

June 25, 2009

Nickel Miners

Earnings Revised on Increased Price Assumptions

Commodity prices have strengthened much quicker than expected, nickel included. BMO Research has reassessed the assumptions for the nickel sector with higher forecast demand in 2010 and 2011.

1. While market fundamentals for stainless steel remain clouded, there are some positive signs that the industry's destocking phase is concluding, with nickel inventory levels having plateaued.
2. High price volatility is expected to continue; however, recognizing the quick pace of recovery, BMO has increased its mid-term nickel price assumptions by +26% in 2009 to US\$5.80/lb and +36% in 2010 to US\$7.50/lb. At spot prices most producers are profitable.
3. BMO Research continues to prefer exposure to the sector through WSA and FNX, both rated Outperform.

Global Diversified

BHP **Outperform**

Price: A\$33.73 Target Price: A\$40.00

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FNX **Outperform**

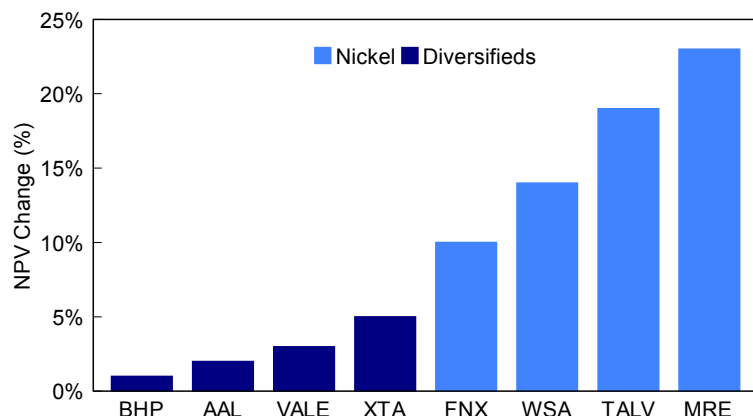
Price: C\$7.95 Target Price: C\$9.00

WSA **Outperform**

Price: A\$5.19 Target Price: A\$6.20

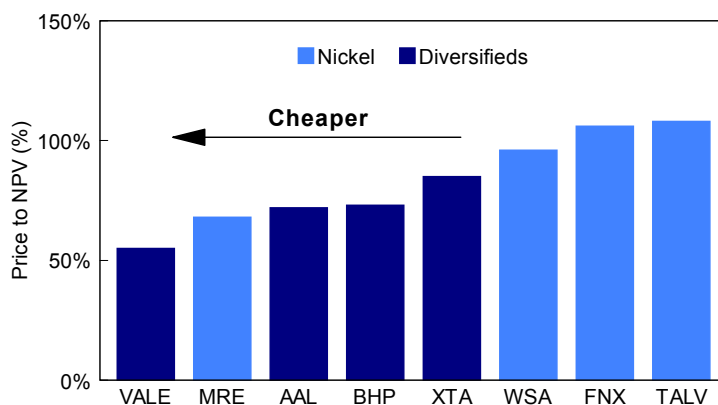
Share prices as at June 23, 2009.

Fig 1: NPV Leverage to 10% Change in Nickel Price



Source: BMO Capital Markets

Fig 2: Price to NPV for Nickel Producers (%)



Source: BMO Capital Markets. BMO Research is restricted on Rio Tinto.

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1. Better Days Ahead for Nickel

Nickel has responded to improved sentiment and pending improvements in demand conditions.

BMO Research has upgraded the outlook for nickel for the second half of 2009, and for 2010, 2011 and 2012. The improved outlook is partially due to the much improved sentiment toward base metals in general and pending improvements in demand conditions. Additional factors include signs of an economic bottom in the U.S., the fact that the Chinese economy is showing the capacity to absorb large nickel imports (suggesting some restocking) and aggressive production cuts.

Credit crisis depressing 2009 demand.

BMO Research has changed the assumptions underlying the nickel supply-demand model. Notable changes include that 2009 supply is now expected to contract 14.2% versus a previous estimate of a fall of 13.7%, leading to a market surplus of 29kt versus 36kt. Additionally, 2010 demand is now expected to increase 6.0% versus 4.3%, leading to a market deficit of 36kt versus 22kt earlier.

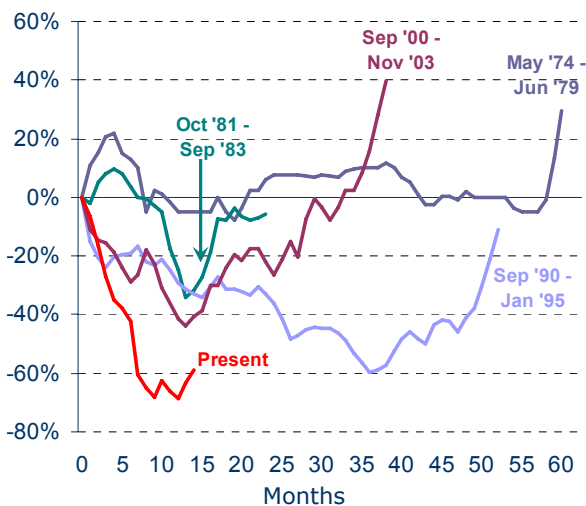
Inventories increased sharply but now appear to have plateaued.

