



**NYRSTAR NV**

**Statutory auditor's report to the general  
shareholders' meeting on the annual  
accounts as of and for the year ended  
31 December 2011**

**22 February 2012**

**STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING ON  
THE ANNUAL ACCOUNTS OF THE COMPANY NYRSTAR NV AS OF AND FOR THE  
YEAR ENDED 31 DECEMBER 2011**

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As required by law and the company's articles of association, we report to you in the context of our appointment as the company's statutory auditor. This report includes our opinion on the annual accounts and the required additional disclosures.

**Unqualified opinion on the annual accounts**

We have audited the annual accounts of Nyrstar NV as of and for the year ended 31 December 2011, prepared in accordance with the financial reporting framework applicable in Belgium, and which show a balance-sheet total of EUR 3.068.438.933,54 and a profit for the year of EUR 46.695.829,69.

The company's board of directors is responsible for the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with the legal requirements applicable in Belgium and with Belgian auditing standards, as issued by the "Institut des Reviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free of material misstatement.

In accordance with the auditing standards referred to above, we have carried out procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The selection of these procedures is a matter for our judgment, as is the assessment of the risk that the annual accounts contain material misstatements, whether due to fraud or error. In making this risk assessment, we have considered the company's internal control relating to the preparation and fair presentation of the annual accounts, in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. We have also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the presentation of the annual accounts taken as a whole. Finally, we have obtained from the board of directors and company officials the explanations and information necessary for our audit. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the annual accounts give a true and fair view of the company's net worth and financial position as of 31 December 2011 and of its results for the year then ended in accordance with the financial reporting framework applicable in Belgium.

### **Additional remarks**

The company's board of directors is responsible for the preparation and content of the management report, and for ensuring that the company complies with the Companies' Code and the company's articles of association.

Our responsibility is to include in our report the following additional remark, which does not have any effect on our opinion on the annual accounts:

- The management report deals with the information required by the law and is consistent with the annual accounts. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties facing the company, the state of its affairs, its foreseeable development or the significant influence of certain events on its future development. Nevertheless, we can confirm that the information provided is not in obvious contradiction with the information we have acquired in the context of our appointment.
- In accordance with article 523 of the Belgian Company Code, we have to report on the following event that occurred during financial year 2011, as included in the management report:

*Decision of the Board of Directors meeting of 6 December 2011 in relation to the changes to the service agreement between Mr Junck and the company, referred to as 'Revised Service Agreement'.*

The Board of Directors of 6 December 2011 deliberated and approved the changes to the Services Agreement to be entered into between Mr Junck and the Company, comprising (i) a 10% annual base salary increase, and (ii) an increase of the maximum opportunity under the AIP (Annual Incentive Plan) from 100% to 150% of the annual base salary, subject to performance, to be delivered in Company's shares, deferred for twelve months (the "Revised Services Agreement"), effective 1 January 2012. Mr Junck, CEO and Board member, has an interest of a financial nature that could be in conflict with the proposed approval by the Board of the Revised Services Agreement under Article 523 of the Belgian Company Code. Hence, Mr Junck did not further take part in the deliberation and decision.

The Board noted that the purpose of the Revised Services Agreement is to ensure continued competitiveness within the global resources. In order to attract and retain qualified individuals, the Board believed it is reasonable and necessary for the Company to reward executive talent for successfully transitioning the Company from a predominantly smelting company to a truly global integrated resources organisation and to retain executive talent that become increasingly attractive to global competitors. In addition, the Board noted the Revised Services Agreement is consistent with market practice as evidenced by the objective data from three independent, globally recognised executive benchmarking organisations. Accordingly the Board deemed the Revised Services Agreement to be in the interest of the Company.

The financial consequence to the company is the increase in remuneration for Mr Junck as set out above.

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- We have no knowledge of any transactions undertaken or decisions taken in breach of the company's statutes or the Companies' Code such as we would be obliged to report to you. The appropriation of results proposed to the general meeting is in accordance with the relevant requirements of the law and the company's articles of association.

Sint-Stevens-Woluwe, 22 February 2012

The Statutory Auditor  
PwC Reviseurs d'Entreprises Scrl/Bedrijfsrevisoren Bcvba  
Represented by



Peter Van den Eynde  
Réviseur d'Entreprises / Bedrijfsrevisor