

Regulated Information

Nyrstar announces 2011 Full Year Results

23 February 2012

HIGHLIGHTS

Considerable growth in underlying EBITDA despite a volatile market environment

- Underlying EBITDA of EUR 265 million, up 26% in 2011 compared to 2010.
- Solid financial position with gearing¹ of 35% as at 31 December 2011.
- Proposed distribution of EUR 0.16 per share via a share capital reduction.

Substantial year on year increase in underlying EBITDA contribution from mining segment

- Mining segment underlying EBITDA of EUR 72 million up 200% on 2010 (EUR 24 million) and smelting segment underlying EBITDA of EUR 235 million up 19% on 2010 (EUR 198 million).
- Mining segment underlying EBITDA represents 27% of group underlying EBITDA, up 136% from 11% in 2010 and in line with production guidance is expected to continue to grow in 2012.

Achieved revised mine production target and continued improvements in costs

- Zinc in concentrate production of 207kt (compared to revised guidance of 205kt to 215kt), up 146% from 2010 (84kt).
- On track to realise the average zinc mining C1 cash cost² target of USD 1,000 per tonne of payable zinc in 2012 having demonstrated substantial improvements in 2011 (USD 1,257 compared to USD 1,739 in 2010).
- Moderate increase to smelting operating cost per tonne to EUR 532 despite energy price and exchange rate pressures (EUR 501 in 2010).

Expanding multi-metals footprint

- Significant rise in mining segment production of copper, gold, silver and lead up 39 fold, 11 fold, 14 fold and 11 fold respectively.

Year on year increase in underlying group EBITDA per tonne driven by growth in mining segment

- Group underlying EBITDA/t increased 10% to EUR 199/t (EUR 181/t in 2010) with mining underlying EBITDA per tonne having increased 22% to EUR 348 (EUR 286 in 2010)³ and smelting underlying EBITDA per tonne improving to EUR 209 (EUR 184 in 2010)⁴.

Creating a globally significant zinc mining business

- Successfully completed the acquisition of Farallon Mining, the owner of the Campo Morado mine (Mexico) in January 2011 and the acquisition of Breakwater Resources (operations in Canada, Honduras and Chile) in August 2011.
- Created dedicated post-acquisition integration function that achieved all major integration milestones.
- Appointment of an experienced mining management team based in new Vancouver corporate office reporting to the Chief Operating Officer; comprising Group General Manager Mining North America, Group General Manager Mining Latin America, Group General Manager Exploration and Mining Development.

Volatile trading environment

- Zinc price, as well as prices for the other metals in Nyrstar's multi-metals footprint, remained volatile throughout the year.
- Sharp decline in metal prices in Q4 2011 occurred in conjunction with a large increase in mine production and adversely impacted earnings, as foreshadowed in the Second 2011 Interim Management Statement. Earnings were also adversely impacted by normal provisional pricing adjustments at the end of the reporting period and a purchase price allocation adjustment on inventories acquired as part of the Breakwater acquisition.
- Eurodollar exchange rate averaged 1.39 in 2011 (up 5% compared to 2010) and was also very volatile, trading within a wide range of 1.29 to 1.49.

¹ Gearing: net debt to net debt plus equity at end of period

² C1 cash costs are defined by Brook Hunt as: the costs of mining, milling and concentrating, on-site administration and general expenses, property and production royalties not related to revenues or profits, metal concentrate treatment charges, and freight and marketing costs less the net value of by-product credits.

³ Mining segment underlying EBITDA per tonne of zinc in concentrate produced

⁴ Smelting segment underlying EBITDA per tonne of zinc metal produced

Another year of record production in the smelting segment

- Second consecutive year of record smelter production, with 1.125 million tonnes of refined zinc metal production.
- Despite treatment charge pressure, large improvement in underlying EBITDA driven by significant improvement in premiums and by-product gross profit (namely acid and silver at Port Pirie).
- Contribution of EUR 78 million from “unlocking untapped value” initiatives through the identification, recovery and sale of silver bearing material at Port Pirie.

Strong financial position with a high quality portfolio of long-term debt

- Demonstrated continued ability to raise high quality finance to fund growth with successful completion of rights offering for EUR 490 million in March 2011 and public offering of bonds for EUR 525 million in May 2011.
- Financially well positioned to manage any continuing market volatility and macroeconomic uncertainty, and to fund further value accretive growth.

Putting our Strategy into Action

- Launched “Strategy into Action”, a disciplined approach to taking Nyrstar’s strategy, Nyrstar2020, into every part of the business and engaging the entire workforce to achieve Nyrstar’s vision of being the leading integrated mining and metals business.

Commenting on the 2011 full year results, Roland Junck, Chief Executive Officer of Nyrstar, said,

“In 2011 we achieved considerable growth in terms of our EBITDA, our scale of operations and our level of ambition.

An underlying EBITDA of EUR 265 million, up 26% compared to 2010, is a pleasing result in a volatile market environment, particularly towards the end of the year when metal prices had fallen sharply. Group underlying EBITDA/t improved 10% to EUR 199/t, driven by a significant increase in our mining segment underlying EBITDA per tonne, up 22% from 2010 to EUR 348/t. The scale of our mining segment continued to grow with zinc in concentrate production more than doubling to 207,000 tonnes, in-line with our revised guidance of 205,000 to 215,000 tonnes. Production of other metals, namely, copper, gold, silver and lead, increased significantly and have become important contributors to our financial results. Overall, the underlying EBITDA contribution from our mining segment has continued to grow, representing 27% of group underlying EBITDA in 2011 up from 11% in 2010. This demonstrates the importance of our mining segment which, in line with our 2012 production guidance, is expected to continue to grow.

Our smelting segment produced another year of record production and achieved an increased underlying EBITDA result despite treatment charge, energy price and exchange rate pressures and is expected to provide a solid contribution to our EBITDA in 2012.

Towards the end of the year we launched Strategy into Action, a disciplined approach to taking our strategy, Nyrstar2020, into every part of our business, embedding annual plans and giving ownership of the group strategy to each operation and their management teams. Our five year ambition is to generate EBITDA of at least EUR 1.5 billion in 2016. Achieving this ambition will require us to maintain a sharp focus on the key strategic priorities that we believe will deliver success; namely through organic growth and acquisitions whilst also continually improving our operations by driving excellence in everything we do and seeking to unlock untapped value.

Looking forward, we enter 2012 in a strong position, with several key milestones having been achieved and valuable lessons learnt during our journey in 2011. We have a clear ambition and strategy on which to continue our journey and, with Strategy into Action, the processes in place to support success. Our portfolio of assets is continuing to improve in both scale and quality, providing options for further growth and the flexibility to focus on maximizing shareholder value by enhancing margins, even at constant metal prices. We have a strong balance sheet, with a high quality and diverse portfolio of long term debt. We will continue to actively explore value accretive acquisitions based on our disciplined approach and strict investment criteria, whilst also building a comprehensive pipeline of organic growth opportunities reflecting our increased scale. By leveraging the passion and dedication of our people I am absolutely confident in our ability to continue to deliver on our promises.”

CONFERENCE CALL

Management will discuss this statement in a conference call with the investment community on 23 February 2012 at 09:00am Central European Time. The presentation will be webcast live on the Nyrstar website, www.nyrstar.com, and will also be available in archive.

Nyrstar has today published the Nyrstar 2011 Mineral Resource and Mineral Reserve Statement on www.nyrstar.com

KEY FIGURES

<i>EUR millions unless otherwise indicated</i>	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Mining Production						
Zinc in concentrate ('000 tonnes)	207	84	146%	128	79	62%
Gold in concentrate ('000 troy ounces)	49.9	4.7	962%	36.6	13.3	175%
Silver in concentrate ('000 troy ounces) ⁵	3,673	271	1,255%	2,400	1,273	89%
Copper in concentrate ('000 tonnes)	7.7	0.2	3,750%	4.9	2.8	75%
Smelting Production⁶						
Zinc metal ('000 tonnes)	1,125	1,076	5%	563	561	0%
Lead metal ('000 tonnes)	211	198	7%	99	111	(11)%
Market						
Average LME zinc price (USD/t)	2,191	2,159	1%	2,063	2,323	(11)%
Average exchange rate (EUR/USD)	1.39	1.33	5%	1.38	1.40	(2)%
Key Financial Data						
Revenue	3,348	2,696	24%	1,726	1,622	6%
Mining EBITDA ⁷	72	24	200%	46	26	77%
Smelting EBITDA ⁷	235	198	19%	118	117	1%
Other & Eliminations EBITDA ⁷	(42)	(12)	(250)%	(22)	(20)	(10)%
EBITDA^{7,8}	265	210	26%	142	123	15%
Results from operating activities before exceptional items	122	112	9%	61	61	-
Profit/(loss) for the period	36	72	(50)%	16	21	(24)%
Mining EBITDA/t⁷	348	286	22%	357	325	10%
Smelting EBITDA/t⁷	209	184	14%	210	209	0%
Group EBITDA/t⁷	199	181	10%	205	192	7%
Underlying EPS⁹ (EUR)	0.38	0.85	(55)%	0.12	0.26	(54)%
Basic EPS (EUR)	0.24	0.62	(61)%	0.10	0.15	(33)%
Capital Expenditure	229	147	56%	173	56	209%
Net operating cash flow	121	232		134	(12)	
Net debt/(cash), end of period	718	296		718	252	
Gearing (%) ¹⁰	35%	26%		35%	17%	

⁵ 75% of the silver produced by Campo Morado is subject to a streaming agreement with Silver Wheaton Corporation whereby only USD 3.90/oz is payable. In 2011, Campo Morado produced approximately 1,836,000 troy ounces of silver.

⁶ Includes production from mines and primary and secondary smelters only. Lead production at ARA reflects Nyrstar's ownership (50%). Production at Föhl, Galva 45, Genesis and GM Metal (closed in 2010) are not included.

⁷ All references to EBITDA in the table above are Underlying EBITDA. Underlying measures exclude exceptional items related to restructuring measures, M&A related transaction expenses, impairment of assets, material income or expenses arising from embedded derivatives recognised under IAS 39 and other items arising from events or transactions clearly distinct from the ordinary activities of Nyrstar. Underlying EPS does not consider tax effect on underlying adjustments.

⁸ To improve reporting transparency, M&A related transaction expenses (2011: EUR 14.6m, 2010: EUR 2.8m) have been re-classified from operating costs to underlying adjustments, impacting Underlying EBITDA. Profit after tax is unchanged.

⁹ In relation to the rights offering, the comparative EPS, and underlying EPS, for FY 2010 has been restated to retroactively reflect the impact of the March 2011 rights issue (adjusted in accordance with IAS 33 Earnings per Share). See note 32 of Nyrstar's Consolidated Financial Statements for the period ended 31 December 2011 for further information.

