



# QUARTERLY REPORT

FOR THE THREE MONTHS ENDING  
30 JUNE 2010

MMG GROUP PRODUCTION DATA			
	JUNE QTR 2010	MARCH QTR 2010	YEAR TO DATE
<b>ORE MINED (TONNES)</b> (ALL SITES)	3,165,511	2,572,459	5,737,969
<b>ORE MILLED (TONNES)</b> (ALL SITES)	2,753,757	2,740,761	5,494,518
<b>ZINC IN CONCENTRATE (TONNES)</b> (CENTURY, GOLDEN GROVE, ROSEBERY)	178,979	139,259	318,239
<b>COPPER IN CONCENTRATE (TONNES)</b> (GOLDEN GROVE)	2,039	12,153	14,192
<b>LEAD IN CONCENTRATE (TONNES)</b> (CENTURY, ROSEBERY)	12,851	8,541	21,392
<b>COPPER CATHODE (TONNES)</b> (SEPON)	17,063	17,219	34,282
<b>GOLD (OUNCES)</b> (SEPON)	29,258	25,373	54,631

Note: MMG reports metal in concentrate for major products in its Group Production Data. Production levels and 2010 guidance are outlined for each mine in the main body of this report, and full production details including payable metal, grades and recoveries are included in the attached appendices.

## GROUP PRODUCTION REVIEW

MMG's zinc output in the June Quarter was up 28% on the previous quarter to 178,979 tonnes of zinc in zinc concentrate, as the result of solid production at Century and a planned zinc campaign at Golden Grove. As a consequence, lead in lead concentrate production was up 50% on the previous quarter to 12,851 tonnes of metal. Copper concentrate production was down as a result of the Golden Grove zinc campaign taking priority over copper production. At Sepon, copper cathode production was steady at 17,063 tonnes, a record second quarter following commissioning of the second copper plant autoclave in 2009. Gold at Sepon was up 15% to 29,258 ounces after investigations identified and removed hold ups in the gold circuit.

Total ore mined was up 23% for the June Quarter at 3,165,511 tonnes across the group following improved mining production at Golden Grove and the end of the wet season at Century. This, combined with the improvements in the Sepon gold circuit, led to increased milled tonnes of 2,753,757.

## BUSINESS STRATEGY UPDATE

MMG's mission is to maximise its returns by discovering, acquiring, developing and sustainably operating resources projects around the world. This mission is supported by five strategic areas of focus in which the following was achieved this quarter:

### Growth

- > High grade intersections from exploration drilling at the Gossan Valley prospect near Golden Grove with highlights including 36 metres at 17.3% zinc and 12 metres at 3.9% copper.
- > Sepon exploration budget has been boosted by US\$10.8 million to allow for continued drilling following the exciting gold and copper oxide results reported last quarter.
- > North American nickel-copper exploration programs progressed.
- > Scout drilling continued on numerous oxide gold prospects, returning several encouraging results including at Phabing (8 metres at 3.0 grams per tonnes gold), Vang Ngang South (15 metres at 1.0 gram per tonne gold).
- > Primary copper drilling intersected new zones at Thengkham North Gossan (9 metres at 3.0% copper) and at Thengkham South (17 metres at 1.1% copper).

### Operations

- > Sepon Copper Expansion Project now 84% complete overall.
- > The Feasibility Study recommenced into the expansion of Golden Grove with a copper open pit to supplement current underground operations.
- > Drilling work commenced at Avebury to support a technical review being undertaken on the project.

### People

- > The 12 month rolling Total Recordable Injury Rate reduced to 6.2 from 6.6 with 22 total recordable injuries during the Quarter.
- > Fifteen Indigenous youths from Queensland's lower Gulf of Carpentaria communities commenced apprenticeships and traineeships at Century after graduating from the Pre-Apprenticeship Course. Nine young people from Normanton and Karumba also commenced apprenticeships and traineeships at the mine's Port facility. This recruitment brought the total number of apprentices and trainees at Century to 58.
- > Seven Indigenous youths from West Australia's mid-west region completed the Bayalgu Indigenous Pre-employment Training Program at Golden Grove.

