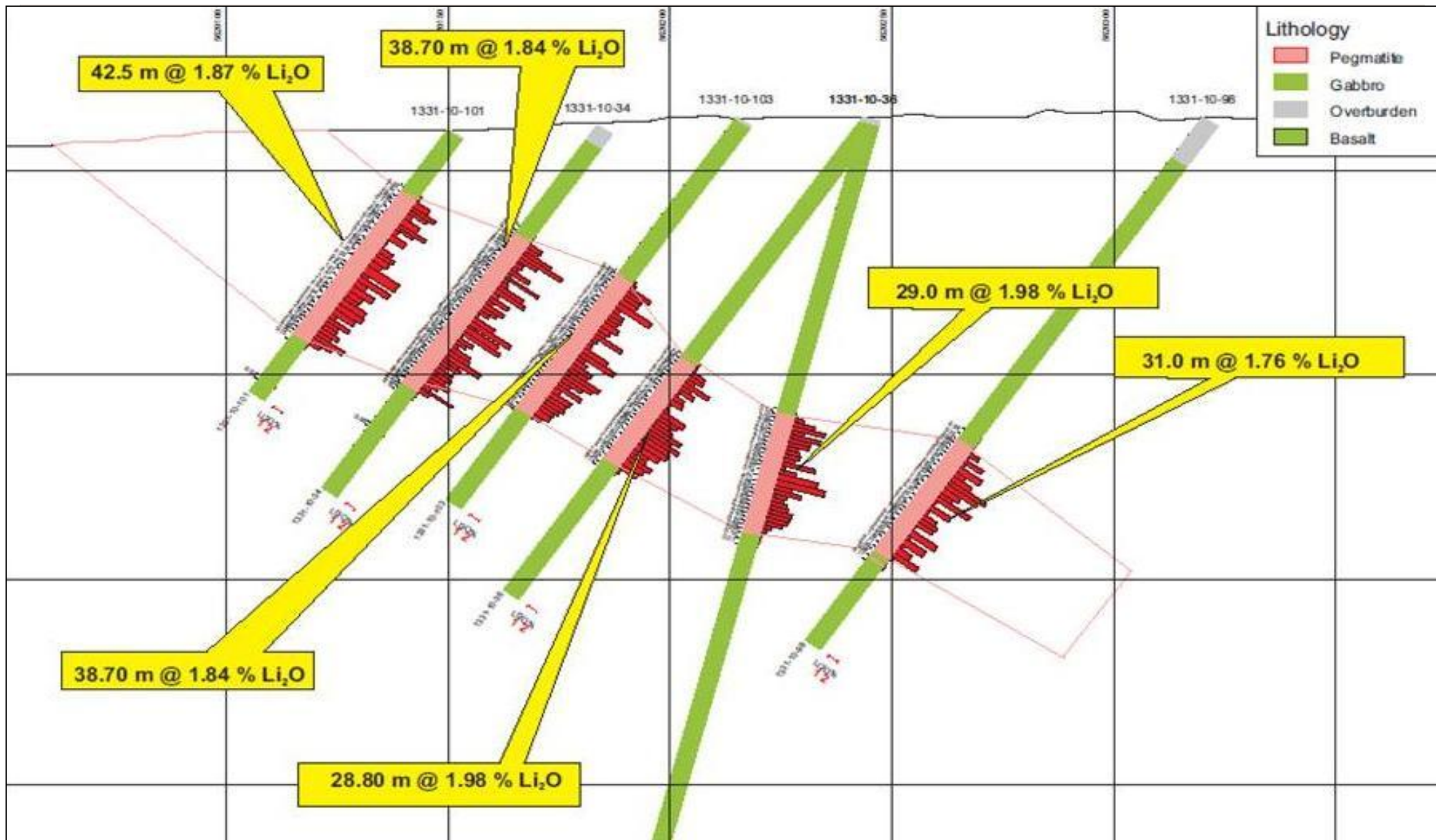
## North MineUppers

- Project status: Development study underway
- Estimated to generate 250Kt-300Kt p.a. of additional mill feed
- Development decision anticipated in late 2011 / early 2012

## Moblan Lithium Project

- Project status: Development study underway and native title and permitting work commenced

# Moblan Lithium - Section 506750 Looking West



## North Moolooloo

- Project status: development study underway
- Development decision anticipated during 2012
- Open pit (Beltana Style) development for direct shipment ore (zinc silicate)

## Mt Oxide Copper Project

- Project status: Development study underway – extended to include underground options
- Development decision likely in 2012