¹⁰ Gearing: net debt to net debt plus equity at end of period

OPERATIONS REVIEW: MINING

<i>'000 tonnes unless otherwise indicated</i>	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Total ore milled	4,503	2,295	96%	2,648	1,855	43%
Total zinc concentrate	369	135	173%	229	140	64%
Total lead concentrate	13.2	0.9	1,367%	11.2	2.0	460%
Total copper concentrate	49.1	0.9	5,356%	29.3	19.9	47%
Total zinc in concentrate						
Campo Morado	46			25	21	19%
Contonga	10	2	400%	5	5	-
Coricancha	2	1	100%	1	1	-
El Mochito	10			10		
El Toqui	9			9		
Langlois	1			1		
Myra Falls	15			15		
East Tennessee	49	50	(2)%	24	24	-
Middle Tennessee	32	13	146%	18	14	29%
Tennessee Mines	80	63	27%	42	38	11%
Talvivaara Stream	35	18	94%	20	15	33%
Total	207	84	146%	128	79	62%
Lead in concentrate						
Contonga	1.0	0.1	900%	0.6	0.4	50%
Coricancha	1.3	0.6	117%	0.8	0.6	33%
El Mochito	4.9			4.9		
El Toqui	0.2			0.2		
Myra Falls	0.4			0.4		
Total	7.8	0.7	1,014%	6.8	1.0	580%
Copper in concentrate						
Campo Morado	5.2			2.8	2.3	22%
Contonga	0.8	0.2	300%	0.4	0.4	-
Coricancha	0.2	-	-	0.2	0.0	-
Langlois	0.1			0.1		
Myra Falls	1.6			1.6		
Total	7.7	0.2	3,750%	4.9	2.8	75%
Gold ('000 troy oz)						
Campo Morado	17.0			9.2	7.8	18%
Coricancha	14.8	4.7	215%	9.3	5.5	69%
El Toqui	13.0			13.0		
Myra Falls	5.1			5.1		
Total	49.9	4.7	962%	36.6	13.3	175%
Silver ('000 troy oz)						
Campo Morado ¹¹	1,836			992	844	18%
Contonga	393	70	461%	196	198	(1)%
Coricancha	583	201	190%	352	231	52%
El Mochito	598			598		
El Toqui	43			43		
Myra Falls	220			220		
Total	3,673	271	1,255%	2,400	1,273	89%

The production figures above are those attained under Nyrstar ownership.

¹¹ 75% of the silver produced by Campo Morado is subject to a streaming agreement with Silver Wheaton Corporation whereby only USD 3.90/oz is payable. In 2011, Campo Morado produced approximately 1,836,000 troy ounces of silver

Nyrstar produced approximately 207,000 tonnes of zinc in concentrate, achieving the revised production guidance issued in the Second 2011 Interim Management Statement. Equally important was the significant increase in the production of copper, lead, silver and gold across the portfolio of mining assets in 2011. For instance, copper in concentrate production and gold production increased by 39-fold and 11-fold respectively.

The Campo Morado operation produced approximately 46,000 tonnes of zinc in concentrate in 2011, an increase of 9% compared to 2010 under its previous ownership. In addition, the Campo Morado operation produced approximately 5,200 tonnes of copper in concentrate, 1.836 million troy ounces of silver¹² and 17,000 troy ounces of gold which represents an increase of 29% and 7% for copper and silver and a reduction of 4% for gold on the production volumes produced in 2010. During the year, the Campo Morado operation improved a number of parameters relating to its bulk and zinc flotation circuits which resulted in increased plant availability; however, these improvements were partially offset in 2011 by lower head grades for zinc, silver and gold and a reduction in gold recoveries.

As previously announced, the Contonga mine in Q3 2011 was operating at a temporarily reduced milling capacity to allow the expansion of its milling capacity from 660 to 990 tonnes per day which is expected to be completed by the end of Q1 2012, subject to the necessary permitting. In 2011, the Contonga mine produced approximately 10,000 tonnes of zinc in concentrate, 1,000 tonnes of lead in concentrate, 800 tonnes of copper in concentrate and 393,000 troy ounces of silver in concentrate, a substantial increase on 2010.

The Pucarrajo mine remains on care and maintenance and the ramp-up of this mine to commercial production levels is continuing to be assessed against other internal and external growth opportunities as part of Nyrstar's capital allocation process.

In 2011, the Coricancha mine produced approximately 14,800 troy ounces of gold and 583,000 troy ounces of silver, representing a 215% and 190% increase on 2010 production respectively. In addition the mine produced 1,300 tonnes of lead in concentrate, 200 tonnes of copper in concentrate and 2,000 tonnes of zinc in concentrate. As previously disclosed, temporary interruptions to the operations in H1 2011 impacted production levels. In Q1 2011, heavy rainfall reduced operations at the mill for a period of approximately two weeks and in Q2 2011, despite the significant amount of work on safety matters that has been undertaken by Nyrstar, an employee was fatally injured in an incident at the Coricancha mine. To allow for a full and proper investigation by both Nyrstar and the Peruvian regulators, and to ensure that stoping procedures at the mine were in accordance with Nyrstar's safety standards, Nyrstar ceased mining and milling activities for a period of 18 days. Further, following the conclusion of the investigations Nyrstar, in consultation with the Peruvian mining authorities, proactively decided to reduce production to approximately 30% of capacity due to an increased moisture compaction level at the newly commissioned Chinchán tailings facility, resulting from the aforementioned heavy rainfall. Once the remediation and monitoring activities, which took approximately 22 days, were completed and both Nyrstar and the Peruvian mining authorities were satisfied with the outcome, production began to ramp back up (at the start of June) to full capacity. Tragically and despite the substantial amount of work that has been carried out to improve safety since the mine's first operational fatality in Q2 2011, the Coricancha mine suffered its second operational mine fatality when a worker was fatally injured in an underground mining accident. As part of Nyrstar's on-going work to ensure class leading safety standards, Nyrstar has engaged a leading international mining consultancy to conduct a comprehensive safety audit of Nyrstar's global underground mining operations. In H2 2011, the Coricancha mine achieved record levels of ore production, having increased by 66% compared to H1 2011 mainly due to better control of dilution and improvements made to the tailings filter press.

The East Tennessee Mines, although being fully ramped-up in 2011, produced approximately 49,000 tonnes of zinc in concentrate (down 2% compared to 2010). The production from the East Tennessee Mines was less than originally expected by Nyrstar's management, principally due to unplanned downtime on fixed plant infrastructure and underground mobile equipment and the zinc mill head grade falling from 3.50% to 3.41%. All of these factors combined resulted in lower than expected volumes of ore being milled and reduced contained metal production. The Middle Tennessee Mines continued with their ramp-up to full production capacity in 2011 with the de-watering completed on-schedule at the

¹² 75% of the silver produced by Campo Morado is subject to a streaming agreement with Silver Wheaton Corporation whereby only USD 3.90/oz is payable. In 2011, Campo Morado produced approximately 1,836,000 troy ounces of silver.

Elmwood mine during Q3 2011 and new mobile fleet equipment delivered late in Q4 2011. At the end of 2011 all three of the Middle Tennessee Mines had been completely de-watered and returned to commercial production. As detailed in the Second 2011 Interim Management Statement, production at the Middle Tennessee Mines was negatively impacted in 2011 by mobile fleet downtime at the Gordonsville mine and repairs required to the underground infrastructure at the mines, caused by prolonged exposure to water, which impacted hoisting activities and consequently availability of ore for the mill and resulted in total production of approximately 32,000 tonnes of zinc in concentrate which was 146% higher than in 2010.

Deliveries of zinc in concentrate from Talvivaara under the streaming agreement were approximately 35,000 tonnes in 2011, having increased substantially by 33% in H2 2011 (20,000 tonnes) compared to H1 2011 (15,000 tonnes). Talvivaara in H2 2011 has taken steps to reduce the moisture content of their zinc in concentrate by installing and commissioning a drying press at their site in Finland. It is expected that in Q1 2012, Talvivaara will begin to deliver concentrate shipments with lower moisture content which will allow bulk shipping rather than by container and simplify the logistical process for the delivery of the concentrate between the Talvivaara mine site and Nyrstar's port facilities in Antwerp. Based on nickel production guidance issued by Talvivaara on 16 February 2012, Nyrstar anticipates that Talvivaara will produce approximately 50,000 – 60,000 tonnes of zinc in concentrate in 2012. Nyrstar remains confident in the capability of Talvivaara to continue with the ramp-up of their production over 2012.

The Breakwater mines, consisting of El Toqui in Chile, El Mochito in Honduras, Myra Falls in British Columbia Canada, and Langlois in Quebec Canada were acquired in late August 2011 and have integrated well into Nyrstar. The Breakwater mines were consolidated into Nyrstar at the start of September and contributed 35,000 tonnes of zinc in concentrate (representing four months of production) to Nyrstar's mining segment in 2011. All of the Breakwater mines have performed in line with, or exceeded Nyrstar's production performance expectations. The El Mochito mine contributed approximately 10,000 tonnes of zinc in concentrate, 4,900 tonnes of lead in concentrate and 598,000 troy ounces of silver. The El Toqui mine contributed approximately 9,000 tonnes of zinc in concentrate, 200 tonnes of lead in concentrate, 43,000 troy ounces of silver and 13,000 troy ounces of gold. Myra Falls contributed approximately 15,000 tonnes of zinc in concentrate, 220,000 troy ounces of silver, 5,100 troy ounces of gold, 400 tonnes of lead in concentrate and 1,600 tonnes of copper in concentrate. As previously advised, the Langlois mine is currently being ramped-up and is expected to commence commercial production during H1 2012. In 2011, the Langlois mine contributed approximately 1,000 tonnes of zinc in concentrate and 100 tonnes of copper in concentrate production as the site processed stockpiled ore through the mill as part of its recommissioning and testing phase.

Production Guidance

Production guidance for 2012 across our portfolio of mining assets is as follows:

Metal in concentrate	Production guidance
Zinc ¹³	310,000 – 350,000 tonnes
Lead	14,000 – 17,000 tonnes
Copper	11,000 – 13,000 tonnes
Silver ¹⁴	5,500,000 – 6,000,000 troy ounces
Gold	100,000 – 110,000 troy ounces

The guidance above reflects Nyrstar's current expectation for 2012 production. Importantly, Nyrstar's strategy is to focus on maximising value rather than production and, as such, the production mix of these metals may be altered during the course of the year depending on prevailing market conditions. Revised updates may be issued by Nyrstar in subsequent trading updates during 2012, if it is expected that there will be material changes to the above guidance.

Post-Acquisition Integration

As highlighted at the completion of the Breakwater Resources acquisition in August 2011, Nyrstar has paid particular attention to the successful and efficient integration of the Breakwater operations into Nyrstar. A post-acquisition integration

¹³ Including zinc deliveries under the Talvivaara Streaming Agreement based on the 2012 zinc production guidance issued by Talvivaara on 16 February 2012

¹⁴ 75% of the silver produced by Campo Morado is subject to a streaming agreement with Silver Wheaton Corporation whereby only USD 3.90/oz is payable

function was established to deliver operational and support synergies and deliver on operational promises. A cross functional team identified key milestones which are continuously monitored, with progress regularly reported to the Nyrstar Management Committee and Board. All the 2011 milestones had been achieved for the integration of the Breakwater operations by the end of the year. These milestones included the closure of the Breakwater Toronto office, the establishment of the new Vancouver corporate office and the roll-out of Nyrstar policies, procedures and standards for environmental, safety, accounting and procurement amongst others. In 2012, Nyrstar will continue its integration program, including the further integration of operations acquired prior to Breakwater.

OPERATIONS REVIEW: SMELTING

	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Zinc metal ('000 tonnes)						
Auby	164	163	1%	85	79	8%
Balen/Overpelt	282	260	8%	135	147	(8)%
Budel	261	254	3%	138	123	12%
Clarksville	110	120	(8)%	49	61	(20)%
Hobart	279	247	13%	141	138	2%
Port Pirie	30	32	(6)%	16	14	14%
Total	1,125	1,076	5%	563	561	0%
Lead metal ('000 tonnes)						
Port Pirie	195	179	9%	93	103	(10)%
ARA (50%)	15	19	(21)%	7	9	(22)%
Total	211	198	7%	99	111	(11)%
Other products						
Copper cathode ('000 tonnes)	4	4	-	2	2	-
Silver ('000 troy ounces)	18,563	13,399	39%	10,075	8,488	19%
Gold ('000 troy ounces)	36	22	64%	23	13	77%
Sulphuric acid (tonnes)	1,400	1,444	(3)%	688	712	(3)%

Nyrstar achieved record zinc metal production in 2011 of approximately 1,125,000 tonnes, up 5% on 2010 which was the previous record year. Equally important, as we focus on value rather than volume, were record production levels of high-value silver and gold by-products at our multi-metals Port Pirie smelter (Australia). Record zinc, silver and gold production is a direct result of Nyrstar's Operational Excellence programme. Having commenced in Q4 2010, operational excellence aligns with our strategic priority of achieving excellence in everything we do, by embedding a lean thinking and value focus across Nyrstar's mines and smelters, supported by a continuous KPI driven culture.

