

APRIL 2014



Nyrstar | Auby Site Visit

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Safety On Site

- All the Safety instructions & PPE will be provided before the visit.
- Stay with your host and follow the pedestrian walkways.
- Don't touch anything.
- Smoking is not allowed on site excepted in designated areas.

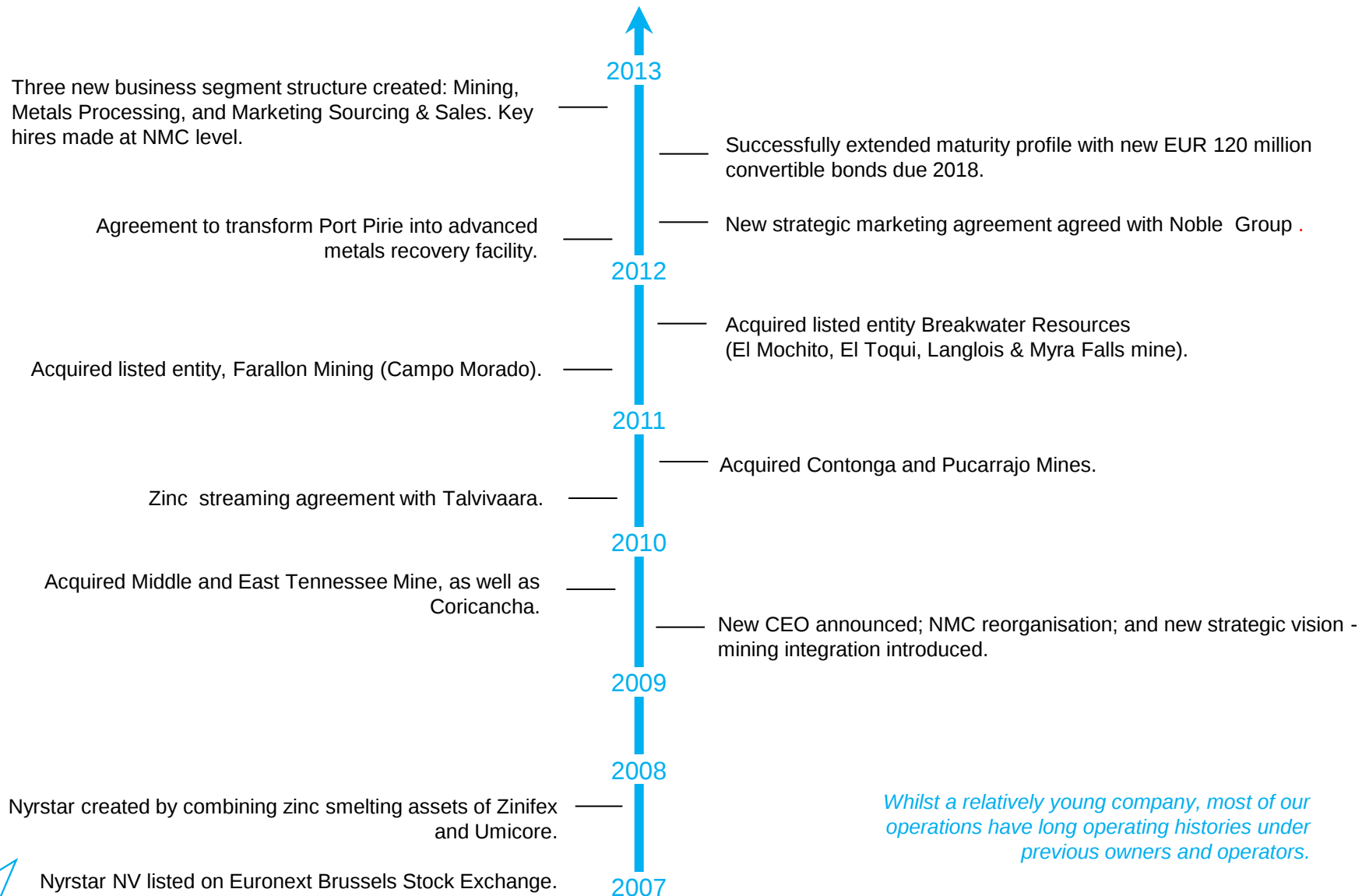
Programme

1. Introduction to Nyrstar
2. Metals processing transformation
 - *Port Pirie Redevelopment*
 - *Smelting Strategic Review*
3. Auby & Indium: Nyrstar's vision in action
4. Outlook and strategic priorities



