



PRESS RELEASE

Nyrstar completes transfer of zinc and lead smelting assets from Umicore and Zinifex

Creation of world's largest zinc metal producer and a major lead producer

Production of over one million tonnes of zinc per year

3 September 2007, Brussels, Belgium. Nyrstar today announced that as of 31 August 2007 it had taken ownership of the zinc and lead smelting and alloying assets of Umicore and Zinifex, thereby formally launching the company and creating the world's largest zinc producer.

Incorporated in Belgium and headquartered in London, Nyrstar has wholly owned operations in Australia, Belgium, France, the Netherlands and the USA and joint ventures in Australia, China and France as well as a 24.9% interest in Padaeng Industry Public Company Limited in Thailand. Nyrstar's shareholders, Umicore and Zinifex, have contributed approximately 40% and 60%, respectively, of the relative value of Nyrstar's assets. However, on 31 August 2007, Nyrstar was structured on an equal ownership basis with an appropriate equalisation payment to be made to Zinifex from debt raised by Nyrstar.

With operations across four continents and more than 4,000 employees, Nyrstar produced over one million tonnes of zinc and zinc alloys in 2006 on a pro forma basis, equivalent to 10.1% of the global market (source: Brook Hunt¹). Furthermore, Nyrstar is also one of the largest primary lead smelting and refining companies in the world.

The creation of Nyrstar brings together assets that will produce greater competitive strengths in zinc and zinc alloy markets than as separate businesses, and creates an opportunity to become the industry leader.

Nyrstar's zinc is used primarily in steel galvanising and die-casting, while the lead is used primarily in the production of lead acid batteries. Other valuable by-products include copper, gold and indium, along with significant quantities of refined silver.

Board of Directors and Executive Management Committee

Currently, the members of Nyrstar's Board of Directors are as follows:

- Julien De Wilde, former CEO of Bekaert, non-Executive Director, Chairman
- Karel Vinck, Chairman of Umicore, non-Executive Director
- Peter Mansell, Chairman of Zinifex, non-Executive Director
- Paul Fowler, formerly Chief Operating Officer of Zinifex, Chief Executive Officer and Executive Director

¹ Brook Hunt & Associates Ltd. is an international strategic analyst to the metal industries and markets.



- Martine Verluyten, Chief Financial Officer of Umicore, non-Executive Director
- Anthony Barnes, Acting Chief Executive Officer of Zinifex, non-Executive Director.

Heinz Eigner, formerly Controller of the Zinc Specialties business group at Umicore, is Nyrstar's Chief Financial Officer.

Future changes to the board and the executive management will be communicated in due course.

Comment

Commenting on the launch of Nyrstar, Chief Executive Officer, Paul Fowler, said:

"Today marks the birth of Nyrstar, the world's largest zinc producer. With a global presence, sophisticated operations and high quality products, we are well positioned to benefit from increased economies of scale and synergies across our asset base. As the largest producer of zinc in the world, we expect to play a leading role in the development of the industry, including helping to consolidate the currently fragmented zinc industry."

Julien De Wilde, Chairman of Nyrstar, said:

"The creation of Nyrstar builds on the long heritage of zinc production in Belgium and combines it with high quality assets from Australia and around the world. Our very experienced and skilled team, combined with our extensive asset base, means that we are in an excellent position to realise the potential of the global zinc market."

For further information

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About Nyrstar:

Nyrstar is the world's largest zinc metal producer with operations on four continents and employs more than 4,000 people. Nyrstar produced over one million tonnes of zinc and zinc alloys on a pro forma basis in 2006, and is also one of the world's largest primary lead smelting and refining companies. Other valuable by-products include copper, gold and indium, along with significant quantities of refined silver.

Incorporated in Belgium and headquartered in London, Nyrstar has wholly owned operations in Australia, Belgium, France, the Netherlands and the USA and joint ventures in Australia, China and France as well as a 24.9% interest in Padaeng Industry Public Company Limited in Thailand. Nyrstar's shareholders, Umicore and Zinifex, have contributed approximately 40% and 60%, respectively, of the relative value of Nyrstar's assets. However, on 31 August 2007, Nyrstar was structured on an equal ownership basis with an appropriate equalisation payment to be made to Zinifex from debt raised by Nyrstar.

Background

Umicore and Zinifex announced on 23 April 2007 that they had signed a binding Business Combination and Shareholders' Agreement to combine their respective zinc and lead smelting and alloying businesses. As a result, their zinc and lead smelting and alloying assets were acquired by Nyrstar on 31 August 2007, thereby formally launching the company.

Nyrstar's operations include zinc and lead smelters previously owned and operated by Zinifex and Umicore including Hobart (Australia), Port Pirie (Australia), Budel (The Netherlands), Clarksville (United States), Balen (Belgium), Overpelt (Belgium) and Aubry (France). Nyrstar also fully owns the GM-Metal zinc reprocessing and recycling operation in France and has significant shareholdings in the joint ventures of Galva 45 (zinc galvanising in France), ARA (lead acid battery recycling in Australia), Genesis Alloys (zinc alloying in China), Umicore Yunnan Zinc Alloys (zinc smelting in China)² and Föhl China (die-casting in China)³ and owns a 24.9% interest in Padaeng Industry Public Company Limited (zinc smelting and mine in Thailand).

Zinc smelting is the process of recovering and refining zinc out of feed material such as zinc concentrates or zinc oxides. All of Nyrstar's smelters use an electrolytic process, also called the Roast-Leach-Electrowin ("RLE") process, which, as compared to alternative production processes, is generally more energy efficient, has higher recovery rates and is easier to automate.

