INTERIM REPORT

FOR THE SIX MONTHS ENDED
30 JUNE 2011

五礦資源有限公司
MINMETALS RESOURCES LIMITED

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CORPORATE INFORMATION

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Vice Chairman
HAO Chuanfu (Executive Director)
Executive Directors
Andrew MICHELMORE (CEO)
David LAMONT (CFO)
LI Liangang
Non-executive Directors
JIAO Jian
XU Jiqing
GAO Xiaoyu
Independent Non-executive Directors
Peter CASSIDY
LOONG Ping Kwan
TING Leung Huel, Stephen

AUDIT COMMITTEE
Chairman
TING Leung Huel, Stephen
Members
Peter CASSIDY
LOONG Ping Kwan
XU Jiqing

REMUNERATION AND NOMINATION COMMITTEE
Chairman
Peter CASSIDY
Members
LOONG Ping Kwan
TING Leung Huel, Stephen
WANG Lixin
JIAO Jian

SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY COMMITTEE
Chairman
Peter CASSIDY
Members
Andrew MICHELMORE
GAO Xiaoyu

DISCLOSURE COMMITTEE
Members
Andrew MICHELMORE
Sally COX
David LAMONT
LEUNG Suet Kam, Lucia
Martin McFARLANE
Nick MYERS

GENERAL COUNSEL
Nick MYERS

COMPANY SECRETARY
LEUNG Suet Kam, Lucia

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Linklaters, Hong Kong

AUDITOR
PricewaterhouseCoopers
Certified Public Accountants

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CITIC Bank International Limited
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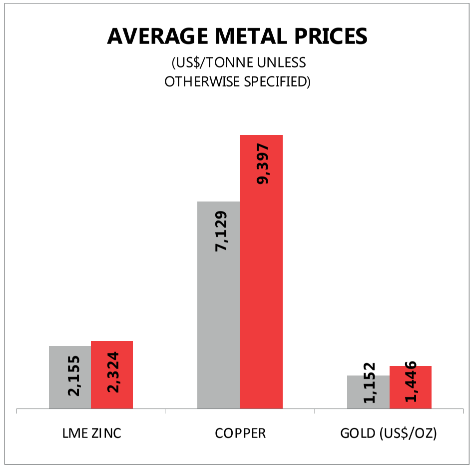
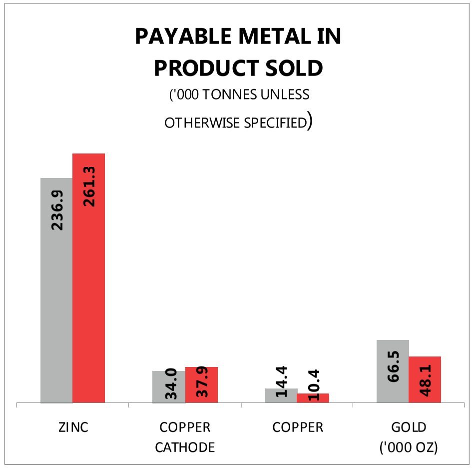
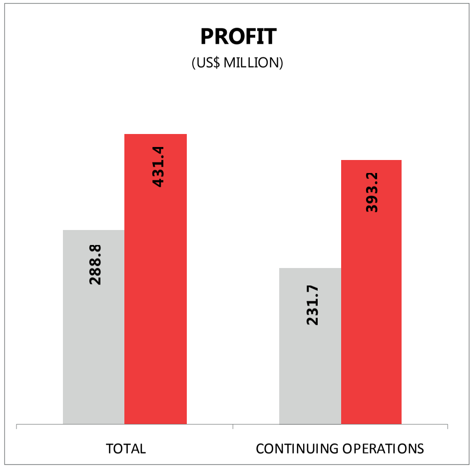
SHARE LISTING
The Stock Exchange of Hong Kong Limited
Stock Code: 1208

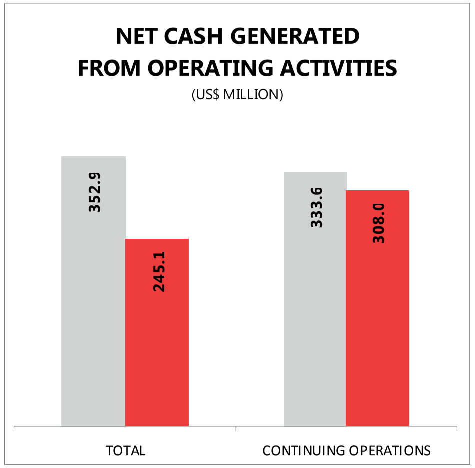
Additional Shareholder Information
The Chinese version of the Interim Report is prepared based on the English version. If there is any inconsistency between the English and Chinese version of this Interim Report, the English text shall prevail to the extent of inconsistency.

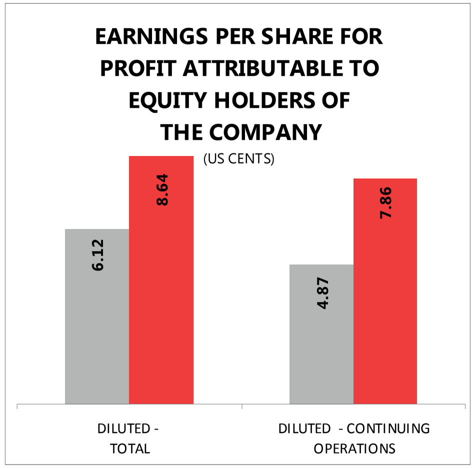
FINANCIAL HIGHLIGHTS











For the six months period ended June 2010

For the six months period ended June 2011

CHAIRMAN'S MESSAGE

I am pleased to provide my first update to shareholders since my appointment as Chairman of Minmetals Resources Limited (the Company). Since December 2010, we have transformed the business into an international diversified upstream base metals business and we have built a solid foundation for our Company's growth.

The Company is now delivering strong financial and operational performance under an experienced international board and management team. We have well-performing operating assets and a pipeline of significant development and exploration projects that are very important to our future growth. I believe we are well-positioned for the future and represent a highly differentiated investment opportunity in the Hong Kong market.

With the support of China Minmetals Corporation (CMC), our major shareholder, we have a unique opportunity to benefit from the world's fastest growing economy.

Our vision is to be in the top three of mid-tier, international resources companies within five years. Our business strategy will focus on upstream assets – mining and first stage processing such as the production of concentrates and cathode. The Company does not intend to participate in the smelting industry. We will focus on base metals; principally copper, zinc, nickel and bauxite. Our existing assets, and our exploration and development opportunities, will be augmented by the pursuit of targeted acquisitions.

INTERIM RESULTS

The Company's operations continued to record strong performance for the six-month period ended 30 June 2011 (first half 2011) driven by significantly higher prices for base and precious metals and solid production. The Company generated a net profit after tax of US$431.4 million on revenues from the continuing operations of US$1,070.7 million for the first half 2011. These results include the US$114.8 million profit after tax on the sale of our stake in Equinox Minerals Limited (Equinox). The Chief Executive Officer's Review will analyse this result in more detail.

BOARD AND SENIOR MANAGEMENT

Earlier this year, we made a number of changes to both our Board of Directors and senior management. On 1 April 2011, Mr Li Fuli retired as a Non-executive Director and Chairman of the Company due to other business engagements and I was re-designated by the Board as Chairman while remaining a Non-executive Director. The Board expresses its sincere gratitude to Mr Li for his valuable contributions to the Company during his tenure of service.

At the Company's annual general meeting (AGM) on 16 May 2011, Mr Hao Chuanfu, Mr Andrew Michelmore, Mr David Lamont and Mr Li Liangang were re-elected as Executive Directors. Mr Jiao Jian, Mr Xu Jiqing and Mr Gao Xiaoyu were re-elected as Non-executive Directors of the Company and Dr Peter Cassidy was re-elected as Independent Non-executive Director of the Company.

INTEGRATING SUSTAINABILITY

Our objective is to be a sustainable business. To achieve this, our commitments to transparency, community development, stakeholders, the environment, health and safety, the welfare of our employees and the economic performance of our business are absolute.

The Company is integrating sustainability across all ongoing operations and business activities as a foundation for our growth. Our aim is to promote a responsible culture and implement robust corporate systems to consistently meet our sustainability goals.

As a member of the International Council on Mining and Metals (ICMM), we have set a core business objective to comply with the 10 Principles of the ICMM's Sustainable Development Framework by 2015 and I look forward to updating you on our progress toward this in future sustainability reports.

CAPITAL STRUCTURE

In April, we issued 762,612,000 new shares at a price of HK$5.10 to raise approximately US$500 million of new capital. At approximately the same time, CMC, through Album Enterprises Limited (Album Enterprises), elected to convert all of its holding of perpetual sub-ordinated convertible securities (PSCS) into ordinary shares in the Company.

The share placement has enhanced and restructured our register, making it easier to invest in the Company. As a result, the free float of shares has more than doubled to around 1.5 billion shares, or 28.4% of issued capital. The placement was largely taken up by global resources funds, expanding our register into this important segment. We welcome these new shareholders to our register.

OUTLOOK

Our balance sheet is strong, and getting stronger. The total value of our assets increased by 6.6% to US$3,696.5 million during first half 2011 while net borrowing of the continuing operations substantially reduced to US$659.2 million as at 30 June 2011. Funds generated from operations and proceeds from the expected sale of the discontinued operations mean that the Company probably will be net cash positive in the future.

With this strong financial foundation, commitment to sustainability and management experience we will continue to deliver on our strategy.

On behalf of the Board, I would like to thank shareholders for their continuing loyalty, and welcome the many new shareholders that joined us this year. A great deal of thanks also goes to our employees and the communities in which we operate for their ongoing support. I look forward to updating you again on our progress at the end of the year.

Wang Lixin

Chairman

Hong Kong, 24 August 2011

CHIEF EXECUTIVE OFFICER'S REVIEW

I am pleased to report on the performance of the Company in my first year as Chief Executive Officer and Executive Director of the Company. The operations performed well against operational and financial forecasts, whilst significant headway was made in delivering on our strategic objectives.

INTERIM RESULTS 2011

The Company was pleased to report strong financial performance for the first half 2011 with Earnings Before Interest and Tax (EBIT) for the first half 2011 of US$614.0 million, up 99.7% from the six months period ended 30 June 2010 (first half 2010). Net profit after tax was US$431.4 million, up 49.4% from the first half 2010.

After deducting profit attributable to non-controlling interests, profit attributable to the Company's shareholders was US$415.2 million, an increase of 49.9% from the first half 2010. This is a strong financial performance for the Company.

Each of the Company's operating mines, Century, Golden Grove, Rosebery and Sepon is separately reported as a segment and the exploration and development projects as well as the Avebury mine are collectively reported in the 'Other' segment. Discontinued operations include the trading, fabrication and other businesses mainly operating in China.

The following table summarises financial performance of the continuing operations for the first half 2011:

US$ million	**Revenue**	**EBITDA**	**EBIT**
Continuing Operations			
Century	374.4	153.6	87.6
Sepon	417.6	272.1	260.6
Golden Grove	152.2	41.5	23.5
Rosebery	126.5	43.4	34.7
Other	-	158.4	157.2
Total	1,070.7	669.0	563.6

In the first half 2011, while the MMG assets (the majority of the continuing operations) generated less than half of the revenue of the Group, they generated more than 90% of both the Group's EBITDA and EBIT. This performance was driven by solid production volumes, strong commodity prices and returns from a strategic equity investment.

The Group's continuing operations generated revenue of US$1,070.7 million in the first half 2011, which was an increase of 26.8% on the first half 2010. This increase was driven by higher base and precious metal prices and higher sales volumes of contained zinc and lead and copper metal. This was partly offset by lower sales volumes of contained copper and gold as compared to the first half 2010.

Zinc in zinc concentrate production for the first half 2011 was 3.3% below the first half 2010. Higher production at Century and Rosebery was more than offset by lower production from Golden Grove impacted by lower grades and recoveries.

Sepon copper cathode production for the first half 2011 was 7.3% above the first half 2010. This reflected flow through from the copper plant's expansion project commissioned at the end of 2010. Record copper cathode production was achieved for the month of June of 7,035 tonnes.