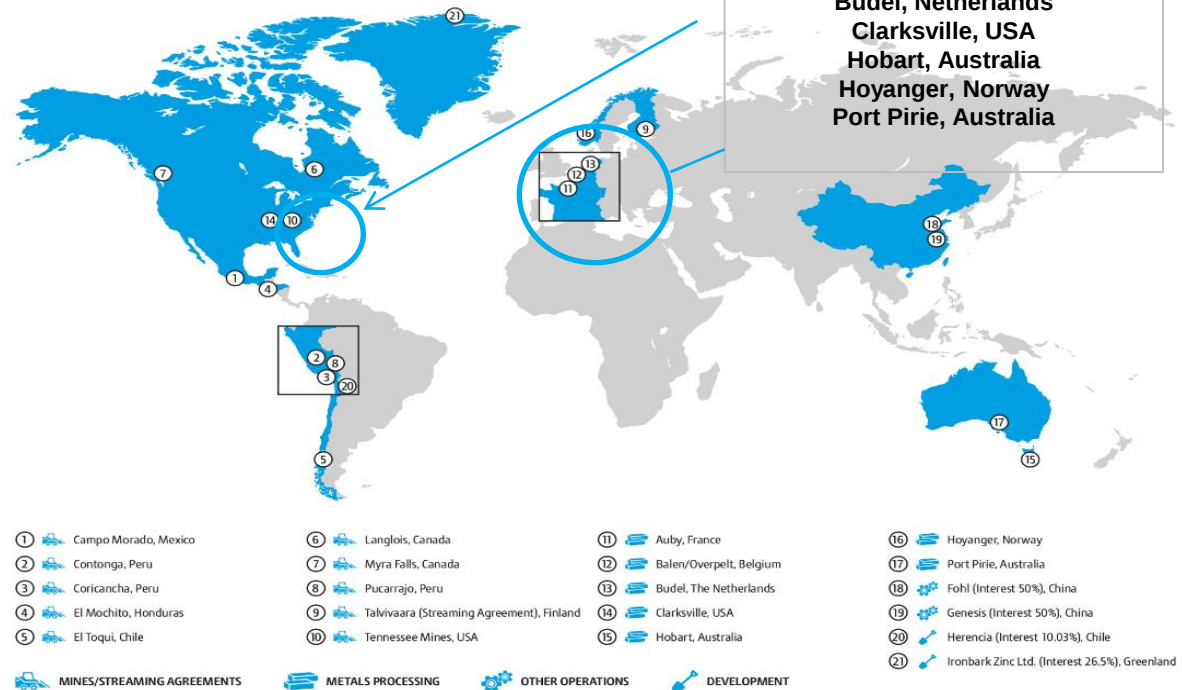
Introduction to Nyrstar

Corporate history

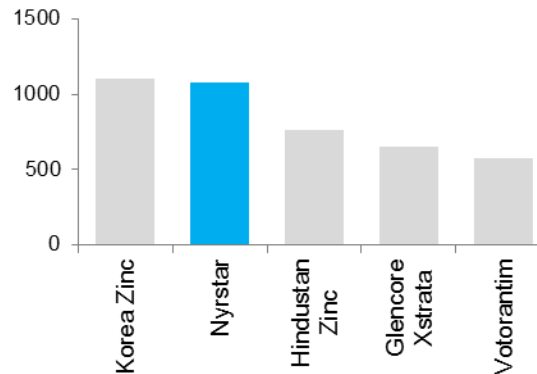


Nyrstar today

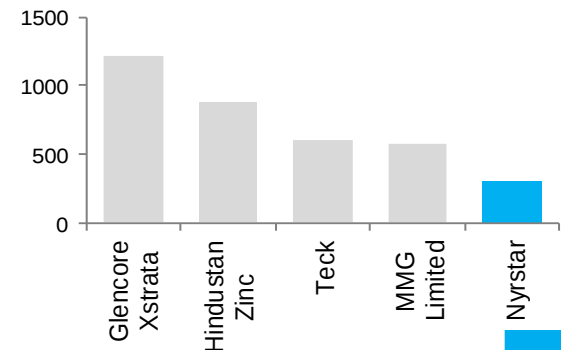
- Integrated mining and metals business.
- One of the world's largest zinc producers.
 - 2013: 1.1 million tpa zinc metal.
 - 2013: 285,000 tpa zinc in concentrate.
- Market leading position in lead, and growing positions in other base and precious metals including copper, gold, silver.
- Strong exposure to resources fuelling urbanisation and industrialisation.
- Nine mining operations.
- Five zinc smelters, one lead smelter.
- Employing ca. 6,500 people across five continents. Corporate office in Switzerland.
- Primarily European and US institutional investor base; ca 40% Belgian retail investors.



Top Five Zinc Smelters
(zinc metal production in '000t)

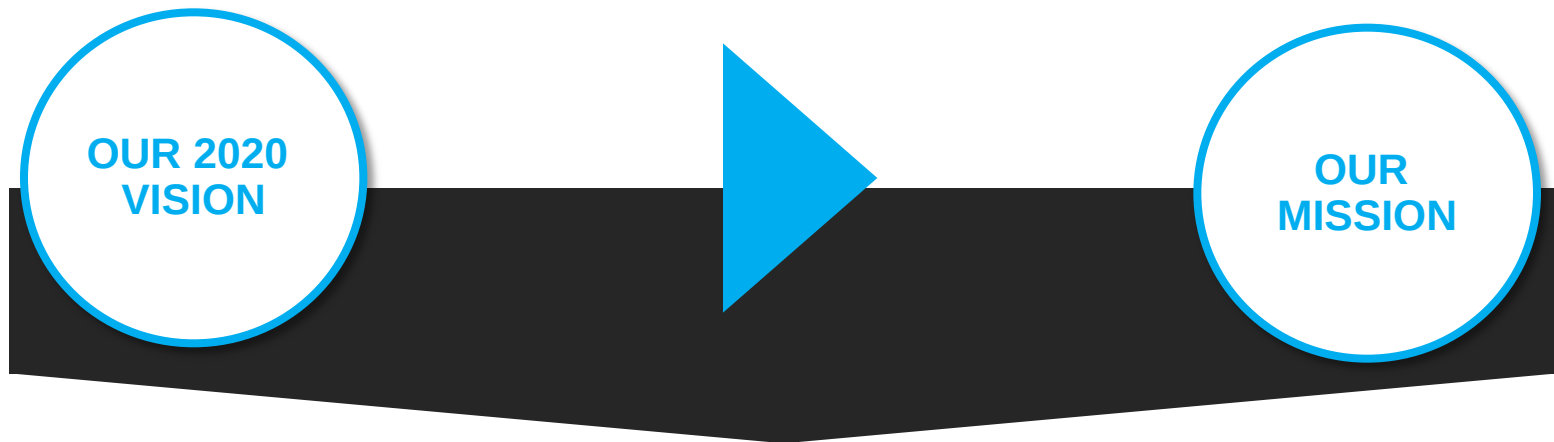


Top Five Zinc Miners
(zinc in concentrate production in '000t)