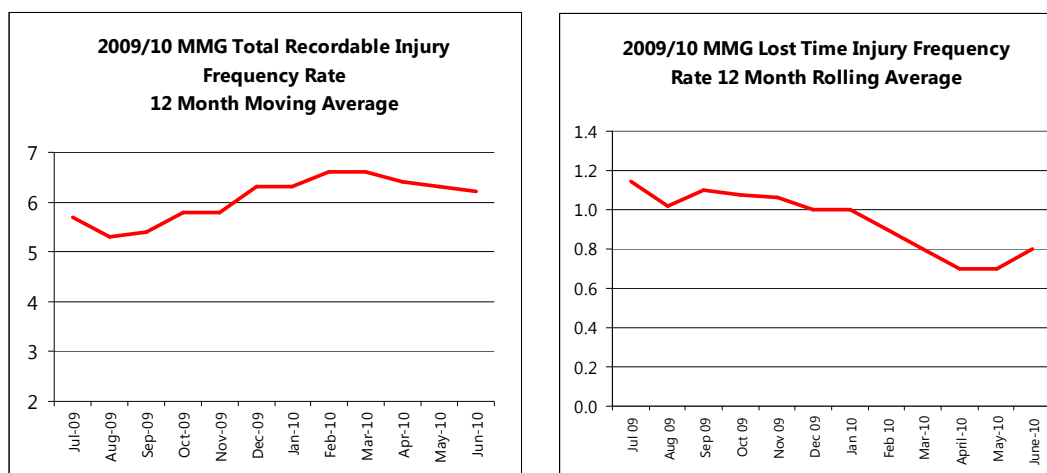
### Business Excellence

- > General Manager Operations Excellence commenced – a key senior appointment.
- > MMG Business Excellence strategy developed with Business Model and Framework articulated to senior management.

### Reputation

- > The environmental sampling program continues at Rosebery with final program results to be presented to stakeholders in late August.
- > A dividend payment of US\$14.4 million was made to the Lao Government State Enterprise Finance Management Department of the Ministry of Finance for the Government's shareholding in the Sepon copper and gold mine with MMG.
- > China Minmetals, MMG and the Lao Government signed a Memorandum of Understanding to cooperate on strategies for development of the resources sector in Laos.

## SAFETY AND HEALTH



During the June Quarter MMG experienced 22 total recordable injuries, reducing the 12 month rolling Total Recordable Injury Frequency Rate to 6.2 from 6.6. During the same period the Lost Time Injury Frequency Rate continued its downward trend although ended the Quarter at 0.8.

MMG continues to implement the DuPont Visible Safety Leadership training program across the business.

## ENVIRONMENT

There were no exceedences of environmental operating licence conditions at operating sites in the June Quarter, however there was one minor non-compliance at the Avebury site, currently on care and maintenance, and the regulatory authority has been notified.

## COMMODITY PRICES, MARKETING AND SALES

All metal prices softened considerably during the second quarter, driven by negative macroeconomic sentiment that was heavily influenced by concerns over the sovereign debt of several European nations and softening of Chinese economic stimulus. Despite some recovery during the second half of June, closing London Metal Exchange (LME) 3-month prices for the quarter were down on levels at the start of the period by between 16% and 26%, depending on the metal.

The 3-month copper price suffered the smallest decline and at 30 June was trading at US\$6,541.50 per tonne (US\$2.97 per pound). LME copper stocks continued to decline from the peak of 555,075 tonnes reached in mid-February and by the end of June were down to 451,100 tonnes. Copper stocks in Shanghai warehouses have also been declining during June and the Asian market has generally been tightening, forcing spot copper cathode premiums higher.

