

ASX and Media Release

21 September 2012

INVESTOR PRESENTATION

Paul Arndt, the Company's Managing Director & CEO, Angelo Christou, the Company's Chief Financial Officer will be conducting analyst and investor presentations in North America from Monday, 24 September. A full copy of that Analyst and Investor Presentation is attached.

For more details, visit www.perilya.com.au

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Perilya Limited

Investor Presentation



Disclaimer and Important Notice

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.

All references to production volumes and costs for 2011 are unaudited production volumes and costs and are subject to final assay results, which are pending.

Competent Person Statement:

The information contained in this presentation relating to:

•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 report 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 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 Cerro de Maimón mine is based on information compiled by Mr. Geoff Bullen who is a full-time employee of Perilya and is a member of the Australian Institute of Geoscientists. Mr. Bullen 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. Bullen 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 quarterly report that relates to Ore Reserve for the Cerro de Maimón mine and the Mineral Resource at the Moblan Lithium Project are based on information compiled by Mr Arnt Eric Olson who is a full-time consultant to Perilya and is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Olson 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 Olson consents to the inclusion in this release 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 2011. 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).

Corporate Snapshot

➤ **Listed on the Australian Stock Exchange (ASX:PEM)**

➤ **Capital structure:**

769.3m shares

8.2m options & performance rights

➤ **Key financials:**

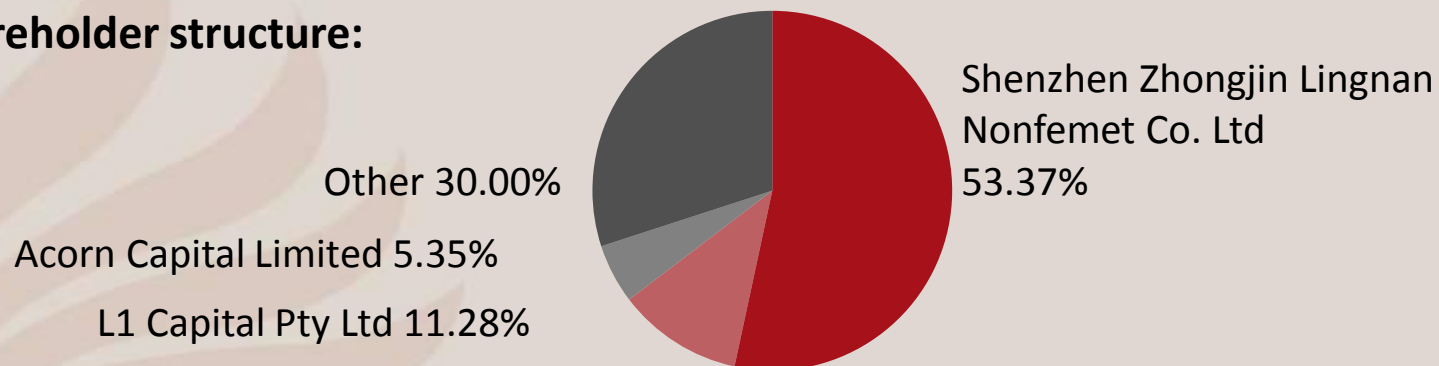
Share price: A\$0.37 (as at 21 September 2012)

Market capitalisation: A\$284.7m

Cash: A\$31.3m (as at 30 June 2012)

Debt: A\$133.78m (as at 30 June 2012)

➤ **Shareholder structure:**



Operational Snapshot



- Two operating assets with long mine lives:
 - 1 the iconic Broken Hill zinc, lead and silver mine in New South Wales
 - 4 Cerro de Maimón, a copper, gold and silver mine in the Dominican Republic
- 1 Potosi project under development utilising existing Broken Hill infrastructure
- An extensive portfolio of exploration tenements, including:
 - 4 Precious & base metals and nickel in the Dominican Republic
 - 1 Potosi mine development in Broken Hill
 - 1 Broken Hill region including North Mine, Flying Doctor and others
 - 2 Flinders region of South Australia in the vicinity of its Beltana zinc silicate project
 - 5 60% ownership of the Moblan lithium development project in Quebec, Canada
- 3 A copper project under development study at Mount Oxide in the Mount Isa region in Queensland
- 6 50% ownership of Tampang, an early stage copper/gold project in Malaysia