Nyrstar's vision

Nyrstar 2020



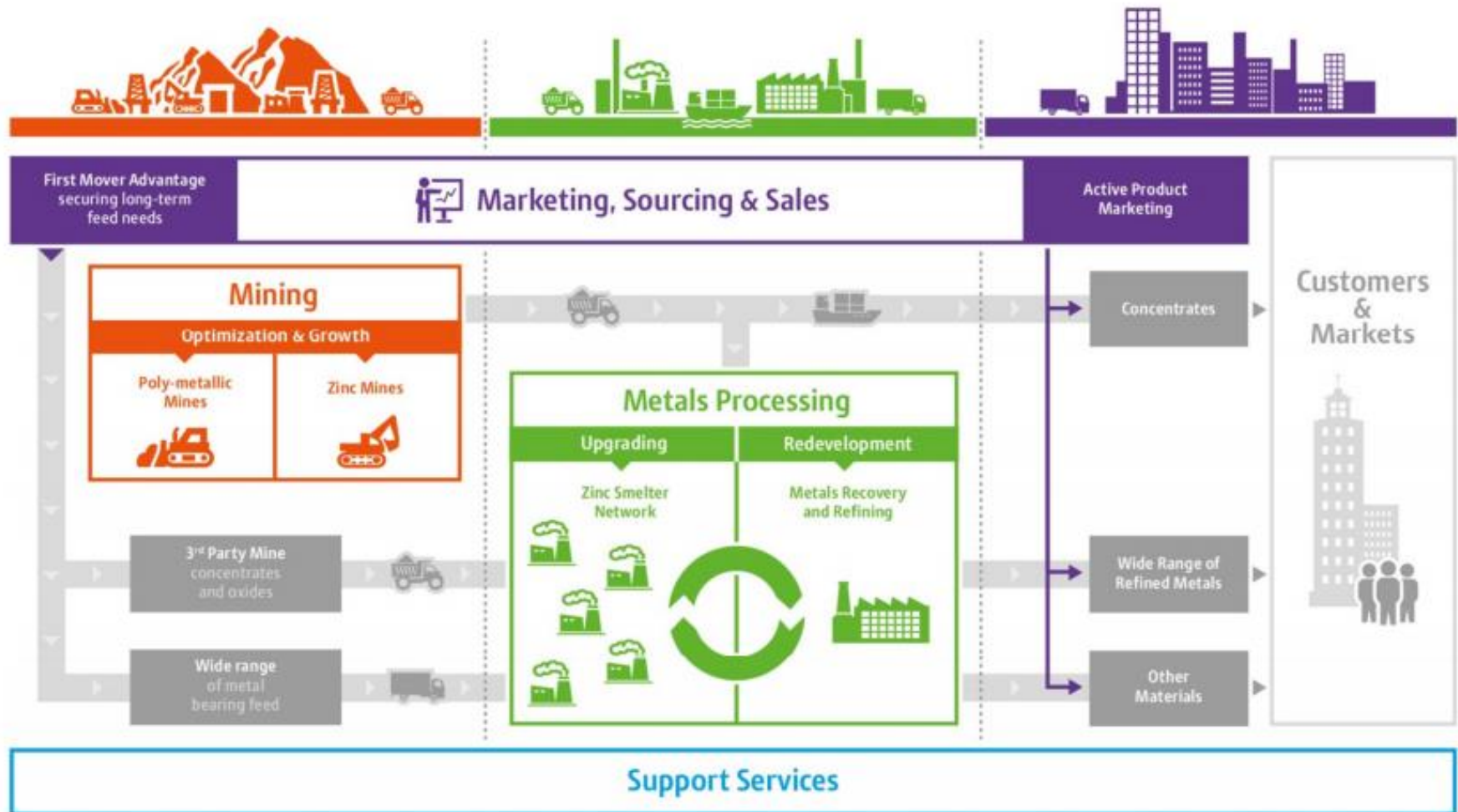
What we want to be

To be the leading integrated mining and metals business

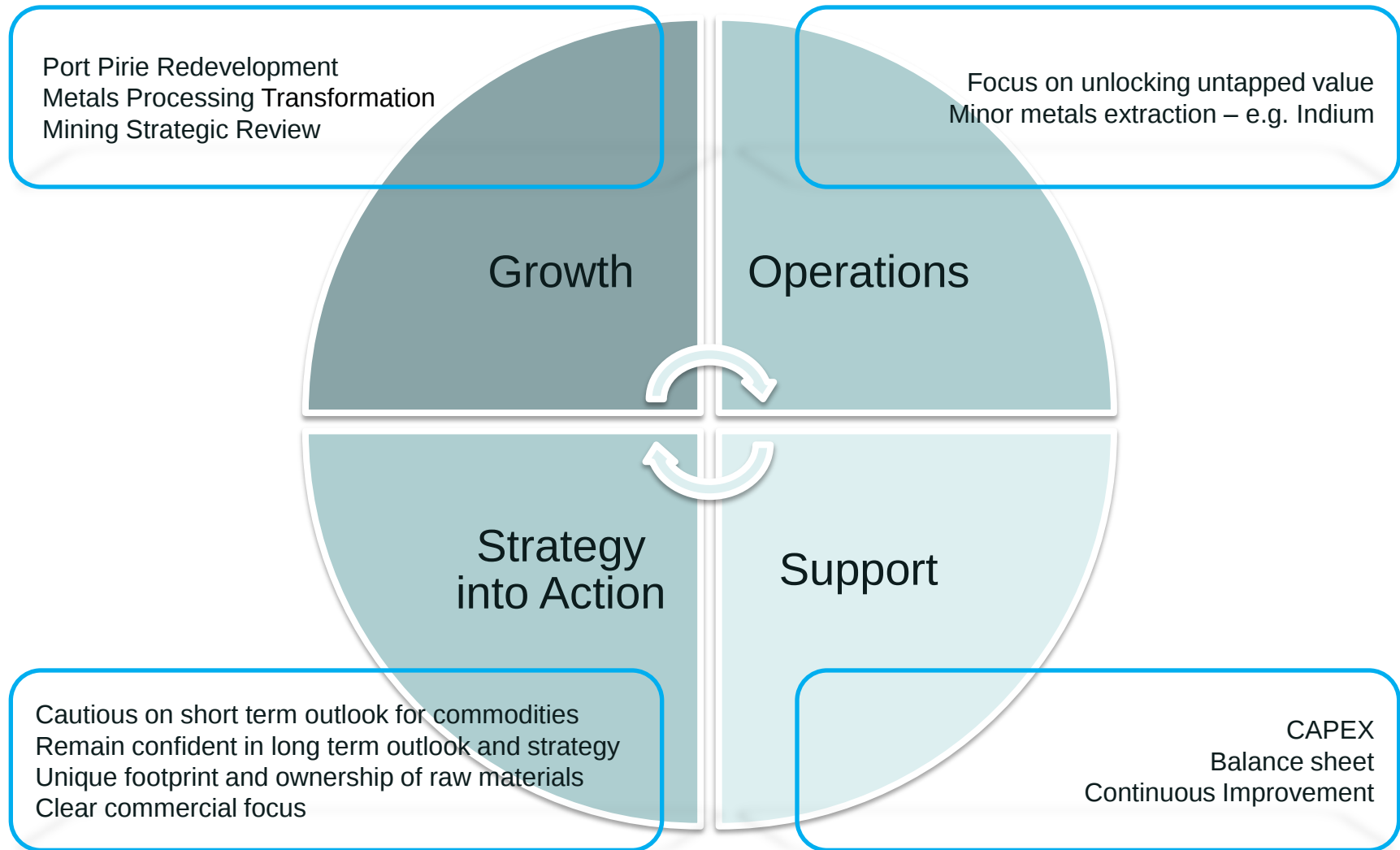
What we need to do to get there

