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**五礦資源有限公司**  
**MINMETALS RESOURCES LIMITED**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 1208)**

## **ANNOUNCEMENT**

### **DUGALD RIVER PROJECT – DEVELOPMENT UPDATE**

#### **KEY POINTS**

- The Mineral Resources and Reserves Statement as at 30 June 2011 released reported Zinc Ore Reserves up 103.9% mostly due to the inclusion of Dugald River in estimates for the first time.
- The Board has approved expenditure of A\$157 million for the next stage of the Dugald River project.

The board of directors (the “**Board**”) of Minmetals Resources Limited (the “**Company**”) announced today the Company’s Mineral Resources and Ore Reserve Statement as at 30 June 2011 with highlights including the significant increase in zinc Ore Reserves with the inclusion of the Dugald River Ore Reserve. A copy of the full MMR Mineral Resources and Ore Reserves Statement is available at [www.minmetalsresources.com](http://www.minmetalsresources.com) and on the Hong Kong Stock Exchange website.

#### **Dugald River Development**

Dugald River is an undeveloped zinc deposit located in North West Queensland, Australia. When developed, the project is expected to produce approximately 2 million tonnes of ore and 200,000 tonnes of zinc in zinc concentrate per annum from an underground mine with an estimated mine life of over 22 years.

The Board has approved expenditure of A\$157 million to develop the next stage of the project.

This next stage of development will progress project activities up to receipt of full environmental approval. Major work will include detailed engineering, metallurgical testwork, long-lead time major equipment procurement, continuation of early site works and underground decline development. Key local infrastructure development including load-out, power and accommodation will also be advanced during this period. Following completion of this stage of development, the Board will consider final approval of project development and construction.

The Company also operates Australia's largest open-cut zinc mine, Century, which produces approximately 500,000 tonnes of zinc in zinc concentrate annually. Given the discrete nature of the Century ore body, current estimates put Century's mine life ending in approximately 2015. Dugald River has the potential to replace nearly half this annual zinc production.

By order of the Board  
**Minmetals Resources Limited**  
**Andrew Gordon Michelmore**  
*CEO and Executive Director*

Hong Kong, 12 December 2011

*As at the date of this announcement, the board of directors of the Company comprises eleven directors, of which four are executive directors, namely Mr. Hao Chuanfu (Vice Chairman), Mr. Andrew Gordon Michelmore, Mr. David Mark Lamont and Mr. Li Liangang; four are non-executive directors, namely Mr. Wang Lixin (Chairman), Mr. Jiao Jian, Mr. Xu Jiqing and Mr. Gao Xiaoyu; and three are independent non-executive directors, namely Mr. Loong Ping Kwan, Dr. Peter William Cassidy and Mr. Anthony Charles Larkin.*

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