Investment in Perilya Offers

Exposure to multiple commodities

- High volume leverage to zinc, lead & silver prices

Growing internal production profile

- Potosi mine forecast to increase Broken Hill production by around 35% from January 2014 (ramping up from Q1 2013)
- In September 2011 announcement of more than 50% increase in Cerro de Maimón life of mine for both the oxide and sulphide production, with an updated Mineral Resource estimate announced in August 2012 showing an additional 24% increase in contained copper, a 29% increase in contained gold and a 39% increase in contained silver

Suite of development ready projects

- Owns projects that can be quickly activated such as the North Mine (zinc lead & silver) at Broken Hill and, in a higher metal price environment, projects such as the Flying Doctor zinc, lead & silver project in Broken Hill and North Moolooloo high grade zinc silicate project in South Australia, amongst others

One of the World's lowest cost copper mines

- Cerro de Maimón in the Dominican Republic is one of the lowest cost copper mines in the World

Highly skilled and experienced management team

- Demonstrated ability to optimise operations as shown with the halving of costs and doubling of productivity at Broken Hill since 2008 and a 25% increase in copper production since acquiring the Cerro de Maimón mine in late 2010, extracting maximum benefit for shareholders
- Able to operate successfully across multiple jurisdictions

H1 2012 Financial Performance

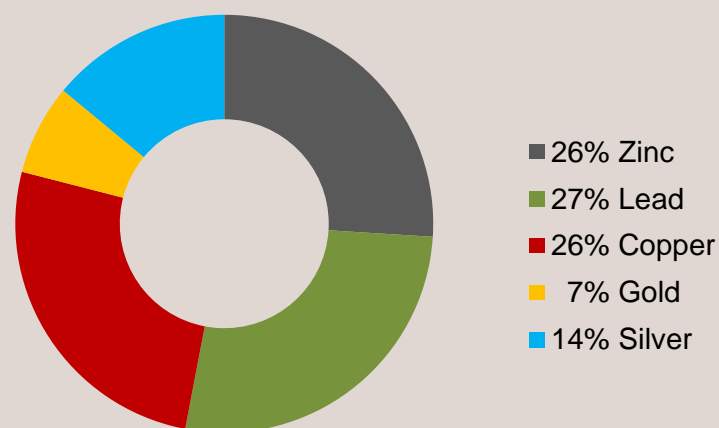


Strong Financial Performance in H1 2012

	6 months to 30 June 2012	12 months to 31 Dec 2011
	A\$m	A\$m
Cash Balance (As of 31 Dec)	31.28²	36.37¹
Total Assets (As of 31 Dec)	637.27	633.84
Net Assets (As of 31 Dec)	360.52	355.14
EBIT	10.98	52.96
NPAT	5.38³	38.75
Net Cash-flow from Operations	26.41	67.44
Cash Operating Margin - Broken Hill	US\$0.22/lb Zn⁴	US\$0.43/lb Zn
Cash Operating Margin - Maimón	US\$2.54/lb Cu^{3&4}	US\$3.60/lb Cu

➤ Management has delivered solid financial performance in spite of strong AUD against the USD and weak metal prices (particularly zinc and lead)

FY11 Revenue Breakdown



➤ Perilya offers multi commodity exposure

¹ After repayment of a total of \$167.69 million in debt during 2011

² After a \$15.58 tax payment in the Dominican Republic relating to its 2011 results and an increase in development and capital expenditure (Plant & Equipment: \$10,829,000, Mine Development: \$26,462,000) for the 6 months arose from the continued development of the Potosi/Silver Peak mine

³ A negative sales adjustment of \$6.3 million to 2011 shipments from Cerro de Maimón as a result of unfavourable final assays has impacted on the 2012 half year results. Without this one-off adjustment the cash operating margin for Cerro de Maimón for the period was US\$3.02/lb of copper.