Despite production at the European smelters having been impacted during 2011 for various reasons; including strike action in Q1 2011 at Auby, a planned roaster maintenance stop at Budel in Q1 2011 and a major roaster stop at Balen in Q2 2010, zinc metal production at Auby, Balen, and Budel was above that produced in 2010. As previously reported production at the Clarksville smelter was impacted in Q3 2011 due to the planned 45 day outage of the roaster to replace the roaster dome refractory (a once in every thirty year event). The replacement of the roaster dome was successfully completed and the smelter returned to full production capacity on schedule in Q4 2011. Indicative of the success of the replacement of the roaster dome refractory, the production results at Clarksville were at a record high in Q4 2011. At Hobart, zinc metal production in 2011 was 13% higher than in 2010, principally due to an operational excellence initiative to improve current efficiency and the additional cellhouse capacity which was made available by the upgrade and replacement of rectifiers that were damaged in the May 2010 fire.

As was illustrated in the Second 2011 Interim Management Statement, the focus at the Port Pirie multi metals smelter has shifted to maximising value, often at the expense of lead production which was 9% higher than 2010 but below historic levels. Consequently, gold production volumes at Port Pirie established a new record high of 36,000 troy ounces, up 64% compared to 2010. Furthermore, silver production was approximately 18.6 million troy ounces, 39% higher compared to

2010. The higher volume of silver production in 2011 was largely due to the recovery of 2.8 million troy ounces of the material extracted from the precious metals refinery floor and also the treatment of higher silver bearing feed material.

During 2012 there are a number of major scheduled and budgeted maintenance shuts at the smelters, which will have an impact on production. These shuts will enable the smelters to continue to operate within internal safety and environmental standards, comply with external regulations/standards and improve the reliability and efficiency of the production process. In addition, the scheduled shuts will allow the sites to make improvements to critical production steps, for instance improving reliability and/or expanding capacity of different metals. All efforts are made to reduce the production impact of these shuts by building intermediate stocks prior the shut and managing the shut in a timely and effective manner. The estimated impact of these shuts on 2012 production are estimated below.

2012 smelter planned shuts

Smelter & production step impact	Timing and duration	Estimated impact
Balen - roaster and acid plant	Q4: 2-3 weeks	Nil – 5,000 tonnes zinc metal
Budel - roaster and acid plant	Q2: 3 weeks	Nil – 5,000 tonnes zinc metal
Hobart - roaster	Q3: 1-2 weeks	Nil – 5,000 tonnes zinc metal
Port Pirie – slag fumer	Q1: 2-3 weeks	1,000-2,000 tonnes zinc metal
Port Pirie – lead plant	H2: 2-3 weeks	9,000-11,000 tonnes lead metal
		800,000-1,200,000 troy ounces silver
		5,000-6,000 troy ounces gold

OPERATIONS REVIEW: ORGANISATIONAL APPOINTMENT

As we have increased the scope and scale of our global mining operations, key organisational improvements were identified to ensure we can sustainably deliver a safe and profitable mining segment, supported by the right leadership and experience. The positions of Group General Manager, Mining North America; Group General Manager, Mining Latin America; and Group General Manager, Exploration and Development have been created and filled. All three positions will report directly to Nyrstar's Chief Operating Officer, Greg McMillian, and will be based in Nyrstar's new Vancouver corporate office. In 2011 Nyrstar also created and filled the position of Group General Manager, Smelting Operations reporting directly to Nyrstar's Chief Operating Officer.

OPERATIONS REVIEW: HEALTH, SAFETY AND ENVIRONMENT

Nyrstar's recordable injury rate was relatively flat in 2011, with a slight increase of 6% to 13.1 compared to 12.4 in 2010, while the lost time injury rate decreased 7% to 4.3 in 2011, compared to 4.6 in 2010. The recordable injury rate and lost time injury rate at Nyrstar's smelters is currently at record low levels, whilst there has only been a modest increase in both rates in the mining segment despite the acquisition of new mines and the growing mining workforce.

As mentioned earlier, tragically and despite the significant amount of work conducted by Nyrstar to improve safety standards and practices across all operations, two employees were fatally injured in separate incidents at the Coricancha mine in April and August 2011.

As a response to these fatalities, and in conjunction with Nyrstar's commitment to prevent harm within our operations and to achieve world class safety standards, a global underground safety audit was initiated in November. Using external mining safety specialists, in collaboration with internal health and safety managers, an on-the-ground review of practices, policies and procedures is currently in progress and will report to Nyrstar's Board and Management Committee during H1 2012. The goal of this review is to create a safety framework and set in motion activities that will enable Nyrstar to achieve world class underground mining safety standards. Several improvements have already been identified and new standards and actions implemented across our mining operations. As part of this review, a global mining safety manager has been appointed and will be located in the new Vancouver corporate office together with our mining management team.

There were 24 minor recordable environmental incidents in 2011, compared to 27 in 2010. This 11% improvement from 2010 is even more commendable when the acquisition and operation of five new mining operations in 2011 is taken into consideration.

MARKET REVIEW

Average prices ¹⁵	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Exchange rate (EUR/USD)	1.39	1.33	5%	1.38	1.40	(2)%
Zinc price (USD/tonne, cash settlement)	2,191	2,159	1%	2,063	2,323	(11)%
Lead price (USD/tonne, cash settlement)	2,398	2,148	12%	2,224	2,578	(14)%
Copper price (USD/tonne, cash settlement)	8,811	7,539	17%	8,247	9,398	(12)%
Silver price (USD/t.oz, LBMA AM fix)	35.12	20.19	74%	35.39	34.84	2%
Gold price (USD/t.oz, LBMA AM fix)	1,572	1,225	28%	1,694	1,445	17%

Exchange rate

The Eurodollar increased by 5%, from an average of 1.33 in FY 2010 to an average of 1.39 in FY 2011. The depreciation of the US dollar relative to the Euro negatively impacted Nyrstar's earnings in FY 2011 as its revenues are largely denominated in US dollars, whereas a substantial proportion of its operating costs are denominated in Euros.

Base Metal Summary

During first half of 2011, prices remained generally resilient to corrections in spite of a number of major disruptive events, most notably the Japanese natural disaster and related Fukushima nuclear accident as well as political turmoil in the Middle East and North African region. The second half of 2011 saw heightening concerns regarding the US debt ceiling and the European sovereign debt crisis as well as expectations of softer than anticipated global growth. This resulted in diminished risk appetite and prompted a correction in base metal prices, relative to H1 2011, particularly in Q4 2011.

Zinc

Whilst the average price of zinc was 1% higher for 2011 than 2010, consumption growth continues at a historically strong pace. Brook Hunt estimates that global refined zinc consumption in 2011 was 12.6 million tonnes, up 7.6% from 2010 (11.7 million tonnes). Exchange inventories saw an increase year on year of 17% on the London Metal Exchange and 15% on the Shanghai Futures Exchange. Combined inventories of both exchanges totalled approximately 1.185Mt at the end of 2011, sufficient to meet global zinc consumption for 34 days, the highest level since 1994. Whilst total inventories on the LME and SHFE have risen by 16.5% year on year, the second half of 2011 witnessed significant drawdowns with 3.8% of total LME and 9.4% of SHFE stocks being taken off the exchange. In addition financing deals have kept a significant amount of zinc stocks tied up for some time. The zinc price has experienced continued volatility in 2011, with the cash price peaking in mid-February at USD 2,569/tonne with a low of USD 1720/tonne traded in mid-October. Brook Hunt forecast global zinc consumption to grow by 5% in 2012.

Lead

Brook Hunt estimates that global refined lead consumption in 2011 was 9.93 million tonnes, up 5.4% from 2010 (9.32 million tonnes). At just over 380,000 tonnes combined inventory at the end of 2011, LME and SHFE lead stocks are at their highest levels since the mid-1990s, providing equivalent to approximately 14 days of world consumption. The LME lead price followed a similar pattern of volatility to zinc during 2011, with an average price in 2011 of USD 2,398 per tonne (12% higher than 2010). Refined lead consumption is forecast to grow by 5% in 2012 in contrast to total refined production which is only forecast to grow by 4.2% in the same period.

¹⁵ Zinc, lead and copper prices are averages of LME daily cash settlement prices. Silver and gold prices are averages of LBMA AM daily fixing prices.

Copper

It is estimated by Brook Hunt that global copper consumption, which includes direct use of scrap, increased by 3.5% in 2011. As mine production remained materially unchanged, it is likely that global copper inventories have decreased. Brook Hunt forecast that 2012 will be another year with a raw material deficit and that global copper consumption will increase by 3.7%.

Gold & Silver

Precious metals prices have shown strong growth in 2011, supported by continuing uncertainties in certain areas of the global economy; particularly with concerns over sovereign debt in the Eurozone as well as continued low interest rates in the United States. During 2011, the gold price rose by approximately 28% to an average of USD 1,572/troy ounce whilst the silver price increased by 74% to an average price of USD 35.12/troy. Silver has exhibited significantly higher volatility than gold during the course of 2011 and due to its relatively higher industrial end user demand it has at times shown a greater correlation with base metals than gold.

Sulphuric Acid

In 2011, prices achieved by Nyrstar on sales of sulphuric acid, which are predominately based on contracts rather than the spot market, continued to trend upwards to an average of approximately USD 85 per tonne from an average of approximately USD 35 per tonne in 2010. The sulphuric acid price, which strengthened throughout 2010 reflecting the overall improvement of the world economy, was buoyed in 2011 by increasing food prices.

FINANCIAL REVIEW

Nyrstar delivered considerable growth in underlying EBITDA¹⁶, with a result of EUR 265 million in 2011 compared to EUR 210 million in 2010. The Mining segment delivered considerable growth in underlying EBITDA, with a contribution of EUR 72 million, up 200% in 2011 from 2010, while the Smelting segment contributed underlying EBITDA of EUR 235 million, an increase of 19% compared to 2010. Profit after tax of EUR 36 million, down 50% on 2010 (EUR 72 million), was negatively impacted by one-off acquisition and restructuring costs associated with the integration of Farallon Mining and Breakwater Resources, increasing depletion of mineral properties recognised as part of mining acquisitions, and higher financing costs due to the issuance of public bonds for EUR 525 million.

MINING

EUR millions	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Treatment charges	(71)	(27)	163%	(45)	(26)	73%
Payable metal contribution	288	118	144%	173	115	50%
By-Products	135	9	1400%	104	31	235%
Other	(9)	(5)	80%	(4)	(5)	(20)%
Underlying Gross Profit	345	96	259%	228	116	97%
Employee expenses	77	27	185%	48	29	66%
Energy expenses	29	9	222%	18	11	64%
Other expenses	168	35	380%	117	51	129%
Underlying Operating Costs	273	72	279%	183	90	103%
Underlying EBITDA	72	24	200%	46	26	77%
Underlying EBITDA/t	348	286	22%	357	325	10%

¹⁶ To improve reporting transparency, M&A related transaction expenses (2011: EUR 14.6m, 2010: EUR 2.8m) have been re-classified from operating costs to underlying adjustments, impacting Underlying EBITDA. Profit after tax is unchanged

The Mining segment achieved a substantial year on year increase in underlying EBITDA contribution, representing 27% of group underlying EBITDA in 2011 compared to 11% in 2010. Underlying EBITDA growth in the Mining segment was, when compared to 2010, positively impacted by the inclusion of production from Campo Morado which was acquired in January 2011 and the former Breakwater mines which were acquired at the end of August 2011 and increased production across the mining segment.