Copper in copper concentrate at Golden Grove was 31.0% below the first half 2010 as production was impacted by ore availability, grade and recovery.

Lead in lead concentrate production was 3.5% above the first half 2010 driven by Century.

Total gold production was 25.3% lower than for the first half 2010 mainly due to ore availability from the Houay Yeng gold pit, lower grades and recoveries which constrained Sepon's production.

The Group benefited considerably from higher base and precious metal prices during the first half 2011 as compared to the first half 2010. Copper averaged US$9,397/tonne, gold averaged US$1,446/ounce and lead prices averaged US$2,578/tonne all more than 20% above the average prices of the first half 2010. Zinc prices averaged US$2,324/tonne, 7.8% higher than in the first half 2010 while silver prices averaged US$34.90/oz, nearly twice the average of the first half 2010.

The Group's continuing operations' cost of sales were US$575.9 million for the first half 2011, which represented an increase of 29.0% compared to the first half 2010. Operating costs were adversely impacted by:

- the stronger Australian dollar (A$) against the US dollar (US$) which contributed to a material increase in the A$ denominated portion of operating sites' costs.
- price increases, as seen across the mining industry, due to the current resources boom which particularly impacted the costs associated with employees, contractors, electricity, fuel and reagents.
- volume related cost increases in the first half 2011 as compared to the first half 2010 including Century's higher zinc sales volume, the re-start of Golden Grove's Scuddles mine and Sepon's copper expansion.

The Company's interim result for the first half 2011 also benefited from the substantial profit made in relation to the disposal of our stake in Equinox and the write-back of business acquisition expenses partially offset by higher tax, exploration, administration and finance expenses.

BUSINESS STRATEGY UPDATE

In the first half 2011, a number of key milestones have been met to advance the transformation of the Company. We have progressed key projects in our development pipeline. Dugald River, an undeveloped zinc deposit in Queensland, Australia, will be reviewed by the Board in the second half of the year. If approved, construction of this underground zinc-silver-lead mine will commence in early 2012. When operating, the mine will produce more than 200,000 tonnes of zinc, 25,000 tonnes of lead and 900,000 ounces of silver in concentrate annually. Importantly, Dugald River's production is targeted to replace, in zinc equivalent, a substantial part of the Company's zinc production profile when Century ends production.

We signalled our intent to grow the Company through mergers and acquisitions with the announcement in April of an offer to acquire Equinox. While we chose not to pursue this acquisition, the high price of the ultimate bid for Equinox enabled the Company to realise an attractive gain on our investment of US$152.1 million (pre-tax) from the sale of our 4.2% stake. We continue to identify potential acquisition targets necessary for us to reach our growth targets, but these will be disciplined, value-focused acquisitions.

We continue to progress plans to divest the trading, fabrication and other businesses (the discontinued operations) and are on track to complete the sale negotiation during the second half of 2011.

Following several unsolicited approaches, the Company has started a formal process seeking expressions of interest in relation to the Avebury nickel mine. Any firm proposals received will be assessed against the option of re-starting the mine.

SUSTAINABILITY PERFORMANCE

We are committed to high standards of sustainable development across our business, none more important than the health and safety of our employees and the communities in which we operate.

The Company's total recordable injury frequency rate (TRIFR) at the end of 2010 was 4.8 but was downgraded to 4.7 following the reclassification of an injury. The TRIFR ended the first half 2011 at 4.2, a significant improvement. The lost time injury frequency rate (LTIFR) at the end of 2010 was 0.3 but was upgraded to 0.4 following the reclassification of an injury. The LTIFR ended the first half 2011 at 0.3. These results represent the latest in a continuous improvement in safety performance.

There were six significant environmental incidents in the first half 2011, which all occurred at Century. Two incidents were associated with shipping, but were rectified and there was no release to the surrounding marine environment. The other four incidents were related to water discharges during a significant rainfall early in the year. These events are not expected to cause significant environmental harm.

The Company published its 2010 Sustainability Report in June for the MMG operations, covering performance in our key sustainability measures of safety, people, environment, community and economic performance. I encourage you to read the report online at www.mmg.com.

BUSINESS OUTLOOK

We anticipate stronger production during the second half 2011 as the challenges encountered during the first half recede, particularly the heavier than normal wet season at Century. Costs continue to face upward pressure due to a combination of a weak US dollar, strong demand for skilled labour and the flow through of higher commodity prices to our consumables.

Market volatility will continue to be present in commodity prices as macro issues such as concerns over European debt markets and the US economy weigh on the market offsetting strong demand from China and supply constraints. Overall we anticipate that prices will continue to average around the same level seen in the first half 2011.

CONCLUSION

In summary, the first half 2011 was important for the Company. Our ongoing mining operations performed very well on safety, production and financial metrics. I thank our employees and local communities for supporting us through this period and I look forward to providing you with a full update at the end of the year.

Andrew Michelmore

Chief Executive Officer and Executive Director

Hong Kong, 24 August 2011

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group's continuing operations recorded a strong operating performance in the first half 2011. However, despite sustained higher base and precious metals prices, margins came under pressure from input cost increases. The result for the first half 2011 benefited from the substantial profit made in relation to disposal of our stake in Equinox and write-back of business acquisition expenses.

The placement of additional shares in the Company and the conversion of the PSCS into ordinary shares considerably strengthened the Group's balance sheet. Funds raised from this and the sale of the shareholding in Equinox enabled the repayment of the US$694.2 million loan from Album Enterprises. For the purpose of the management discussion and analysis, the Group's results for the first half 2011 were compared to the first half 2010 with the emphasis of commentary aligned with the disclosures within the financial statements, that is, focusing on the continuing operations.

The Group's management determined the operating segments based on reports reviewed by its Executive Committee. The Group's continuing operations are managed on a site-by-site basis.

'Other' include the Group's exploration and development projects, including Dugald River, the Nunavut Projects (High Lake and Izok Lake), Avebury, which is on care and maintenance, and other corporate entities.

The Group's discontinued operations include the trading, fabrication and other businesses mainly operating in China.

The following discussion and analysis of the financial information and results of the Group's continuing operations should be read in conjunction with the financial statements.

CHANGE IN ACCOUNTING POLICY

There have been no material changes in accounting policies or critical accounting estimates in relation to the Group since December 2010.

SIX MONTHS ENDED 30 JUNE 2011 COMPARED TO THE SIX MONTHS ENDED 30 JUNE 2010

PROFIT ANALYSIS FOR THE GROUP'S CONTINUING OPERATIONS

The following table shows a breakdown of the Group's revenue and EBITDA results for its continuing operations by segment.

US$million	**Century**	**Sepon**	**Golden Grove**	**Rosebery**	**Other**	**Total**
Revenue						
First half 2011	374.4	417.6	152.2	126.5	-	**1,070.7**
First half 2010	257.1	308.7	182.0	96.9	-	**844.7**
EBITDA						
First half 2011	153.6	272.1	41.5	43.4	158.4	**669.0**
First half 2010	129.3	194.1	85.6	39.3	(50.8)	**397.5**

Revenue

The Group's continuing operations generated revenue of US$1,070.7 million in the first half 2011, which was an increase of 26.8% on the first half 2010. This increase was driven by higher base and precious metal prices and higher sales volumes of contained zinc and lead and copper metal. This was partly offset by lower sales volumes of contained copper and gold as compared to the first half 2010.

Profit on sale of investment

The sale of the Group's investment in Equinox to Barrick Gold was completed in June 2011 (approximately 37.3 million shares at C$8.15 per share), realising a profit before tax of US$152.1 million, associated income tax payable of US$37.3 million and resultant profit after tax of US$114.8 million.

Volume

Production Data for the Group's Continuing Operations[1]

	Measure	**First half 2011**	**First half 2010**
Zinc concentrate (Century, Golden Grove, Rosebery)	Contained metal ('000 t)	307.6	318.2
Copper cathode (Sepon)	Cu cathode stripped ('000 t)	36.8	34.3
Copper concentrate (Golden Grove)	Contained metal ('000 t)	9.8	14.2
Lead concentrate (Century, Golden Grove, Rosebery)	Contained metal ('000 t)	26.8	25.9
Gold (Sepon, Rosebery)	Contained metal ('000 oz)	44.1	59.0

Zinc in zinc concentrate production for the first half 2011 was 3.3% below the first half 2010. Higher production at Century and Rosebery was more than offset by lower production from Golden Grove impacted by lower grades and recoveries.

[1] Production data contained in this Interim Report refers to payable metal. As such, these figures are not directly comparable to production data in the 2010 Annual Report which referenced total metal produced. Please refer to the Company's 2011 Second Quarter Production Report for attributable production details.

Sepon copper cathode production for the first half 2011 was 7.3% above the first half 2010. This reflected flow through from the copper plant's expansion project commissioned at the end of 2010. Record copper cathode production of 7,035 tonnes was achieved for the month of June.

Copper in copper concentrate at Golden Grove was 31.0% below the first half 2010 as production was impacted by ore availability, grade and recovery.

Lead in lead concentrate production was 3.5% above the first half 2010 driven by Century.

Total gold production was 25.3% lower than for the first half 2010 mainly due to ore availability from the Houay Yeng gold pit, lower grades and recoveries which constrained Sepon's production. The Group's total production exceeded sales for the first half 2011. This, however, was not to the extent seen in the first half 2010 during which there was even more of a stock build at Century due to the impacts of Tropical Cyclones Olga (January 2010) and Paul (March/April 2010). Century similarly experienced production disruptions in the first half 2011 due to the impacts of Tropical Cyclones Anthony and Yasi (January/February 2011), however managed to draw down stockpiles.

Prices

The Group benefited considerably from higher base and precious metal prices during the first half 2011 as compared to the first half 2010. Copper averaged US$9,397/tonne, gold averaged US$1,446/ounce and lead prices averaged US$2,578/tonne, all more than 20% above the average prices of the first half 2010. Zinc prices averaged US$2,324/tonne, 7.8% higher than in the first half 2010, while silver prices averaged US$34.90/oz, nearly twice the average of the first half 2010. Following a strong first quarter 2011, copper, zinc, lead and silver prices softened during the second quarter 2011 although gold prices continued to strengthen.

Costs

The Group's continuing operations' cost of sales were US$575.9 million for the first half 2011, which represented an increase of 29.0% compared to the first half 2010. Operating costs were adversely impacted by:

- the stronger Australian dollar (A$) against the US dollar (US$). The A$:US$ rate averaged 1.034 for the first half 2011 and 0.8934 for the first half 2010. This increase of 15.7%, contributed to a material increase in the A$ denominated portion of operating sites' costs of US$48.8 million.
- price increases of key inputs into the Group's mining, processing and support activities as seen across the mining industry due to the current resources boom. These input cost pressures particularly impacted the costs associated with employees, contractors, electricity, fuel and reagents.
- volume-related cost increases in the first half 2011 as compared to the first half 2010 included Century's higher zinc sales volume (US$48.5 million), the re-start of Golden Grove's Scuddles mine (US$10.0 million) and Sepon's copper expansion (US$5.3 million). This was partly offset by Golden Grove's lower sales volumes. All operating sites had higher employee numbers as compared to the first half 2010 and each of the Australian operating sites also had higher contractor numbers. Government royalty expenses exceeded the first half 2010 by 39.9% driven by stronger financial performance by Sepon and Century.

Depreciation and amortisation expenses of US$105.4 million were 15.1% lower than the previous corresponding period. The decrease was mainly due to Century's mined tonnes being 24.8% below the first half 2010.

Selling expenses totalled US$33.8 million. This was US$1.5 million lower than those in the first half 2010 mainly reflecting lower freight rates achieved for Century and partly offset by higher sales volume.

Administrative expenses of US$48.4 million which reflected the increased investment made in a number of areas to revitalise the Group's management information systems and standardise key business processes necessary to support the Company's future growth strategy. This also included US$8.6 million arising from the impact of the stronger A$.

Exploration expenses of US$25.6 million represented an increase from the first half 2010 of US$5.4 million mainly due to higher spend on the Nunavut Projects (Izok Lake and High Lake) in Canada. Expenditure on exploration across Australia and Asia was consistent across the periods under review.

Business acquisition expense credit of US$63.8 million relates to the reversal of assumed business acquisition costs provided for in 2010 in relation to the acquisition of MMG. It has since been confirmed that these costs will not be payable by the Group.