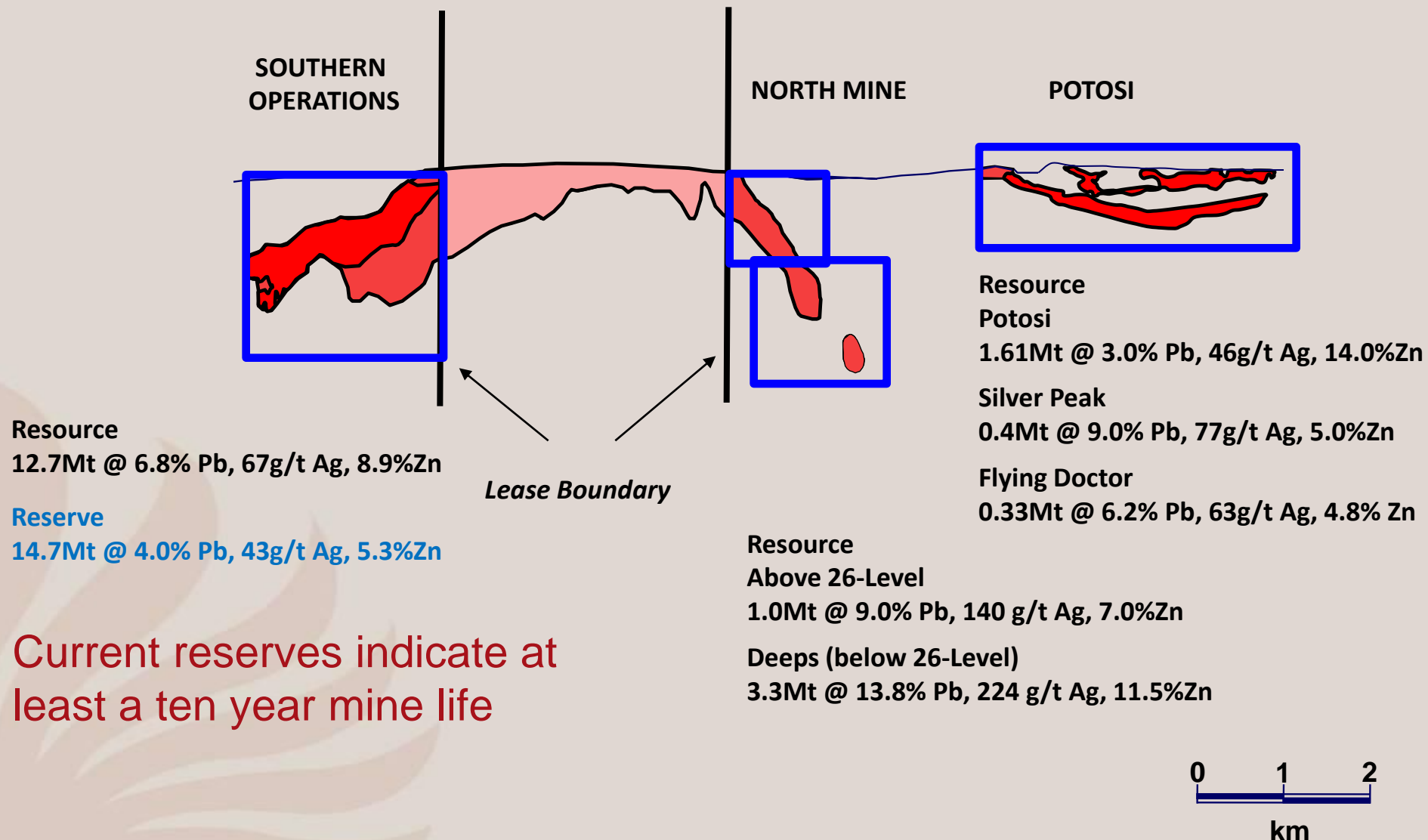
⁴ Direct costs actually fell for both operations from the corresponding period last year. The reduction in cash operating margins for both operations reflects significant fall in metal prices from 2011 levels with corresponding reductions in both by-product credits and average price received.