A sharp decline in metal prices in Q4 2011 occurred in conjunction with a large increase in mine production and adversely impacted earnings, as foreshadowed in the Second 2011 Interim Management Statement. It is useful to highlight the impact this had on zinc revenues alone. We produced 64% more zinc in concentrate in the second half whilst the euro denominated zinc price was 10% below that in the first half. Earnings were also adversely impacted by provisional pricing adjustments at the end of the reporting period. As an example, Nyrstar was required to revalue down provisionally priced sales at the end of 2011 to the year-end zinc price of USD 1,828/t, compared to the average second half price of USD 2,058/t. As at 31 December, provisionally priced sales amounted to approximately 16,000 tonnes of zinc payable in concentrate, 3,200 tonnes of lead payable in concentrate, 1,200 tonnes of copper payable in concentrate, 136,000 troy ounces of silver payable in concentrate and 8,200 troy ounces of gold payable in concentrate. In addition, mining earnings were negatively impacted by a purchase price allocation adjustment on inventories acquired as part of the Breakwater acquisition. Accounting standards require that acquired inventories must be recognised at their fair value at the time of acquisition, i.e. the prevailing market price. As a result of this accounting requirement Nyrstar effectively only recognised approximately three months of profits from the former Breakwater mines despite being consolidated for four months. These factors combined to have a material negative impact on mining earnings.

The Mining segment's underlying gross profit was EUR 345 million in 2011, up 259% compared to 2010. Smelting treatment charge expense was EUR 71 million, reflecting the increase in zinc concentrate sales, while payable metal contribution was EUR 288 million. With the addition of the multi-metal Campo Morado and Breakwater mines, gross profit from by-products increased substantially in 2011 to EUR 135 million (EUR 9 million in 2010). This reflects the growing importance of other metals including copper, gold, silver and lead within the Mining segment. Other Mining gross profit, which includes realization expenses, was EUR (9) million.

The C1 cash cost for Nyrstar's zinc mines (including the Talvivaara zinc stream) was USD 1,257 per tonne of payable zinc in 2011, an improvement of approximately 28% on 2010. The continued reduction on the average C1 cash cost for Nyrstar's zinc mines was due to the acquisition of the multi-metals Campo Morado mine and Breakwater mines and increased deliveries from the Talvivaara zinc stream. At the Campo Morado mine the cash cost was USD 401 per tonne, compared to USD 717 per tonne in FY 2010 when the mine was under previous ownership. The C1 cash cost at the Contonga mine increased 129% in H2 2011 (USD 1,983 per tonne) compared to H1 2011 (USD 867 per tonne) as it temporarily reduced its milling capacity to allow for an expansion from 660 to 990 tonnes per day. As indicated in the Second 2011 Interim Management Statement, the expansion of the Contonga milling capacity is expected to be completed by the end of Q1 2012, subject to the necessary permitting. The C1 cash cost for the Tennessee Mines improved by 12% in H2 2011 (USD 2,228 per tonne) compared to H1 2011 (USD 2,525), primarily as a function of the Middle Tennessee Mines being successfully de-watered and ramped-up to full production capacity by the end of the year. C1 cash cost for zinc delivered from the Talvivaara zinc stream was approximately USD 1,019 per tonne of payable zinc in 2011. The C1 cash cost for the El Mochito, El Toqui and Myra Falls mines were generally in-line with or better than Nyrstar's expectations and averaged negative USD 34 per tonne, USD 1 per tonne and USD 394 per tonne respectively.

It is expected that the USD 1,000 per tonne average C1 cash cost target for Nyrstar's zinc mines will be met in 2012.

Coricancha had a C1 cash cost of approximately USD 1,172 per troy ounce of payable gold, compared to USD 940 in 2010. The increase in the C1 cash cost over this period is due to higher operating costs per tonne caused by several production interruptions experienced in 2011.

C1 cash cost USD/payable tonne zinc	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Campo Morado	401	-	-	342	485	(29)%
Contonga	1,459	2,915	(50)%	1,983	867	129%
El Mochito	(34)	-	-	(34)	-	-
El Toqui	1	-	-	1	-	-
Langlois	-	-	-	-	-	-
Myra Falls	394	-	-	394	-	-
Tennessee Mines	2,292	1,901	21%	2,228	2,525	(12)%
Talvivaara Stream	1,018	1,005	1%	1,019	1,028	(1)%
Average zinc C1 cash cost	1,257	1,739	(28)%	1,095	1,515	(28)%
C1 cash cost USD/payable t oz gold						
Coricancha	1,172	940	25%	1,168	1,095	7%

Despite the negative impact caused by the fall in metal prices in Q4 2011, Nyrstar's mining segment in 2011 continued to show an improvement in underlying EBITDA per tonne of zinc in concentrate produced. Underlying EBITDA per tonne in the Mining segment was EUR 348 in 2011, up by 22% compared to 2010 (EUR 286). In-line with the 2012 production guidance, and the move towards the stated medium term target of a USD 1,000 per tonne average zinc C1 cash cost, the underlying EBITDA per tonne of zinc in concentrate produced by the mining segment is expected to continue to improve.

SMELTING

EUR millions	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Treatment charges	386	429	(10)%	181	205	(12)%
Free metal contribution	245	260	(6)%	121	125	(3)%
Premiums	120	105	14%	59	61	(3)%
By-Products	282	115	145%	182	100	82%
Other	(98)	(81)	21%	(79)	(18)	339%
Underlying Gross Profit	937	827	13%	465	472	(1)%
Employee expenses	202	187	8%	102	100	2%
Energy expenses ¹⁷	277	246	13%	142	136	4%
Other expenses	223	196	14%	104	119	(13)%
Underlying Operating Costs	702	629	12%	347	355	(2)%
Underlying EBITDA	235	198	19%	118	117	1%
Underlying EBITDA/t	209	184	14%	210	209	0%

Despite lower 2011 benchmark treatment charges, higher energy prices and a stronger Australian dollar, the Smelting segment delivered another strong underlying EBITDA result, increasing by 19% to EUR 235 million in 2011 compared to 2010. The underlying EBITDA contribution of the Smelting segment was supported by another record year of production and significant improvements in by-product income, which was up by 145% in 2011 compared to 2010, and premium revenues.

¹⁷ Energy expenses do not include the net loss or gain on the Hobart smelter embedded energy derivatives (EUR 4m gain in 2011, EUR 13m loss in 2010).

The Smelting segment's underlying gross profit increased 13% to EUR 938 million in 2011, compared to EUR 827 million in 2010. Smelting treatment charge income from zinc and lead was EUR 386 million in 2011, approximately 10% less than in 2010. While the 2011 zinc benchmark TCs settled below those achieved in 2010, due to carry over of some concentrates on 2010 terms into the first half of 2011 and the use of secondary feeds such as zinc oxides, which carry higher TCs, Nyrstar's realised zinc treatment charge in 2011 was approximately USD 230/dmt, compared to USD 255/dmt in 2010. Free metal contribution of EUR 245 million was 6% less than 2010 due to lower zinc metal production at Port Pirie, with the site treating more complex concentrates to increase production and margins of other metals. Realised premiums on special high grade zinc, commodity grade lead and speciality alloy products in 2011 were higher than in 2010 and, as such, gross profit contribution from Premiums was EUR 120 million, an increase of 14% from 2010. The contribution of By-product gross profit to the Smelting segment was EUR 282 million, a substantial increase of 145% compared to 2010. This increase was primarily the result of the increase in acid and other metal prices, as well as increased production of gold and silver at Port Pirie (including the Port Pirie unlocking untapped value initiatives which recovered and monetised 2.8 million troy ounces of silver). In addition, the gross profit contribution from sulphuric acid production in 2011 was EUR 87 million, up 123% compared to 2010 (EUR 39 million). Smelting other gross profit was negative EUR 98 million in 2011, compared to negative EUR 81 million in 2010.

Underlying smelting operating costs were EUR 702 million in 2011, an increase of 12% compared to 2010 (EUR 629 million). Smelting operating cost per tonne increased moderately to EUR 532/t despite energy price pressures, particularly in Europe, and exchange rate pressures from the stronger Australian dollar.

As detailed in the HY 2011 results, Nyrstar has already started to deliver tangible financial results under the Strategy into Action initiative of "unlocking untapped value". In H1 2011, the Port Pirie multi metals smelter identified historical silver refining losses of approximately 2.1 million troy ounces and in H2 2011 an additional 0.7 million troy ounces were identified. The total volume of approximately 2.8 million troy ounces was successfully recovered during H2 2011 and sold by the end of the year, contributing approximately EUR 78 million to by-product gross profit.

Underlying EBITDA per tonne in the smelting segment increased to EUR 209, up from EUR 184 in 2010.

OTHER & ELIMINATIONS

The Other and Eliminations segment resulted in an underlying EBITDA loss of EUR 42 million, comprising of an elimination of unrealised Mining segment underlying EBITDA of approximately EUR 8 million (for material sold internally to own smelters), a net positive contribution of EUR 1 million from other operations, and other group costs. The increase in 2011 from 2010 is due to increased transfers of concentrate between Nyrstar mines and smelters, leading to increased unrealised profits, and additional corporate development and other head office activity to deliver on Strategy into Action initiatives.

STRATEGY INTO ACTION

In February 2011, Nyrstar launched Nyrstar2020, a strategic initiative aimed at positioning Nyrstar for a long term sustainable future as the leading integrated mining and metals business with a mission of capturing the maximum value inherent in mineral resources through deep market insight and unique processing capabilities, generating superior returns for our shareholders and thereby achieving our 2016 growth ambition of having an EBITDA exceeding EUR 1.5 billion. To support Nyrstar2020, towards the end of 2011, Nyrstar launched Strategy into Action, a disciplined approach to taking the strategy into every part of the business, embedding annual plans and giving ownership of the group strategy to each operation and their management teams. Achieving Nyrstar's ambition will require a continued sharp focus on the key strategic priorities that Nyrstar believes will deliver success; namely through organic growth and acquisitions whilst also continually improving operations by driving excellence in everything we do and seeking to unlock untapped value.

Unlocking Untapped Value

Nyrstar believes that there exists significant hidden value that is not released by current processes. This value can only be unlocked by continually challenging the way Nyrstar thinks about and works on its products and processes. Since launching Nyrstar2020, Nyrstar has made substantial progress in building a growing pipeline of unlocking untapped value initiatives to release latent value across every aspect of the business and asset footprint. The identification and recovery of historical silver refining losses at Port Pirie is an example of unlocking untapped value that has already delivered substantial returns (EUR 78 million of gross profit in 2011). In 2012 Nyrstar has committed capital expenditure to a number of initiatives, for example the recovery and processing of tellurium dioxide and indium metal in the smelting segment. Both products, with end uses in advanced electronics and solar cell applications, are expected to generate significant margins. The commercial production of indium metal, at a dedicated plant located at the Auby smelter, is expected to commence in H1 2012; while detailed engineering plans for a tellurium dioxide circuit at the Port Pirie smelter have been finalised, with first production expected in H2 2012. Production of tellurium dioxide and indium metal will further improve by-product gross profit in the smelting segment.

Deliver Sustainable Growth

Sustainable growth means that Nyrstar will seek growth by leveraging its existing mining and smelting footprint and through further value accretive acquisitions. The main strategic goals to deliver sustainable growth are to seek significant acquisitions; seek internal growth opportunities; optimise the allocation of capital across the business; achieve excellence in funding and continue to deliver on growth promises. Accordingly, Nyrstar will continue to actively explore value accretive acquisitions based on its disciplined approach and strict investment criteria, whilst also building a comprehensive pipeline of organic growth opportunities reflecting Nyrstar's increased scale.

Achieve Excellence in Everything We Do

Nyrstar is a market driven business with an unrelenting focus on continuous improvement across all operations and functions. The main strategic goals that have been identified by Nyrstar to achieve excellence in everything it does is to ensure it makes market driven decisions, maintains sustainable effective operations, ensures excellence in communications and fosters challenging and supporting functional leadership across the entire business. Nyrstar's operational excellence programme, which commenced in Q4 2010, has embedded a lean thinking and value focus across Nyrstar's mines and smelters, supported by a continuous KPI driven culture. The programme has been introduced and commenced at all of Nyrstar's smelters and mines, including the former Breakwater sites. At the end of 2011, there were 850 people across Nyrstar (mines, smelters and corporate functions) involved in operational excellence teams, with 21 operational records broken in 2011. In addition to leading to record metal production by enabling process bottlenecks to be raised or released, it also reduced requirements on sustaining capital, enabling funds to be reallocated to growth areas.