Stainless steel and nickel demand is likely down some 25% year over year and 20% year over year in the first half of 2009, respectively. However, both should turn positive by year-end.

Commercial nickel inventories have risen sharply, which BMO Research projects to reach almost 400kt (some 124 days' supply). LME warehouse stocks are up a sharp 130% year over year to 108kt. The current LME inventories represent some 34 days' supply of annual demand—three times the historic norms and the highest since October 1994.

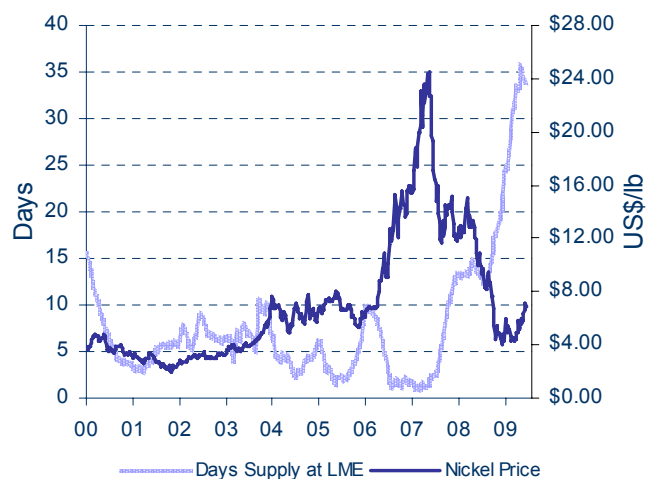
The poor inventory (and demand) statistics had precipitated an extremely sharp correction earlier this year, leaving most producers bleeding cash and motivated to cut production. Nickel traded on the LME dropped from about US\$9.00/lb in August 2008 to just US\$4.30/lb by late February.

Fig 3: Nickel Price Change From Start of Recession



Source: BMO Capital Markets

Fig 4: LME Inventories Sky-High



Source: Brook Hunt, BMO Capital Markets

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Posco recently said it would increase stainless steel prices, reflecting the increase in the nickel price but also signs of improving demand.

More recently, there are reasons to be more optimistic. LME nickel prices have jumped 25% since late December to \$6.60/lb. The general improvement in sentiment was a factor, though strong Chinese buying, an improving U.S. economic outlook and movements in the stainless steel market are the underlying reasons. For example, POSCO recently said it would increase stainless steel prices, reflecting the higher nickel price but also signs of improving demand.

At this point, auto manufacturing, industrial production and stainless steel output are down sharply from last year. However, when the economy picks up in response to fiscal and monetary stimulus, these activities should rebound. Inventories of manufactured goods around the world are dropping, manufacturing has turned positive in China and new manufacturing orders and housing are looking hopeful in the U.S.

This should mean that stainless steel production and nickel demand be re-energized, potentially unwinding material amounts of LME inventories quickly. Conversely, the 14% supply decrease expected by BMO in 2009 and only modest output growth in 2010 are expected to generate primary deficits, tightening the market and firming prices. This also means that the nickel sector will have a theoretical utilization rate of 80–85%, which is consistent with BMO Research’s price forecast.

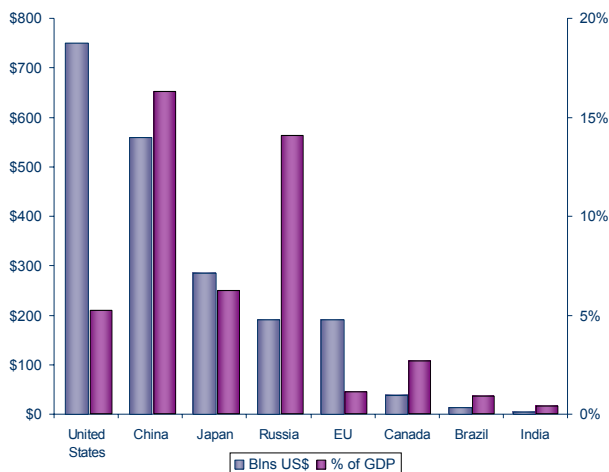
China smelting stainless steel again.

Chinese stainless steel-making activity has perked up recently with reported utilization rates of 90% at larger mills. Whether or not this is sustainable is an open question, as the Chinese government is said to be rationalizing production and taking steps to cut overcapacity. These actions are expected to moderate output in the coming months. Furthermore, much of the Chinese activity is likely due to restocking rather than being demand-driven.

