

MEDIA RELEASE

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PASMINCO DEEDS OF COMPANY ARRANGEMENT SIGNED

The Administrators of major zinc producer Pasminco, Messrs. John Spark and Peter McCluskey of Ferrier Hodgson, announced today that the Deeds of Company Arrangement and various ancillary documents to effect the restructure of Pasminco have been executed in accordance with the resolution of creditors passed on 30 August 2002.

Signature of these Deeds enables Pasminco to move into the implementation phase of the planned restructure which will see Pasminco assets transferred to a new holding company to be known as Pasminco Resources Limited subject to the satisfaction of certain conditions precedent.

Mr Spark said the signing of the Deeds is a significant step forward:

"This is the first time that an Australian company of this size has emerged from Administration with a viable future.

New funding is now in place to enable Pasminco to operate during the Deed period leading up to the planned equity raising," Mr Spark said

Under the restructuring plan, creditors of the old Pasminco will exchange their debt for equity in Pasminco Resources and subsequently sell down part of that equity.

Pasminco Resources is expected to be in a position to float when market conditions are considered appropriate. In this regard, it is expected that the new company will list on the Australian Stock Exchange through a public offering in Australia early next year. Investors will be required to complete an application form accompanying the prospectus that will be made available when the securities are offered.

Pasminco Chief Executive Officer Greig Gailey said the signing of the Deeds was an important milestone on Pasminco's emergence from Administration.

"Administration has provided Pasminco with options which would not have otherwise been available to us and today's events represent a vote of confidence in our future. That we have arrived at this point is a tribute to the many people in Pasminco, Ferrier Hodgson and our Creditors who have worked long and diligently to realise that future".

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