To capture the maximum value inherent in mineral resources through deep market insight and unique processing capabilities, generating superior returns for our shareholders

Nyrstar operating model

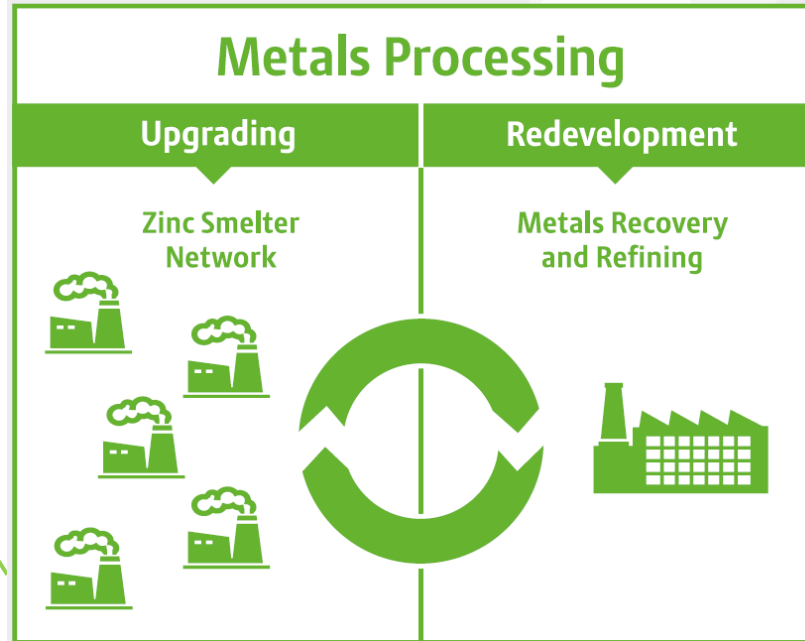
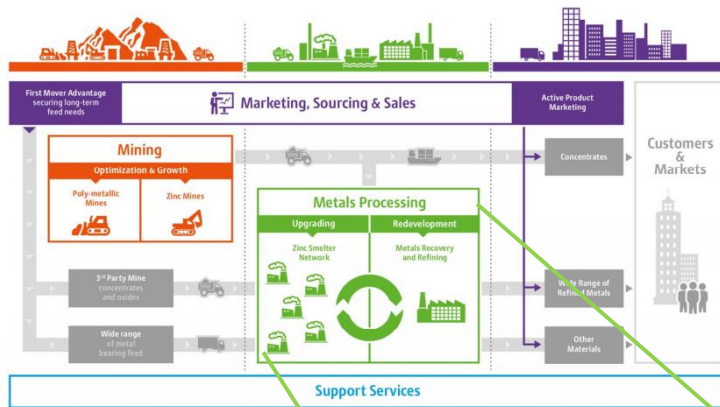