The market is subject to a sort of “rubber band” effect.

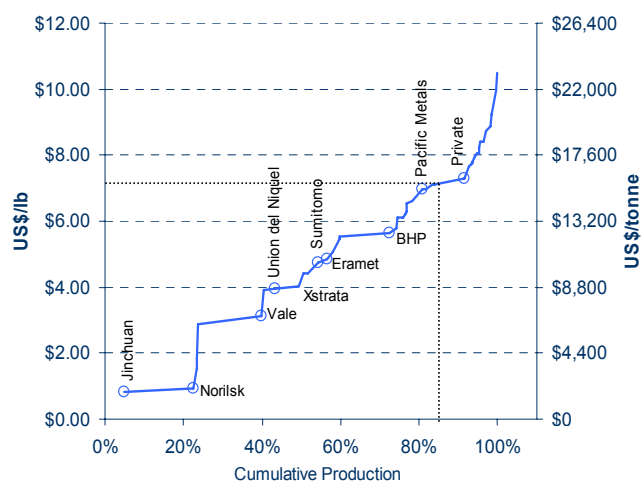
Western world producers are expected to enter their own restocking phase, which will support the relatively weak underlying nickel demand and aid prices. Combined with a recovering economic environment, the corollary to the severity of the nickel price correction and this market’s relative illiquidity suggest that prices may rebound quite quickly.

Fig 5: Fiscal Stimulus Should Help Demand



Source: BMO Capital Markets

Fig 6: Nickel Cash Cost Curve By-Product Basis (US\$/lb)



Source: Brook Hunt, BMO Capital Markets

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2. Nickel Assumption Changes

Now looking for US\$6.25/lb for remainder of 2009.

At current levels the sector has returned to profitability.

- The 2009 nickel price forecast has been raised by 26% to US\$5.80/lb (H1/09 US\$5.35/lb, H2/02 US\$6.25/lb).
- Prices are expected to remain firm into 2010-11E with BMO Research now forecasting US\$7.50-8.00/lb.
- The long-term price assumption of US\$8.50/lb has been maintained.
- BMO Research calculates an average cash cost of US\$4.40/lb for its universe of nickel producers. On this basis the industry is now profitable on average given spot prices of US\$6.60/lb.

Fig 7: BMO Nickel Price Assumptions

PRICE ASSUMPTIONS (Dec Year End)		2007A	2008A	2009E	2010E	2011E	2012E	2013E
Nickel	UScents/lb	1688	960	580	750	800	800	850
Change	%	0%	0%	26%	36%	14%	0%	0%

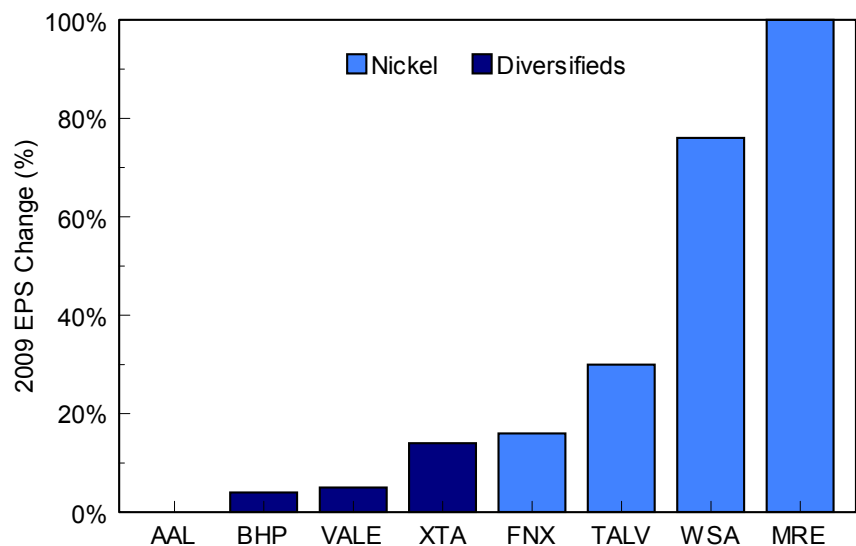
Source: BMO Capital Markets

- Of the diversified producers, XTA is the most leveraged to the revised nickel price assumption in 2009E (EPS +14%). BHP's and VALE's earnings are less sensitive, even though relatively they have much larger nickel businesses (EPS +1% to +5%).
- The pure-play independent producers, as expected, show much greater leverage to changes in nickel price assumptions. In particular, higher-cost MRE earnings have increased by >100%.

Fig 8: BMO Nickel Universe – 2009E EPS Change (%)

MRE and WSA earnings expectations have increased strongly in 2009 but off of a low base.

XTA is the most leveraged in 2009 of the diversified producers.



Source: BMO Capital Markets. * BHP and WSA earnings have been calendarised.