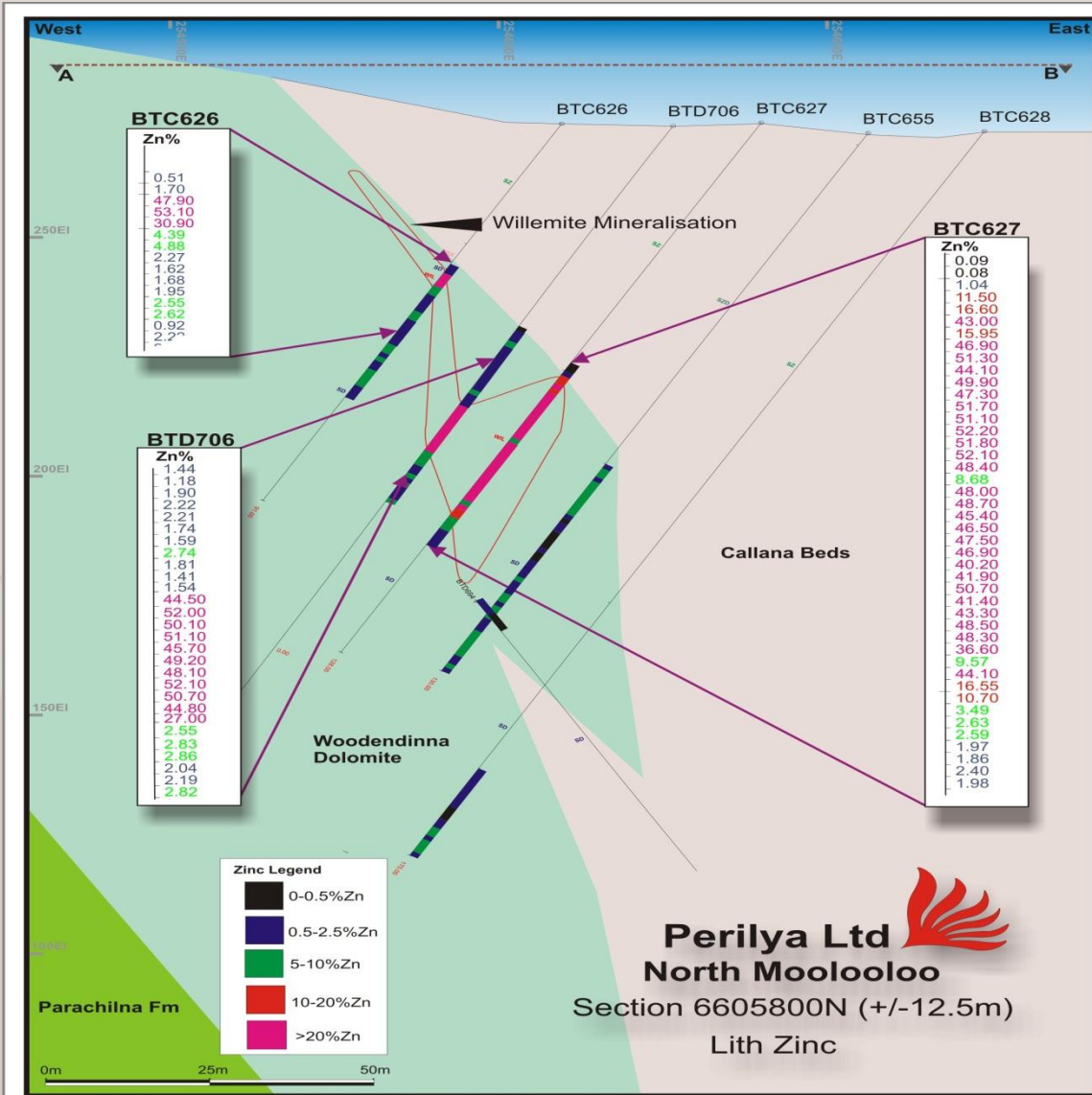
## Cerro de Maimón Mine Life Extension and Expansion

- Determine metallurgical circuit changes
- Preparing an updated Mineral Resource and Ore Reserve
- Define resource size and carry out scoping study for underground and pit extension
- Upgrade plant to separate Zinc concentrate and size plant to reflect any mining expansion

## Cumpie hill Laterite Nickel Project

- Project status: Development study underway
- Potential laterite nickel direct shipment ore project into China.
- Development decision anticipated during 2012

# Flinders Development - North Moolooloo



The Beltana mine was the first phase of the Flinders Project, located 520 kilometres north of Adelaide in the Flinders Ranges, and involved direct shipment of high grade zinc oxide ore through Port Pirie to smelters in Asia.

A total of 316,400 tonnes of zinc silicate ore was mined, stockpiled and shipped at an approximate average grade of 32 per cent zinc, for a total of 101,385 tonnes of contained zinc.

An extensive scoping study is currently underway on the newly discovered North Moolooloo deposit (new Mineral Resource announced June 2011) with a view to potential future mining.