Sales of Sepon copper cathode for the quarter were consistent with production. Some spot sales were executed during the quarter but other enquiries had to be declined due to production being fully committed. Most cathode continues to be delivered into regular contract partners in Thailand and Vietnam.

The copper concentrate market has remained extremely tight and the shortage of concentrates appears set to continue for some time. The market tightness has been reflected in spot market transactions during the quarter at Treatment and Refining Charges (TCRCs) of below US\$10.00 per tonne and US1.0c per pound, compared to the 2010 calendar year contract benchmark level of US\$46.50 per tonnes and US4.65c per pound.

The LME zinc price suffered a significant decline during May as some large deliveries of metal into LME warehouses in the United States compounded the impact of broader economic concerns. Stock levels have

been stable during June and, as with other metals, the zinc price lifted during late June and early July. The closing LME 3-month price on 30 June was US\$1,763 per tonne (US\$0.80 per pound).

The zinc concentrate market tightened noticeably during the quarter on the back of strong demand from smelters in both the Western World and China. This resulted in spot market Treatment Charges (TCs) being bid down to below US\$100 per tonne by June, which is less than half the equivalent annual contract TC. With smelter capacity continuing to expand in China and limited new mine capacity in the near term, availability of concentrates is likely to be the bottleneck in the zinc supply chain going forward.

LME lead stocks rose slowly throughout much of the quarter and, as with other metals, the price declined to finish the period at US\$1,716 per tonne (US\$0.78 per pound). The lower LME price helped rejuvenate Chinese demand for imported lead concentrates and spot market TCs fell significantly during the period.

## OPERATIONS

### CENTURY

CENTURY PRODUCTION STATISTICS			
	JUNE QTR 2010	MARCH QTR 2010	YEAR TO DATE
ZINC IN CONCENTRATE (TONNES)	121,834	116,639	238,473
LEAD IN CONCENTRATE (TONNES)	8,053	2,904	10,957

Mining production was strong with 5,653 million Bank Cubic Metres (BCMs) moved achieving forecast in the quarter. ROM stocks were maintained above the 800,000 tonne level.

Zinc production at Century was up 4% from the previous quarter to 121,834 tonnes of zinc metal in concentrate in line with quarterly production expectations however was impacted by maintenance required to the SAG mill discharge grates caused two unplanned shutdowns in the Quarter. Continuing action to increase zinc production by year-end will include increasing throughput and zinc recovery for the remaining six months.

Lead production was 8,053 tonnes of lead in lead concentrate produced.

Production guidance for 2010 remains at 500,000-510,000 tonnes of zinc in concentrate and 25,000-30,000 tonnes of lead in concentrate.

### GOLDEN GROVE

GOLDEN GROVE PRODUCTION STATISTICS			
	JUNE QTR 2010	MARCH QTR 2010	YEAR TO DATE
COPPER IN CONCENTRATE (TONNES)	2,039	12,153	14,192
ZINC IN CONCENTRATE (TONNES)	40,256	3,564	43,821

Mining production at Golden Grove was much improved by the end of the Quarter with around 20,000 production metres drilled in June as a result of additional production drilling and focus given to Longhole Rise blasting. The pending introduction of a raisebore rig to assist with slots will help build contingency in the mine schedule.

The zinc campaign planned for the June Quarter produced 40,256 tonnes of zinc metal in concentrate although high grind size issues in the grinding circuit and lower than forecast feed grades caused a shortfall of budget recovery and grade for both zinc and copper. In copper, 2,039 tonnes of copper metal in concentrate was produced.

Production guidance for 2010 remains at 30,000-32,000 tonnes of copper in concentrate and 80,000-85,000 tonnes of zinc in concentrate.

Stakeholder consultation recommenced as part of the Feasibility Study into the expansion of Golden Grove with a copper open pit to supplement current underground operations. The Study commenced in May and will be reviewed by the MMG Board for approval in late 2010.

When approved the open pit will produce approximately 240,000 tonnes of copper concentrate containing 59,000 tonnes of copper metal in concentrate from 2011 to 2014. The current processing plant throughput of 1.7 million tonnes per annum of ore will be maintained throughout the project.