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3. Earnings and Valuation Changes

Anglo American has modest nickel production and is, therefore, not particularly sensitive to moves in the nickel price. The slight reduction to NPV is due to non-nickel changes, including production profile and costs.

Nickel is currently one of BHP's weakest performing divisions, in a financial sense. EPS have been revised up 5% for next year, a small but useful gain. High margins in oil, iron ore and copper mute any change in nickel.

Near-term focus is Vale Inco's union negotiations, with potential for FXN to toll-treat at Xstrata's Strathcona mill. NPV has been adjusted to allow for more production potential at LFD. FXN's target price has been increased to C\$9.00 (from C\$7.50) or 1.2x NPV.

MRE, as a higher-cost laterite producer, is highly leveraged to changes in nickel prices. MRE is now expected to record profits in 2010. MRE's target price has been increased to A\$0.90 (from A\$0.50) or 0.8x NPV.

Fig 9: Anglo American EPS, CFPS and NPVPS Changes (US\$)

Anglo American (AAL-LSE)						
Rating: Market Perform						
Target: £13.00						
NPVps	Previous	New	% change			
	\$40.08	\$37.72	-6%			
EPS	Previous	2009E New	% change	Previous	2010E New	% change
	\$0.99	\$0.99	0%	\$2.10	\$2.13	1%
CFPS	Previous	2009E New	% change	Previous	2010E New	% change
	\$2.76	\$2.77	0%	\$3.97	\$3.99	1%

Fig 10: BHP Billiton EPS, CFPS and NPVPS Changes (US\$)

BHP Billiton (BHP-ASX)						
Rating: Outperform						
Target: A\$40.00						
NPVps	Previous	New	% change			
	\$29.67	\$30.00	1%			
EPS	Previous	08/09E New	% change	Previous	09/10E New	% change
	\$1.78	\$1.79	1%	\$1.50	\$1.58	5%
CFPS	Previous	08/09E New	% change	Previous	09/10E New	% change
	\$2.39	\$2.49	4%	\$2.24	\$2.35	5%

Fig 11: FXN EPS, CFPS and NPVPS Changes (C\$)

FXN Mining (FXN-TSX)						
Rating: Outperform						
Target: C\$9.00						
NPVps	Previous	New	% change			
	\$5.87	\$6.47	10%			
EPS	Previous	2009E New	% change	Previous	2010E New	% change
	-C\$0.38	-C\$0.32	16%	C\$0.57	C\$0.74	31%
CFPS	Previous	2009E New	% change	Previous	2010E New	% change
	C\$0.17	C\$0.20	19%	C\$0.66	C\$0.85	29%

Fig 12: MRE EPS, CFPS and NPVPS Changes (A\$)

Minara Resources (MRE-ASX)						
Rating: Market Perform						
Target: A\$0.90						
NPVps	Previous	New	% change			
	\$0.73	\$0.93	28%			
EPS	Previous	2009E New	% change	Previous	2010E New	% change
	-A\$0.03	A\$0.00	>100%	-A\$0.01	A\$0.05	>100%
CFPS	Previous	2009E New	% change	Previous	2010E New	% change
	A\$0.01	A\$0.04	>100%	A\$0.03	A\$0.09	>100%

Source: BMO Capital Markets

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TALV currently trades at 1.1x NPV, with the market seeming to already factor in the proposed expansion to 50ktpa. BMO retains a near-term cautious view until the operational issues are resolved. TALV's target price has been increased to £3.20 (from £2.50) or 1.0xNPV.

Vale's exposure to nickel comes through its acquisition of Inco plus its own assets in Brazil. Of the diversified miners, it offers one of the greatest financial exposures to nickel, with EPS forecast up 12% for 2010.

WSA is ramping up nickel production at Forrestania, which is reflected in higher FY09/10 EPS changes. Positively, WSA remains on track to produce 10kt of contained nickel in 2009. WSA's target price has been increased to A\$6.20 (from A\$5.50) or 1.1x NPV.

Xstrata is moderately exposed to changes in nickel price assumptions due to its ownership of Falconbridge, with changes in EPS high for a diversified miner. Separately, BMO Research has made changes to estimated production levels and future costs, which have led to a slight NPV downgrade.

Fig 13: TALV EPS, CFPS and NPVPS Changes (€)

Talvivaara (TALV-LSE)						
Rating: Market Perform(S)						
Target: £3.20						
NPVps	Previous	New	% change			
	\$4.60	\$4.44	-4%			
EPS	2009E			2010E		
	Previous	New	% change	Previous	New	% change
CFPS	€ 0.11	€ 0.08	30%	€ 0.02	€ 0.08	>100%
	€ 0.17	€ 0.11	33%	€ 0.11	€ 0.28	>100%

Fig 14: VALE EPS, CFPS and NPVPS Changes (US\$)