Broken Hill Update



Broken Hill Resources and Reserves

as at 30 June 2011



Current reserves indicate at least a ten year mine life

Broken Hill Operational Performance

	H1 2012	H1 2011
BH Physicals		
Ore Mined (k/tns)	857.8	846.3
Ore Treated (k/tns)	855.8	837.0
Zinc Grade (%)	4.8	4.1
Contained Zn (k/tns)	37.0	30.2
Lead Grade (%)	3.7	3.5
Contained Pb (k/tns)	27.6	25.7
BH Cash Cost & Margin (US\$/lb Zinc)		
Average Price Received	0.90	1.05
Direct Cash Costs (Actual)	1.44	1.49
By-product credits (Notional)	(1.00)	(1.35)
Zinc TCs including Freight & handling (Actual)	0.24	0.35
Net Cash Cost (Notional)	0.68	0.49

Highlights

- Metal production for the half totalled approximately 64,600 tonnes of combined zinc and lead (top end of annual guidance of 110kt-120kt of combined zinc and lead) and 849,260 oz of silver
- Continued focus on cost control with the Operations maintaining notional net C1 cash costs (US\$0.68/lb of payable zinc) within annual guidance (US\$0.60-0.70/lb) despite significant adverse impacts on costs, with a strong Australian dollar and the continued weakness of by-product metal prices
- Concentrator production treating a total of 855,800 tonnes during the quarter was 7% above plan
- Mill recoveries for zinc at 90.4% and 86.4% for lead were slightly below plan
- Work continues to advance on the Potosi & Silver Peak mine development, Project on track for start up 1st quarter 2013

Cerro de Maimón Update



Cerro de Maimón Operational Performance

	H1 2012	H1 2011
CMD Physicals		
Sulphide Ore Processed (tns)	229,659	236,647
Sulphide Concentrate (tns)	24,343	22,695
Contained Copper (tns)	5,791	5,468
Contained Gold (oz)	3,046	3,187
Contained Silver (oz)	143,395	292,607
Precipitate (kg)	12,153	9,644
Gold Oxide (oz)	3,801	4,641
Silver Oxide (oz)	20,611	57,722
CMD Cash Cost & Margin (US\$/lb Copper)		
Average Price Received *	3.17*	4.22
Direct Cash Costs	1.46	1.68
By-product credits	(1.18)	(2.08)
TCs including Freight & handling	0.36	0.40
Net Cash Cost	0.63	0.00
Cash Operating Margin*	2.54*	4.22

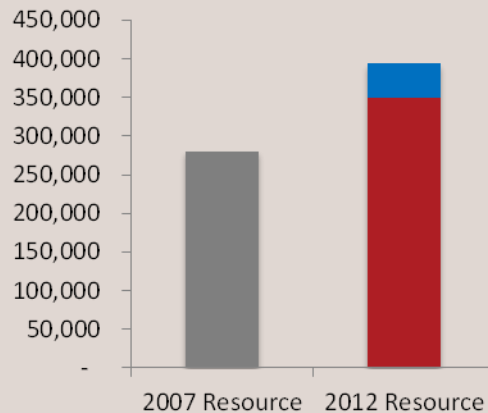
Highlights

- Total metal production for the half year of 5,791 t of copper (ahead of annual guidance of 10,500-11,000 t), 6,847 oz of gold and 164,006 oz of silver (annual guidance of 14,000-15,000 oz gold and 320,000-400,000 oz silver) for the period
- Actual net C1 cash costs of US\$0.63/lb of payable copper for the half year, within the annual market guidance of US\$0.60 - \$US0.80/lb of payable copper

