



Tenke Fungurume Mining S.a.r.l
Société Constituée en République Démocratique du Congo
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Tenke Fungurume Mining District Benefits to the DRC Third Quarter Results 2010

Lubumbashi, November 3, 2010: Tenke Fungurume Mining (TFM) is pleased to announce that during the 3rd quarter of 2010 TFM produced 31,000 tonnes of copper cathode and 2,400 tonnes of cobalt metal contained in the form of cobalt hydroxide. For the nine months of 2010, TFM produced 88,500 tonnes of copper cathode, and 6,300 tonnes of cobalt metal in the form of cobalt hydroxide. TFM commenced production in 2009 and during that year produced approximately 70,000 tonnes of copper cathode and 2,600 tonnes of cobalt hydroxide. The initial plant was designed to produce 115,000 tonnes of copper and 8,000 tonnes of cobalt per annum.

During the third quarter of 2010, the company paid approximately \$36.5 million in taxes and related payments to the Public Treasury and other public administration services of the Democratic Republic of Congo (DRC). TFM has paid a total of approximately \$290 million from the project's inception in 2006 through the third quarter of 2010, including:

- \$83 million in payroll tax and related social obligations; including \$15 million paid in 3rd quarter 2010
- \$90 million in customs and related taxes, including \$7 million paid in 3rd quarter 2010
- \$28 million in work permits, visas and related payments, including \$101,000 in the 3rd quarter 2010
- \$92 million in royalties and other tax obligation, including \$15 million in the 3rd quarter 2010

All payments comply with the laws of the DRC. Furthermore, these amounts are in addition to the \$90 million in transfer bonus payments paid to TFM partner Gécamines since 1997 (including \$10 million paid in October, 2010). TFM's cumulative investment in the project exceeds \$2 billion and is the largest private investment in the country's history. The current project phase provides employment to approximately 2,000 full time operational workers and 1,500 contractors. Approximately 98% of the operational employees are DRC citizens.

In October 2010, the government of the DRC announced the conclusion of the review of Tenke Fungurume's mining contracts. The conclusion of the review process confirmed that TFM's existing mining contracts are in good standing and acknowledged the rights and benefits granted under those contracts. TFM's key fiscal terms, including a 30 percent income tax rate, a 2 percent mining royalty rate and a 1 percent export fee, will continue to apply and are consistent with the rates in the DRC's current Mining Code. In connection with the review, TFM has made several commitments, which will be reflected in amendments to its mining contracts, including an increase in the ownership interest of La Générale des Carrières et des Mines' (Gécamines) from 17.5 percent to 20.0 percent, additional production and royalty payments payable to Gécamines, and application of surface area fees of approximately \$0.8 million annually. We have also reiterated our commitment to the use of local services and Congolese employment. In connection with the modifications, the annual interest rate on advances from TFM shareholders would increase from the current rate of LIBOR plus 2 percent to LIBOR plus 6 percent. TFM's existing mining contracts will continue in full force and effect until the revised terms noted above are incorporated into those contracts, including the Amended and Restated Mining Convention and Amended and Restated Shareholders' Agreement, both entered into in 2005.

TFM continues to engage in drilling activities, exploration analyses and metallurgical testing to evaluate the potential of the highly prospective minerals district at Tenke Fungurume. We are completing studies to evaluate a second phase of the project, which would include optimizing the current plant and increasing capacity. A range of expansion options are being considered, and we expect production volumes from the project to expand significantly over time. Future expansions are subject to a number of factors, including economic and market conditions and the national business and investment climate.

The company has also made significant investments in social development. Since 2006, TFM has funded a total of \$37 million in social projects, including \$2 million in the third quarter 2010. Additionally, since the commencement of commercial production, TFM has set aside 0.3% of net metal sales revenue to fund the Social Development Foundation. Social investments from this fund are expected to commence during the second half of 2010.

In aggregate, the tax payments, transfer bonuses, social spending and Foundation contributions represent a sum of approximately \$419 million in TFM financial and social contributions to the DRC. Pursuant to the fiscal terms of its mining convention, TFM estimates more than half the economic benefits from the project remain in the DRC in the form of taxes, royalties and duties, and that when economic benefits from the provision of local services (e.g., power purchases from SNEL) are included, more than two-thirds of the project's benefits remain in the country.

As the largest copper producer in the DRC, and with prospects for continued growth and success, TFM is proud to be a contributor to this vibrant, growing nation.