Net financing costs of US$26.2 million for the first half 2011 exceeded the previous corresponding period by US$7.8 million driven by interest expense associated with debt associated with the 2010 Business Combination. US$5.2 million interest was paid to Album Enterprises on the loan from Album Enterprises, which was used to fund the acquisition of MMG in the 2010 Business Combination. This loan was fully repaid during the first half 2011.

Profit before tax: Excluding the business acquisition expense credit of US$63.8 million and gain on disposal of Equinox shares of US$152.1 million, the Group's adjusted profit before income tax for continuing operations was US$321.5 million for the first half 2011. This represented an increase of 26.1% from the first half 2010.

Income tax expense related to the Group's continuing operations was US$144.2 million in the first half 2011. This included US$37.3 million in relation to the gain on disposal of Equinox shares which if excluded results in a tax expense of US$106.9 million. This amount represented an effective tax rate on the Group's adjusted profit before income tax for continuing operations of 33.3%, which is mainly reflective of the Lao tax rate of 33%. This compared to a US$23.3 million income tax expense for the first half 2010, which included credits for previously unrecognised deferred tax assets of US$61.5 million.

Profit after tax: The Group's net profit after tax from continuing operations of US$393.2 million was 69.7% above the first half 2010 result.

SEGMENTAL ANALYSIS

Century's total ore mined was 28.9% lower than in the first half 2010 while ore milled was 3.6% above the first half 2010. The changes to total ore mined were due to excess water in the pit caused by significant rainfall during the period. Zinc in zinc concentrate and lead in lead concentrate production exceeded the first half 2010 levels by 1.2% and 24.8% respectively. The first half 2011 saw a stock drawdown as opposed to a significant stock build in the previous corresponding period (impacted by Tropical Cyclones Olga and Paul). Century's EBITDA margin was 41.0% for the first half 2011, down 9.3% on the previous corresponding period driven by unfavourable effects from the stronger A$ and higher costs for employees, contractors and reagents. The first half 2011 C1 cost was US$0.53/lb. C1 cost guidance for Century zinc in 2011 is US$0.53 – US$0.58/lb.

Sepon's total ore mined in the first half 2011 was 15.4% below the first half 2010. Gold ore mined was almost half that of the previous corresponding period constrained by ore availability from the Houay Yeng gold pit. Copper ore mined was 24.9% above the first half 2010. Total ore milled increased by 5.6% driven by copper. Sepon's record copper cathode production of 36,822 tonnes, while 7.4% above on the previous corresponding period, was impacted by low cell room current efficiency. First phase anode installation was completed during the second quarter 2011 with the predicted increase in current efficiency observed. Gold production was 26.5% lower than the first half 2010 driven by ore availability, lower grades and recoveries. Sepon's EBITDA margin was 65.2% for the first half 2011, slightly above that of the previous corresponding period. This was despite higher fuel prices and contractor rates. First half 2011 C1 costs were US$0.99/lb for copper and US$825.8/oz for gold. C1 cost guidance for 2011 is unchanged for copper at US$0.95 – US$1.00/lb and gold at US$930 – US$940/oz.

Golden Grove's copper ore mined in the first half 2011 was nearly twice the first half 2010 result mainly due to new development in copper ore zones and 12,960 tonnes from the Scuddles mine, restarted in the second quarter 2011. Copper ore milled was 19.3% below the first half 2010 which together with lower grades and recoveries resulted in copper in copper concentrate production which was 30.7% below the first half 2010.

Zinc ore mined and milled were fairly consistent with the first half 2010, down 1.5% and up 1.1% respectively on the previous corresponding period. Zinc in zinc concentrate production in the first half 2011 was 32.8% below the first half 2010 impacted by lower ore grades due to delayed access to high grade stopes.

Golden Grove's EBITDA margin was 27.3% for the first half 2011, which was below the first half 2010 driven by impacts of the stronger A$, the Scuddles mine restart and higher exploration and assay costs. During the first half 2011, C1 cost calculations were revised to separate zinc and copper to improve the usefulness of such measures and associated guidance. The first half 2011 C1 cost for zinc was US$0.41/lb due to strong by-product credits from lead production. The first half 2011 C1 cost for copper was US$2.99/lb. C1 cost guidance for 2011 for zinc is US$0.40 – US$0.50/lb and copper is US$2.80 – US$2.95/lb.

Rosebery recorded a strong performance in the first half 2011 with higher ore mined and milled of 18.5% and 6.2% respectively compared to the previous corresponding period. Zinc in zinc concentrate production was 2.6% above the first half 2010 although constrained by lower grades. Lead production was fairly consistent with the previous corresponding period. Rosebery's EBITDA margin of 34.3% for the first half 2011 was consistent with the previous corresponding period which is a strong result given the unfavourable foreign exchange effect and contractor cost pressures. The first half 2011 C1 cost was US$0.22/lb. C1 cost guidance for Rosebery zinc for 2011 remains unchanged at US$0.15 – US$0.20/lb.

Trading, Fabrication and Other

Amortisation and depreciation and equity accounting for jointly-controlled entities and associates ceased from 1 January 2011 due to the classification of trading, fabrication and other as discontinued operations held for sale with effect from this date.

Net profit after tax from discontinued operations for the first half 2011 was US$38.2 million, 33.1% below the first half 2010 result largely due to the exclusion of the Group's share of profits of jointly-controlled entities and associates as noted above (2010: US$27.8 million). The trading business generated marginally higher profits in the first half 2011 compared to the first half 2010 mainly due to higher volumes while prices remained stable. Profits from fabrication improved in the first half 2011.

Development Projects

Dugald River

Progress continues on the Dugald River project and remains on track for full commitment in the second half 2011. The evaluation of mining contract bids, contractor selection and preparation for formal award is underway. The existing camp site is under expansion to increase capacity from 25 to 75 people to support the growing Engineering, Procurement, and Construction Management (EPCM) team which now includes resources from Jacobs Engineering, our EPCM Contractor for Dugald River. Lease applications for waterline and power corridors have been lodged. Responses to all comments on the Environment Impact Statement have been finalised. Dugald River project capitalised expenditure increased from US$1.0 million in the first half 2010 to US$11.0 million in the first half 2011.

Golden Grove Open Copper Pit

During the first quarter 2011, Board approval was obtained for the US$22 million development of an Open Copper pit at Gossan Hill which is expected to produce up to 270,000 tonnes of copper concentrate containing 56,000 tonnes of copper from 2012 to 2014. The project will include development of an open pit mine, waste rock dump and supporting infrastructure including haul and access roads. Permitting is underway and production is expected to commence in the fourth quarter 2011.

Nunavut Projects, Canada

High level studies continued to investigate transportation and development options for High Lake and Izok Lake. The Group aims to define the project scope by the end of 2011 and commence permitting. Costs associated with these studies totalled US$0.3 million in the first half 2011. Exploration costs in Canada totalled US$10.2 million in the first half 2011 compared to US$5.6 million in the first half 2010.

Commissioned Projects

Sepon copper output increased following the successful commissioning of the copper expansion project during the first quarter 2011 with cell efficiency issues addressed during the second quarter 2011. Total handover has now occurred for the transmission lines of the high voltage powerline and substations. The Golden Grove Tailings Storage Facility 3 was handed over to site operations to commission during the first quarter 2011.

CASH FLOW ANALYSIS

Operating activities

The Group's continuing operations generated net cash from operations in the first half 2011 of US$460.9 million which represented an increase of 17.8% on the previous corresponding period. The increased cash flows were predominantly due to higher receipts from customers.

Income tax of US$152.9 million paid in the first half 2011 included a tax payment of US$92.3 million which settled Sepon's 2010 tax liability (2010: US$57.5 million) and tax instalments related to the Australian sites' operating profits.

The Group's discontinued operations used net cash from operations of US$62.9 million, mainly due to a significant inventory build.

Investing activities

The Group's continuing operations generated net cash from investing activities of US$107.3 million in the first half 2011 which mainly reflected proceeds from the sale of the stake in Equinox. The Group purchased an additional US$58.9 million of Equinox shares during the first half 2011 (2010: US$100.2 million) and subsequently received proceeds of US$311.3 million from the disposal of its entire Equinox shareholding in the second quarter 2011. This was partly offset by payments for plant and equipment of US$150.1 million which was 24.5% above the first half 2010 period and which includes spend on the Dugald River project of US$11.0 million.

The Group's discontinued operations drew down net cash of US$32.0 million by placing more funds in time deposits.

Financing activities

The Group's continuing operations used net cash in financing activities of US$224.1 million in the first half 2011. Proceeds of US$494.3 million were received from the issuance of 762,612,000 shares by the Company which was used toward full repayment of the loan from Album Enterprises (US$694.2 million) during the first half 2011. Principal repayments (US$8.6 million) commenced in relation to two of the external bank loans which were drawn down as at 16 June 2009. Interest paid of US$15.3 million was US$3.4 million higher than the previous corresponding period due to the higher debt level as at 31 December 2010 versus the previous corresponding period.

The Group's discontinued operations generated net cash of US$92.9 million from financing activities with borrowings mainly related to draw-down of bank loans by Minmetals Aluminium Co. Ltd to provide working capital for trading during 2011.

FINANCIAL RESOURCES AND LIQUIDITY FOR THE GROUP

The Group strengthened its liquidity and financial position during the first half 2011. During the period, total assets increased by 6.6% to US$3,696.5 million and shareholders' equity increased by 184.5% to US$1,356.9 million primarily driven by the share placing and results for the period. The gearing ratio in relation to the Group's continuing operations decreased from 2.9 at 31 December 2010 to 0.5 at 30 June 2011 (defined as total borrowings less cash and bank deposits divided by shareholders' equity). The current ratio in relation to the Group's continuing operations decreased from 1.7 at 31 December 2010 to 0.7 at 30 June 2011. These changes have been driven by external debt of US$778.0 million which is due to be paid during June 2012. The Group has a number of options for this debt including refinancing. As at 30 June 2011, the Group's continuing operations were in a net debt position of US$659.2 million, representing cash and bank deposits for the continuing operations of US$431.2 million less total borrowings of US$1,090.4 million (comprising bank borrowings of US$1,086.4 million, and finance lease liabilities of US$4.0 million). The Group's continuing operations' cash and bank deposits amounting to US$431.2 million at 30 June 2011 were mainly denominated in US dollars.

As at 30 June 2011, the profile of the Group's borrowings was as follows:

1. 0.4% were in Australian dollars and 99.6% were in US dollars;
2. 0.4% were in fixed rates and 99.6% were in floating rates; and

3. 71.3% were repayable within 1 year, 3.3% were repayable between 1 and 2 years, 25.4% were repayable between 2 and 5 years.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group disposed of its entire shareholding (equal to approximately 4.2% of the issued capital) in Equinox to Barrick Gold during June 2011. The Group did not make any other material acquisitions or disposals during the first half 2011. The Group adopts a 5% threshold on assets, profit, revenue, market capitalisation ratios as guidance in determining materiality of the acquisitions and disposals.

CONTINGENT LIABILITIES

The Company and its subsidiaries are defendants from time to time in legal proceedings arising from the conduct of their businesses. The Group does not consider that the outcome of any of these proceedings ongoing at balance date, either individually or in aggregate, is likely to have a material effect on its financial position. Where appropriate, provisions have been made.

Certain bank guarantees have been provided in connection with the operations of certain of the subsidiaries of the Company. These are primarily associated with the terms of mining leases or exploration licences. At the end of the half year 2011, no claims have been made under these guarantees. The amount of these guarantees may vary from time to time depending upon the requirements of the relevant regulatory authority. These guarantees amount to US$120.2 million (2010: US$89.8 million). Provision is made in the financial statements for the anticipated costs of the mine rehabilitation obligations under the mining leases and exploration licenses.

CHARGES ON ASSETS

As at 30 June 2011, the following assets of the Group were pledged to certain banks for the banking facilities granted to the Group in terms of:

Continuing operations:

- an external borrowing of US$195.0 million is secured by a share charge to the lender of 100% of the shares held in Album Resources' wholly-owned subsidiary, Album Investment, a mortgage over 70% of the shares in certain subsidiaries of Album Investment and a mortgage over 70% of shares of MMG Laos Holdings Limited.