Vale (VALE-NYSE)						
Rating: Market Perform						
Target: \$20.00						
NPVps	Previous	New	% change			
	\$30.86	\$31.73	3%			
EPS	2009E			2010E		
	Previous	New	% change	Previous	New	% change
CFPS	\$0.82	\$0.86	5%	\$1.33	\$1.49	12%
	\$1.26	\$1.30	4%	\$1.90	\$2.05	8%

Fig 15: WSA EPS, CFPS and NPVPS Changes (A\$)

Western Areas (WSA-ASX)						
Rating: Outperform						
Target: A\$6.20						
NPVps	Previous	New	% change			
	\$3.61	\$4.26	18%			
EPS	08/09E			09/10E		
	Previous	New	% change	Previous	New	% change
CFPS	-A\$0.15	-A\$0.11	25%	A\$0.01	A\$0.21	>100%
	A\$0.07	A\$0.10	47%	A\$0.26	A\$0.55	>100%

Fig 16: Xstrata EPS, CFPS and NPVPS Changes (US\$)

Xstrata (XTA-LSE)						
Rating: Market Perform						
Target: £7.00						
NPVps	Previous	New	% change			
	\$12.94	\$12.27	-5%			
EPS	2009E			2010E		
	Previous	New	% change	Previous	New	% change
CFPS	\$0.44	\$0.50	14%	\$0.76	\$0.85	12%
	\$1.28	\$1.35	6%	\$1.64	\$1.77	8%

Source: BMO Capital Markets

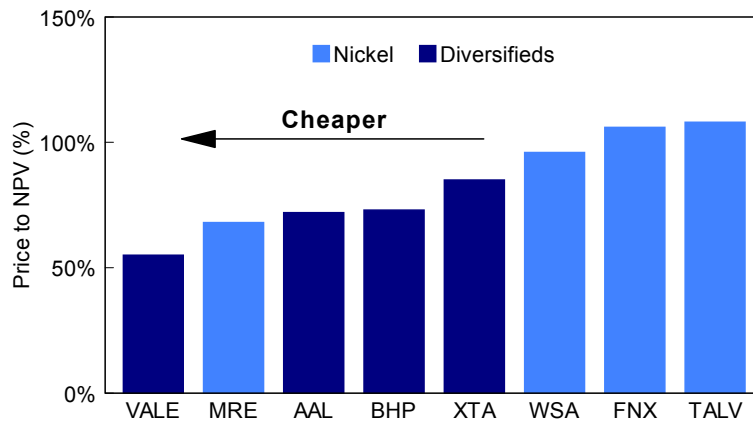
4. Stock Relative Pricing

- Independent nickel names trade at 1.0x NPV, compared to the average of the producing universe (including diversifieds) at 0.7x NPV.
- Of the group, TALV is the most expensive, trading at 1.1x base-case NPV and 0.8x the upside-case "expansion" NPV. Higher-grade, higher-margin WSA and FNX also trade at greater NPV premiums.
- Of the pure nickel plays, leveraged MRE is trading at the largest discount to NPV to its peers.

Fig 17: BMO Nickel Universe – Price to NPV (%)

TALV trading at larger premium even allowing for expansion case.

MRE the most leveraged and also trading at the largest discount of the independents.

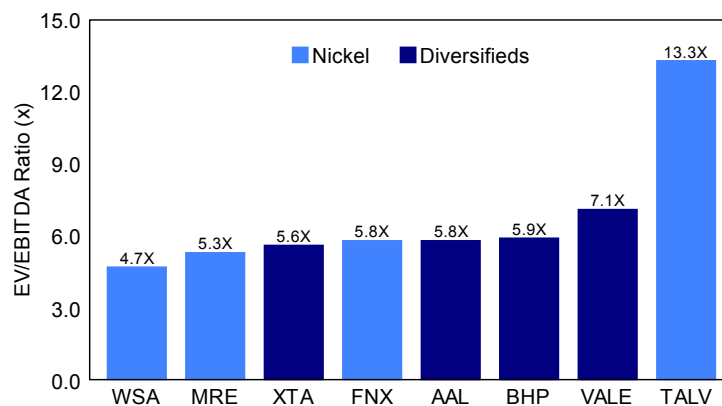


Source: BMO Capital Markets. Share prices as at June 23, 2009.

- The average EV/EBITDA for 2010E earnings is 8.0x for the nickel independents (including TALV) and 6.2x for the diversifieds.
- Significantly, WSA and MRE appear the most attractive of the peer group on this basis.

Fig 18: BMO Nickel Universe – 2010E EV/EBITDA (x)

WSA and MRE look more attractive on 2010E EV/EBITDA multiples to the peer group.