Outlook and strategic priorities



Metals Processing Transformation

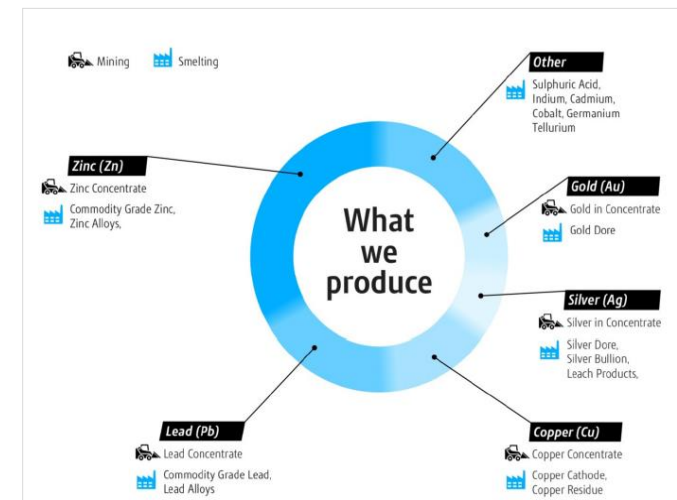
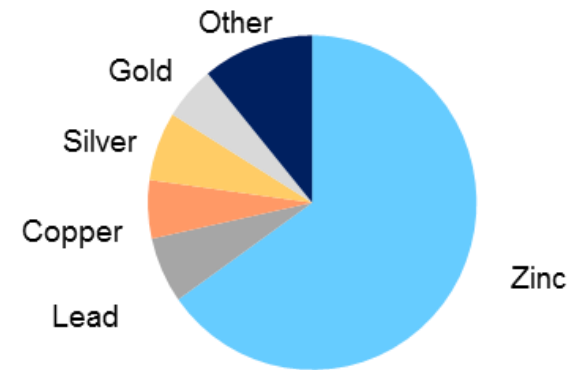
Metals Processing in context



Metals Processing: performance in 2013

- **EBITDA EUR 149m – driven by higher realised premiums**
- **Production**
 - Production exceeded FY2013 expectations.
 - 1,088,000 tonnes of zinc metal.
 - 179,000 tonnes of lead metal.
 - H2 2013: new half yearly record: 569,000 tonnes (+10% on H1 2013).
- **Successful cost reductions realised through Project Lean**
- **CAPEX at EUR96m – down 16%**
 - EUR 74m for sustaining capex and shutdowns.
 - EUR 17m invested in growth and Transformation projects.
- **Investing in the Metals Processing segment**
 - Port Pirie Redevelopment; investment decision 30 April.
 - Smelting Strategic Review: Transformation of the Metals Processing Segment.

FY 2013 Gross profit per metal



Metals Processing: the opportunity

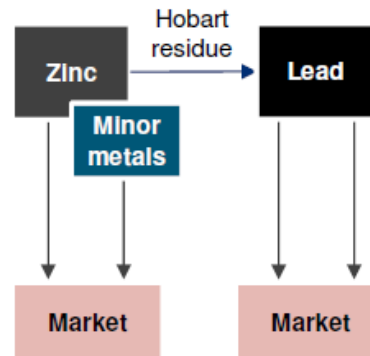
- Our industrial footprint provides a unique step change opportunity to deliver on the Nyrstar Mission and unlock untapped value.
- Nyrstar is one of the world's largest zinc producers.
 - **Metals Processing:** Leading position in zinc smelting, and one of the world's largest primary lead smelting facilities.
 - **Mining:** Top 5 zinc miner by volume, producing significant volumes of other metals.
- Three key value drivers:
 1. Value in raw material flows - in particular, our own mines and residues from zinc smelting.
 2. Our industrial footprint (Mining and Metals Processing).
 3. Our marketing, Sourcing & Sales strategy.

Metals Processing: leveraging our footprint

↑ Redevelopment

↑ Debottlenecking projects

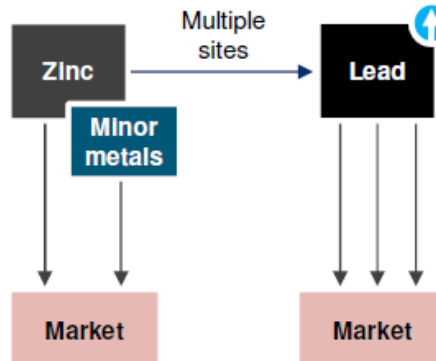
Current operations



TC driven zinc and lead sourcing

- Largely volume focused in zinc and lead
- Focus on treatment charges and zinc free metal

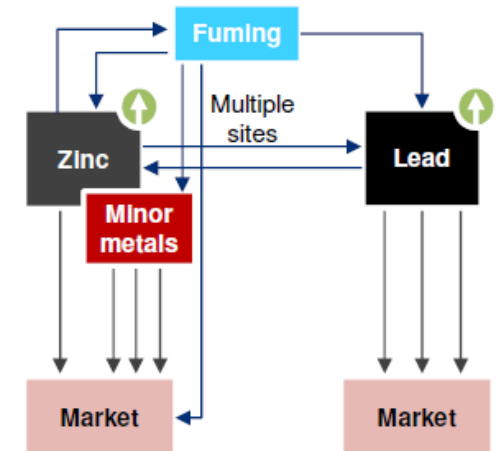
Port Pirie Redevelopment



Residue driven lead strategy

- Replace aging sinter plant with new oxidation furnace and upgrade other parts of site
- Technology proven and highly flexible
- Increases process flexibility to treat significantly increased volumes of zinc residues and complex lead concentrates
- Increased integration with zinc sites

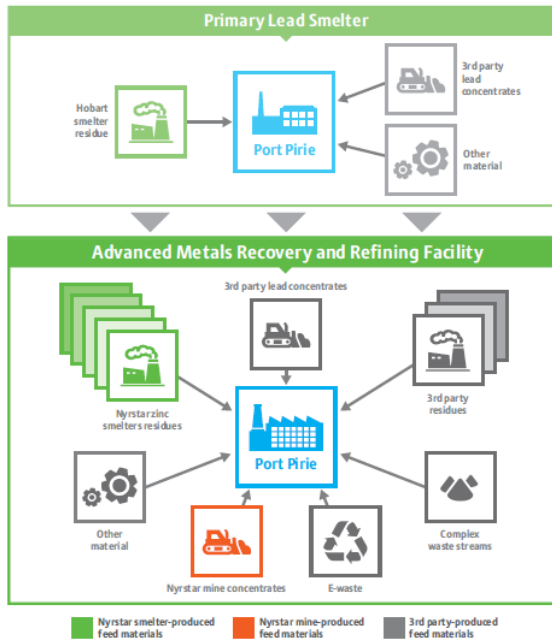
Metals Processing Transformation



Value in feed material strategy

- View raw material flows through a different lens: significantly increases value
- Unlock increased value through investments into debottlenecking smelters, building fuming capacity and minor metals extraction
- Blueprint includes ~25 projects

Update on Port Pirie Redevelopment and Metals Processing Transformation projects



Port Pirie Redevelopment

- Completion of pre-feasibility study in 2013. Q1 2016 commissioning is viable.
- Discussions with stakeholders for the funding and support package progressing well.
- Investment decision expected with Q1 ÎMS.
- Construction anticipated in 2014 / 2015.