Flinders Operations					
Mineral Resource as at 30 June 2010			Tonnes	Zinc	Lead
Resource	Reliance		'000	%	%
	Indicated		277	29.0	1.5
	Inferred		31	18.5	1.9
	Total		308	27.9	1.5
Aroona	Indicated		23	32.0	1.0
	Inferred		84	33.5	1.0
	Total		107	33.2	1.0
Aroona 2	Indicated		26	27.5	0.6
Moolooloo	Indicated		29	22.5	2.2
	Inferred		10	14.9	0.1
	Total		39	20.6	1.7
<b>North Moolooloo</b>	<b>Indicated</b>		<b>214</b>	<b>34.4</b>	<b>1.3</b>
<b>Total</b>	<b>Indicated</b>		<b>569</b>	<b>35.0</b>	<b>1.4</b>
	<b>Inferred</b>		<b>125</b>	<b>28.3</b>	<b>1.2</b>
	<b>Total</b>		<b>694</b>	<b>30.2</b>	<b>1.4</b>

Mineral Resource cutoff grade 10% Zn used for all Resources.

- Perilya is a base metals mining and exploration company listed on the Australian Stock Exchange (ASX:PEM) and headquartered in Perth, Western Australia
- Perilya owns and operates the iconic Broken Hill zinc, lead and silver mine in New South Wales and the Flinders zinc silicate project in South Australia
- On 14<sup>th</sup> January 2011 Perilya Limited announced the completion of its acquisition of GlobeStar Mining Corporation. The primary assets are the low cost Cerro De Maimón copper-gold-silver operating mine and an extensive portfolio of exploration tenements covering base metals and nickel in the Dominican Republic and 60% ownership of the Moblan lithium development project in Quebec, Canada
- Perilya has a significant copper project under development study at Mount Oxide in the Mount Isa region in Queensland and owns 50% of Tampang, an early stage copper/gold project in Malaysia
- Perilya and its parent Zhongjin have a global focus with mining operations, smelting operations, exploration and development projects in Australia, the Dominican Republic, Canada, Malaysia, Ireland and the People's Republic of China
- Debt finance costs averaging circa 3% plus LIBOR with no security over the Broken Hill assets

<b>DATE:</b>	<b>29 August 2011</b>
<b>SHARE PRICE (A\$):</b>	<b>\$0.595</b>
<b>ISSUED SHARES:</b>	<b>526,075,563</b>
<b>MARKET CAPITALISATION:</b>	<b>\$315,000,000</b>

<b>SUBSTANTIAL SHAREHOLDERS</b>	
Shenzhen Zhongjin Lingnan Nonfemet Co. Ltd	52.00%
L1 Capital Pty Ltd	8.70%

<b>PRODUCTION PERFORMANCE</b>	<b>12 Months Dec 2010</b>	<b>6 Months June2011</b>
<b>Broken Hill</b>		
Zinc (contained metal - Tonnes)	63,600	30,200
Lead (contained metal - Tonnes)	51,300	25,700
Silver (contained metal - Ounces)	1,577,000	746,000
<b>Cerro de Maimón</b>		
Payable Copper (million pounds)	20.168	12.055
Payable Gold (ounces)	15,897	9,142
Payable Silver (Ounces)	652,251	350,329

<b>BUDGET EXPLORATION &amp; STUDY SPEND (2011 Approximate)</b>	<b>\$21M</b>
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# Zhongjin - Perilya's Major Shareholder

## **Perilya's major shareholder (52.0%) delivers**

- Balance Sheet strength
- Industry experience in mining, processing, smelting and marketing; and
- Potential for future off-take agreements & opportunities for synergies

## **About Zhongjin**

- Zhongjin is a joint stock limited Chinese company based in Shenzhen, Guangdong Province, China
- It has been listed on the Shenzhen stock exchange for 12 years (Ticker: 000060.sz) and as of 09 February 2011, had a market capitalisation of approximately CNY29.7 billion (US\$4.5 billion)
- Zhongjin's major shareholder is Guangdong Rising Assets Management Co. Ltd ("Rising") which holds approximately 38% of Zhongjin's issued shares. Rising is a wholly state-owned assets management company, representing the Guangdong Provincial Government in operating and managing state-owned assets
- Its principal activity is the mining and processing of lead, zinc and other non-ferrous metals
- Zhongjin is the largest integrated lead and zinc mine and smelter operator in China and has been operating for over 25 years
- Its key operations are the Shaoguan and Danxia smelters and the Fankou lead and zinc mine
- It is also engaged in the trading, building materials, transportation, real estate and high technology industries

## *Continuing to Look for Value*

- Perilya has a stated desire to acquire new, long life assets.
- Preferred commodities are zinc, lead, copper & precious metals
- Looking for in production and advanced development projects
- Will consider both onshore and offshore projects
- Can apply strong operational & financial capability
- Ability to access competitive debt via parent support