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ASX and Media Release

13 January 2010

LEAD HEDGING PROGRAM

Additional Lead Hedging

The Company wishes to advise that it has taken advantage of the recent strong gains in base metal prices to implement additional hedging for its lead product.

Forward sales have been executed for 31,200 tonnes of forecast lead production for the period July 2010 to June 2011 at an average forward price of A$2,830 per tonne. This represents approximately 50% of anticipated payable lead production for that period. The Company already has lead hedging in place for the period January 2010 to June 2010 as part of its 6 month rolling program.

The lead price has seen some very strong gains over 2009, rising from a low of approximately A$1,300 per tonne in late 2008 to the levels of today. The locking in of these prices will help ensure the recent strong financial performance of the Company continues.

At current production rates and combined with our exposure to the silver price, the Company expects to be able to achieve a consistent by-product credit of at least US$1.00/lb (based on current spot metal prices and exchange rate) from its Broken Hill operation.

Accounting Treatment

On 30 December 2009 the Company announced that there is some uncertainty within the Accounting Profession with respect to the ability to treat the hedging of different revenue streams derived from the sale of a single concentrate product as effective hedging under AASB 139. The Company is reviewing the treatment of these new contracts with its auditors.

ENDS

For further information:

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