Metals Processing Transformation

- Completed first investment in Q4 2013 of EUR 5m with acquisition of ERAS Metals in Norway (now Nyrstar Høyanger).
- Further investments planned for 2014 (EUR15-40m).
- Beyond 2014, potentially through a self funding sequential investment approach including third party contributions.



Metals Processing Transformation

Smelting Strategic Review

- **Key outcomes from the SSR:**

- Identified significant amount of non-realised value in feed materials.
- Compelling business case to apply technical modifications across smelting network: **Metals Processing Transformation.**

- **Metals Processing Transformation**

- To drive earnings and free cash flow by higher gross profits and margins.
- Capital investment: approximately EUR280m, covering around 25 unique projects with an expected IRR of 25-30%.

- **Projects fall under three categories of investments:**

1

**Debottlenecking
smelters**

2

**Building fuming
capacity**

3

**Minor metals
extraction**

MPT blueprint could be fully operational by 2019

OUTLINE TIMEFRAME

2013

2014

2015

2016

.....2019

TODAY'S
ANNOUNCEMENT

Port Pirie Redevelopment

*Final investment
case**Construction phase*New plant
commissioned
(early 2016)

Metals Processing Transformation

Acquisition of
ERAS Metals

Debottlenecking

Fuming

Minor metal extraction

Auby & Minor Metals Extraction: Nyrstar's vision in action

Metals Processing Transformation: Auby

- **Mid-scale electronic zinc smelter - acquired in 2007**
- **Connected to essential infrastructure & European Smelter Network**
- **Technology: roast, leach, electrolysis (RLE) smelting**
 - Output: Zinc (Special High Grade and battery zinc) , sulphuric acid, indium.
- **Innovation key element**
- **Implementation of MPT**
 - Increase the range of metals and recovery capacity and increase capacity for minor metals extraction.
 - Primary metal: zinc > Increasing focus on zinc by-products: sulphuric acid, Auby leach product, copper, indium cement and indium metal.
- **Minor metals extraction: Indium started in 2012**
 - Strong, growing global demand: main application in LCD screens.
 - Available through feed materials.
 - Compelling financials: availability of feed materials and low cost of extraction versus high commodity price and margins.



Production/Capacity (2013)

Zinc metal: 152,000 tonnes/172,000 tonnes

Sulphuric acid: 164,600 tonnes

Indium metal: 32,700 tonnes/48,000 tonnes



Auby: the metals

Applications

Zinc

- Galvanization
- Alloys
- Industrial uses
- Vitamin/Mineral supplements

Sulphuric Acid

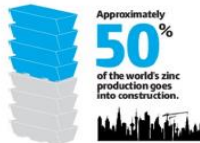
- Industrial production of chemicals

Indium



- LCD screens
- Electric components
- Solders and alloys

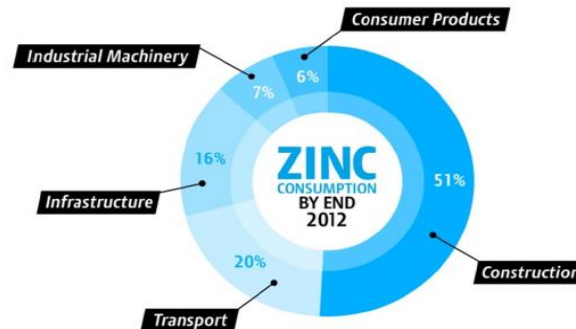
CONSTRUCTING A GREAT FUTURE FOR ZINC.



ZINC. A MOVING STORY.



ZINC. AND THE WHEELS OF INDUSTRY.