Discontinued operations:

- equity interests in a wholly-owned subsidiary, Sino Mining Alumina Limited (SMAL) and the assets of SMAL;
- certain property, plant and equipment, land use rights and inventories of the Group with a total carrying amount of approximately US$30.5 million; and
- pledged bank deposits of approximately US$10.1 million.

RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including commodity price risk, equities price risk, interest rate risk, foreign exchange risk, sovereign risk, credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The use of financial derivative instruments strictly follows the yearly plans approved by the Board of directors of the Company and its subsidiaries. The Group does not and is prohibited from entering into derivative contracts for speculative purposes.

The core management team identifies, evaluates and monitors financial risks in close cooperation with the Group's operating units to ensure derivative financial instruments are employed solely for hedging purposes.

Commodity price risk

The principal activities of the Group are the mining and sale of zinc, copper, lead, gold and silver. Discontinued operations include the trading of alumina and aluminium ingot, the production and sale of aluminium foil, plate, strip and extrusions, the production and sale of aluminium processing equipment, the production and sale of plica tubes and the provision of port logistics services, as well as certain jointly-controlled entities and associates of the Group. As commodity markets are influenced by global as well as regional supply and demand conditions, any unexpected price changes in the market exchanges might affect the Group's earnings and performance. To mitigate this risk, the Group closely monitors any significant exposures. The Group may enter into commodity derivative contracts in its aluminium operations from time to time in accordance with the policies and yearly plans approved by the Board of Directors. The Group generally believes commodity price hedging in relation to the mining operations would not provide long-term benefits to its shareholders.

Equities price risk

The Group is no longer exposed to equity securities price risk. This previously arose from investments held by the Group in Equinox.

Interest rate risk

The Group is exposed to interest rate volatility on deposits and borrowings. Deposits and borrowings at variable rates expose the Group to cash flow interest rate risk. Deposits and borrowings at fixed rates expose the Group to fair value interest rate risk. Details of the Group's borrowings are set out in Note 13.

The Group regularly monitors its interest rate risk to ensure there are no undue exposures to significant interest rate movements.

Foreign exchange risk

The Group operates internationally and is exposed to foreign currency exchange risk. The Group's reporting currency and functional currency of the majority of subsidiaries with the Group is US dollars. The majority of revenue received by the Group is US dollars. The Group's foreign currency exchange risk arises predominantly from the currency in which the Group's operations are located.

The Group is exposed to foreign exchange risk primarily with respect to the Australian dollars (A$), the Hong Kong dollars (HK$) and the Canadian dollars (C$) in relation to the Group's continuing operations. The discontinued operations are exposed to foreign exchange risk primarily with respect to Renminbi (RMB) and HK$. Given the exchange rate peg between HK$ and US$, it is not foreseen that the Group will be exposed to significant exchange rate risk for the transactions conducted in HK$ or US$. However, exchange rate fluctuations of RMB, C$ or A$ against US$ could affect the Group's performance and asset values.

Under normal market conditions, the Group does not believe that active currency hedging of transactions would provide long-term benefit to shareholders. The Group tries to minimise these exposures through natural hedges wherever possible. For instance, the majority of external debt and surplus cash is denominated in US$. A portion of cash may be held in A$ and RMB to meet operating costs.

The long-term relationship between commodity prices and the currencies of the countries where the Group operates provides a degree of natural protection. However, the Group may choose to hedge large foreign currency exposures such as capital expenditure, dividends or tax payments.

Credit risk

Credit risk in relation to the Group's continuing operations arises primarily from: trade receivables and bank deposits. Credit risk in relation to the Group's discontinued operations arises primarily from: trade receivables, bank deposits, bills receivables and derivative financial instruments. The Group's maximum exposure to this risk, without taking account of any collateral held, is represented by the carrying amounts of these financial assets in the consolidated balance sheet after deducting any provision for impairment.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

Management utilises both short and long-term cash flow forecasts and other consolidated information to ensure appropriate liquidity buffers are maintained to support the Group's activities.

CAPITAL RISK MANAGEMENT

The Group's objectives on managing capital are to safeguard the Group's ability to continue as a going concern, support the Group's sustainable growth, enhance shareholder value and provide capital for potential acquisitions and investment.

The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and business strategies. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payments to shareholders, issue new shares or raise/repay debts.

The Group monitors capital by using gearing ratio defined as total borrowings less cash and bank deposits divided by shareholders' equity.

	30 June 2011	31 December 2010
	US$ million	*US$ million*
Cash and cash equivalents	591.8	398.2
Time deposits	46.7	12.8
Pledged bank deposits	10.1	6.4
Less: Total borrowings	1,359.9	1,965.3
Net debt	711.3	1,547.9
Total equity	1,429.9	533.4
Gearing ratio	0.5	2.9

CAPITAL EXPENDITURE AND COMMITMENTS

The Group's capital expenditure of US$150.1 million for the first half 2011 (2010: US$120.6 million), included US$85.0 million of growth related capital expenditure (2010: US$118.2 million). The growth related capital expenditure for the first half 2011 mainly included:

- mine development at Century, US$59.4 million (relating to Stage 8 (bulk waste) and Stage 9 and the expansion cut-back);
- mine development at Sepon, US$12.0 million;
- Dugald River project spend of US$11.0 million; and
- Sepon's copper expansion (including high voltage powerline) spend of US$1.9 million.

The Group's capital commitments as at 30 June 2011 in relation to the continuing operations amounted to US$58.6 million.

HUMAN RESOURCES

As at 30 June 2011, the Group employed a total of 3,469 full-time employees in its continuing operations (not including contractors of the Group) of which 16 were based in Hong Kong, 1,662 in Australia, 1,705 in Laos, 18 in Canada and 68 in Group Exploration. 2,512 full-time employees were based in mainland China in regard to the discontinued operations. Total staff costs for the Group's continuing operations for the first half 2011, including director's emoluments amounted to US$151.1 million (2010: US$109.9 million).

The Group has adopted remuneration policies in line with market practice and remunerated its employees based on the responsibilities of their role, their performance and the performance of the Company. Other employee benefits include performance related incentives and, in specific cases, insurance and medical coverage and a limited share option scheme. An extensive training program is offered to employees across the Company which is designed to improve individual and group performance.

OTHER INFORMATION

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2011, the interests and short positions of the directors or the chief executive of the Company or any of their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (SFO)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (Model Code) as set out in Appendix 10 of the Listing Rules were as follows:

Long position in the underlying shares of the Company

NAME OF DIRECTOR	NATURE OF INTEREST	NUMBER OF ISSUED SHARES HELD	NUMBER OF UNDERLYING SHARES HELD	APPROXIMATE PERCENTAGE OF TOTAL NUMBER OF ISSUED SHARES
			(NOTE 1)	(NOTE 2)
LI FULI (NOTE 3)	Personal	-	-	-
HAO CHUANFU	Personal	-	1,600,000	0.030%
ANDREW MICHELMORE	Personal	162,000	-	0.003%
LI LIANGANG	Personal	-	1,100,000	0.021%
JIAO JIAN	Personal	-	1,200,000	0.023%
XU JIQING	Personal	-	1,000,000	0.019%

Notes:

1. The directors' interests in the underlying ordinary shares of HK$0.05 each in the share capital of the Company are through share options granted by the Company pursuant to the 2004 Share Option Scheme, details of which are set out under the section headed 'Share Option Scheme'.
2. The calculation is based on the number of underlying shares as a percentage of the total number of issued shares of the Company (i.e. 5,289,607,889 shares) as at 30 June 2011.
3. Mr Li Fuli's 1,300,000 share options lapsed due to cessation of employment.

Save as disclosed above, as at 30 June 2011, none of the directors or the chief executive of the Company or any of their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code. In addition, none of the directors or the chief executive of the Company or any of their associates had been granted or had exercised any rights to subscribe for any equity or debt securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) during the first half 2011.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the directors and chief executive of the Company, as at 30 June 2011, the following persons had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in the shares of the Company

NAME	CAPACITY	NUMBER OF SHARES HELD	APPROXIMATE PERCENTAGE OF TOTAL NUMBER OF ISSUED SHARES INTERESTED IN
			(NOTE 1)
CMC	Interest of controlled corporations (NOTES 2 & 3)	3,785,246,916	71.56%
CHINA MINMETALS CORPORATION LIMITED (CMCL)	Interest of controlled corporations (NOTES 2 & 3)	3,785,246,916	71.56%
CMN	Interest of controlled corporations (NOTES 2 & 3)	3,785,246,916	71.56%
ALBUM ENTERPRISES	Beneficial owner (NOTE 3)	2,500,779,090	47.28%
TOP CREATE	Beneficial owner (NOTE 2)	1,284,467,826	24.28%

Notes:

1. The calculation is based on the number of shares which each person is interested in (whether directly/indirectly interested or deemed to be interested) as a percentage of the total number of issued shares of HK$0.05 each (i.e. 5,289,607,889 shares) of the Company as at 30 June 2011.
2. Top Create is a wholly-owned subsidiary of CMN, which in turn is owned as to approximately 91.57% by CMCL and approximately 0.18% by Zigong Cemented Carbide Corporation Limited. CMCL is owned as to 96.5% by CMC and 1% by China National Metal Products Co. Ltd., which in turn is a wholly-owned subsidiary of CMC. CMC has an effective interest of approximately 21.66% in Zigong Cemented Carbide Corporation Limited. Accordingly, CMN, CMCL and CMC were by virtue of the SFO deemed to be interested in the 1,284,467,826 shares of HK$0.05 each of the Company held by Top Create as at 30 June 2011.
3. Album Enterprises is a wholly-owned subsidiary of CMN. Accordingly, CMN, CMCL and CMC were by virtue of the SFO deemed to be interested in the 2,500,779,090 shares of HK$0.05 each of the Company held by Album Enterprises as at 30 June 2011.

Save as disclosed above, as at 30 June 2011, there was no other person who was recorded in the register of the Company as having an interest or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, which was recorded in the register required to be kept by the Company under Section 336 of the SFO.

LOAN AGREEMENTS WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

In accordance with the continuing disclosure requirements under Rule 13.21 of the Listing Rules, the Directors report below details of the Group's facility agreements which contain covenants requiring specific performance obligations of the controlling shareholders of the Company.

Facilities granted by China Development Bank (CDB Facilities)

Album Resources, a wholly-owned subsidiary of the Company has been granted by China Development Bank (CDB) a loan not exceeding US$200,000,000 for a term of not more than seven years from 12 June 2009 (being the drawdown date) and during which the loan is to be repaid over the last five years, on specified dates set out in the facility agreement (the 7-year Facility Agreement).

CDB has further granted to Album Resources a loan not exceeding US$366,000,000 for a term of not more than three years from 12 June 2009 (being the drawdown date) (3-year Facility Agreement, together with the 7-year Facility Agreement, Facility Agreements). CMN acted as a guarantor of the 3-year Facility Agreement.

Pursuant to the CDB Facilities, CMN undertook, amongst others, that prior to repayment under each of the Facility Agreements, CMN would remain a controlling shareholder of the Company and the following subsidiaries of the Company, namely, Album Resources, Album Investment and MMG Century Limited.

Facilities granted by Bank of China Limited (BOC Facilities)

Album Resources has been granted by Bank of China Limited (BOC), Singapore Branch a US$144,000,000 cash facility, which is to be repaid by instalments on the specified dates set out in such facility agreement, the last date of such repayment being 10 June 2016. CMN acted as the guarantor of such facility.

MMG Century Limited, a wholly-owned subsidiary of the Company has been granted by BOC, Sydney Branch (BOC Sydney) a US$385,000,000 cash facility to be repaid on 16 June 2012. CMN acted as the guarantor of such facility.

MMG Management, a wholly-owned subsidiary of the Company has been granted by BOC Sydney a revolving Australian dollar cash advance facility and a multi-currency bank guarantee and standby letter of credit facility, in an aggregate amount of A$267,000,000 to be repaid on 16 June 2012. CMC acted as the guarantor of such facility. Approximately A$160,000,000 of such facility remains available.

Under the BOC Facilities, a review event will occur in the event Album Resources ceases to be a subsidiary of CMN, which entitles the borrower to elect to repay all outstanding monies or, if such election is not made, the lender may declare all of the outstanding monies due and payable.