Construction of the new tailings storage facility is 79% complete.

## ROSEBERY

ROSEBERY PRODUCTION STATISTICS			
	JUNE QTR 2010	MARCH QTR 2010	YEAR TO DATE
ZINC IN CONCENTRATE (TONNES)	16,889	19,056	35,945
LEAD IN CONCENTRATE (TONNES)	4,798	5,637	10,435

A revised mine plan was implemented late in the June Quarter with improvement in development and ore production, however the earlier part of the Quarter was characterised by rehabilitation requirements for bringing additional stopes on line, loader availability and water management. As a result ore trucked to the surface was below forecast.

Zinc in zinc concentrate production for the June Quarter was 16,889 tonnes, 11% down on the previous quarter due to the low tonnes milled and lower grade due to feed dilution. Lead in lead concentrate production was 4,798 tonnes.

Raisebore drilling for the Northern Downcast ventilation project was completed and reaming for all vent rises is now complete. The project is 78% complete and expected to be completed before summer and mining the V lens can now be completed before the vent reversal.

Production guidance for 2010 remains at 83,000-87,000 tonnes of zinc in concentrate and 23,000-25,000 tonnes of lead in concentrate.

## SEPON

SEPON PRODUCTION STATISTICS			
	JUNE QTR 2010	MARCH QTR 2010	YEAR TO DATE
COPPER CATHODE (STRIPPED TONNES)	17,063	17,219	34,282
GOLD (OUNCES)	29,258	25,373	54,631

Mining production was impacted through the Quarter by Unexploded Ordinance (UXO) detection issues in gossan, reducing available dig faces. Higher than expected rain events and equipment servicing added to this.

Record second quarter copper production was achieved with 17,063 tonnes of copper cathode produced.

Copper production guidance for 2010 remains at 67,000-70,000 tonnes of copper cathode.

Gold production was also up to 29,258 ounces, 15% on the previous quarter and well ahead of budget, following removal of hold ups unlocking the gold circuit.

Gold production guidance for 2010 remains at 95,000-100,000 ounces of gold.

## **DEVELOPMENT PROJECTS**

### **SEPON COPPER EXPANSION**

The Sepon Copper Expansion Project is 84% complete overall with major achievements for the Quarter including:

- > Commission of the new Clarifier.
- > Completion of field erect tanks and high voltage reticulation.
- > Construction works continuing with structural, piping and mechanical, electrical and instrumentation, and concrete protection contractors now at peak manpower.
- > Plant shutdown preparation activities are well progressed for works in July.
- > Major equipment packages final item is in transit to site.
- > Commissioning team commenced mobilisation with initial works in July.

The second high voltage powerline project construction is complete with the transmission line completed 3 June. Commissioning and preparations for tie-in and final commissioning in mid-July continue.

### **DUGALD RIVER**

Preparation for submission of the Environmental Impact Statement remains a major focus with submission anticipated in early October.

Program for additional testing of waste-rock was defined and initiated and the metallurgical test program commenced with some encouraging results – the program will continue through July. Boart Longyear will commence drilling on site early July to obtain additional data for the Resource model and ongoing Feasibility Study.

### **IZOK LAKE**

The winter drilling program was completed with no significant mineralisation intersected. However, favourable fragmental volcanics, potentially part of the footwall stratigraphy, were intersected below the overlying gabbro, indicating more ground as prospective north of the deposit.

A tightly spaced gravity survey was conducted over the deposit in conjunction with a broader regional survey. The deposit is well defined by the survey, and other gravity anomalies proximal to the deposit warrant follow up work.

Detailed aeromagnetic and ground gravity surveys were completed identifying several targets that will be followed up during the summer field mapping campaign.

AMEC was selected as engineering consultant for the Pre-Feasibility Study.