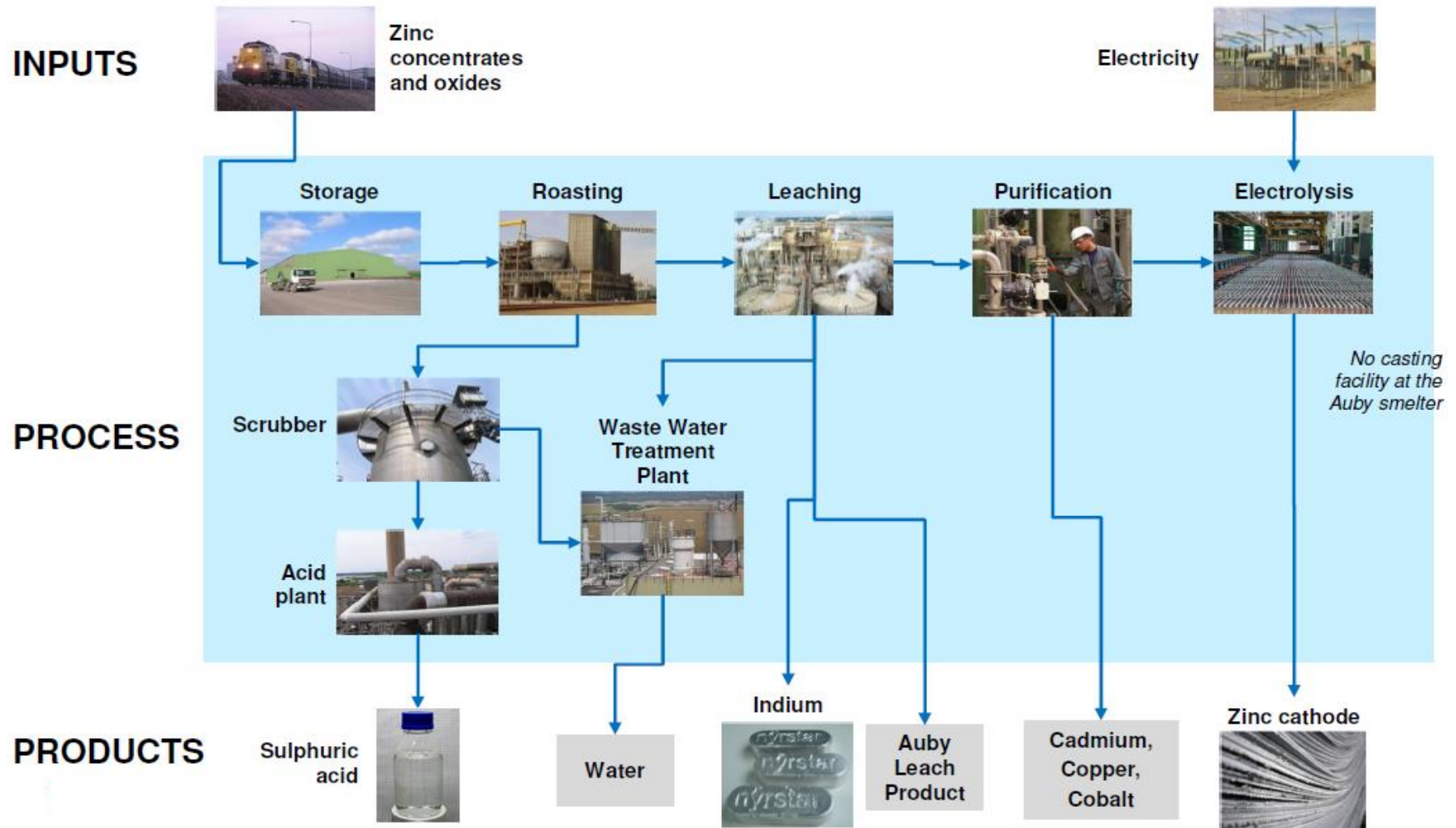


LEAD'S FUTURE IS ELECTRIC.



Zinc consumption by first use (2012)

Auby: process flow



Indium

Characteristics

- Very soft, silvery-white metal with a brilliant lustre.
- Classed in “rare metals”, 61st in crystal abundance.

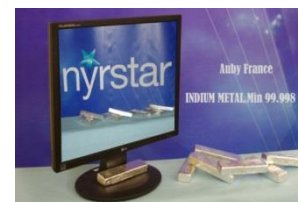
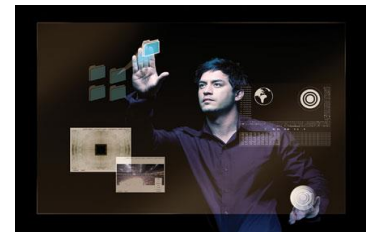
Indium market dynamics

- **Price dynamics:** increasing influence of speculative forces.
- The **cost of Indium is inelastic:** relatively low amounts used in final products.
- Limited availability of Indium **substitutes**.
- Demand mainly driven by **consumer electronics industry** and **PV installations** - flat screen TVs and tablets in both emerging and developed countries.
- **Global market** – key customers: Japan, Korea, China.

Primary Use

To thin film coating - flat panel displays

PV panels, LCD, and semiconductors

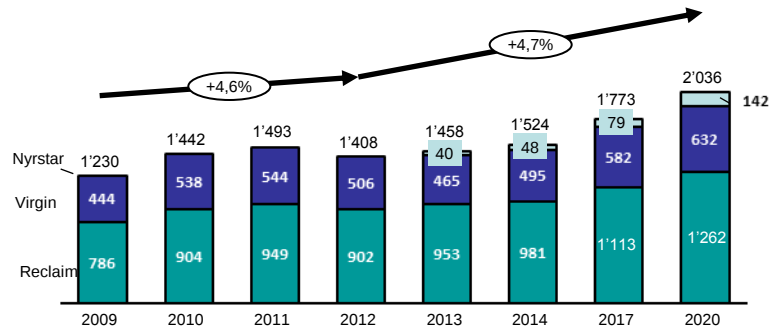


Supply

2012 global supply: 1,408mt

China primary supplier of refined Indium (50%)

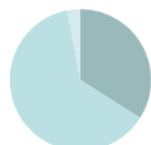
Indium supply 2009 - 2020



Source: Indium Corp., Nyrstar



Supply origin



Supply capacity

Historic price levels: USD/kg 85-1,040

2012: USD 525/kg

Short-medium term price projections: USD 400-550/kg

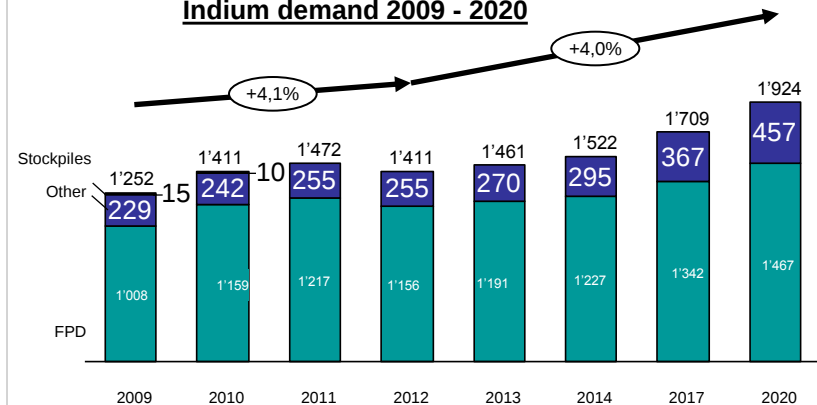
Price drivers: supply/demand, Fanya exchange, lack of substitutes