Nyrstar is primarily focused on zinc and lead smelting, and most of its gross profit is generated through the margin it receives from transforming a mining company's zinc or lead concentrate into refined, commodity grade metal.

Nyrstar produces a range of premium products, including value-added alloys, which enable it to earn a premium over the commodity metal price and to differentiate its product offering on the basis of high level of service and high quality.

² Subject to approval by the Chinese Government

³ Subject to approval by the joint venture partner and the Chinese Government



Environment, Health and Safety

Nyrstar is dedicated to achieving leading practices in terms of its environment, health and safety (EHS) performance. Wherever it operates facilities, it holds the health and safety of its employees and the protection of the environment to be core values.

One of Nyrstar's objectives is to minimise the environmental impact of both its production processes and products. Nyrstar intends to continue Umicore and Zinifex's publicly stated commitments to sustainability and environmental management.

Nyrstar's primary objective is to conduct its operations in compliance with all relevant environmental regulations, licences and legislation. Nyrstar intends to apply similar standards to all assets, wherever they are located, with the aim of minimising any harm to people and the environment. Nyrstar's site environmental management systems are externally certified to ISO14001 to ensure appropriate focus and integration of environmental issues in its business.

Safety is a core value of Nyrstar and it is committed to achieving an incident free workplace and has a goal of zero injuries. The health of employees and that of the members of the communities around its sites are also very important to Nyrstar. Nyrstar is committed to continuing established safety and health policies, programmes and processes that have resulted in a significant improvement in injury statistics in recent years.

Management biographies

As most of the management team has been drawn from Umicore and Zinifex and have previously held senior management positions at those companies, they have a high degree of familiarity with the assets and with the broader zinc and lead industries. Furthermore, the management team has overseen a period of significant improvement in the performance of these assets and has a proven track record of technical innovation and of realising efficiency and performance improvements.

Julien De Wilde, Non-Executive Director, Chairman

Julien has built his career in the petrochemicals, telecommunication equipment and steel products sectors. He worked at senior management level with Texaco and was a member of Texaco's European Management Board. He subsequently occupied senior positions with Alcatel and was appointed to Alcatel's Executive Committee. Julien was appointed as CEO of Bekaert in 2002 and occupied the position until 2006. Bekaert is a European based advanced metal transformation, materials and coatings company. Julien has extensive experience of working in various regions including Europe, North and South America and China.

Paul Fowler, Director, Chief Executive Officer

Paul has had an extensive career in the minerals and petrochemical sectors. He worked in various senior management positions for British Petroleum (BP) for 15 years. During this time he oversaw BP's gold mining operations in North America, managed the worldwide Mergers and Acquisitions team for the BP Group, headed the Refining and Supply operations of BP for Australasia, and occupied the role of Chief of Staff for the CEO of the BP Group in London. His final position with BP was as Senior Vice President, Refining and Marketing for BP; North American operations. Paul subsequently became CEO of Fletcher Challenge Forests in Auckland where he managed an international portfolio of forest assets. In 2002 Paul moved to Melbourne as one of the team of executives recruited to bring



the assets of Pasminco out of administration. In 2004 Zinifex purchased these assets and Paul was until recently the Chief Operating Officer of the company.

Heinz Eigner, Chief Financial Officer

Heinz worked for Honeywell from 1987 until 2002, where he occupied several positions in Germany, Switzerland and the United States. From 2000 to 2002, Heinz Eigner was Controller Enterprise Service Solutions - Central Europe. He joined Umicore in 2002 as Vice-President, Business Group Controller Automotive Catalysts and became Vice-President Business Group Controller Zinc Specialties in 2006.

About zinc

Fully recyclable, zinc is an essential part of daily life. Its protective qualities guard against steel corrosion in the cars and buildings we rely on. In its mineral form, it plays a crucial role in more than 300 enzymes in the human body and provides a better resistance against germs. Growth in the world's mature economies recovered in 2006, particularly in Europe, which coupled with continued strong growth in China and elsewhere in the developing world led to a 5.3% increase in global zinc consumption to 11.2 million tonnes (source: Brook Hunt).

Its primary uses are (source: Brook Hunt):

- Galvanising steel to prevent corrosion, which accounted for 48% of global zinc usage in 2006.
- Making brass, a copper-zinc alloy (typically 65% copper, 35% zinc), which can be cast, forged, formed into sheet, wire and rod, and, because of its high tensile and yield strength, brass is machinable, thereby making it suitable for complex shapes. Brass accounted for 17% of total demand in 2006.
- Die-casting, or the forcing of molten metal under high pressure into molds or dies, is another high value first-use market, accounting for 11% of zinc usage in 2006. Die-casting uses speciality zinc alloys.
- Zinc oxides and chemicals accounted for 10% of zinc consumption in 2006. The principal use for zinc oxide is the vulcanisation of rubber, principally in tyres.
- Manufacturing of rolled and extruded products accounted for 10% of zinc consumption in 2006. In France and Germany, zinc sheet is a traditional roofing and cladding material. In the United States and other countries, zinc sheet is used in coinage. In India and China, zinc sheet is used for the casings of dry cell batteries.

In 2006, the largest end-use sectors for global zinc consumption were (source: Brook Hunt):

- Construction, which accounted for 45%, with the non-residential construction sector being particularly zinc intensive.
- The transport sector accounted for 25%, with the automotive industry by far the largest consumer.
- Consumer and industrial use, which both accounted for 10%.