## **EXPLORATION**

### **MINE DISTRICT EXPLORATION**

#### **Avebury**

A substantial near mine exploration drilling campaign commenced. Regionally, a major geophysical survey is planned the aim of locating conductors which may represent massive nickel sulphide accumulations.

A review is currently underway on the project involving technical analysis across a range of specialties including geology, mine planning, process plant engineering and metallurgy.

### Century

Detailed structural and geological interpretation continued generating new conceptual targets to be followed up with detailed ground geophysical and soil geochemical surveys. Drilling of regional and near-mine targets commenced late in the Quarter.

Two diamond holes were completed in the northern margins of the pit with the aim of assessing the potential of the Northern Pit Wall to host significant vein breccia-style zinc resources. However, no economically significant mineralisation was defined.

### Golden Grove

High grade exploration intersections were returned from diamond drilling at Gossan Valley including 36 metres at 17.3% zinc and 12 metres at 3.9% copper. Major highlights included:

<b>Gossan Valley</b>	<b>From and to metres</b>	<b>Intercept</b>
GVDD021D1	556.2-568.5 570.5-606.8	12.3m @ 3.9% Cu 36.3m @ 17.8% Zn
GVDD021D1	480.6-485.6 532.1-546.2 551.3-553.6	5.0m @ 5% Cu 14.1m @ 5.33% Cu 2.3m @ 7.5% Zn
GVDD022D3	687.2-692.2	5m @ est. 3.3% Cu
GVDD023	618-655.7 Including	37.7m @ est. 6% Zn 8.4% @ est. 17% Zn
<b>South Amity</b>		
G10/206	282.6-285.9	3.3m @est. 27% Zn

### Rosebery

Drilling is almost complete on the Jupiter prospect at Rosebery. While the prospective horizon was intersected, no significant mineralisation has been encountered to date. The holes were cased for down hole geophysics and will be surveyed shortly.

Collation and interpretation of legacy exploration data over the 20-kilometre Rosebery Host Sequence is in progress with the aim of generating a three dimensional model for drill targeting purposes.

### Sepon

Scout drilling continued on oxide gold prospects, returning numerous encouraging results including Phabing (8 metres at 3.0 g/t gold), Vang Ngang South (15 metres at 1.0 g/t gold). The economic potential of the Phabing deposit is being further evaluated by the Sepon Resources department. Infill and extensional drill programmes are in progress at several oxide gold prospects.

Exploration drilling for primary gold returned 9.7 metres at 6.04 g/t gold at the eastern end of Dao Leuk.

Primary copper drilling has intersected encouraging new zones of mineralisation at Thengkham North Gossan including 9 metres at 3.0% copper and at the Thengkham South Southwestern Zone including 17 metres at 1.1% copper. Primary mineralisation at Thengkham East extends deeper than expected with results including 7.9 metres at 1.1% copper.

## **NEW DISCOVERY PROGRAMS**

### **Australia**

In the Cobar Basin in New South Wales, drilling commenced to test of-hole conductors identified from previous drilling.

Collection and synthesis of historic exploration data continues in the corridor between Wagga Tank and Nymagee, known as the Kidman project. The work is a pre-cursor to an airborne electro-magnetic survey to locate conductors targeting CSA-style polymetallic deposits.

### **China**

Exploration activities were ramped up during the Quarter with the onset of spring conditions in northern China. Field work at Erlinghaote commences late in the Quarter in preparation for a ground geophysical program to be carried out in July-August.

### **Indonesia**

Scout drilling programs were completed on porphyry targets at the Wonogiri project in central Java and the Tapadaa project in North Sulawesi. Broad zones of low grade gold (110 metres up to 0.8 grams per tonne gold) were encountered and some porphyry-like affinities were confirmed.

Porphyry copper-gold project generation throughout the Indonesian archipelago will continue to be the prime focus of MMG's exploration activities in the region.