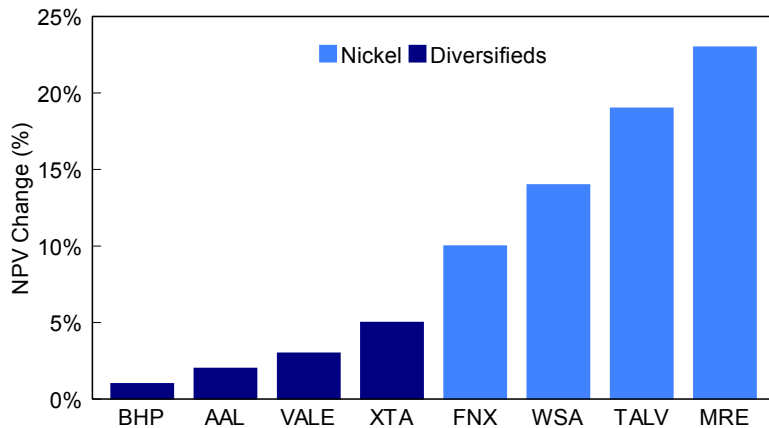
Source: BMO Capital Markets * BHP and WSA earnings have been calendarized

5. Nickel Leverage

- The following charts highlight NPV and 2010E EPS leverage to a 10% change in the BMO nickel price profile.

Fig 19: Nickel Sector – NPV Leverage to 10% Change in Nickel Price

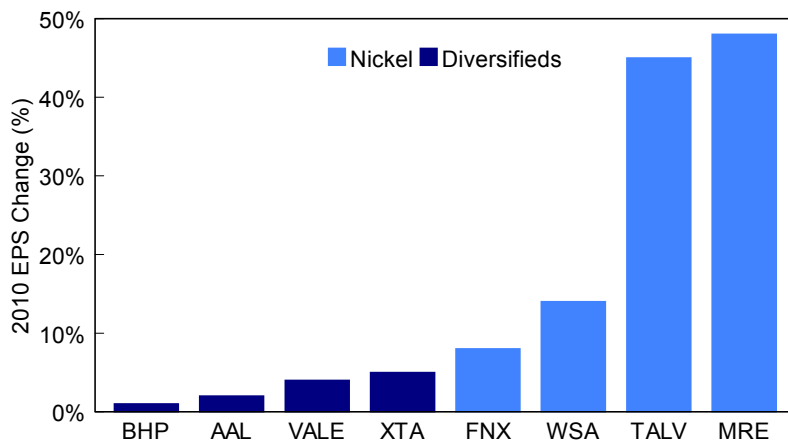
Lower-grade (and also long-life) TALV and MRE show the greatest leverage to nickel prices.



Source: BMO Capital Markets

Fig 20: Nickel Sector – 2010E EPS Leverage to 10% Change in Nickel Price

XTA shows the greatest leverage of the diversified, given its ownership of the former Falconbridge assets.



Source: BMO Capital Markets * BHP and WSA earnings have been calendarised

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Fig 21: Nickel Supply and Demand Model (kt)

	2002A	2003A	2004A	2005A	2006A	2007A	2008A	2009E	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E	2018E
Production																	
Primary Mining Supply	1,309	1,313	1,348	1,414	1,497	1,593	1,542	1,375	1,458	1,589	1,661	1,741	1,782	1,810	1,888	1,939	2,027
Smelting/Refining Losses	185	33	76	127	138	168	155	185	261	284	297	312	319	324	338	347	363
Refined Nickel Production	1,124	1,280	1,272	1,287	1,359	1,425	1,387	1,190	1,197	1,305	1,363	1,430	1,463	1,486	1,551	1,592	1,664
Consumption																	
Europe	459	456	466	435	474	436	431	368	378	390	393	413	415	420	431	437	459
North America	133	125	135	140	157	153	151	122	129	134	132	138	137	137	141	143	146
China	104	136	161	195	247	309	280	269	306	351	388	404	424	437	454	480	504
Japan	188	197	194	185	201	189	181	162	170	170	169	170	173	171	183	181	185
Other Asia	218	239	245	242	243	213	203	182	189	211	225	240	251	256	268	279	295
Latin America	27	30	30	27	30	32	30	28	28	30	30	32	33	34	34	35	37
Other	39	46	48	35	44	41	32	29	31	31	32	34	32	32	33	35	37
Refined Nickel Consumption	1,170	1,229	1,279	1,258	1,396	1,372	1,305	1,161	1,231	1,317	1,370	1,432	1,464	1,487	1,544	1,590	1,662
Market Balance	-45	50	-7	28	-38	53	82	29	-34	-13	-7	-2	-1	-1	7	2	2
Refined Nickel Stocks	104	253	243	268	232	285	367	396	362	349	343	341	340	339	346	348	350
Weeks Supply	4.6	10.7	9.9	11.1	8.6	10.8	14.6	17.7	15.3	13.8	13.0	12.4	12.1	11.9	11.7	11.4	11.0
LME Cash Price (US\$/lb)	3.07	4.36	6.28	6.68	10.99	16.88	9.60	5.80	7.50	8.00	8.00	8.50	8.50	8.50	8.50	8.50	8.50
Supply Growth (%)	-2.8%	13.8%	-0.6%	1.2%	5.6%	4.9%	-2.7%	-14.2%	0.6%	9.0%	4.5%	4.9%	2.3%	1.6%	4.3%	2.7%	4.5%
Consumption Growth (%)	4.6%	5.1%	4.1%	-1.6%	11.0%	-1.8%	-4.9%	-11.0%	6.0%	7.0%	4.0%	4.5%	2.3%	1.6%	3.8%	3.0%	4.5%

