

9 FEBRUARY 2017



Management Update



Initial observations

- Opportunity to better support the strong, technically competent workforce
 - Strengthen the senior management team
 - Foster teamwork and an ownership culture
- Substantial potential to improve operational performance
- Port Pirie Redevelopment comprehensively reviewed
 - Business case confirmed
 - Adjustment to project budget and schedule necessary

Management Committee strengthened



Hilmar Rode
Chief Executive Officer



Chris Eger
Chief Financial Officer



Frank Rittner
Chief Operating Officer



Sebastião Balbino
Chief Commercial Officer



Willie Smit
SVP Corporate Services

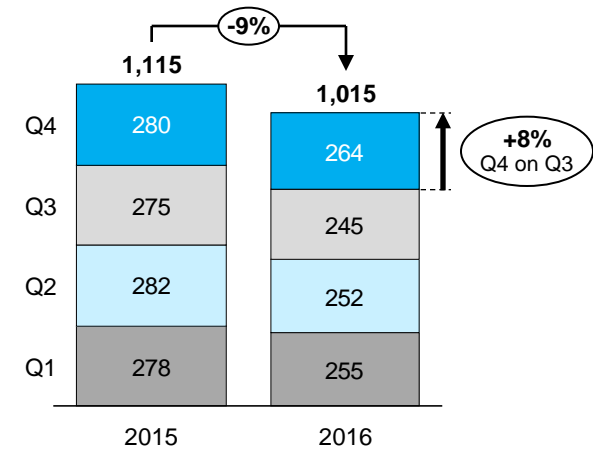


- Technically competent, experienced senior management team now in place
- Review of head office and the way we do business underway

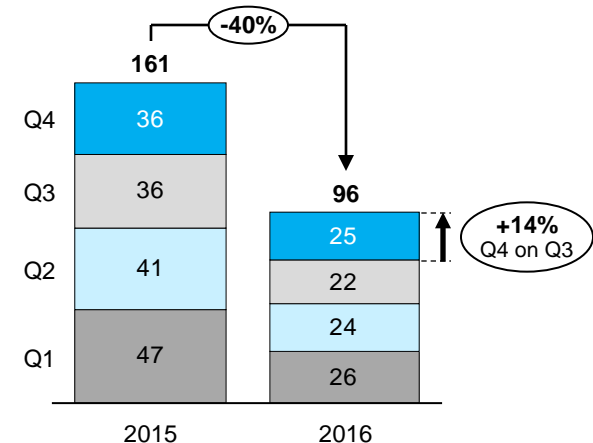
Solid production performance achieved in Q4'16 relative to Q3'16

- 2016 production performance
 - Zinc metal production in Q4'16 improved by 8% compared to Q3'16
 - Zinc in concentrate production in Q4'16 improved by 14% compared to Q3'16
- Initiating programmes to deliver a step change in performance at all operations towards achieving their full potential
 - Zinc smelter network
 - Port Pirie operations
 - North American mines (review Myra Falls start up)

Zinc production (kt)



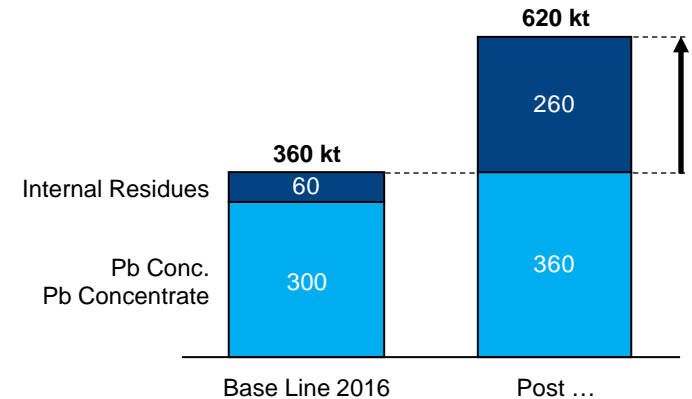
Zinc in concentrate production (kt)



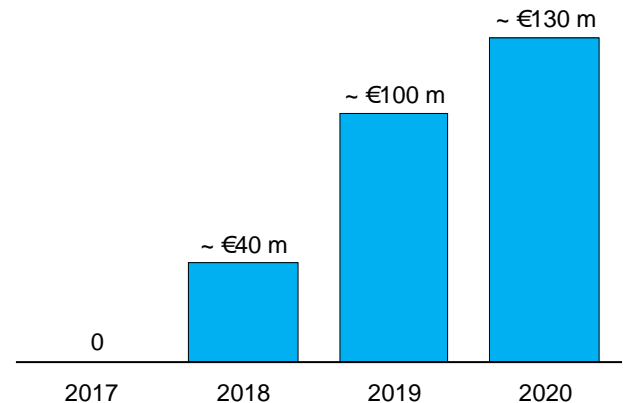
Port Pirie Redevelopment project comprehensively reviewed

- Strategy to maximise free metal and by-products by extracting more value from feed material and internal flows and relying less on treatment charges
- Business case confirmed
- Rework will delay the start of hot commissioning
- Opportunity to optimise and de-risk the project, increasing the post-transformation earnings uplift to €130 m per annum
- Cost to complete increases from AUD 563 m to AUD 660 m, an increase of approximately EUR 70 m
- Start-up of the TSL furnace will be postponed by 6 months to September 2017
 - Complete rework and enhance slag tapping arrangements on the TSL furnace
 - Complete further advanced training of plant personnel
 - Improve start-up sequencing of the TSL furnace and tie-in to the existing operations

~ 50% increase in throughput
through greater ability to use residues



Revised earnings profile



2017 Priorities

- Initiate a step change in performance across all operations towards their full potential
- Execute on the revised Port Pirie Redevelopment budget and schedule
- Progress the divestment of the cash flow positive mining segment for value
- Maintain a strong balance sheet and liquidity profile

Questions