### **North America**

In the Slave Province (Nunavut, Canada) detailed electromagnetic surveys were conducted over five grids at High Lake East along with a detailed airborne magnetic survey. This work has further defined drill targets to be tested in July and August. Geophysical surveying, both ground electromagnetic and detailed airborne magnetics, were conducted over selected areas of the Gondor property.

At the Amaruk nickel-copper project (Nunavut, Canada), a deep-penetrating pulse-electromagnetic survey was completed over the Tunerq prospect. Generative work has identified numerous additional targets that are currently being followed up.

In the Ontario nickel-copper program, field work confirmed the presence of magmatic sulphides at the Valora-Penassi and Sumach Lake properties. Further work is planned.

In the Mid-Continent nickel-copper program (Minnesota, USA) semi-regional and detailed gravity traverses were completed.

## **CORPORATE DETAILS**

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### **EXECUTIVE COMMITTEE**

- Andrew Michelmore, Chief Executive Officer
- Michael Nossal, Executive General Manager Business Development
- David Lamont, Chief Financial Officer
- Brett Fletcher, Chief Operating Officer
- Steve Ryan, Executive General Manager Exploration
- Tim Scully, Executive General Manager Business Support
- Mark Liu, Executive Director

### **STATEMENT OF COMPETENT PERSONS**

Within this statement references to resources and exploration results have been approved for release by Mr S Ryan BSc (Hons), MAusIMM who is a competent person as defined by the JORC Code (2004). He has consented to the inclusion of the material in the form and context in which it appears.



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## APPENDICES

CENTURY PRODUCTION STATISTICS				
		JUNE QTR 10	MAR QTR 10	YTD 2010
<b>Ore Mined (Tonnes)</b>		1,508,160	966,513	2,474,673
Grade	- Zinc (%)	12.32%	12.97%	12.58%
	- Lead (%)	1.33%	1.20%	1.28%
<b>Waste Mined (Tonnes)</b>		5,085,766	4,800,753	9,886,519
<b>Ore Milled (tonnes)</b>		1,268,516	1,267,018	2,535,533
Grade	- Zinc (%)	12.24%	11.38%	11.81%
	- Lead (%)	1.38%	1.16%	1.27%
	- Silver (g/t)	32.5	25.3	28.9
Recovery	- Zinc (%)	79.7%	79.8%	79.7%
	- Lead (%)	53.3%	48.3%	51.0%
<b>Zinc Concentrate (Tonnes)</b>		210,090	202,998	413,088
Grade	- Zinc (%)	57.99%	57.46%	57.73%
	- Silver (g/t)	129.4	105.3	117.5
Containing	- Zinc (Tonnes)	121,834	116,639	238,473
	- Silver (Oz)	958,601	754,042	1,712,643
<b>Lead Concentrate (Tonnes)</b>		11,989	4,328	16,316
Grade	- Lead (%)	67.01%	67.10%	67.04%
	- Silver (g/t)	155.2	149.2	153.6
Containing	- Lead (Tonnes)	8,053	2,904	10,957
	- Silver (Oz)	59,821	20,765	80,586
<b>Total contained metal produced</b>				
	Zinc (Tonnes)	121,834	116,639	238,473
	Silver (Oz)	1,018,422	774,807	1,793,229
	Lead (Tonnes)	11,190	6,298	17,488
<b>Total product sold</b>				
	Zinc concentrate (Tonnes)	214,670	143,360	358,030
	Lead concentrate (Tonnes)	7,931	-	7,931
<b>Payable metal in product sold</b>				
	Zinc (tonnes)	103,233	68,220	171,453
	Lead (Tonnes)	4,558	-	4,558
	Silver (Oz)	67,888	1,272	69,160

