

NUNAVUT PROJECTS UPDATE

Presented to:

NUNAVUT MINING
SYMPOSIUM

April 2010



WHO IS MMG?

- > In June 2009 China Minmetals bought most of OZ Minerals assets including the Canada operations.



- > China Minmetals is a Fortune 500 company and a leading global metals trader.
- > China Minmetals intent is to build a global metals and minerals producer through MMG
- > MMG is a global top 5 producer of zinc as well as a substantial producer of copper, lead, gold and silver.

MMG OPERATIONS & PROJECTS



KEY:

- Operation
- Advanced Project
- Care and Maintenance
- Group Office



SUSTAINABILITY OBJECTIVES

MMG's key sustainability objectives are to:

- > Protect the safety, health and wellbeing of our employees and contractors
- > Minimise our impact on the environment
- > Ensure that the communities in which we operate receive real benefit from our activities
- > Engage with our key stakeholders and ensure they are aware and supportive of our aims and objectives
- > Be known for our integrity

CENTURY



Concentrator operations



Pit operations



Graduates



Indigenous employment

SEPON



Sepon operations



Copper cathodes



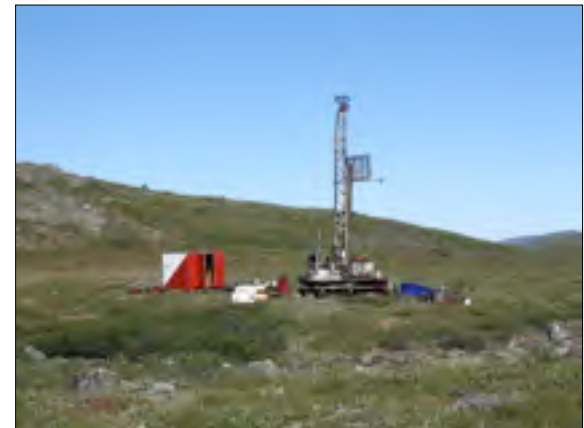
Supporting local communities



Supporting local employment

2009 LOCAL EMPLOYMENT

- > In 2009 we employed 11 people from the region for a total of 376 days
- > Local employment fell compared to previous years in line with the limited field programs and budgets
- > We expect this to recover in 2010 as budgets have increased again



IZOK LAKE AND HIGH LAKE

Location	Nunavut Territories, Canada
Ownership	MMG 100%
Elements	Zinc, copper, lead, gold, silver.
Current Stage	Exploration, prefeasibility on Izok complete.
Type of Mineral Rights	Mineral Claims; Mineral Leases; IOL Parcels; Surface Leases; Prospecting Permits.

High Lake Mineral Resource – 30 June 2008

Category	Tonnes (kt)	Zn (%)	Cu (%)	Pb (%)	Ag (g/t)	Au (g/t)
Measured	0					
Indicated	17,200	3.35	2.25	0.31	70	0.95
Inferred	42	2.38	0.49	0.44	122	0.21
Total Measured and Indicated	17,200	3.36	2.25	0.31	70	0.95
Total Measured, Indicated and Inferred	17,242	3.35	2.25	0.31	70	0.95

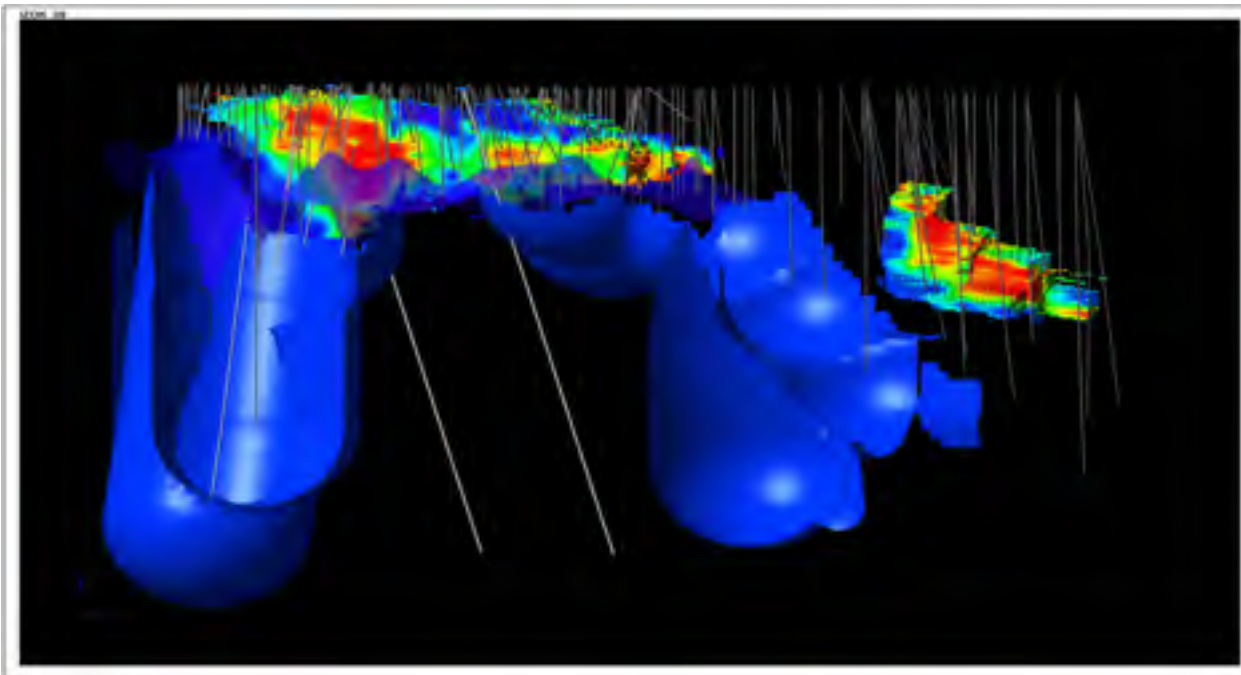
Izok Lake Mineral Resource – 30 June 2008