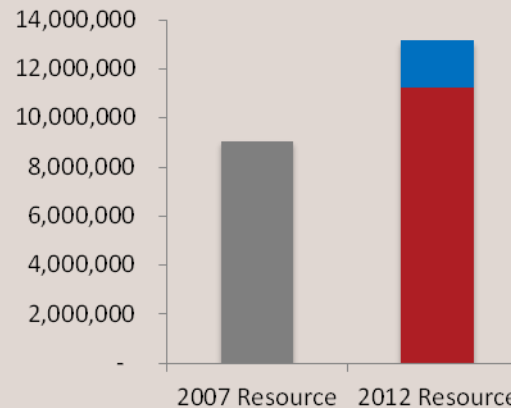
* Reflects approximately \$6.3 million revaluation loss relating to assay adjustments to 2011 shipments. In the absence of this one-off adjustment, the actual average price received and cash operating margin for the period was \$3.65/lb of copper and \$3.05/lb of copper respectively

Cerro de Maimón Resource Increase 2012

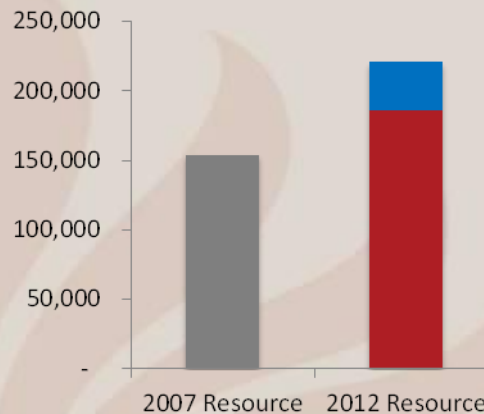
Au (oz)



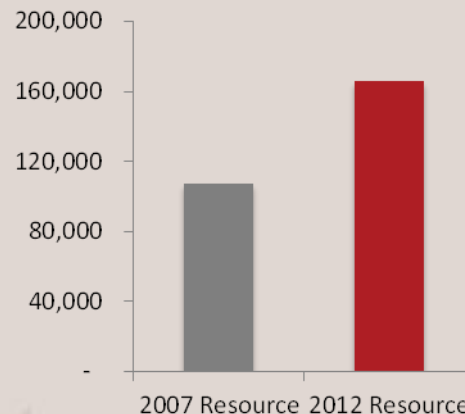
Ag (oz)




Cu (t)



Zn (t)



 Represents mining depletion from the 2007 Resource Estimate

* Resources shown above reflect the combined sulphide and oxide resources

- Increased Cerro de Maimón Sulphide Resource by 22% to approximately 12.35 million tonnes at an average copper grade of 1.5% to add 33,000 tonnes of contained copper metal relative to the 30 June 2007 estimate, notwithstanding 4 years of mining depletion
- Increase in spite of approximately 4 years of mining depletion of approximately 34,600 tonnes of copper, 45,200 oz of gold and 1,946,725 oz of silver
- The total resource also shows notable increases in contained gold (+25%), silver (+24%) despite 4 years of mining depletion, with the new sulphide resource component having higher contained gold (+ 50%) and silver (+51%) metal
- The oxide portion of the mineral resource has a 48% reduction in tonnage to 513,000 tonnes with lower gold and silver grades (-4% and -23% respectively) reflecting the past 18 months of mining depletion
- An evaluation study commenced during the half at Cerro de Maimón to examine the potential for both the development of an underground mine to compliment the open pit and the establishment of a separate zinc recovery circuit to benefit from the higher zinc grades at depth

Exploration and Development Update



H1 2012 Exploration and Development

- Potosi on schedule to be commissioned end of 1st quarter 2013, with subsequent ramp up to full commercial production by beginning of 2014. Total Investment to date of \$39.5 million. Potosi will utilise the spare capacity of Perilya's existing mill at its Southern Operations in Broken Hill and once full production is reached from January 2014, Potosi is anticipated to add approximately 45,000t of combined zinc & lead to Broken Hill's production (an approximately 35% increase)
- Completion of the helicopter supported VTEM airborne electromagnetic survey over the Broken Hill during the 1st quarter 2012. With a number of high priority target areas now being selected for further follow-up, with drilling underway
- Drilling continues to investigate the potential of additional VMS lenses within the Cerro de Maimón mine environment with initial focus on the untested South-East zone
- Bayaguana porphyry target definition advancing solidly after geological/geophysical integrated 3D modeling of the Dona Amanda Lithocap
- The scoping study at the Moblan Lithium project in Quebec, Canada continued with activities for the half focussed on metallurgical test-work, environmental baseline monitoring and engineering, with a preliminary metallurgical flow-sheet developed and an initial open pit mine design completed
- Development study well advanced into the re-opening of the North Mine at Broken Hill, which has the potential to add approximately 250,000-300,00t of additional mill feed to the existing Southern Operations mill, further utilising spare capacity.

