

# **Presentation on EGM**

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**from**

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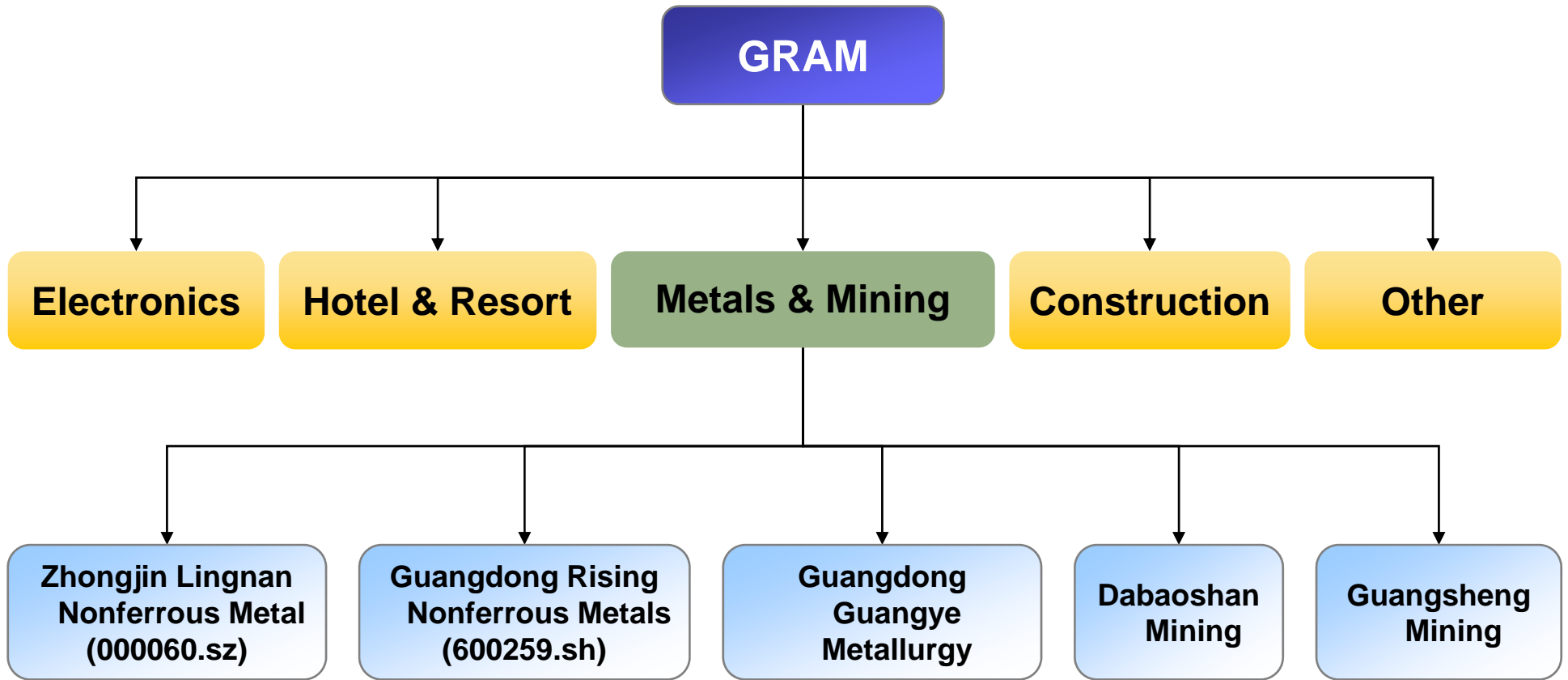
**July, 2009**