Please refer to the announcement of the Company on 10 January 2011 for further details of the CDB Facilities and the BOC Facilities.

SHARE OPTION SCHEME

2004 Share Option Scheme

Pursuant to the share option scheme adopted by the Company on 28 May 2004 (2004 Share Option Scheme), there were 11,300,000 options outstanding as at 30 June 2011, which represented approximately 0.21% of the total number of issued shares of the Company as at that date.

During the first half 2011, the movements of the options which have been granted under the 2004 Share Option Scheme are as follows:

				NUMBER OF OPTIONS					
CATEGORY AND NAME OF PARTICIPANT	**DATE OF GRANT**	**EXERCISE PRICE PER SHARE**	**EXERCISE PERIOD**	**BALANCE AS AT 1 JANUARY 2011**	**GRANTED DURING THE PERIOD**	**EXERCISED DURING THE PERIOD**	**CANCELLED DURING THE PERIOD**	**LAPSED DURING THE PERIOD**	**BALANCE AS AT 30 JUNE 2011**
	(NOTE 1)	HK$	(NOTE 2)					(NOTE 3)	
DIRECTORS									
LI FULI	3 June 2010	2.75	3 June 2012 to 2 June 2015	1,300,000	–	–	–	(1,300,000)	–
HAO CHUANFU	3 June 2010	2.75	3 June 2012 to 2 June 2015	1,600,000	–	–	–	–	1,600,000
LI LIANGANG	3 June 2010	2.75	3 June 2012 to 2 June 2015	1,100,000	–	–	–	–	1,100,000
JIAO JIAN	3 June 2010	2.75	3 June 2012 to 2 June 2015	1,200,000	–	-	-	-	1,200,000
XU JIQING	3 June 2010	2.75	3 June 2012 to 2 June 2015	1,000,000	–	–	–	–	1,000,000
EMPLOYEES OF THE GROUP	3 June 2010	2.75	3 June 2012 to 2 June 2015	6,400,000	–	–	–	–	6,400,000
				12,600,000	–	–	–	(1,300,000)	11,300,000

Notes:

1. The closing price of the shares of the Company immediately before the date on which the options were granted was HK$2.69 per share.
2. The options granted may be exercised according to the following three tranches, which are subject to certain terms and conditions, including amongst others, the achievement of certain performance targets by the Group and the grantee:

   (i) Up to 33% of the options granted to each grantee shall be exercisable at any time after the expiration of 24 months from the date of grant of options;

   (ii) Up to 67% of the options granted to each grantee shall be exercisable at any time after the expiration of 36 months from the date of grant of options; and

   (iii) Up to 100% of the options granted to each grantee shall be exercisable at any time after the expiration of 48 months from the date of grant of options,

   and in each case, not later than 2 June 2015.
3. Options lapsed due to cessation of employment.

CORPORATE GOVERNANCE

Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance practices by emphasising a quality board of directors, sound internal controls, transparency and accountability to all the shareholders of the Company.

The Company has complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the period of the first half 2011, except for the deviation from the Code provision A.4.1 in respect of the service terms of directors.

Code provision A.4.1 stipulates that Non-executive Directors should be appointed for a specific term and subject to re-election. Each of the Non-executive Directors has entered into a service agreement with the Company for a specific term of three years or less, except Dr Peter Cassidy. Dr Peter Cassidy's appointment agreement commenced on 31 December 2010 and can be terminated by the Company with one month prior notice. However, as is the case with all other directors of the Company, his respective terms of office are subject to re-election by shareholders at the next general meeting following his appointment in accordance with the articles of association of the Company. Every Director is also subject to retirement by rotation at least once every three years at the AGM. As such, the Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices.

The Company adopted a Board Charter to outline the manner in which its constitutional powers and responsibilities will be exercised, delegated and/or discharged. The Board Charter is adopted on the basis that strong corporate governance can add to the performance of the Company, create shareholder value and engender the confidence of the investment market.

AUDIT COMMITTEE

The Company established an Audit Committee on 2 July 1999. It comprises three Independent Non-executive Directors, namely Dr Peter Cassidy, Mr Ting Leung Huel, Stephen and Mr Loong Ping Kwan and one Non-executive Director, Mr Xu Jiqing. Mr Ting Leung Huel, Stephen is the Chairman of the Audit Committee.

The principal duties of the Audit Committee include the review and supervision of the financial reporting process and internal control system of the Group. The Audit Committee has reviewed the unaudited interim financial report of the Group for the first half 2011.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a policy for securities transactions by directors of the Company (Securities Trading Policy) on terms no less exacting than the required standard of the Model Code as set out in Appendix 10 of the Listing Rules.

Having made specific enquiry with all the directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code and the Securities Trading Policy during the first half 2011.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B of the Listing Rules, the information of directors of the Company provided in the annual report 2010 of the Company is updated as follows:

Change in Directorships

Name of director	Details of changes
LI Fuli	(i) Resigned as the Chairman and Non-executive Director of the Company on 1 April 2011.
	(ii) Resigned as a Director and the Chairman of MMG Management, a subsidiary of the Company on 5 July 2011.
	(iii) Resigned as a Director of All Glorious, a subsidiary of the Company on 12 July 2011.
WANG Lixin	(i) Appointed as the Chairman of the Company on 1 April 2011.
	(ii) Resigned as a Director of MMG Management, a subsidiary of the Company on 5 July 2011.
	(iii) Appointed as a Director of All Glorious, a subsidiary of the Company on 11 July 2011.
JIAO Jian	(i) Resigned as a Director of MMG Management, a subsidiary of the Company on 5 July 2011.
	(ii) Appointed as a Director of All Glorious, a subsidiary of the Company on 11 July 2011.
XU Jiqing	(i) Resigned as a Director of MMG Management, a subsidiary of the Company on 5 July 2011.
	(ii) Appointed as a Director of All Glorious, a subsidiary of the Company on 11 July 2011.
GAO Xiaoyu	(i) Appointed as a Non-executive Director of the Company on 1 April 2011.
	(ii) Appointed as a Director of Album Investment, a subsidiary of the Company on 1 August 2011.
Andrew MICHELMORE	(i) Appointed as a Director of MMR Exploration Limited, a subsidiary of the Company on 3 June 2011.
	(ii) Appointed as a Director of MMG Limited, a subsidiary of the Company on 15 June 2011.
	(iii) Appointed as a Director of All Glorious, a subsidiary of the Company on 11 July 2011.
David LAMONT	(i) Appointed as a Director of MMR Exploration Limited, a subsidiary of the Company on 3 June 2011.
	(ii) Appointed as a Director of MMG Limited, a subsidiary of the Company on 15 June 2011.
	(iii) Appointed as a Director of MMG Management, a subsidiary of the Company on 5 July 2011.
	(iv) Appointed as a Director of All Glorious, a subsidiary of the Company on 11 July 2011.
	(v) Appointed as a Director of Album Resources, a subsidiary of the Company on 1 August 2011.
	(vi) Appointed as a Director of Album Investment, a subsidiary of the Company on 1 August 2011.
Peter CASSIDY	(i) Resigned as a Director of MMG Management, a subsidiary of the Company on 5 July 2011.
	(ii) Appointed as a Director of Album Investment, a subsidiary of the Company on 1 August 2011.
LOONG Ping Kwan	Resigned as a Director of Guangdong Golden Glass Technologies Limited (a company listed on the Shenzhen Stock Exchange) on 7 July 2011.

CHANGES IN INFORMATION OF DIRECTORS (CONT'D)

Change in Remuneration

Pursuant to Rule 13.51B of the Listing Rules, the information of directors of the Company provided in the annual report 2010 of the Company is updated as follows:

Name of director	Position	Details of changes
WANG Lixin	Chairman and Non-executive Director	Adjust from HK$100,000 per annum to A$450,000 per annum based on remuneration review carried out by the Company. This change is due to Mr Wang Lixin being appointed as the Chairman of the Company on 1 April 2011 and the inclusion of his director fees from MMG Management, which became a wholly-owned subsidiary of the Company on 31 December 2010.
TING Leung Huel, Stephen	Independent Non-executive Director	Adjust from HK$250,000 per annum to HK$300,000 per annum based on remuneration review carried out by the Company.
LOONG Ping Kwan	Independent Non-executive Director	Adjust from HK$250,000 per annum to HK$300,000 per annum based on remuneration review carried out by the Company.
Peter CASSIDY	Independent Non-executive Director	HK$300,000 per annum as an Independent Non-Executive Director of the Company, A$150,000 per annum as an Independent Non-executive Director of MMG Management and A$25,000 per annum as the chairman or committee member of certain board committees of MMG Management. This update is due to Dr Peter Cassidy being appointed as an Independent Non-executive Director of the Company on 31 December 2010 and the inclusion of his director fees from MMG Management, which became a wholly-owned subsidiary of the Company on 31 December 2010.
JIAO Jian	Non-executive Director	HK$100,000 per annum as a Non-executive Director of the Company and A$120,000 per annum as a Non-executive Director of MMG Management. This update is due to the disclosure of Mr Jiao Jian's remuneration from MMG Management, which became a wholly-owned subsidiary of the Company on 31 December 2010.
XU Jiqing	Non-executive Director	HK$100,000 per annum as a Non-executive Director of the Company, A$120,000 per annum as a Non-executive Director of MMG Management and A$8,000 per annum as a committee member of certain board committees of MMG Management. This update is due to the disclosure of Mr Xu Jiqing's remuneration from MMG Management, which became a wholly-owned subsidiary of the Company on 31 December 2010.
GAO Xiaoyu	Non-executive Director	HK$100,000 per annum as a Non-Executive Director of the Company. This update is due to Mr Gao Xiaoyu being appointed as a Non-Executive Director

Name of director	Position	Details of changes
		of the Company on 1 April 2011.
Andrew MICHELMORE	Chief Executive Officer and Executive Director	A$2,236,000 per annum, a short-term incentive payment of up to a maximum of 125% of his total fixed remuneration and to participate in the prevailing long-term cash-based performance incentive of MMG Management of up to a maximum of 200% of his total fixed remuneration. This update is due to Mr Andrew Michelmore being appointed as the Chief Executive Officer and Executive Director of the Company on 31 December 2010.
David LAMONT	Chief Financial Officer and Executive Director	A$1,090,000 per annum, a short-term incentive payment of up to a maximum of 80% of his total fixed remuneration and to participate in the prevailing long-term cash-based performance incentive of MMG Management of up to a maximum of 80% of his total fixed remuneration. This update is due to Mr David Lamont being appointed as the Chief Financial Officer and Executive Director of the Company on 31 December 2010.

Change in length of service

Mr Hao Chuanfu and Mr Ting Leung Huel, Stephen's services contracts with the Company have been extended for a period of 12 months to 27 May 2012 and 17 May 2012, respectively.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the first half 2011.