<b>GOLDEN GROVE PRODUCTION STATISTICS</b>				
		<b>JUNE QTR 10</b>	<b>MAR QTR 10</b>	<b>YTD 2010</b>
<b>Mined</b>	- Zinc Ore (Tonnes)	232166	125596	357762
	- Copper Ore (Tonnes)	61271	141519	202790
Grade	- Zinc (%)	13.02%	15.37%	13.85%
	- Copper (%)	2.95%	3.98%	3.66%
<b>Copper Ore Milled</b>	- Copper Ore (Tonnes)	86086	378320	464406
Grade	- Copper (%)	2.76%	3.56%	3.41%
Recovery	- Copper (%)	85.72%	90.33%	89.64%
<b>Zinc Ore Milled</b>	- Zinc Ore (Tonnes)	316976	28896	345872
Grade	- Zinc (%)	14.13%	14.56%	14.17%
Recovery	- Zinc (%)	89.85%	84.70%	89.41%
<b>Zinc Concentrate (Tonnes)</b>		78070	6999	85069
Grade	- Zinc (%)	51.56%	50.93%	51.51%
Containing	- Zinc (Tonnes)	40256	3564	43821
<b>Copper Concentrate (Tonnes)</b>		10550	57688	68238
Grade	- Copper (%)	19.33%	21.07%	20.80%
Containing	-Copper (tonnes)	2039	12153	14192
<b>HPM Concentrate (Tonnes)</b>		10898	989	11887
Grade	- Lead (%)	37.90%	35.69%	37.71%
	- Copper (%)	7.80%	8.95%	7.90%
	- Silver (g/t)	1745.24	1349.51	1712.31
	- Gold (g/t)	46.81	40.48	46.28
Containing	-Lead (Tonnes)	4130	353	4483
<b>Total contained metal produced</b>				
	Zinc (Tonnes)	40256	3564	43821
	Copper (Tonnes)	2039	12153	14192
	Gold (Oz)	17264	4422	21685
	Silver (Oz)	802312	268357	1070668
	Lead (Tonnes)	4130	353	4483
<b>Total product sold</b>				
	Zinc concentrate (Tonnes)	64560	10360	74919
	Copper concentrate (Tonnes)	29458	40763	70221
	HPM concentrate (Tonnes)	4967	5085	10052
<b>Payable metal in product sold</b>				
	Zinc (Tonnes)	27777	4512	32288
	Copper (Tonnes)	6011	8356	14367
	Gold (Oz)	7967	8555	16522
	Silver (Oz)	316683	363800	680483
	Lead (Tonnes)	1440	1526	2966