Chapter 1

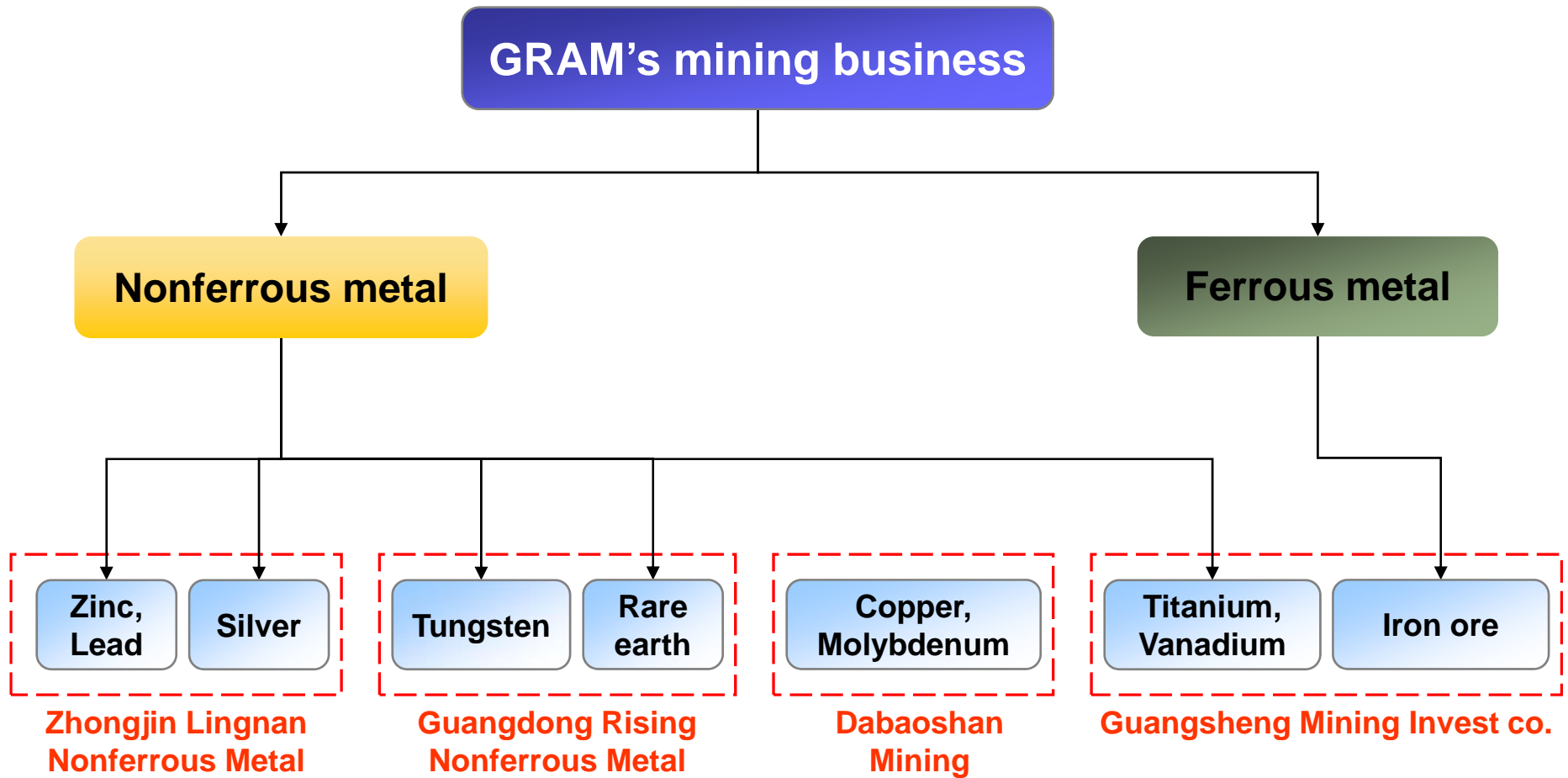
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# About GRAM