By order of the Board

Andrew Michelmore

Chief Executive Officer and Executive Director

Hong Kong, 24 August 2011

INDEPENDENT REVIEW REPORT

羅兵咸永道

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF MINMETALS RESOURCES LIMITED
(incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 33 to 57 which comprises the condensed consolidated interim balance sheet of Minmetals Resources Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2011 and the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24 August 2011

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CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Six months ended 30 June **2011** **(Unaudited)** ***US$ million***	2010 (Unaudited and restated) *US$ million*
Continuing operations			
Revenue		1,070.7	844.7
Cost of sales		(575.9)	(446.5)
Gross profit		494.8	398.2
Selling expenses		(33.8)	(35.3)
Administrative expenses		(48.4)	(20.3)
Exploration expenses		(25.6)	(20.2)
Other income		1.5	4.1
Other gains/(losses) – net		1.2	(7.3)
Other operating expenses		(44.3)	(45.8)
Gain on disposal of available-for-sale financial assets	*5*	154.4	-
Write-back of business acquisition expenses	*5*	63.8	-
Operating profit		563.6	273.4
Finance income		2.0	1.9
Finance costs		(28.2)	(20.3)
Net finance costs		(26.2)	(18.4)
Profit before income tax		537.4	255.0
Income tax expense	*6*	(144.2)	(23.3)
Profit from continuing operations		393.2	231.7
Discontinued operations			
Profit from discontinued operations		38.2	57.1
Profit for the period		431.4	288.8
Attributable to:			
Equity holders of the Company		415.2	277.0
Non-controlling interests		16.2	11.8
		431.4	288.8
Earnings per share for profit attributable to the equity holders of the Company			
Basic earnings per share	*7*		
- From continuing operations		US 9.97 cents	US 7.43 cents
- From discontinued operations		US 0.99 cents	US 1.91 cents
		US 10.96 cents	US 9.34 cents
Diluted earnings per share	*7*		
- From continuing operations		US 7.86 cents	US 4.87 cents
- From discontinued operations		US 0.78 cents	US 1.25 cents
		US 8.64 cents	US 6.12 cents

The accompanying notes are an integral part of these condensed consolidated financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited and restated)
	US$ million	*US$ million*
Profit for the period	431.4	288.8
Other comprehensive income / (loss)		
Net change in fair value of available-for-sale financial assets and cash flow hedge, net of tax	70.1	0.9
Currency translation differences	13.6	(0.9)
Transfer to income statement on disposal of available-for-sale financial assets	(112.7)	-
Other comprehensive income/ (loss) for the period	(29.0)	-
Total comprehensive income for the period	402.4	288.8
Total comprehensive income attributable to:		
Equity holders of the Company	385.5	277.0
Non-controlling interests	16.9	11.8
	402.4	288.8
Total comprehensive income attributable to equity holders of the Company arises from:		
Continuing operations	335.1	220.3
Discontinued operations	50.4	56.7
	385.5	277.0

The accompanying notes are an integral part of these condensed consolidated financial information.

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	Note	**30 June 2011 (Unaudited) *US$ million***	31 December 2010 (Audited) *US$ million*
ASSETS			
Non-current assets			
Property, plant and equipment		1,612.0	1,671.5
Investment properties		1.8	2.0
Intangible assets		-	132.0
Investments accounted for using the equity method		-	227.3
Inventories		31.3	24.4
Deferred income tax assets		72.0	98.8
Other assets		-	1.5
		1,717.1	2,157.5
Current assets			
Inventories		257.3	363.8
Trade and other receivables	*9*	88.6	360.4
Current income tax assets		-	3.5
Other financial assets		-	19.4
Available-for-sale financial assets	*5*	-	164.1
Cash and cash equivalents		431.2	398.2
		777.1	1,309.4
Assets of disposal group classified as held for sale	*15*	1,202.3	-
		1,979.4	1,309.4
Total assets		3,696.5	3,466.9
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	*10*	33.9	19.0
Perpetual sub-ordinated convertible securities	*12*	-	690.0
Reserves and retained profits		1,323.0	(232.0)
		1,356.9	477.0
Non-controlling interests		73.0	56.4
Total equity		1,429.9	533.4

The accompanying notes are an integral part of these condensed consolidated financial information.

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (CONTINUED)

	Note	**30 June 2011 (Unaudited) *US$ million***	31 December 2010 (Audited) *US$ million*
LIABILITIES			
Non-current liabilities			
Deferred income		-	5.1
Deferred income tax liabilities		7.7	20.1
Borrowings	*13*	312.4	1,144.3
Loan from a related party	*16*	-	694.2
Provisions		339.4	317.6
		659.5	2,181.3
Current liabilities			
Trade and other payables	*14*	152.8	368.5
Receipts in advance		-	71.0
Advances from banks for discounted bills		-	43.6
Amounts due to related parties		-	2.5
Derivative financial instruments		-	1.2
Current income tax liabilities		93.8	129.1
Borrowings	*13*	778.0	83.2
Provisions		56.6	53.1
		1,081.2	752.2
Liabilities of disposal group classified as held for sale	*15*	525.9	-
		1,607.1	752.2
Total liabilities		2,266.6	2,933.5
Total equity and liabilities		3,696.5	3,466.9
Net current assets		372.3	557.2
Total assets less current liabilities		2,089.4	2,714.7

The accompanying notes are an integral part of these condensed consolidated financial information.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited and restated)
	US$ million	*US$ million*
Cash flows from operating activities		
Continuing operations		
Net cash generated from/(used in) operations	460.9	391.1
Income tax paid	(152.9)	(57.5)
	308.0	333.6
Discontinued operations	(62.9)	19.3
Net cash generated from/(used in) operating activities	245.1	352.9
Cash flows from investing activities		
Continuing operations		
Purchase of property, plant and equipment	(150.1)	(120.6)
Proceeds from disposal of property, plant and equipment	2.2	-
Proceeds from disposal of available-for-sale financial assets	311.3	-
Proceeds from disposal of investments	0.6	0.8
Purchase of available-for-sale financial assets	(58.9)	(100.2)
Interest received	2.2	1.9
	107.3	(218.1)
Discontinued operations	(32.0)	(99.7)
Net cash generated from/(used in) investing activities	75.3	(317.8)
Cash flows from financing activities		
Continuing operations		
Net proceeds from issue of shares	494.3	-
Repayments of borrowings	(703.1)	(0.9)
Interest paid	(15.3)	(11.9)
Dividends paid to non-controlling interests	-	(14.4)
Repayments of finance lease liabilities	-	(0.8)
	(224.1)	(28.0)
Discontinued operations	92.9	(0.8)
Net cash generated from/(used in) financing activities	(131.2)	(28.8)
Net increase in cash and cash equivalents	189.2	6.3
Cash and cash equivalents at 1 January	398.2	471.1
Exchange gains/(losses) on cash and bank balances	4.4	(5.4)
Cash and cash equivalents at 30 June	591.8	472.0
Analysis of balances of cash and cash equivalents		
Cash and bank balances		
- From continuing operations	431.2	373.5
- From discontinued operations	160.6	98.5
	591.8	472.0

The accompanying notes are an integral part of these condensed consolidated financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	For the six months ended 30 June 2011 (Unaudited)					
	Attributable to equity holders of the Company					
US$ million	**Share capital**	**Perpetual sub-ordinated convertible securities**	**Total other reserves**	**Retained profits**	**Non-controlling interests**	**Total**
At 1 January 2011	19.0	690.0	(677.2)	445.2	56.4	533.4
Profit for the period	-	-	-	415.2	16.2	431.4
Other comprehensive income						
Net change in fair value of available-for-sale financial assets	-	-	70.1	-	-	70.1
Transfer to income statement on disposal of available-for-sale financial assets	-	-	(112.7)	-	-	(112.7)
Currency translation differences	-	-	12.9	-	0.7	13.6
Total comprehensive income for the period	-	-	(29.7)	415.2	16.9	402.4
Transactions with owners						
Transfer (from)/to reserves	-	-	6.0	(6.0)	-	-
Dividends paid to non-controlling interests	-	-	-	-	(0.3)	(0.3)
Issue of shares	4.9	-	489.4	-	-	494.3
Conversion of perpetual sub-ordinated convertible securities into ordinary shares	10.0	(690.0)	680.0	-	-	-
Grant of share option	-	-	0.1	-	-	0.1
Total transactions with owners	14.9	(690.0)	1,175.5	(6.0)	(0.3)	494.1
At 30 June 2011	33.9	-	468.6	854.4	73.0	1,429.9

The accompanying notes are an integral part of these condensed consolidated financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	For the six months ended 30 June 2010 (Unaudited)				
	Attributable to equity holders of the Company				
US$ million	**Share capital**	**Total other reserves**	**Retained profits**	**Non-controlling interests**	**Total**
At 1 January 2010,					
as previously reported	13.0	567.2	212.5	25.7	818.4
Change in accounting policy	-	(149.3)	(8.7)	-	(158.0)
Business combination under common control	-	337.2	172.5	42.0	551.7
At 1 January 2010, as restated	13.0	755.1	376.3	67.7	1,212.1
Profit for the period	-	-	277.0	11.8	288.8
Other comprehensive income					
Cash flow hedge	-	0.9	-	-	0.9
Currency translation differences	-	(0.9)	-	-	(0.9)
Total comprehensive income for the period	-	-	277.0	11.8	288.8
Transactions with owners					
Transfer (from)/to reserves	-	0.4	(0.4)	-	-
Dividends paid to non-controlling interests	-	-	-	(14.4)	(14.4)
Total transactions with owners	-	0.4	(0.4)	(14.4)	(14.4)
At 30 June 2010	13.0	755.5	652.9	65.1	1,486.5

The accompanying notes are an integral part of these condensed consolidated financial information.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL INFORMATION AND INDEPENDENT REVIEW

Minmetals Resources Limited (Company) is a limited liability company and was incorporated in Hong Kong on 29 July 1988. The address of its registered office is 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong. The Company is listed on The Stock Exchange of Hong Kong Limited.

The principal activities of the Company and its subsidiaries (Group) include the exploration for, and the mining, processing and sale of zinc, copper, lead, gold, silver and other minerals into both metal and metal in concentrates.

Following the decision by the Board of the Company on 28 March 2011, the trading, fabrication and other operations were made available-for-sale at their present state as a disposal group, subject to receipt of all other necessary shareholders and regulatory approvals.

The consolidated financial information for the six months ended 30 June 2011 comprises the Group and the Group's interest in jointly-controlled entities and associates. The consolidated financial information are presented in US$ unless otherwise stated and have been approved for issue by the Board of Directors on 24 August 2011.

The interim financial information for the six months ended 30 June 2011 is unaudited.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2011 has been prepared in accordance with applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Listing Rules) and Hong Kong Accounting Standard (HKAS) 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS).

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

a) New and amended standards adopted by the Group

The Group adopted HKAS 34 (Amendment) – Interim Financial Report, which is mandatory for financial years beginning 1 January 2011. HKAS 34 (Amendment) – Interim Financial Reporting emphasises the existing disclosure principles in HKAS 34 and adds further guidance to illustrate how to apply these principles. Greater emphasis has been placed on the disclosure principles for significant events and transactions. Additional requirements cover disclosure of changes to fair value measurement (if significant), and the need to update relevant information from the most recent annual report. The change in accounting policy only results in additional disclosures.

2. BASIS OF PREPARATION (CONTINUED)

b) Amendments and interpretations to existing standards effective in 2011 but not relevant to the Group

HKFRSs (Amendment)	Improvements to HKFRSs 2010 - Except for the amendment to HKAS 34 Interim Financial Reporting, as disclosed in Note 2(a) and the clarification to allow the presentation of an analysis of the components of other comprehensive income by item within the notes, all are not currently relevant to the Group
HKAS 32 (Amendment)	Classification of right issues
HK (IFRIC) – Int 14 (Amendment)	Prepayments of a minimum funding requirement
HK (IFRIC) - Int 19	Extinguishing financial liabilities with equity instruments

c) The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted.

The Group has not early adopted the following new/revised standards and amendments to standards that have been issued but are not effective for 2011. The Group is in the process of assessing their impact to the Group's results and financial position.

HKAS 12 (Amendment)	Deferred tax- recovery of underlying assets (1)
HKAS 27 (2011)	Separate Financial Statements (2)
HKAS 28 (2011)	Investments in Associates and Joint Ventures (2)
HKFRS 7 (Amendment)	Disclosures- transfers of financial assets (1)
HKFRS 9	Financial instruments (2)
Additions to HKFRS 9	Financial instruments – financial liabilities (2)
HKFRS 10	Consolidated Financial Statements (2)
HKFRS 11	Joint Arrangements (2)
HKFRS 12	Disclosures of Interests in Other Entities (2)
HKFRS 13	Fair Value Measurement (2)

(1) Effective for the Group for annual period beginning 1 January 2012

(2) Effective for the Group for annual period beginning 1 January 2013

3. BUSINESS COMBINATIONS UNDER COMMON CONTROL IN 2010

As disclosed in the annual financial statements for the year ended 31 December 2010, the Group acquired Album Resources from Album Enterprises, a wholly-owned subsidiary of China Non-ferrous Metals Company Limited (CMN), a controlling indirect shareholder of the Company, on 31 December 2010. This business combination was regarded as a business combination under common control. The annual financial statements for the year ended 31 December 2010 have been prepared under merger accounting in accordance with the requirement of Accounting Guidance 5 Merger Accounting for Common Control Combinations (AG 5) issued by the HKICPA. As such, the comparative amounts in the condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim cash flow statement and condensed consolidated interim statement of changes in equity have been restated accordingly.