Category	Tonnes (kt)	Zn (%)	Cu (%)	Pb (%)	Ag (g/t)
Measured	0				
Indicated	14,401	12.94	2.51	1.28	71
Inferred	369	6.40	3.79	0.27	54
Total Measured and Indicated	14,401	12.94	2.51	1.28	71
Total Measured, Indicated and Inferred	14,770	12.77	2.54	1.25	71



EXPLORATION STRATEGY

- > Expand Izok deposit at depth or along strike – VMS deposits tend to occur in clusters
- > Explore large MMG land package for new Izok calibre deposits – particularly in vicinity of proposed road
- > Target a new discovery near High Lake to enhance economics



2009 EXPLORATION RESULTS

- > A limited season undertaken due to global financial crisis impact
- > Only a 1 month field season focussed on High Lake East (HLE).
- > Geophysics, mapping and prospecting – no drilling
- > Produced 2010 drill targets at HLE
- > Also reviewed all previous data at Izok leading to new interpretations and 2010 drill targets at depth and along strike

2010 EXPLORATION PROGRAMS

- > Spring and Summer drill testing of extensions of Izok deposit at depth and along strike
- > Drill testing of High Lake East targets identified during 2009 program.
- > Identify more targets at prospective High Lake East
- > Regional exploration to discover another Izok calibre target
- > Budget C\$7m

WHY IZOK?

High Grade

14.9 mt @ 12.4% Zn, 2.5% Cu, 1.3% Pb

Material
Output

10.5 yrs @ 140kt Zn, 30kt Cu, 13kt Pb

Simple Mining

Open pit to ~150m; 3:1 strip ratio

Quality
products

Zn, Cu & Pb concentrates, high recoveries, minor penalties

Community
Support

Strong local, regional & federal support for mining projects



IZOK CHALLENGES

- > Remote – no road and port infrastructure
- > 100 day shipping window
- > Arctic conditions
- > More ore – target 20+ year mine life



2009 IZOK CONCEPT

Goal: Enhance Izok's financial return

- >Optimise infrastructure and logistics
- >Revert to Bathurst Inlet Port and Road (BIPAR)
- >Minimise impact of Arctic Winter by operating mining and trucking activities in the summer
- >Consider Lupin for ore processing



IZOK CONCEPT - FINANCIALS

	<u>2008 PFS*</u>	<u>2009 Concept*</u>
Capex – pre production	\$1250m	\$901m
Operating Costs	\$ 96/t	\$ 114/t
NPV @ 8%	\$22m	\$348m
IRR	8.7%	15.4%

*at PFS metal prices

Zn = \$1.00 /lb

Cu = \$2.20 /lb

Pb = \$0.50 /lb

Ag = \$11.00/oz

\$CDN=0.85\$US



IZOK – SCHEDULE

	2009				2010				2011				2012				2013				2014				2015				2016				2017			
Activity	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Rescoping Study			■	■																																
Prefeasibility Study					■	■	■	■																												
Board Approval to go to DFS								■																												
Definitive Feasibility Study									■	■	■	■																								
Environmental Baseline Data Gathering					■	■	■	■																												
Project Proposal Preparation									■	■	■	■																								
NIRB Review													■	■	■	■	■	■	■	■																
Detailed Design																					■	■														
Project Certificate/Board Approval																									■											
Procurement																																				
Construction																									■	■	■	■	■	■	■	■				
Comissioning																																	■			
Commercial Production																																				
First Shipment from Dock																																				



2010 IZOK DEVELOPMENT PROGRAM

- > MMG's board approved advancing Izok to a pre-feasibility study in 2010
- > The study aims to verify the results of the concept with greater certainty
- > Key elements include:
 - A more detailed road design
 - A mill location trade-off study (Izok vs. Lupin)
 - Revised site layouts at Izok and Lupin
 - Capital Cost and Operating Cost Updates
- > Budget \$4m

LUPIN PROPERTY

- > Lupin is currently on C&M
- > 2009 work included
 - Water discharge from retention and sewage ponds to lower storage levels
 - General program of site maintenance to prevent deterioration.
- > 2010 program includes
 - Further water discharge and site maintenance
 - Gold study to verify remaining resource and exploration potential
 - Budget \$1.3m

NUNAVUT PROJECTS UPDATE

THANK YOU