# Business Scope of GRAM

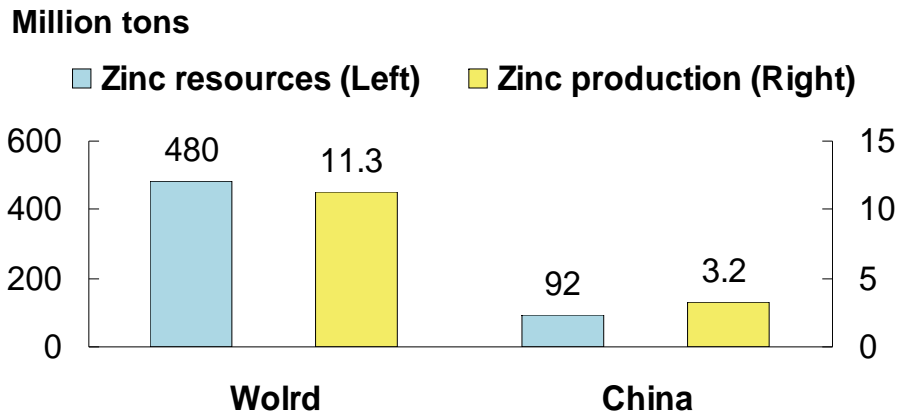


# Snapshot on GRAM's Mining Business

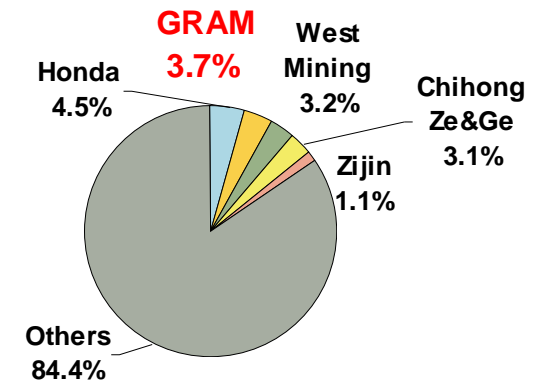


# GRAM: A Leading Mined Zinc & Lead Producer in China

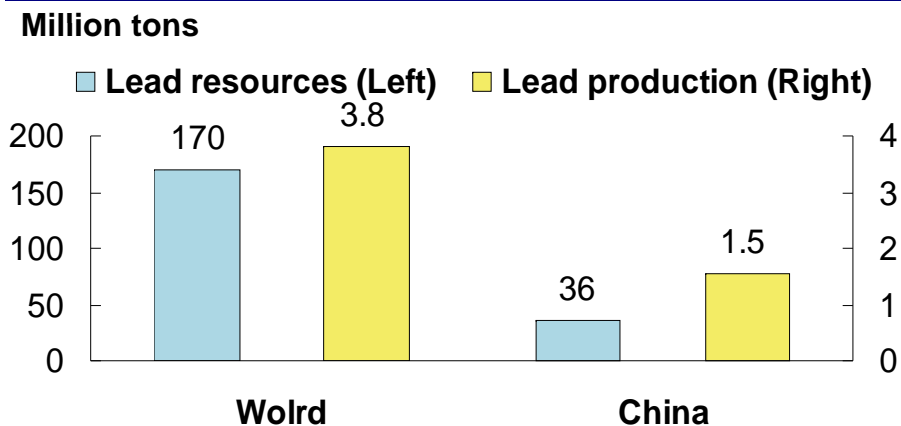
## China is rich in zinc resources and a major zinc producer (2008)



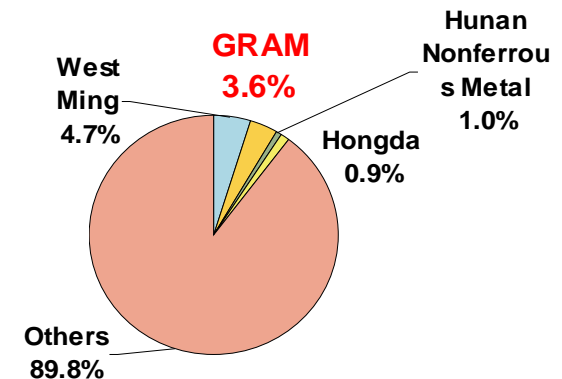
## Major mined zinc producers in China 2008 (by production)