3. BUSINESS COMBINATIONS UNDER COMMON CONTROL IN 2010 (CONTINUED)

The effect of the adoption of merger accounting on the condensed consolidated interim income statement for the six months ended 30 June 2010 is as follows:

		Six months ended 30 June 2010 (Unaudited)		
		Pre-business combination	Impact of business combination	Post-business combination
	Note	*US$ million*	*US$ million*	*US$ million*
Continuing operations				
Revenue		-	844.7	844.7
Cost of sales		-	(446.5)	(446.5)
Gross profit		-	398.2	398.2
Selling expenses		-	(35.3)	(35.3)
Administrative expenses		(1.4)	(18.9)	(20.3)
Exploration expenses		-	(20.2)	(20.2)
Other income		-	4.1	4.1
Other gains/(losses) – net		0.1	(7.4)	(7.3)
Other operating expenses		(0.3)	(45.5)	(45.8)
Operating (loss)/profit		(1.6)	275.0	273.4
Finance income		0.1	1.8	1.9
Finance costs		-	(20.3)	(20.3)
(Loss)/profit before income tax		(1.5)	256.5	255.0
Income tax expense	*6*	(0.8)	(22.5)	(23.3)
(Loss)/profit from continuing operations		(2.3)	234.0	231.7
Discontinued operations				
Profit from discontinued operations		57.1	-	57.1
Profit for the period		54.8	234.0	288.8
Attributable to:				
Equity holders of the Company		54.4	222.6	277.0
Non-controlling interests		0.4	11.4	11.8
		54.8	234.0	288.8
Earnings per share for profit attributable to the equity holders of the Company				
Basic earnings per share	*7*			
- From continuing operations		US (0.08) cents		US 7.43 cents
- From discontinued operations		US 1.91 cents		US 1.91 cents
		US 1.83 cents		US 9.34 cents
Diluted earnings per share	*7*			
- From continuing operations		US (0.05) cents		US 4.87 cents
- From discontinued operations		US 1.25 cents		US 1.25 cents
		US 1.20 cents		US 6.12 cents

4. SEGMENT INFORMATION

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about operations of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segment and assess its performance.

The chief operating decision-maker has been identified as the Company's Executive Committee, which consists of all Executive Directors of the Company, Chief Operating Officer, Executive General Manager - Business Development, Executive General Manager - Exploration, and Executive General Manager - Business Support. They review the Group's internal reporting of these operations in order to assess performance and allocate resources.

The Group's reportable segments are as follows:

CONTINUING OPERATIONS

Century	Century is Australia's largest open pit zinc mine located in Queensland's North West. Century comprises two sites – the mine and processing operation at Lawn Hill, and associated concentrate dewatering and ship-loading facilities at Karumba, on the Gulf of Carpentaria.
Sepon	Sepon is an open pit, copper and gold mining operation located in Laos' south west. Sepon comprises a number of open pit mines, a copper processing plant and gold processing plant.
Golden Grove	Golden Grove is an underground base and precious metals mining operation located in Western Australia's Mid West. Golden Grove comprises two underground mines and surface processing operations.
Rosebery	Rosebery is an underground polymetallic base metal mine located on Tasmania's West Coast. Rosebery comprises an underground mine and surface processing operation.
Other	The Group has built a portfolio of exploration and development projects in Australia, Asia and the Americas. These exploration and development projects, include the Dugald River Project and the Canadian projects; the Avebury mine, which remains on care and maintenance; and other head office entities, that are not required to be disclosed as a separate segment at this stage, and accordingly are included within Other.

DISCONTINUED OPERATIONS

Trading, fabrication and other	This segment engages in the trading of alumina and aluminium ingot, the production and sale of aluminium foil, plate, strip and extrusions, the production and sale of aluminium processing equipment, the production and sale of plica tubes and the provision of port logistics services, as well as certain jointly-controlled entities and associates of the Group.

4. SEGMENT INFORMATION (CONTINUED)

A segment result represents the profit earned by each segment without share of profits less losses of jointly-controlled entities and associates. This is the measure reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance. Other information provided, except as disclosed in the following paragraph, to the chief operating decision-maker is measured in a manner consistent with that in the financial statements.

Segment assets exclude current income tax assets, deferred income tax assets, available-for-sale financial assets and interests in jointly-controlled entities and associates. Segment liabilities exclude current income tax liabilities and deferred income tax liabilities. The excluded assets and liabilities are presented as part of the reconciliation to total balance sheet assets or liabilities.

Inter-segment sales are priced with reference to prices charged to external third parties for similar transactions. Finance costs for inter-segment loans are charged at the prevailing market interest rate.

4. SEGMENT INFORMATION (CONTINUED)

The segment result for the six months ended 30 June 2011 is as follows:

US $ million	**Century**	**Sepon**	**Golden Grove**	**Rosebery**	**Other**	**Inter-segment elimination**	**Total continuing operations**	**Trading, fabrication & other**	**Total discontinued operations**	**Group**
Revenue	374.4	417.6	152.2	126.5	-	-	1,070.7	1,218.0	1,218.0	2,288.7
EBITDA	153.6	272.1	41.5	43.4	158.4	-	669.0	50.4	50.4	719.4
Depreciation and Amortisation	(66.0)	(11.5)	(18.0)	(8.7)	(1.2)	-	(105.4)	-	-	(105.4)
Operating profit/(loss)(EBIT)	87.6	260.6	23.5	34.7	157.2	-	563.6	50.4	50.4	614.0
Net financing (costs)/income							(26.2)		(4.2)	(30.4)
Segment result							537.4		46.2	583.6
Income tax expense							(144.2)		(8.0)	(152.2)
Profit for the period							393.2		38.2	431.4
Non-controlling interests							(15.5)		(0.7)	(16.2)
Profit attributable to equity holders of the company							377.7		37.5	415.2
Segment Assets	634.3	1,001.8	333.5	257.8	194.8	-	2,422.2	1,195.6	1,195.6	3,617.8
Deferred income tax assets							72.0		6.7	78.7
Total Assets							2,494.2		1,202.3	3,696.5
Other segment information:										
Additions to non-current assets	74.9	30.9	20.7	17.6	17.7	-	161.8	11.1	11.1	172.9

4. SEGMENT INFORMATION (CONTINUED)

The segment result for the six months ended 30 June 2010 is as follows (Restated):

US $ million	Century	Sepon	Golden Grove	Rosebery	Other	Inter-segment elimination	Total continuing operations	Trading, fabrication & other	Total discontinued operations	Group
Revenue	257.1	308.7	182.0	96.9	-	-	844.7	692.8	692.8	1,537.5
EBITDA	129.3	194.1	85.6	39.3	(50.8)	-	397.5	42.3	42.3	439.8
Depreciation and Amortisation	(80.5)	(9.5)	(20.1)	(12.6)	(1.4)	-	(124.1)	(8.3)	(8.3)	(132.4)
Operating profit/(loss)(EBIT)	48.8	184.6	65.5	26.7	(52.2)	-	273.4	34.0	34.0	307.4
Net financing (costs)/income							(18.4)		(1.0)	(19.4)
Segment result							255.0		33.0	288.0
Share of net profits of investments accounted for using the equity method							-		27.8	27.8
Income tax expense							(23.3)		(3.7)	(27.0)
Profit for the period							231.7		57.1	288.8
Non-controlling interests							(11.4)		(0.4)	(11.8)
Profit attributable to equity holders of the company							220.3		56.7	277.0
Segment Assets (31 December 2010)	654.1	753.3	328.7	281.2	186.2	-	2,203.5	769.7	769.7	2,973.2
Investments accounted for using the equity method										227.3
Available-for-sale financial assets										164.1
Deferred income tax assets										98.8
Current income tax assets										3.5
Total Assets										3,466.9
Other segment information (30 June 2010):										
Additions to non-current assets	73.0	28.9	25.1	7.6	0.2	-	134.8	10.2	10.2	145.0

5. OPERATING PROFIT AND NON-RECURRING ITEMS

The following non-recurring items are included in operating profit for the period:

(a) Gain on disposal of available-for-sale financial assets of US$154.4million. The Group realised a gain on disposal of shares held in Equinox Minerals Limited previously held as available-for-sale financial assets of US$152.1 million; and

(b) Write back of business acquisition expenses of US$63.8 million. The Group has benefited from the write back of business acquisition costs accrued in 2010 in respect of the acquisition of MMG.

6. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made, as the Group has tax losses brought forward to offset the assessable profit generated in Hong Kong for the period (2010: US$Nil). Taxation on profits arising from other jurisdictions has been calculated on the estimated assessable profits for the year at the rates prevailing in the relevant jurisdictions.

	Six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited and restated)
	US$ million	*US$ million*
Current income tax expense		
Overseas income tax	(120.2)	(52.1)
Deferred income tax	(24.0)	28.8
Income tax expense	(144.2)	(23.3)

7. EARNINGS PER SHARE

a) Basic

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the period, as adjusted to reflect the 2010 Business Combination.

	Six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited and restated)
	US$ million	*US$ million*
Profit from continuing operations attributable to equity holders of the Company	377.7	220.3
Profit from discontinued operations attributable to equity holders of the Company	37.5	56.7
	Number of shares	Number of shares
	'000	'000
Weighted average number of ordinary shares in issue	3,788,251	2,026,217
Adjustment for the weighted average number of ordinary shares to reflect the business combination of MMG	-	940,779
Weighted average number of ordinary shares used in the calculation of the basic earnings per share	3,788,251	2,966,996
Basic earnings per share- continuing operations	US 9.97cents	US 7.43cents
Basic earnings per share- discontinued operations	US 0.99cents	US 1.91cents

b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options and PSCS. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The PSCS are assumed to have been converted into ordinary shares.

7. EARNINGS PER SHARE (CONTINUED)

	Six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited and restated)
	US$ million	*US$ million*
Profit from continuing operations attributable to equity holders of the Company	377.7	220.3
Profit from discontinued operations attributable to equity holders of the Company	37.5	56.7
	Number of shares	Number of shares
	'000	'000
Weighted average number of ordinary shares used in the calculation of the basic earnings per share	3,788,251	2,966,996
Adjustment for:		
- Share options	6,046	101
- Perpetual sub-ordinated convertible securities	1,008,398	1,560,000
Weighted average number of ordinary shares used in the calculation of the diluted earnings per share	4,802,695	4,527,097
Diluted earnings per share- continuing operations	US 7.86cents	US 4.87cents
Diluted earnings per share- discontinued operations	US 0.78cents	US 1.25cents

8. DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2011 (2010: Nil).

9. TRADE AND BILLS RECEIVABLE

The majority of sales for mining operations are made under contractual arrangements whereby provisional payment is received promptly after delivery and the balance within 30 to 90 days from delivery. As at 30 June 2011, US$57.9 million (31 December 2010: US$145.2 million) trade receivables were aged less than 6 months; and no trade receivables (31 December 2010: US$7.1 million) were aged over 6 months. As at 31 December 2010, US$150.0 million bills receivable were aged less than 6 months.

10. SHARE CAPITAL

	Number of ordinary shares		Nominal value	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	(in thousand)	*(in thousand)*	***US$ million***	*US$ million*
Authorised:				
Ordinary shares of HK$0.05 each				
At 1 January	18,000,000	6,000,000	115.4	38.5
At 30 June	18,000,000	6,000,000	115.4	38.5

	Number of ordinary shares		Nominal value	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	(in thousand)	*(in thousand)*	***US$ million***	*US$ million*
Issued and fully paid:				
At 1 January	2,966,996	2,026,217	19.0	13.0
Issue of shares (note (a))	762,612	-	4.9	-
Conversion of perpetual sub-ordinated convertible securities into ordinary shares (note (b))	1,560,000	-	10.0	-
At 30 June	5,289,608	2,026,217	33.9	13.0

a) On 28 April 2011, the Company issued and placed aggregate 762,612,000 ordinary shares to certain independent third parties at HK$5.10 per share. These shares rank pari passu in all respect with the then existing shares.

b) On 28 April 2011, 1,560,000,000 ordinary shares have been issued and allotted to Album Enterprises upon the conversion of the PSCS. These shares rank pari passu in all respect with the then existing shares.