Outlook



2012 Production and Cost Guidance

Broken Hill

- Production guidance of 110,000-120,000 tonnes of combined lead and zinc metal
- C1 cash cost are expected to be in the order of US\$0.60-0.70/lb of payable zinc (net of by-products)
- The adjustment in cash costs reflects the fall in by-product prices. As the Broken Hill operations are highly sensitive to movements in by-product prices, a movement up in commodity prices will see a lowering of this number. In Australian dollar terms per tonne of metal produced minimal movements are forecast

Cerro de Maimón

- Copper production guidance in the range of 10,500-11,000 tonnes
- C1 cash costs are expected to be in the order of US\$0.60-0.80 /lb (net of by-products)
- Gold production guidance in the range of 14,000-15,000 ozs
- Silver production guidance in the range of 320,000-400,000 ozs, (reflecting lower forecast silver grades in the mine)

The increase in cash costs forecast over the previous year is a combination of anticipated lower silver production and lower by-product prices (silver and gold)

Year-to-Date (30 August 2012)

- 87,904 tonnes of combined zinc/lead – 14.6% ahead of annual guidance*
 - Notional C1 Cash costs of US\$0.59/lb Zn – below annual guidance
 - Outstanding results given fall in by-product credits due to lower metal prices and high Australian dollar relative to the US dollar
-
- 7,986 tonnes – 11.4% ahead of annual guidance*
 - US\$0.60/lb of Cu – lower end of annual guidance
 - 9,336oz – within annual guidance
 - 239,986oz upper end of annual guidance
 - Outstanding result given fall in by-product credits due to lower prices and lower silver production than the previous year

* Compared to the mid point of guidance range

2012 Strategic Focus

- Manage Operations to be cash accretive through current low metal price environment
- Complete the Potosi development underway to achieve production in the 1st quarter of 2013
- Extend the Cerro de Maimón Resource further
- Complete the Pre-feasibility study for underground at Cerro de Maimón - positioning for growth
- Resolve Cerro de Maimón circuit changes for Cadmium removal - eliminating risks and examining opportunities for separate zinc concentrate
- Complete Study on North Mine
- Complete Study on Lithium Project and determine future strategy
- Complete Study on Cumpié Nickel Project
- Establish future for Mt Oxide
- Take advantage of lower asset prices to acquire as opportunities present

Strategic Positioning

- Acquisition of GlobeStar forms part of Perilya's long term strategic plan of product and geographic diversification, reducing the impact of sustained appreciation of the Australian dollar
- Perilya provides a "safe haven" for investors in times of economic uncertainty with exposure to precious metals (21% of revenue in FY 2011) – demonstrated by consistent performance to budget notwithstanding high Australian dollar and lower than expected zinc/lead prices
- Can sustain operations through periods of low metals prices due to the integration of the low cost Cerro de Maimón operations in the Dominican Republic
- Significant upside exposure on base metals with upward supply-side pressure on zinc/lead prices with 3 large zinc/lead mine closures in the next 2-3 years, coupled with improved economic outlook
- Exposure to copper with strong mid-term price outlook
- Proven ability to acquire overseas assets and companies demonstrated with highly successful takeover of former TSX listed GlobeStar Mining Corporation
- Strong support from the Company's major shareholder, Zhongjin Lingnan, who have provided parent company support with regards to the Company's financing arrangements and very strong support from the Company's bankers, positioning Perilya to take advantage of opportunities as they arise in the current economic climate



Thank You!