## China is rich in lead resources and a major lead producer (2008)



## Major mined lead producers in China 2008 (by production)



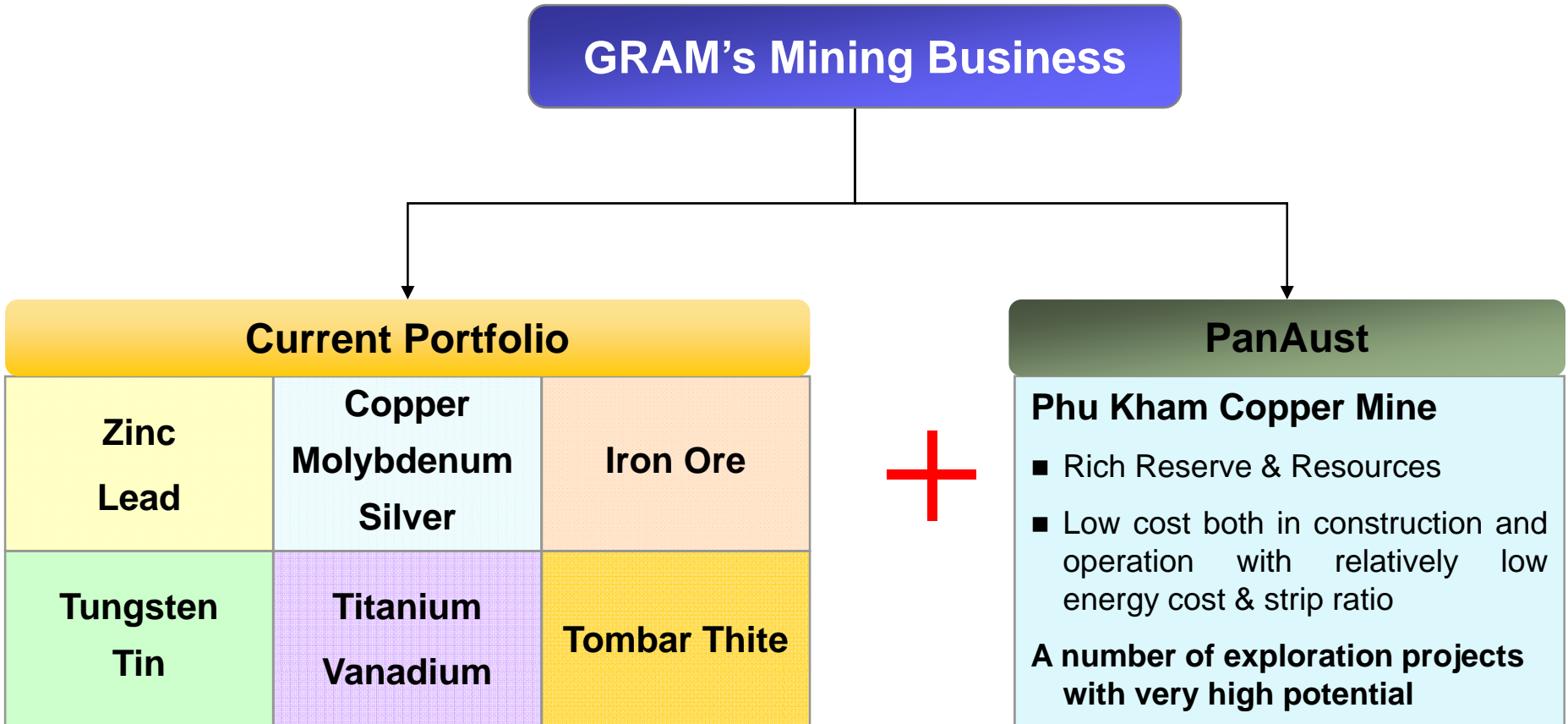
Source : USGS, companies' annual reports and other released documents

Chapter 2

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## **Strategic Rational For The Deal**