Living the Nyrstar Way

The Nyrstar workforce has a unique culture which is referred to as the Nyrstar Way whereby employees are engaged and aligned to deliver sustainable performance improvements across Nyrstar's strategic priorities. The main strategic goals of living the Nyrstar Way are to build on the Nyrstar brand; manage critical risks throughout the business and to ensure world class safety and environmental performance across all of Nyrstar's operations.

CAPITAL EXPENDITURE

Capital expenditure was approximately EUR 229 million in 2011, an increase of 56% from 2010 (EUR 147 million).

Expenditure at the mines was EUR 104 million, a 73% increase compared to 2010, primarily due to the increase in sustaining and compliance requirements with the acquisitions of the Campo Morado and Breakwater mines, and increased production at the other mining operations. Ramp-up expenditure to prepare the Langlois mine for commercial production, expected in H1 2012, amounted to EUR 15 million between the acquisition of Breakwater Resources and the end of 2011. Exploration spend in 2011, approximately EUR 14 million, has delivered successful drilling results across several of Nyrstar's mines and has increased the understanding of the deposits to enable more efficient methods of material extraction and to focus on maximising value over the short to medium term. See the Nyrstar 2011 Reserve and resource Statement (dated 23 February 2012) for further information.

Capital expenditure for smelters was approximately EUR 112 million in 2011, up 38% on 2010 (EUR 81 million). This comprised EUR 87 million of expenditure on sustaining and compliance and EUR 25 million was spent on organic growth projects. This included the building of the indium metal plant at Aubrey, the successful commissioning of a third automated SHG casting line at the Balen/Overpelt facility, which is expected to reduce operating costs and working capital requirements by reducing cathode inventory holding time, and the capacity expansion of the cellhouse at Hobart.

In addition, approximately EUR 13 million was invested at other operations and corporate offices, including major IT hardware and software upgrades across the group to ensure Nyrstar's processes and systems can continue to support an expanding workforce and a greater number of sites.

Capital expenditure guidance for Nyrstar's mining segment in 2012 is as follows:

Mining	EUR millions
Sustaining and compliance	90 – 100
Growth	30 – 40

The level of sustaining and compliance spend in 2012 is the expected run-rate for Nyrstar's current portfolio of operating mines. Growth expenditure at the mines is expected to be relatively high in 2012, as there is a need to catch up on exploration and development activity postponed by previous mine owners during the global financial crisis and depressed commodity price environment. This additional spend will ensure Nyrstar's operations can prove up their medium-term mine plans to achieve greater consistency in their ore milled head grades.

Capital expenditure guidance for Nyrstar's smelting segment in 2012 is as follows:

Smelting	EUR millions
Sustaining and compliance (excluding shutdowns)	60 – 70
Shutdowns	20 – 30
Growth	25 – 35

The level of sustaining and compliance spend, excluding shutdowns, in 2012 is the expected run-rate for Nyrstar's smelters. Shutdown spend is expected to be relatively high in 2012, due to major planned shuts at all of Nyrstar's largest smelters (namely Balen, Budel, Hobart and Port Pirie) that will improve the reliability and efficiency of production processes and allow the sites to make improvements to critical production steps. Committed growth spend has been allocated to several key unlocking untapped value projects, such as the planned completion of the indium metal plant at the Aubrey smelter and the tellurium dioxide circuit at Port Pirie. These projects have progressed through Nyrstar's rigorous capital allocation process and have received Board approval.

The estimates may be impacted during 2012 by factors such as management review, estimated input costs to and Australian and US dollar movements against the Euro. Revised updates may be issued in subsequent trading updates during 2012 if material changes to the above guidance is estimated by Nyrstar.

Cash Flow and Net Debt

As of 31 December 2011, cash and cash equivalents were EUR 177 million, an increase of EUR 17 million from 31 December 2010. Cash flows from operating activities in 2011 generated an inflow of EUR 121 million, due to strong sales in the mining and smelting segments in H2 2011. Although there was a sharp decline in zinc, lead and silver prices in Q4 2011, leading to a reduction in the value of metal inventories, there was only a relatively small working capital¹⁸ cash inflow of EUR 21 million in 2011 due to the strong sales performance at the end of the year.

Cash flows from investing activities in 2011 (EUR 891 million) mainly relate to the acquisition of Farallon Mining for approximately EUR 280 million (net of cash) and Breakwater Resources for approximately EUR 390 million (net of cash). These outflows in 2011 compare to EUR 272 million in 2010 invested in the acquisition of mines and the Talvivaara streaming agreement. In addition the acquisition of property, plant and equipment and intangible assets was EUR 229 million in 2011, compared to EUR 147 million in 2010.

Cash inflows from financing activities in 2011 amounted to EUR 775 million. Included in this amount are the EUR 490 million¹⁹ gross proceeds of the rights offering that closed in March 2011, and the EUR 525 million (excluding transaction costs) raised in May 2011 with the placement of 5.375% bonds due 2016. As of 31 December 2011, the full amount of Nyrstar's EUR 500 million revolving structured commodity trade finance facility was undrawn (EUR 107 million as of 31 December 2010). During 2011, Nyrstar acquired 6,265,000 shares to hold in treasury, for approximately EUR 52 million, in accordance with the Board of Director's authorisation to acquire Nyrstar's own shares, renewed at the Extraordinary General Meeting on 26 May 2009. As at 31 December 2011, Nyrstar held a total of 9,413,138 of Nyrstar's shares (31 December 2010: 3,631,558). These shares are being held with suspended dividend rights, for potential delivery to eligible Nyrstar employees in 2012, 2013 and 2014 to satisfy Nyrstar's outstanding obligations under an Executive Long Term Incentive Plan and Management Committee Co-Investment Plan.

Net debt at 31 December 2011 was EUR 718 million (31 December 2010: EUR 296 million), leading to a gearing of 35%²⁰.

Taxation

The main tax jurisdictions in which Nyrstar operated in 2011 were Australia, Belgium, Canada, Chile, France, Honduras, Mexico, the Netherlands, Peru, Switzerland and the United States. Based on the proportion of its income from each of these jurisdictions, Nyrstar's effective statutory tax rate in 2011 was approximately 18%. Nyrstar has accumulated tax losses in some of the jurisdictions where it operates and deferred tax benefits have been recognized to the extent it is likely that future taxable amounts will be available. Nyrstar expects to benefit from these deferred tax benefits through a decrease in its actual cash tax payments until such deferred tax benefits are used up or expire.

Proposed distribution

The Board of directors will propose to shareholders at the Annual General Meeting to be held in Brussels on 25 April 2012 a gross distribution of EUR 0.16 per share and to structure the distribution as a capital reduction. This reflects the Board's continued confidence in the Nyrstar's financial strength and the medium to long-term prospects for the markets in which it operates.

¹⁸ Working capital: change in inventories, trade and other receivables and trade and other payables and deferred income

¹⁹ Associated costs of the capital increase amounted to EUR 16 million (net proceeds from capital increase of EUR 474 million)

²⁰ Gearing: net debt to net debt plus equity at end of period

OTHER SIGNIFICANT EVENTS IN 2011

Farallon (Campo Morado)

In January 2011, Nyrstar successfully completed the acquisition of Farallon Mining Ltd. ("**Farallon**"), owner of the Campo Morado operation (a zinc-rich multi-metals mining operation in Mexico), pursuant to a friendly take-over for approximately CAD 409 million (EUR 296 million). The ore deposit currently being mined is the G-9 deposit which achieved commercial production in April 2009 and comprises high grade zinc, copper, lead, gold and silver. In addition to the G-9 deposit, there are four additional ore bodies that have been delineated (Reforma, El Largo, El Rey, Naranjo).

Breakwater Resources

In August 2011, Nyrstar successfully completed the acquisition of Breakwater Resources Ltd. ("**Breakwater**") pursuant to a friendly take-over with an implied a total transaction value to Breakwater shareholders of approximately CAD663 million (EUR 443 million) on a fully diluted basis (including shares issued from the conversion of options and warrants). Breakwater's operations consist of four zinc multi-metals mines, including El Toqui in Chile, El Mochito in Honduras, Myra Falls in British Columbia Canada, and Langlois in Quebec Canada (Langlois is currently in ramp-up and expected to restart commercial production in H1 2012).

ARA

In November 2011, Nyrstar and Sims Metal Management Limited announced that they had reached a conditional agreement to sell Australian Refined Alloys' secondary lead producing facility in Sydney, Australia (ARA Sydney) to companies associated with Renewed Metal Technologies for a total sale price of approximately EUR 60 million (AUD 80 million). Approval of the Australian Competition and Consumer Commission has been received and the sale is expected to be completed by the end of February 2012. The sale price is subject to a customary working capital adjustment. Assuming a sale price of EUR 60 million, Nyrstar expects to achieve a profit on the sale of its 50% share of ARA Sydney of at least EUR 15 million.

Nyrstar and Sims Metal Management will retain ARA's secondary lead producing facility in Melbourne, Australia which will continue to be operated as a 50/50 joint venture allowing Nyrstar continued exposure (albeit on a smaller scale) to an important segment of the global lead market.

Rights Offering

In March 2011, Nyrstar successfully completed a rights offering in the amount of approximately EUR 490 million. During the rights subscription period 95% of the total number of 70,009,282 rights were exercised to subscribe for an equal number of new shares in Nyrstar. The remaining 5% of rights were converted into an equal number of scrips and sold by the underwriters of that offering through an accelerated book building procedure with institutional investors.

Public Bonds

In May 2011, Nyrstar successfully completed the placement of 5.375% bonds due 2016 (the "**Bonds**") through a public offering in Belgium and Luxembourg. Due to strong demand the offering was increased from EUR 150 million to EUR 525 million.

Glencore Off-take Agreement extension

At the end of June 2011, Nyrstar extended to the end of 2018 the Commodity Grade Off-take Agreement with the Glencore Group for the sale and marketing of commodity grade zinc and lead metal produced by Nyrstar (initially entered into in November 2008 (the "**Off-take Agreement**")). The Off-take Agreement allows Nyrstar to continue to direct its focus on growing sales within the higher margin value-added zinc and lead alloys markets, while selling its commodity grade products at market premiums to the Glencore Group.

Sensitivities

Nyrstar's results are significantly affected by changes in metal prices, exchange rates and treatment charges. Sensitivities to variations in these parameters are depicted in the following table, which sets out the estimated impact of a change in each of the parameters on Nyrstar's full year underlying EBITDA based on the actual results and production profile for the year ending 31 December 2011.

FY 2011		
Parameter	Variable	Estimated annual EBITDA impact in EUR million
Zinc Price	+/- USD 100/tonne	+31 / -31
Lead Price	+/- USD 100/tonne	+1 / -1
Silver Price ²¹	+/- USD 1/troy ounce	+3 / -3
Gold Price	+/- USD 100/troy ounce	+3 / -3
USD/EUR	+/- EUR 0.01	+11 / -11
AUD/EUR	+/- EUR 0.01	+3 / -3
Zinc treatment charge	+/- USD 25/dmt ²²	+30 / -30
Lead treatment charge	+/- USD 25/dmt	-4 / +4

The above sensitivities were calculated by modelling Nyrstar's 2011 underlying operating performance. Each parameter is based on an average value observed during that period and is varied in isolation to determine the annualised EBITDA impact.

Sensitivities are:

- Dependent on production volumes and the economic environment observed during the reference period.
- Not reflective of simultaneously varying more than one parameter; adding them together may not lead to an accurate estimate of financial performance.
- Expressed as linear values within a relevant range. Outside the range listed for each variable, the impact of changes may be significantly different to the results outlined.