ROSEBERY PRODUCTION				
		JUNE QTR 10	MAR QTR 10	YTD 2010
<b>Ore Mined (Tonnes)</b>		144,201	161,718	305,919
Grade	- Zinc (%)	11.5	12.6	12.1
	- Lead (%)	3.7	3.9	4.0
	- Copper (%)	0.3	0.3	0.3
<b>Ore Milled (Tonnes)</b>		164862	175,116	339,978
Grade	- Zinc (%)	11.6	12.5	12.1
	- Lead (%)	3.7	4.2	4.0
	- Copper (%)	0.31	0.33	0.32
	- Silver (g/t)	134.45	115.93	124.91
	- Gold (g/t)	1.62	1.70	1.66
Recovery	- Zinc (%)	88.6	86.8	87.6
	- Lead (%)	78.1	77.1	77.6
	- Copper (%)	57.3	53.7	55.6
	- Gold (%)	25.9	24.2	25.0
<b>Zinc Concentrate (Tonnes)</b>		30401	34,273	64,674
Grade	- Zinc (%)	55.6	55.6	55.6
	- Silver (g/t)	75.6	70.8	73.1
	- Gold (g/t)	0.71	0.8	0.7
Containing	- Zinc (Tonnes)	16889	19,056	35,945
	- Silver (Oz)	73896	78,014	151,910
	- Gold (Oz)	692	881	1,573
<b>Lead Concentrate (Tonnes)</b>		7349	8,632	15,981
Grade	- Lead (%)	65.3	65.3	65.3
	- Silver (g/t)	1223	1,046	1,127
	- Gold (g/t)	7.4	8.0	7.7
	- Zinc (%)	9.8	10.2	10.0
Containing	- Lead (Tonnes)	4798	5,637	10,435
	- Zinc (Tonnes)	720	880	1,600
	- Silver (Oz)	288900	290,291	579,191
	- Gold (Oz)	1753	2,220	3,973
<b>Copper Concentrate (Tonnes)</b>		1479	1,464	2,942
Grade	- Copper (%)	20.1	20.9	20.5
	- Silver (g/t)	4551	4,087	4,320
	- Gold (g/t)	52.5	54.6	53.5
Containing	- Copper (Tonnes)	297	306	603
	- Silver (Oz)	216333	192,369	408,702
	- Gold (Oz)	2495	2,568	5,063
<b>Gold Dore (Oz)</b>		3733	3,874	7,608
Containing	- Gold (Oz)	2223	2,310	4,533
	- Silver (Oz)	1354	1,384	2,738
<b>Total contained metal produced</b>				
	Zinc in concentrate (Tonnes)	17741	20,096	37,837
	Copper in concentrate (Tonnes)	443	464	907
	Lead in concentrate (Tonnes)	5543	6,519	12,062
	Gold in concentrate (Oz)	4939	5,669	10,608
	Silver in concentrate (Oz)	579130	560,674	1,139,804
	Gold in dore (Oz)	2223	2,310	4,533
	Silver in dore (Oz)	1354	1,384	2,738
<b>Total product sold</b>				
	Zinc concentrate (Tonnes)	36,713	31,667	68,381
	Lead concentrate (Tonnes)	8,555	6,828	15,383
	Copper concentrate (Tonnes)	3,038	0	3,038
	Gold dore (Oz)	2,249	1,956	4,205
<b>Payable metal in product sold</b>				
	Zinc (Tonnes)	17,795	15,404	33,199
	Lead (Tonnes)	5,310	4,335	9,645
	Copper (Tonnes)	1,206	0	1,206
	Gold (Oz)	8,678	1,265	9,943
	Silver (Oz)	641,962	255,748	897,710

<b>SEPON COPPER PRODUCTION STATISTICS</b>				
		<b>JUNE QTR 10</b>	<b>MAR QTR 10</b>	<b>YTD 2010</b>
<b>Ore Mined (Tonnes)</b>		604,515	482,454	1,086,969
Grade	- Copper (%)	3.8%	2.7%	3.3%
<b>Ore Milled (Tonnes)</b>		360,025	363,642	723,667
Grade	- Copper (%)	5.28%	5.29%	5.28%
Recovery	- Copper (%)	90.5%	90.3%	90.4%
<b>Total contained metal produced (Stripped cathode tonnes)</b>		17,063	17,219	34,282
<b>Total product sold (Copper cathode tonnes)</b>		17,113	16,928	34,040
<b>Payable metal in product sold (Copper cathode tonnes)</b>		17,113	16,928	34,040
<b>SEPON GOLD PRODUCTION STATISTICS</b>				
		<b>JUNE QTR 10</b>	<b>MAR QTR 10</b>	<b>YTD 2010</b>
<b>Ore Mined (Tonnes)</b>		615,198	694,658	1,309,856
Grade	- Gold (g/t)	1.50	1.48	1.49
<b>Ore Milled (Tonnes)</b>		557,292	527,769	1,085,061
Grade	- Gold (g/t)	1.94	2.08	2.01
	- Silver (g/t)	3.51	3.80	3.65
Recovery	- Gold (%)	82.0	81.2	81.6
	- Silver (%)	16.6	14.8	15.7
<b>Total contained metal produced (Gold poured)</b>	- Gold (Oz)	29,258	25,373	54,631
	- Silver (Oz)	10,473	8,104	18,577
<b>Total product sold (Dore)</b>	- Gold (Oz)	31,447	23,191	54,638
	- Silver (Oz)	8,263	10,275	18,538
<b>Payable metal in product sold</b>	- Gold (Oz)	31,447	23,191	54,638
	- Silver (Oz)	8,263	10,275	18,538