# Enhance GRAM's Multi-metals portfolio with Outstanding Copper Resources



# Accelerate GRAM's regional strategy of southeast Asia expansion



## Major operating mines

- ① Fankou zinc-lead mine
- ② Panlong zinc-lead mine
- ③ Shilu copper mine
- ④ Dabaoshan Iron ore mine

## Major mines under construction

- ⑤ Houpoao mine
- ⑥ Xialan vanadium-titanium magnet mine

## Strategic Interest in PanAust

- Phu Kham copper-gold Operations (Laos)
- Ban Houayxai (Laos)
- Puthep Copper (Thailand)

# Experienced management and well-established corporate governance

## Experienced & Reliable Management Team

- 67% of the Directors and 70% of senior management with over 20 years of experience in the mining industry
- Senior management with world class mining companies' operation and management experience, BHP, Rio Tinto, Xstrata and etc. included
- Specialists with expertise in accounting, financing and other relevant fields

## Well- established Corporate Governance

- Committed to best corporate governance practices as an ASX listed company
- Established committees which play a key role in PanAust's corporate governance structures
- Time-tested financially profitable, technically appropriate, environmentally sound and socially responsible

Chapter 3

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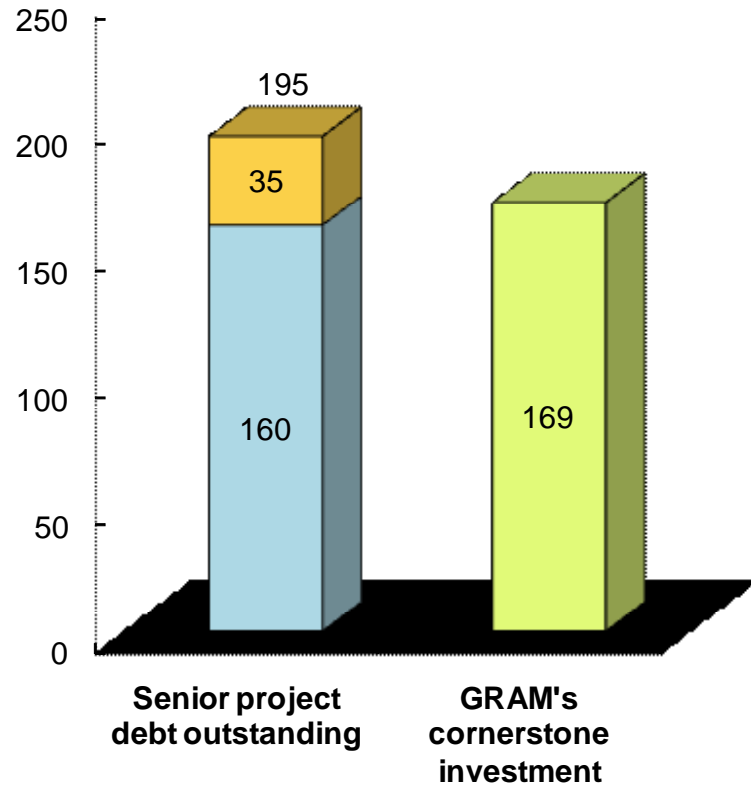
# **GRAM's Willingness and Ability to Maximize PanAust's Value**