Source: Brook Hunt, BMO Capital Markets

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Anglo American		AAL LSE	
As at	23-Jun-09		
Recommendation	Market Perform	Analyst:	Tony Robson
Share Price (US\$)	\$27.08	Share Price (£)	£16.52
Model Derived Target Value (US\$)	\$21.32	Model Derived Target Value (£)	£13.00
NPV (US\$)	\$37.72	NPV (£)	£23.01
Ordinary Shares (M)	1,202.0		
Options + Notes (M)	0.0		
Market Cap (US\$M)	\$32,553	Market Cap (£M)	£19,857

PRICE ASSUMPTIONS (Dec Year End)		2007A	2008A	2009E	2010E	2011E
Exchange Rate	GBP/US\$	0.50	0.54	0.69	0.63	0.59
Exchange Rate	Rand/US\$	7.06	8.27	9.48	9.85	10.35
Copper	US\$/lb	3.23	3.16	1.84	2.30	2.75
Zinc	US\$/lb	1.48	0.86	0.64	0.80	0.90
Platinum	US\$/oz	1310	1576	1005	1200	1300
Palladium	US\$/oz	356	352	230	320	340
Coal - Thermal	US\$/Tonne	54.7	107.7	85.3	74.7	75.6

FINANCIAL SUMMARY (Dec Year End)		2007A	2008A	2009E	2010E	2011E
NPAT (Adj.)	(US\$M)	5761	5237	1193	2555	4128
EPS	(US\$ps)	4.40	4.35	0.99	2.13	3.43
PER	(x)	6.1	6.2	27.3	12.7	7.9
EPS Growth	(%)	18.2	-1.1	-77.2	+>100.0	61.5
EBITDA	(US\$M)	11234	10792	4798	7125	9464
EBITDA per Share	(US\$ps)	8.58	8.97	3.99	5.93	7.87
EV/EBITDA	(x)	3.6	3.9	8.8	5.8	4.1
Dividend	(US\$ps)	1.24	0.44	0.00	0.00	1.34
Yield	(%)	4.6	1.6	0.0	0.0	4.9

PROFIT AND LOSS STATEMENT - US\$M (Dec Year End)		2007A	2008A	2009E	2010E	2011E
Sales Revenue		35674	32964	22872	27894	31560
Other Revenue		0	0	0	0	0
Operating Costs		21935	19544	16395	18798	19900
Gross Operating Profit		13739	13420	6478	9096	11661
Depreciation		2007	1757	1816	1922	2128
Exploration and Royalties		440	764	641	666	707
Corporate and Other		1176	814	687	690	702
EBIT (Subsidiaries & JV)		10116	10085	3334	5819	8123
Less Group & Associate Interest		696	1253	1127	1289	1101
Pre-Tax Profits		9420	8832	2207	4530	7022
Less Tax		2757	2545	662	1359	2107
less Minorities		902	1050	352	616	788
plus Associates		0	0	0	0	0
NPAT (pre-Abs)		5761	5237	1193	2555	4128
Net Unusual Items		1543	798	0	0	0
Reported Profit		7304	6035	1193	2555	4128

DIVISIONAL VALUATION NPV US\$M		PRINCIPAL ASSETS NPV US\$M	
Base Metals	16,444	AngloPlats (75%)	10,150
Coal	13,571	Coal Australia	5,293
Industrial Minerals	1,789	Coal Sth Africa	4,663
Diamonds (45%)	2,689	Anglo Am Sur	6,248
Ferrous	14,205	Sishen (63%)	5,048
Platinum (78%)	10,150	Collahuasi Copper	4,773
AngloGold (0%)	0	DeBeers (45%)	2,689
Corporate	-1,967	Coal Sth America	3,460
Net Cash & Other	-11,542	Minas-Rio	6,242
TOTAL NPV (US\$M)	45,340		
NPV per Share (US\$)	37.72		