These sensitivities should not be applied to Nyrstar's results for any prior periods and may not be representative of the EBITDA sensitivity of any of the variations going forward.

²¹ The sensitivity to the silver price excludes the impact of the silver bearing material that was recovered at the Port Pirie smelter and sold in 2011
²² dmt = dry metric tonnes of concentrate

UNDERLYING SEGMENT INFORMATION

Year Ending 31 December 2011

<i>EUR millions</i> <i>Unless otherwise indicated</i>	Mining	Smelting	Other and Eliminations	Group
	2011	2011	2011	2011
Zinc in concentrate ('000 tonnes)	207	-	-	207
Gold in concentrate ('000 troy ounces)	50	-	-	50
Silver in concentrate ('000 troy ounces)	3,673	-	-	3,673
Copper in concentrate ('000 tonnes)	8	-	-	8
Zinc market metal ('000 tonnes)	-	1,125	-	1,125
Lead market metal ('000 tonnes)	-	195	15	211
Total Segment Revenue	358	3,096	(107)	3,348
Underlying EBITDA	72	235	(42)	265
Capital expenditure	104	112	13	229
Treatment charges	(71)	386	-	316
Payable / Free metal	288	245	-	534
Premiums	-	120	-	120
By-products	135	282	-	417
Other	(9)	(98)	5	(102)
Underlying gross profit	345	937	5	1,286
Employee benefits expense	77	202	61	339
Energy expenses	29	277	1	307
Other expenses	168	223	(15)	376
Underlying operating costs	273	702	48	1,023

Year Ending 31 December 2010

<i>EUR millions</i> <i>Unless otherwise indicated</i>	Mining	Smelting	Other and Eliminations	Group
	2010	2010	2010	2010
Zinc in concentrate ('000 tonnes)	84	-	-	84
Gold in concentrate ('000 troy ounces)	4.7	-	-	4.7
Silver in concentrate ('000 troy ounces)	271	-	-	271
Copper in concentrate ('000 tonnes)	0.2	-	-	0.2
Zinc market metal ('000 tonnes)	-	1,076	-	1,076
Lead market metal ('000 tonnes)	-	179	19	198
Total Segment Revenue	96	2,654	(53)	2,696
Underlying EBITDA ²³	24	198	(12)	210
Capital expenditure	60	81	6	147
Treatment charges	(27)	429	-	403
Payable / Free metal	118	260	-	378
Premiums	-	105	-	105
By-products	9	115	-	124
Other	(5)	(81)	2	(83)
Underlying gross profit	96	827	2	925
Employee benefits expense	27	187	48	263
Energy expenses	9	246	1	256
Other expenses	35	196	(26)	200
Underlying operating costs	72	629	18	718

²³Other and Eliminations underlying EBITDA includes share of profit of equity accounted investees (2011: EUR 1 million, 2010: EUR 3 million)

RECONCILIATION OF UNDERLYING RESULTS

The following table sets out the reconciliation between the "Result from operating activities before exceptional items" to Nyrstar's "EBITDA" and "Underlying EBITDA".

"EBITDA" is a non-IFRS measure that includes the result from operating activities, before depreciation and amortization, plus Nyrstar's share of the profit or loss of equity accounted investees.

"Underlying EBITDA" is an additional non-IFRS measure of earnings, which is reported by Nyrstar to provide greater understanding of the underlying business performance of its operations. Underlying EBITDA excludes items related to restructuring measures, M&A related transaction expenses, impairment losses, material income or expenses arising from embedded derivatives recognized under IAS 39 and other items arising from events or transactions that management considers to be clearly distinct from the ordinary activities of Nyrstar.

<i>EUR millions</i>		FY 2011	FY 2010	H2 2011	H1 2011
Result from operating activities before exceptional items		122	112	61	61
Depletion, depreciation and amortisation expense		145	82	87	59
Share of profit / (loss) of equity accounted investees		1	3	0	1
Restructuring expenses	(a)	(9)	(11)	0	(9)
M&A related transaction expense	(b)	(15)	(3)	(11)	(4)
Impairment (losses) / reversals	(c)	-	(1)	-	-
EBITDA		245	183	137	108
Underlying adjustments					
Add back:					
Restructuring expenses	(a)	9	11	(0)	9
M&A related transaction expense	(b)	15	3	11	4
Impairment losses / (reversals)	(c)	-	1	-	-
Net loss / (gain) on Hobart Smelter embedded derivatives	(d)	(4)	13	(6)	2
Underlying EBITDA		265	210	142	123

The items excluded from the "Result from operating activities before exceptional items and depletion, depreciation and amortisation" in arriving at "Underlying EBITDA" are as follows:

(a) Restructuring expenses of EUR 9 million in 2011 (EUR 11 million in 2010) were incurred mainly in relation to the acquisition of Farallon and Breakwater Resources, including the closure of the respective corporate offices. Expenses were also incurred in relation to the relocation of some additional corporate functions to the corporate office in Zurich, Switzerland.

(b) The M&A related transaction expenses include the acquisition and disposal related direct transaction costs (e.g. advisory, accounting, tax, legal or valuation fees paid to external parties). The M&A related transaction expenses in the 2011 income statement amount to EUR 14.6 million (2010: EUR 2.8 million). These expenses have previously been classified within contracting and consulting expenses and have been reclassified to M&A related transaction costs to improve reporting transparency.

(c) In 2010 an impairment loss of EUR 0.9 million was recognised on leasehold improvements as a consequence of the announced relocation of the corporate office from London to Zurich. In 2009 a review of Nyrstar Yunnan Zinc Alloys Co. Ltd assets and liabilities held for sale was conducted, leading to a reversal of EUR 4 million of previously recognised impairment losses. In addition, an impairment of EUR 2 million was recognised with regard to the fixed assets of GM Metal when Nyrstar announced its planned closure in 2009. There were no impairment losses or reversals in 2011.

(d) The Hobart Smelter's electricity contract contains an embedded derivative which has been designated as a qualifying cash flow hedge. To the extent that the hedge is effective, changes in its fair value are recognised directly in equity, whilst to the extent the hedge is ineffective changes in fair value are recognised in the consolidated income statement. As the hedge is partially ineffective, the positive change in fair value of EUR 4 million (2010: EUR 13 million loss) on the ineffective portion of the hedge was recorded as a cost in energy expenses within the consolidated income statement. The impact on the income statement has been reversed from EBITDA for the purpose of calculating the Nyrstar's underlying EBITDA.

Mining Production annex Production under Nyrstar ownership

	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Ore Milled ('000 tonnes)						
Campo Morado	699			377	322	17%
Contonga	257	65	295%	120	137	(12)%
Coricancha	162	58	179%	101	61	66%
El Mochito	279			279		
El Toqui	206			206		
Langlois	-			-		
Myra Falls	181			181		
East Tennessee	1,532	1,521	1%	747	785	(5)%
Middle Tennessee	1,187	651	82%	637	550	16%
Tennessee Mines	2,719	2,172	25%	1,384	1,335	4%
Total	4,503	2,295	96%	2,648	1,855	43%
Zinc mill head grade (%)						
Campo Morado	7.85%			8.00%	7.68%	4%
Contonga	4.38%	4.38%	-	4.24%	4.52%	(6)%
Coricancha	1.60%	1.78%	(10)%	1.73%	1.36%	27%
El Mochito	4.28%			4.28%		
El Toqui	5.10%			5.10%		
Langlois	7.00%			7.00%		
Myra Falls	9.00%			9.00%		
East Tennessee	3.41%	3.50%	(3)%	3.53%	3.28%	8%
Middle Tennessee	2.86%	2.35%	22%	3.10%	2.74%	13%
Tennessee Mines	3.12%	3.16%	(1)%	3.33%	3.06%	9%
Lead mill head grade (%)						
Contonga	0.58%	0.34%	71%	0.65%	0.50%	30%
Coricancha	1.10%	1.34%	(18)%	1.04%	1.30%	(20)%
El Mochito	2.24%			2.24%		
El Toqui	0.20%			0.20%		
Myra Falls	0.60%			0.60%		
Copper mill head grade (%)						
Campo Morado	1.07%			1.10%	1.04%	6%
Contonga	0.57%	0.69%	(17)%	0.55%	0.58%	(5)%
Coricancha	0.20%	0.00%	-	0.28%	0.12%	133%
Langlois	0.56%			0.56%		
Myra Falls	1.10%			1.10%		
Gold mill head grade (g/t)						
Campo Morado	2.13			2.12	2.14	(1)%
Coricancha	3.50	3.47	1%	3.45	3.56	(3)%
El Toqui	2.50			2.50		
Myra Falls	1.22			1.22		
Silver mill head grade (g/t)						
Campo Morado	146.67			147.67	145.00	2%
Contonga	59.25	55.06	8%	59.68	60.34	(1)%
Coricancha	117.40	122.50	(4)%	113.50	123.24	(8)%
El Mochito	78.16			78.16		
El Toqui	9.40			9.40		
Myra Falls	47.76			47.76		

	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Zinc recovery (%)						
Campo Morado	83.6%			83.7%	83.5%	0%
Contonga	89.6%	85.9%	4%	90.4%	88.8%	2%
Coricancha	78.9%	78.0%	1%	79.4%	78.0%	2%
El Mochito	84.9%			84.9%		
El Toqui	86.6%			86.6%		
Langlois	92.4%			92.4%		
Myra Falls	82.7%			82.7%		
East Tennessee	93.8%	93.6%	0%	93.4%	93.8%	(0)%
Middle Tennessee	91.0%	86.5%	5%	91.6%	90.3%	1%
Tennessee Mines	92.6%	91.5%	1%	92.6%	92.4%	0%
Lead recovery (%)						
Contonga	64.8%	41.4%	57%	70.9%	58.6%	21%
Coricancha	76.4%	83.0%	(8)%	76.5%	78.6%	(3)%
El Mochito	82.1%			82.1%		
El Toqui	52.9%			52.9%		
Myra Falls	35.2%			35.2%		
Copper recovery (%)						
Campo Morado	69.0%			68.4%	69.6%	(2)%
Contonga	54.4%	53.5%	2%	53.9%	54.9%	(2)%
Coricancha	36.5%	-	-	54.5%	38.8%	40%
Langlois	73.9%			73.9%		
Myra Falls	76.6%			76.6%		
Gold recovery (%)						
Campo Morado	35.7%			36.0%	35.4%	2%
Coricancha	83.0%	77.9%	7%	85.2%	77.0%	11%
El Toqui	78.8%			78.8%		
Myra Falls	71.1%			71.1%		
Silver recovery (%)						
Campo Morado	55.9%			55.7%	56.2%	(1)%
Contonga	80.4%	60.7%	32%	84.3%	76.4%	10%
Coricancha	93.2%	82.4%	13%	94.2%	90.7%	4%
El Mochito	85.0%			85.0%		
El Toqui	67.0%			67.0%		
Myra Falls	79.6%			79.6%		
Zinc concentrate ('000 tonnes)						
Campo Morado	95			52	43	21%
Contonga	19	4	375%	9	10	(10)%
Coricancha	4	1	300%	3	1	200%
El Mochito	18			18		
El Toqui	20			20		
Langlois	2			2		
Myra Falls	27			27		
East Tennessee	78	81	(4)%	39	39	-
Middle Tennessee	50	21	138%	28	22	27%
Tennessee Mines	128	101	27%	67	60	12%
Talvivaara Stream	57	28	104%	32	25	28%
Total	369	135	173%	229	140	64%
Lead concentrate ('000 tonnes)						
Contonga	1.7	0.2	750%	0.9	0.7	29%
Coricancha	2.7	0.7	286%	1.4	1.3	8%
El Mochito	7.6			7.6		
El Toqui	0.4			0.4		
Myra Falls	0.8			0.8		
Total	13.2	0.9	1,367%	11.2	2.0	460%