# Further Strengthening PanAust's Balance Sheet

## Ready to retire the Project debt

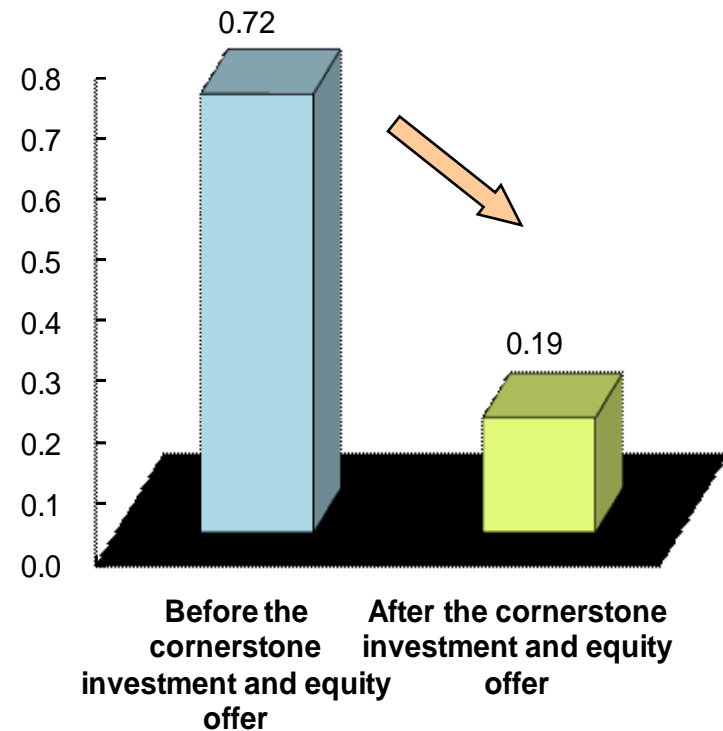
USD million

- Working capital and pre-operating cost facilities
- Construction facility



## A stronger financial position<sup>1</sup>

Gearing Ratio

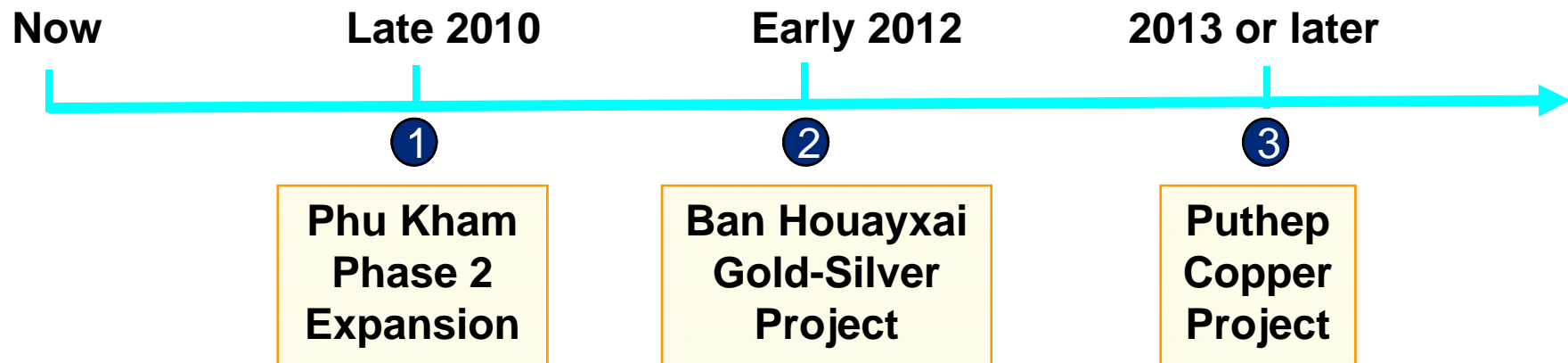


Note: Financial data source: from PanAust's presentation material on May 26, 2009

# Financing PanAust's Future Growth Initiatives

## *PanAust's Strong Pipeline of High Growth Projects*

PanAust boasts an attractive pipeline of organic growth projects, a strong financial position will provide it greater flexibility for further expansion



## PanAust's access to potential opportunities in China

### ***Regarding the business opportunities of China's market:***

- China is world's largest consumer of refined copper (accounts for 27.9% of world consumption in 2008<sup>1</sup>) while mined copper production remains capped by limited domestic resources (supplying only 27.1% of its copper demand in 2008)
- GRAM has in-depth understanding of China and nationwide franchise which could benefit PanAust's future development in China
- Access to Chinese mine development opportunities and engineering skills

<sup>1</sup>Source: Brook Hunt May, 2009

**THANK YOU!**