11. SPECIAL CAPITAL RESERVE

In relation to the capital reorganisation as confirmed by the High Court of the Hong Kong Special Administrative Region on 13 February 2007, the Company has provided an undertaking ('Undertaking') for its petition to the court that as long as any debt or liability of claim against the Company as at the effective date of this capital reorganisation remains outstanding, the Company should credit the following amounts to a special reserve (the 'Special Reserve'):

- All retained profits, if any, accruing to the Company between 1 November 2006 and 13 February 2007 (the effective date of the capital reorganisation);
- Any recovery in excess of the written down value of or the reversal of impairment loss in respect of certain investments in subsidiaries, listed securities, properties and loans or receivables of the Company as at 31 October 2006; and
- An amount equal to the change in fair value in respect of certain share options not yet vested as at 31 October 2006.

The standing to the credit of the Special Reserve shall not be treated as realised profit. It shall be treated as an undistributable reserve of the Company for the purposes of Section 79C of the Hong Kong Companies Ordinance. As at 30 June 2011, the standing to the credit of the Company's special capital reserve, which had been made in accordance with the Undertaking, amounted to approximately US$9.4 million.

12. PERPETUAL SUB-ORDINATED CONVERTIBLE SECURITIES (PSCS)

The Company issued an aggregate principal sum of US$690.0 million PSCS on 31 December 2010 to Album Enterprises as part of the purchase consideration for the acquisition of the entire issued share capital of Album Resources. These PSCS being convertible into 1,560,000,000 new shares of the Company at an initial conversion price of HK$3.45 per share. The fair value of these PSCS issued at the completion date of the acquisition amounted to approximately US$690.0 million.

The PSCS constituted direct, unsecured and sub-ordinated obligations of the Company and ranked pari passu without any preference or priority among themselves. In the event of the winding-up of the Company, the rights and claims of the PSCS Holder(s) would (i) rank ahead of those persons whose claims are in respect of any class of share capital (including preference shares) of the Company, (ii) be sub-ordinated in right of payment to the claims of all other present and future senior creditors of the Company, and (iii) pari passu with each other and with claims of holders of any security issued or guaranteed by the Company which ranks or is expressed to rank pari passu with the PSCS (Parity Securities). The PSCS Holder(s) were not entitled to receive notice of, attend or vote at general meetings of the Company by reason only of its being a PSCS Holder.

The PSCS conferred a right to receive distribution(s) from and including the date of issue of the PSCS at 1% per annum on any outstanding principal amount of distribution payable annually in arrears on 31 July each year, subject to the terms of the PSCS. The Company was entitled to elect to defer a distribution pursuant to the terms of the PSCS, provided that no dividend or distribution or other payment was made on any class of its share capital (including preference shares) or Parity Securities. Any arrears of distribution(s) due in respect of the PSCS would be extinguished by the Company in full through the delivery by the Company of its shares issuable by it upon the exercise of the PSCS Holder's conversion right.

The conversion of the PSCS held by Album Enterprises into new shares took place on 28 April 2011 converting the principal amount of US$690,000,000 at the conversion price of HK$3.45 per new share, based on the exchange rate of US$1.00 = HK$7.8. Accordingly 1,560,000,000 new shares have been issued and allotted to Album Enterprises.

13. BORROWINGS

	30 June 2011 Group Total (Unaudited) US$ million	31 December 2010 Group Total (Audited) US$ million
Non-current		
Borrowings	374.2	1,141.1
Finance lease liabilities	2.8	3.2
Less: amounts classified as held for sale	(64.6)	-
	312.4	1,144.3
Current		
Borrowings	974.5	81.8
Finance lease liabilities	1.2	1.1
Other loans	-	0.3
Less: amounts classified as held for sale	(197.7)	-
	778.0	83.2
Total borrowings	1,090.4	1,227.5
Analysed as:		
- Secured	1,086.4	1,171.0
- Unsecured	4.0	56.5
	1,090.4	1,227.5
Borrowings are repayable as follows:		
- Within 1 year	778.0	83.2
- Between 1 and 2 years	35.7	799.6
- Between 2 and 5 years	276.7	136.5
- Repayable within 5 years	1,090.4	1,019.3
- Over 5 years	-	208.2
	1,090.4	1,227.5

14. TRADE AND OTHER PAYABLES

As at 30 June 2011, US$136.9 million (31 December 2010: US$186.5 million) of trade payables were aged less than 6 months; and no trade payables (31 December 2010: US$0.6 million) were aged over 6 months.

15. DISCONTINUED OPERATIONS

On 28 March 2011, the Board of the Company approved the program of strategic divestments, of assets that are assessed as not being core to the company's future and these assets include the trading, fabrication and other operations (the Disposal Group). Negotiations for the disposal have commenced and are expected to be completed by the end of 2011.

a) Income statement information

The results of the Disposal Group are presented in this consolidated interim financial information as discontinued operations. Financial information relating to the Disposal Group for the period under review is set out below. The income statement distinguishes discontinued operations from continuing operations. Comparative figures have been restated.

	Six months ended 30 June 2011	Six months ended 30 June 2010
	Total discontinued operations after eliminations	Total discontinued operations after eliminations
	(Unaudited)	(Unaudited and restated)
	US$ million	*US$ million*
Revenue	1,218.0	692.8
Expenses	(1,167.6)	(631.0)
Profit before net financing costs and income tax	50.4	61.8
Net finance costs	(4.2)	(1.0)
Profit before income tax	46.2	60.8
Income tax expense	(8.0)	(3.7)
Profit after income tax	38.2	57.1
Profit from discontinued operations attributable to:		
Equity holders of the Company	37.5	56.7
Non – controlling interests	0.7	0.4
	38.2	57.1

15. DISCONTINUED OPERATIONS (CONTINUED)

b) Carrying amounts of assets and liabilities of the Disposal Group

The assets and liabilities related to the Disposal Group have been presented as held for sale following the divestment program. These assets and liabilities were measured at the lower of carrying amount and fair value less costs to sell at the date of held for sale classification.

	As at 30 June 2011 **Total discontinued operations after eliminations** **(Unaudited)** ***US$ million***
Assets classified as held for sale	
Property, plant and equipment	127.4
Investment properties	0.2
Intangible assets	132.0
Other assets	0.9
Investments accounted for using the equity method	218.5
Deferred income tax assets	6.7
Inventories	182.6
Trade and other receivables	315.2
Other financial assets	57.5
Current income tax assets	0.7
Cash and cash equivalents	160.6
Total Assets of the Disposal Group	**1,202.3**
Liabilities directly associated with assets classified as held for sale	
Deferred income	6.3
Deferred income tax liabilities	0.3
Borrowings	262.3
Trade and other payables	247.9
Advances from banks for discounted bills	7.2
Current income tax liabilities	1.9
Total Liabilities of the Disposal Group	**525.9**
Net Assets of the Disposal Group	**676.4**

16. SIGNIFICANT RELATED PARTY BALANCE AND TRANSACTIONS

a) Significant related party balance

	30 June 2011	31 December 2010
	(Unaudited)	(Audited)
	US$ million	*US$ million*
Loan from a related party	-	694.2

During the period this loan was repaid primarily from the proceeds of shares issued by the Company.

b) Transactions and balances with other state-owned enterprises

During the period, the Group`s transactions with other state-owned enterprises (excluding China Minmetals Corporation and its subsidiaries) are sales of goods and purchases of non-ferrous metals, raw materials, electricity, property, plant and equipment and services and the related receivables and payables balances.

In addition, a portion of fixed deposits, cash and cash equivalents and borrowings as of 30 June 2011 and the relevant interest earned or paid during the period are transacted with banks and other financial institutions controlled by the PRC government.

17. CONTINGENT LIABILITIES

a) Legal proceedings

The Company and its subsidiaries are defendants from time to time in legal proceedings arising from the conduct of their businesses. The Group does not consider that the outcome of any of these proceedings ongoing at balance date, either individually or in aggregate, is likely to have a material effect on its financial position. Where appropriate, provisions have been made.

b) Bank guarantees

Certain bank guarantees have been provided in connection with the operations of certain of the subsidiaries of the Company, primarily associated with the terms of mining leases or exploration licences. At the end of the period, no claims have been made under these guarantees. The amount of these guarantees may vary from time to time depending upon the requirements of the relevant regulatory authority. These guarantees amount to US$120.2 million. Provision is made in the financial statements for the anticipated costs of the mine rehabilitation obligations under the mining leases and exploration licences.

18. COMMITMENTS

Capital commitments

Commitments for acquisition of capital commitments contracted for at the reporting date but not recognised as liabilities, are set out in the table below.

	As at 30 June 2011	As at 31 December 2010
	US$ million	*US$ million*
Not later than one year	58.6	23.4

19. EVENTS AFTER BALANCE SHEET DATE

There have been no matters that have occurred subsequent to the reporting date which have significantly affected, or may significantly affect the Group`s operations, results or state of affairs in future years.

GLOSSARY

2010 Business Combination	the acquisition by the Company of Album Resources on 31 December 2010
lb	pound(s)
oz	ounce(s)
t	tonne(s)
A$	Australian Dollar, the lawful currency of Australia
AGM	annual general meeting
Album Enterprises	Album Enterprises Limited, a company incorporated on 19 January 2005 in Hong Kong with limited liability
Album Investment	Album Investment Private Limited, a company incorporated on 8 April 2009 in Singapore with limited liability
Album Resources	Album Resources Private Limited, a company incorporated on 8 April 2009 in Singapore with limited liability
All Glorious	All Glorious Limited, a company incorporated on 8 September 2010 in the British Virgin Islands with limited liability
Associate	has the meaning ascribed to it under the Listing Rules
Australia	the Commonwealth of Australia
Australian Government	the Government of Australia
Board	the board of directors of the Company
Board Charter	the board charter of the Company
C$	Canadian dollar, the lawful currency of Canada
C1 Cost	as defined in *Brook Hunt Zinc and Lead Costs – Mines and Projects to 2018*, 2005 Edition
China	the People´s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
Company	Minmetals Resources Limited, a company incorporated on 29 July 1998 in Hong Kong with limited liability, the shares of which have listed and traded on the Stock Exchange.
CMC	China Minmetals Corporation, formerly known as China National Metals and Minerals Import and Export Corporation, a State-owned enterprise incorporated on 7 April 1950 under the laws of the PRC
CMC Group	CMC and its subsidiaries
CMN	China Minmetals Non-Ferrous Metals Company Limited, a joint stock limited company incorporated on 27 December 2001 under the laws of the PRC
Companies Ordinance	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
EBIT	earnings before net financing expenses and income tax
EBIT margin	EBIT divided by revenue
EBITDA	earnings before depreciation and amortisation expenses, net financing expenses and income tax
EBITDA margin	EBITDA divided by revenue
EGM	extraordinary general meeting
Equinox	Equinox Minerals Limited
Executive Committee	the executive committee of the Group which consists of all Executive Directors of the Company, Chief Operating Officer, Executive General Manager – Business Development, Executive General Manager – Exploration and Executive General Manager – Business Support.

Group	the Company and its subsidiaries, excluding jointly-controlled entities
HK$	Hong Kong dollar(s), the lawful currency of Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Jacobs Engineering	Jacobs E&C Australia Pty Ltd (ACN 004 239 972)
Laos	the Lao People's Democratic Republic
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
MMG	Minerals and Metals Group, being the collective brand name of the portfolio of international mining assets held by Album Resources
MMG Management	MMG Management Pty Ltd, a company incorporated on 15 July 2005 in Australia with limited liability and a member of MMG
PRC	the People's Republic of China
Production data	the production data contained in this Interim Report is the 'payable metal' which is the metal produced that the Group has received or will receive payment for by its customers
PSCS	the perpetual sub-ordinated convertible securities issued by the Company
PSCS Holder(s)	the person(s) in whose names the PSCS are registered
RMB	Renminbi, the lawful currency of the PRC
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Stock Exchange	The Stock Exchange of Hong Kong Limited
Subsidiary	has the meaning ascribed to it under the Companies Ordinance
Top Create	Top Create Resources Limited, a company incorporated on 22 January 2004 in the British Virgin Islands with limited liability
US$	United States dollar(s), the lawful currency of the United States of America

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