Demand

Demand primarily driven by growth in FPD volumes and size
Secondary demand driver: solar PV panels

Expected growth rate ~4.0% until 2016

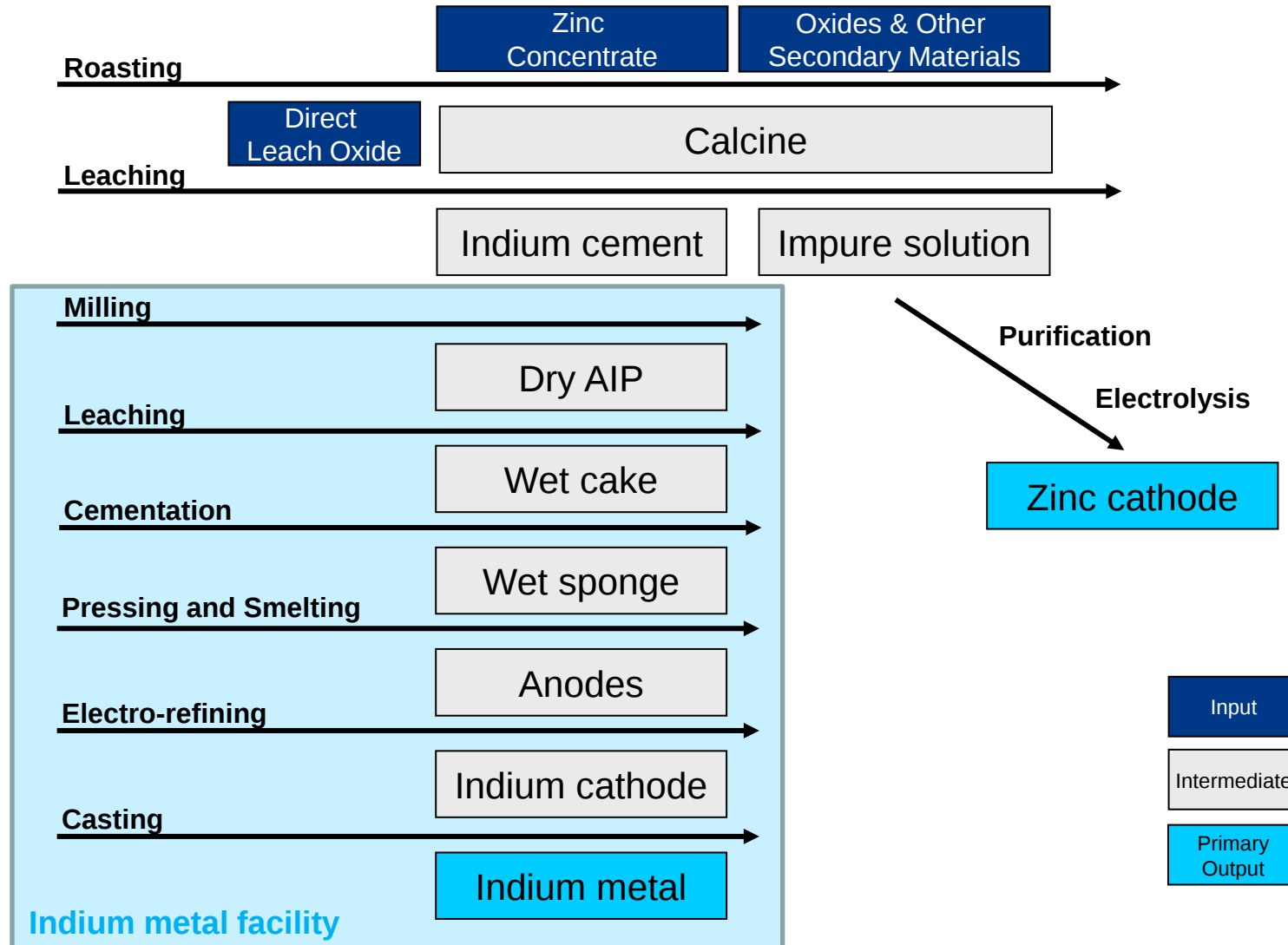
Indium demand 2009 - 2020



Source: Indium Corp.

- FPD 2012-14 CAGR ~ 3.03%
- Other Indium uses ~ 7.6%
- Future growth projections range from 5-15% p.a. - **Nyrstar maintains conservative estimate of ~ 4.0%**
- Previous demand forecasts assumed a constant recovery rate in the secondary cycle – however, increased recoveries within the ITO circuit resulted in lower than anticipated demand for primary Indium
- While Japan accounted for approx. 30% of primary Indium demand in 2009, China is now the leading consumer of Indium

Process overview



The product



Pre-casting



Cast ingot

- The indium metal produced at Nyrstar Aubrey is available in 4N8 grade (99.998% purity).
- ITO grade, can be used in flat panel displays (FPDs).

Chemical specification	Composition (%)
Indium (In)	99.998
Lead (Pb)	0.005
Tin (Sn)	0.005
Copper (Cu)	0.002
Nickel (Ni)	0.005
Iron (Fe)	0.001
Cadmium (Cd)	0.001
Thallium (Tl)	0.002
Zinc (Zn)	0.002
Aluminium (Al)	0.002

Shape / package	Normal weight	Value
Ingot 1kg	1.0 ± 0.1	150 x 40 x 25
Ingot 5kg	5.0 ± 0.5	252 x 92 x 32

Physical property	Unit	Value
Density	kg/dm ³	7.310
Melting point	°C	156.6

Solid (at 20°C)

Outlook and strategic priorities

Outlook and strategic priorities