	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Copper concentrate ('000 tonnes)						
Campo Morado	38.7			20.7	18.0	15%
Contonga	3.2	0.9	256%	1.5	1.8	(17)%
Coricancha	0.8	-	-	0.7	0.1	600%
Langlois	0.3			0.3		
Myra Falls	6.1			6.1		
Total	49.1	0.9	5,356%	29.3	19.9	47%
Zinc in concentrate ('000 tonnes)						
Campo Morado	46			25	21	19%
Contonga	10	2	400%	5	5	-
Coricancha	2	1	100%	1	1	-
El Mochito	10			10		
El Toqui	9			9		
Langlois	1			1		
Myra Falls	15			15		
East Tennessee	49	50	(2)%	24	24	-
Middle Tennessee	32	13	146%	18	14	29%
Tennessee Mines	80	63	27%	42	38	11%
Talvivaara Stream	35	18	94%	20	15	33%
Total	207	84	146%	128	79	62%
Lead in concentrate ('000 tonnes)						
Contonga	1.0	0.1	900%	0.6	0.4	50%
Coricancha	1.3	0.6	117%	0.8	0.6	33%
El Mochito	4.9			4.9		
El Toqui	0.2			0.2		
Myra Falls	0.4			0.4		
Total	7.8	0.7	1,014%	6.8	1.0	580%
Copper in concentrate ('000 tonnes)						
Campo Morado	5.2			2.8	2.3	22%
Contonga	0.8	0.2	300%	0.4	0.4	-
Coricancha	0.2	-	-	0.2	0.0	-
Langlois	0.1			0.1		
Myra Falls	1.6			1.6		
Total	7.7	0.2	3,750%	4.9	2.8	75%
Gold ('000 troy oz)						
Campo Morado	17.0			9.2	7.8	18%
Coricancha	14.8	4.7	215%	9.3	5.5	69%
El Toqui	13.0			13.0		
Myra Falls	5.1			5.1		
Total	49.9	4.7	962%	36.6	13.3	175%
Silver ('000 troy oz)						
Campo Morado	1,836			992	844	18%
Contonga	393	70	461%	196	198	(1)%
Coricancha	583	201	190%	352	231	52%
El Mochito	598			598		
El Toqui	43			43		
Myra Falls	220			220		
Total	3,673	271	1,255%	2,400	1,273	89%

Mining Production annex

Production of Breakwater mines and Campo Morado for full year 2011 and 2010

	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Ore Milled ('000 tonnes)						
Campo Morado	699	611	14%	377	322	17%
El Mochito	714	714	-	381	333	14%
El Toqui	599	497	21%	296	303	(2)%
Langlois	-	-	-	-	-	-
Myra Falls	494	502	(2)%	252	242	4%
Zinc mill head grade (%)						
Campo Morado	7.85%	8.35%	(7)%	8.00%	7.68%	4%
El Mochito	4.26%	5.57%	(23)%	4.39%	4.50%	(2)%
El Toqui	5.50%	4.70%	17%	5.50%	5.60%	(2)%
Langlois	7.00%	-	-	7.00%	-	-
Myra Falls	8.00%	7.30%	10%	8.30%	7.80%	6%
Lead mill head grade (%)						
El Mochito	2.20%	2.87%	(24)%	2.24%	2.30%	(4)%
El Toqui	0.20%	0.20%	-	0.30%	0.10%	200%
Myra Falls	0.60%	0.70%	(14)%	0.60%	0.50%	20%
Copper mill head grade (%)						
Campo Morado	1.07%	0.98%	10%	1.10%	1.04%	10%
Langlois	0.56%	-	-	0.56%	-	-
Myra Falls	1.10%	1.30%	(15)%	1.00%	1.20%	(17)%
Gold mill head grade (g/t)						
Campo Morado	2.13	2.29	(7)%	2.12	2.14	(1)%
El Toqui	2.30	3.10	(26)%	2.50	2.00	25%
Myra Falls	1.10	1.70	(35)%	1.10	1.10	-
Silver mill head grade (g/t)						
Campo Morado	146.67	161.77	(9)%	147.67	145.00	2%
El Mochito	81.13	95.61	(15)%	81.13	86.20	(6)%
El Toqui	9.30	10.20	(9)%	11.00	7.70	43%
Myra Falls	45.30	57.80	(22)%	44.70	46.00	(3)%
Zinc recovery (%)						
Campo Morado	83.6%	83.0%	1%	83.7%	83.5%	0%
El Mochito	85.3%	85.0%	0%	85.3%	84.0%	2%
El Toqui	86.8%	86.5%	0%	87.3%	86.2%	1%
Langlois	82.7%	-	-	82.7%	-	-
Myra Falls	91.9%	89.4%	3%	92.2%	91.7%	1%
Lead recovery (%)						
El Mochito	83.1%	82.6%	1%	83.6%	85.4%	(2)%
El Toqui	48.5%	55.7%	(13)%	48.5%	11.2%	333%
Myra Falls	34.5%	15.1%	128%	49.5%	18.8%	163%
Copper recovery (%)						
Campo Morado	69.0%	67.7%	2%	68.4%	69.6%	(2)%
Langlois	73.9%	-	-	73.9%	-	-
Myra Falls	77.5%	76.2%	2%	77.1%	78.0%	(1)%

	FY 2011	FY 2010	Δ %	H2 2011	H1 2011	Δ %
Gold recovery (%)						
Campo Morado	35.7%	39.8%	(10)%	36.0%	35.4%	2%
El Toqui	79.5%	77.4%	3%	78.9%	80.1%	(1)%
Myra Falls	70.0%	71.3%	(2)%	71.3%	68.7%	4%
Silver recovery (%)						
Campo Morado	55.9%	55.0%	2%	55.7%	56.2%	(1)%
El Mochito	86.3%	85.2%	1%	86.8%	87.2%	(0)%
El Toqui	68.3%	42.2%	62%	73.0%	63.6%	15%
Myra Falls	80.4%	78.6%	2%	80.7%	80.1%	1%
Zinc concentrate ('000 tonnes)						
Campo Morado	95	88	8%	52	43	21%
El Mochito	49	64	(23)%	25	24	4%
El Toqui	61	41	49%	30	30	-
Langlois	2	-	-	2	-	-
Myra Falls	66	61	8%	35	31	13%
Lead concentrate ('000 tonnes)						
El Mochito	21.3	26.3	(19)%	10.8	10.5	3%
El Toqui	0.9	0.8	13%	0.9	-	-
Myra Falls	1.9	1.1	73%	1.3	0.6	117%
Copper concentrate ('000 tonnes)						
Campo Morado	38.7	31.1	24%	20.7	18.0	15%
Langlois	0.3	-	-	0.3	-	-
Myra Falls	16.4	19.6	(16)%	7.8	8.6	(9)%
Zinc in concentrate ('000 tonnes)						
Campo Morado	46	42	10%	25	21	19%
El Mochito	26	34	(24)%	13	13	-
El Toqui	29	20	45%	14	15	(7)%
Langlois	1	-	-	1	-	-
Myra Falls	36	33	9%	19	17	12%
Lead in concentrate ('000 tonnes)						
El Mochito	13.1	17.0	(23)%	6.7	6.4	5%
El Toqui	0.5	0.4	25%	0.5	-	-
Myra Falls	0.8	0.5	60%	0.6	0.2	200%
Copper in concentrate ('000 tonnes)						
Campo Morado	5.2	4.0	30%	2.8	2.3	22%
Langlois	0.1	-	-	0.1	-	-
Myra Falls	4.2	4.8	(13)%	2.0	2.2	(9)%
Gold ('000 troy oz)						
Campo Morado	17.0	17.7	(4)%	9.2	7.8	18%
El Toqui	33.5	37.6	(11)%	18.5	15.1	23%
Myra Falls	12.4	15.4	(19)%	6.3	6.0	5%
Silver ('000 troy oz)						
Campo Morado	1,836	1,720	7%	992	844	18%
El Mochito	1,555	1,809	(14)%	777	778	(0)%
El Toqui	123	69	78%	75	48	56%
Myra Falls	574	469	22%	288	286	1%

FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements that reflect Nyrstar's intentions, beliefs or current expectations concerning, among other things: Nyrstar's results of operations, financial condition, liquidity, performance, prospects, growth, strategies and the industry in which Nyrstar operates. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause Nyrstar's actual results of operations, financial condition, liquidity, performance, prospects or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Nyrstar cautions you that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which Nyrstar operates may differ materially from those made in or suggested by the forward-looking statements contained in this news release. In addition, even if Nyrstar's results of operations, financial condition, liquidity and growth and the development of the industry in which Nyrstar operates are consistent with the forward-looking statements contained in this news release, those results or developments may not be indicative of results or developments in future periods. Nyrstar and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this report or any change in Nyrstar's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

About Nyrstar

Nyrstar is an integrated mining and metals business, with market leading positions in zinc and lead, and growing positions in other base and precious metals; essential resources that are fuelling the rapid urbanisation and industrialisation of our changing world. Nyrstar has mining, smelting, and other operations located in Europe, the Americas, China and Australia and employs over 7,000 people. Nyrstar is incorporated in Belgium and has its corporate office in Switzerland. Nyrstar is listed on NYSE Euronext Brussels under the symbol NYR. For further information please visit the Nyrstar website, www.nyrstar.com

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Selected Nyrstar Consolidated Financial Information

For the year ended
31 December 2011

Management responsibility statement

We hereby certify that, to the best of our knowledge, the selected consolidated financial information for the year ended 31 December 2011, which has been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and with the legal requirements applicable in Belgium, give a true and fair view of the

- Consolidated income statement
- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated statement of changes in equity
- Consolidated statement of cash flows
- Segment reporting

for the reporting year 2011, and that the commentary on pages 1 to 27 offers a fair and balanced review of overall performance of the business during 2011.

Brussels, 23 February 2012



Roland Junck
Chief Executive Officer



Heinz Eigner
Chief Financial Officer

Financial Audit statement

The statutory auditor PricewaterhouseCoopers Bedrijfsrevisoren burg. CVBA / Réviseurs d'Entreprises SCRL civile, represented by Peter Van den Eynde, has issued an unqualified audit opinion on the IFRS consolidated financial statements and has confirmed that the IFRS accounting data included in this annual announcement does not include any apparent inconsistencies with the IFRS consolidated financial statements. The accounting data included in this annual announcement incorporates other financial information which has not been audited.

The selected consolidated financial information in this press release are extracted from the 2011 audited financial statements which were published on 23 February 2012 for submission to the Annual General Meeting of shareholders on 25 April 2012. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and with the legal requirements applicable in Belgium.

Consolidated income statement

EUR million	2011	2010
Revenue	3,347.6	2,696.1
Raw materials used	(2,000.6)	(1,727.6)
Freight expense	(60.8)	(43.1)
Gross profit	1,286.2	925.4
Other income	13.7	9.1
Employee benefits expense	(339.3)	(262.2)
Energy expenses	(303.6)	(269.1)
Stores and consumables used	(152.1)	(103.1)
Contracting and consulting expense	(145.8)	(82.9)
Other expense	(91.9)	(23.1)
Depreciation, amortisation and depletion	(145.2)	(81.7)
Result from operating activities before exceptional items	122.0	112.4
M&A related transaction expense	(14.6)	(2.8)
Restructuring expense	(9.0)	(10.5)
Impairment loss	-	(0.9)
Result from operating activities	98.4	98.2
Finance income	5.2	0.8
Finance expense	(66.3)	(37.6)
Net foreign exchange gain	5.6	24.3
Net finance expense	(55.5)	(12.5)
Share of profit of equity accounted investees	1.3	3.1
Profit before income tax	44.2	88.8
Income tax expense	(8.1)	(16.6)
Profit for the period	36.1	72.2
Attributable to:		
Equity holders of the parent	36.0	72.2
Non-controlling interest	0.1	-
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in EUR per share)		
basic	0.24	0.62
diluted	0.24	0.60

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

Consolidated statement of comprehensive income

EUR million	2011	2010
Profit for the period	36.1	72.2
Foreign currency translation differences	30.8	29.4
Defined benefit plans - actuarial gain / (loss)	(8.5)	(0.1)
Effective portion of changes in fair value of cashflow hedges	18.0	(16.0)
Change in fair value of investments in equity securities	(2.1)	2.7
Income tax on income and expenses recognised directly in other comprehensive income	(2.8)	5.1
Other comprehensive income for the period, net of tax	35.4	21.1
Total comprehensive income for the period	71.5	93.3
Attributable to:		
Equity holders of the parent	71.4	93.3
Non-controlling interest	0.1	-
Total comprehensive income for the period	71.5	93.3

Consolidated statement of financial position

EUR million	Dec 31, 2011	Dec 31, 2010 (a)
Property, plant and equipment	1,716.7	759.2
Intangible assets	166.4	18.7
Investments in equity accounted investees	47.9	50.9
Investments in equity securities	32.1	9.8
Zinc purchase interest	249.2	247.3
Deferred income tax assets	56.1	13.5
Other financial assets	41.4	23.7
Other assets	0.1	-
Total non-current assets	2,309.9	1,123.1
Inventories	569.9	556.6
Trade and other receivables	313.9	209.6
Prepayments	22.8	9.5
Current income tax assets	4.6	7.2
Other assets	15.3	-
Other financial assets	52.3	36.8
Cash and cash equivalents	177.4	160.6
Total current assets	1,156.2	980.3
Total assets	3,466.1	2,103.4
Share capital and share premium	1,704.1	1,255.4
Reserves	(184.9)	(258.3)
Accumulated losses	(204.8)	(169.0)
Total equity attributable to equity holders of the parent	1,314.4	828.1
Non-controlling interest	4.3	4.2
Total equity	1,318.7	832.3
Loans and borrowings	864.4	443.4
Deferred income tax liabilities	225.9	54.0
Provisions	176.6	115.3
Employee benefits	75.1	52.2
Other financial liabilities	0.1	-
Other liabilities	47.4	12.1
Total non-current liabilities	1,389.5	677.0
Trade and other payables	416.4	314.0
Current income tax liabilities	40.0	13.9
Loans and borrowings	31.3	13.4
Provisions	32.1	43.3
Employee benefits	52.2	44.7
Other financial liabilities	38.6	30.2
Deferred income	127.4	107.0
Other liabilities	19.9	27.6
Total current liabilities	757.9	594.1

Total liabilities	2,147.4	1,271.1
Total equity and liabilities	3,466.1	2,103.4

(a) adjusted for revisions to the provisional accounting for the acquisition of the Contonga and Pucarrajo mines (see note 8 of the 2011 audited financial statements)

Consolidated statement of changes in equity

EUR million	Share capital	Share premium	Reserves	Accumulated losses	Total amount attributable to shareholders	Non-controlling interest	Total equity
Balance at 1 January 2011	1,176.9	78.5	(258.3)	(169.0)	828.1	4.2	832.3
Profit	-	-	-	36.0	36.0	0.1	36.1
Other comprehensive income	-	-	41.2	(5.8)	35.4	-	35.4
Capital increase	1,043.6	(569.5)	-	-	474.1	-	474.1
Change in par value	(843.1)	843.1	46.7	(46.7)	-	-	-
Treasury shares	-	-	(14.5)	(24.8)	(39.3)	-	(39.3)
Convertible bond	0.1	-	-	-	0.1	-	0.1
Distribution to shareholders (capital decrease)	(25.5)	-	-	-	(25.5)	-	(25.5)
Share-based payments	-	-	-	5.5	5.5	-	5.5
Balance at 31 December 2011	1,352.0	352.1	(184.9)	(204.8)	1,314.4	4.3	1,318.7

EUR million	Share capital	Share premium	Reserves	Accumulated losses	Total amount attributable to shareholders	Non-controlling interest	Total equity
Balance at 1 January 2010	1,176.9	78.5	(230.0)	(252.0)	773.4	5.3	778.7
Profit	-	-	-	72.2	72.2	-	72.2
Other comprehensive income	-	-	21.2	(0.1)	21.1	-	21.1
Treasury shares	-	-	(49.5)	20.2	(29.3)	-	(29.3)
Net movement in non-controlling interests as result of acquisition / disposal of subsidiaries	-	-	-	(2.7)	(2.7)	(1.1)	(3.8)
Dividends	-	-	-	(10.0)	(10.0)	-	(10.0)
Share-based payments	-	-	-	3.4	3.4	-	3.4
Balance at 31 December 2010	1,176.9	78.5	(258.3)	(169.0)	828.1	4.2	832.3

Consolidated statement of cash flows

EUR million	2011	2010
Profit for the period	36.1	72.2
Adjustment to:		
Depreciation, amortisation, depletion expense	145.2	81.7
Income tax expense	8.1	16.6
Net finance expense	55.5	12.5
Share of profit in equity accounted investees	(1.3)	(3.1)
Impairment / (reversal of impairment)	-	0.9
Equity settled share based payment transactions	5.5	3.4
Other non-monetary items	(8.3)	(3.8)
Gain on sale of property, plant and equipment	(3.5)	(3.2)
Total adjustments:	237.3	177.2
Change in inventories	31.6	(51.3)
Change in trade and other receivables	(69.9)	(30.6)
Change in prepayments	(10.1)	(5.1)
Change in other financial assets and liabilities	(10.5)	47.0
Change in trade and other payables and deferred income	59.3	135.1
Change in other assets and liabilities	(65.7)	(11.7)
Change in provisions and employee benefits	(43.0)	(24.8)
Current income tax paid	(7.8)	(4.2)
Cash flow from operating activities	121.2	231.6
Acquisition of property, plant and equipment	(215.8)	(145.3)
Acquisition of intangible assets	(12.9)	(1.7)
Proceeds from sale of property, plant and equipment	5.4	7.7
Acquisition of zinc purchase interest	-	(242.6)
Acquisition of subsidiary net of cash acquired	(670.0)	(29.5)
Acquisition of investment in equity securities	(7.6)	(5.7)
Acquisition of investment in equity accounted investees	-	(10.5)
Distribution from associates	4.9	-
Interest received	5.3	0.8
Cash flow from investing activities	(890.7)	(426.8)
Capital increase	474.1	-
Repurchase of own shares	(44.5)	(29.3)
Proceeds from borrowings	1,057.5	994.0
Repayment of borrowings	(648.6)	(663.3)
Interest paid	(38.6)	(21.1)
Distribution to shareholders	(24.7)	(10.0)
Cash flow from financing activities	775.2	270.3
Net increase in cash held	5.7	75.1
Cash at beginning of reporting period	160.6	84.0
Exchange fluctuations	11.1	1.5
Cash at end of reporting period	177.4	160.6

Segment reporting

The Group's operating segments (Smelting, Mining and Other & Eliminations) reflect the approach of the Nyrstar Management Committee (NMC) towards evaluating the financial performance and allocating resources to the Group's operations. The NMC has been identified as the chief operating decision making group. The chief operating decision-maker assesses the performance of the operating segments based on a measure of 'Result from operating activities before exceptional items'. The segmentation and the basis of measurement of segment profit/(loss) are unchanged to the last annual financial statements as at 31 December 2010. Consequently, the Campo Morado operation (acquired as part of the Farallon Mining acquisition) and El Mochito, El Toqui, Langlois and Myra Falls mines (acquired as part of the Breakwater Resources acquisition) have been allocated to the Mining segment. For details of these acquisitions refer to note 8.

The 'Smelting' segment comprises the following smelters: Aubay (France), Balen (Belgium), Budel (Netherlands), Clarksville (US), Hobart (Australia) and Port Pirie (Australia). The 'Mining' segment consists of the following mines: Tennessee (US), Coricancha, Contonga and Pucarrajo (Peru), Campo Morado (Mexico), El Mochito (Honduras), El Toqui (Chile), Langlois, Myra Falls (Canada) and the zinc streaming agreement with the Talvivaara mine (Finland). The 'Other & Eliminations' segment contains Galva 45 (France), corporate activities as well as the eliminations of the intra-group transactions including any unrealised profits resulting from intercompany transactions.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of 'Result from operating activities before exceptional items'.

Sales to each individual customer (group of customers under the common control) of the Group did not exceed 10 % with the exception of sales to Glencore and Umicore, which accounted for 40.8 % (2010: 45.1 %) and 9.6 % (2010: 11.8 %) respectively, of the total Group's zinc and lead sales.

EUR million	Mining	Smelting	Other and eliminations	Total 2011
Revenue from external customers	229.6	3,096.4	21.6	3,347.6
Inter-segment revenue	128.4	-	(128.4)	-
Total segment revenue	358.0	3,096.4	(106.8)	3,347.6
Raw materials used	-	(2,109.6)	109.0	(2,000.6)
Freight expense	(13.0)	(50.1)	2.3	(60.8)
Gross profit	345.0	936.7	4.5	1,286.2
Employee benefits expense	(76.7)	(201.5)	(61.1)	(339.3)
Energy expenses	(28.6)	(273.9)	(1.1)	(303.6)
Other income / (expenses)	(167.7)	(222.9)	14.5	(376.1)
Depreciation, amortisation and depletion	(74.0)	(66.4)	(4.8)	(145.2)
Result from operating activities before exceptional items	(2.0)	172.0	(48.0)	122.0
M&A related transaction expense				(14.6)
Restructuring expense				(9.0)
Impairment loss				-
Result from operating activities				98.4
Finance income				5.2
Finance expense				(66.3)
Net foreign exchange gain				5.6
Net finance expense				(55.5)
Share of profit of equity accounted investees				1.3

Profit before income tax				44.2
Income tax expense				(8.1)
Profit for the period				36.1
Capital expenditure	(103.5)	(111.7)	(13.5)	(228.7)
Total assets	1,463.8	1,812.0	190.3	3,466.1

EUR million	Mining	Smelting	Other and eliminations	Total 2010
Revenue from external customers	12.7	2,653.6	29.8	2,696.1
Inter-segment revenue	83.2	-	(83.2)	-
Total segment revenue	95.9	2,653.6	(53.4)	2,696.1
Raw materials used	-	(1,783.4)	55.8	(1,727.6)
Freight expense	(0.3)	(42.8)	-	(43.1)
Gross profit	95.6	827.4	2.4	925.4
Employee benefits expense	(27.3)	(186.7)	(48.2)	(262.2)
Energy expenses	(9.1)	(258.9)	(1.1)	(269.1)
Other income / (expenses)	(35.2)	(196.3)	31.5	(200.0)
Depreciation, amortisation and depletion	(20.0)	(57.0)	(4.7)	(81.7)
Result from operating activities before exceptional items	4.0	128.5	(20.1)	112.4
M&A related transaction expense				(2.8)
Restructuring expense				(10.5)
Impairment loss				(0.9)
Result from operating activities				98.2
Finance income				0.8
Finance expense				(37.6)
Net foreign exchange gain				24.3
Net finance expense				(12.5)
Share of profit of equity accounted investees				3.1
Profit before income tax				88.8
Income tax expense				(16.6)
Profit for the period				72.2
Capital expenditure	(60.2)	(81.1)	(5.7)	(147.0)
Total assets	259.9	1,662.6	180.9	2,103.4

Geographical information

(a) Revenues from external customers

EUR million	2011	2010
Belgium	665.0	360.0
Rest of Europe	1,150.4	945.7
Americas	325.5	275.9
Australia	858.6	711.0
Asia	337.6	388.2
Other	10.5	15.3
Total	3,347.6	2,696.1

The revenue information above is based on the location (shipping address) of the customer.

(b) Non-current assets

EUR million	Dec 31, 2011	Dec 31, 2010
Belgium	73.9	61.2
Rest of Europe	524.2	505.7
North America	505.2	166.6
Central America (incl Mexico)	553.3	-
South America	263.9	109.7
Australia	211.3	182.0
Other	0.5	-
Total	2,132.3	1,025.2

Non-current assets for this purpose consist of property, plant and equipment, intangible assets and the zinc purchase interests.