CASH FLOW ANALYSIS - US\$M (Dec Year End)		2007A	2008A	2009E	2010E	2011E
Cash Flows From Operating Activities						
Receipts From Customers		25470	26311	19178	22571	25397
Payments To Suppliers		(16952)	(18330)	(13513)	(14646)	(15092)
Net Interest		(255)	(450)	(823)	(819)	(545)
Tax and Other		1825	(363)	(1670)	(2393)	(3215)
Cash Flows From Investing Activities						
Acq.of Property, Plant and Equip.		(5866)	(13334)	(4570)	(3769)	(2688)
Exploration Expenditure		(157)	(212)	(320)	(321)	(301)
Other		(20)	(261)	0	0	0
Cash Flows From Financing Activities						
Net Change in Borrowings		3121	6616	(1100)	(400)	(4500)
Dividends Paid		(2266)	(2346)	(328)	(232)	(929)
Other		115	434	434	434	434
Net Increase In Cash Held		94	(330)	(869)	851	(964)
Cash At End of Year		3074	2744	1875	2726	1762

BALANCE SHEET ANALYSIS - US\$M (Dec Year End)		2007A	2008A	2009E	2010E	2011E
Current Assets						
Cash and Liquids		3129	2771	1902	2753	1789
Other		7591	6922	6924	6925	6927
Non-Current Assets						
Investments		8121	6727	6827	6927	7027
Fixed Assets		23537	29545	30905	32874	33534
Other		2384	3773	3773	3773	3773
Current Liabilities						
Borrowings		5895	6784	6784	6784	6784
Creditors		3950	4770	3477	4092	4604
Other		1635	2408	2408	2408	2408
Non-Current Liabilities						
Borrowings		2404	7211	6111	5711	1211
Other		6548	6809	7054	7299	7544
Minority Interest		1869	1535	1560	1585	1610
SHAREHOLDERS FUNDS		24330	21756	24497	26958	30498
Net Debt/Equity %		19.7%	48.2%	42.2%	34.1%	19.3%

DIVISIONAL EARNINGS (EBIT) - US\$M (Dec Year End)		2007A	2008A	2009E	2010E	2011E
Base Metals						
Coal		614	2240	1683	1244	1599
Industrial Minerals		474	228	172	196	318
DeBeers (45%)		484	508	-277	112	329
Ferrous Metals		1432	2935	1326	2159	2473
AngloPlats (100%)		2697	2226	-71	966	1445
Paper & Packaging		324	0	0	0	0
Gold		202	0	0	0	0
TOTAL		10566	10643	3854	6299	8563

PROJECT/DIVISION		2007A	2008A	2009E	2010E	2011E
Thermal Coal	Mt	84.3	84.9	82.5	90.5	95.8
Coking Coal	Mt	6.2	8.1	6.7	8.2	10.0
Platinum	000oz	2474	2387	2328	2630	2775
Palladium	000oz	1390	1319	1289	1441	1521
Diamonds	'000 cts	23001	21659	13680	18810	22365
Iron Ore (100%)	Mt	33	34	35	49	50
Copper	000t	665	645	633	629	669
Zinc	000t	343	341	352	352	352
Nickel	000t	42.9	33.9	36.7	44.5	56.5
Manganese Alloys	000t	1774	2056	839	1832	1959

Source: BMO Capital Markets

Nickel Miners

June 25, 2009

BHP Billiton		BHP	
		ASX	
As at	23-Jun-09		
Recommendation	<u>Outperform</u>	Analyst:	
		Tony Robson	
Share Price (US\$)	\$21.85	Share Price (A\$)	\$33.73
Share Price (£)	£13.33		
Target Price (US\$)	\$25.91	Target Price (A\$)	\$40.00
NPV (US\$)	\$30.00	NPV (A\$)	\$37.98
Ordinary Shares (M)	5,586.0		
Options + Notes (M)	0.0		
Market Cap (US\$M)	\$122,068	Market Cap (A\$M)	188,416

PRICE ASSUMPTIONS		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Exchange Rate	A\$/US\$	0.897	0.726	0.765	0.806	0.805
Exchange Rate	Rand/US\$ (ZAR)	7.30	9.17	9.62	10.10	10.60
Alumina	US\$/Tonne	341	285	224	262	306
Aluminium	UScents/lb	120.1	84.1	76.3	90.0	105.0
Coal (Coking)	US\$/Tonne	149.8	261.0	130.5	135.0	133.6
Coal (Thermal)	US\$/Tonne	73.0	111.8	72.9	75.6	74.7
Copper	UScents/lb	353.6	215.9	215.0	252.5	282.5
Iron Ore Fines	US\$/Tonne	59.8	82.3	61.6	66.9	66.7
WTI - Oil	US\$/Barrel	98.26	64.40	62.50	70.00	80.00

FINANCIAL SUMMARY		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
NPAT (pre-Abs)	(US\$M)	15369	10013	8798	12387	15181
EPS	(US\$ps)	2.74	1.79	1.58	2.22	2.72
PER	(x)	8.0	12.2	13.9	9.9	8.0
EPS Growth	(%)	17.4	-34.6	-12.1	40.8	22.6
EBITDA	(US\$M)	28007	21909	17925	23772	27814
EBITDA per Share	(US\$ps)	5.00	3.92	3.21	4.26	4.98
EV/EBITDA	(x)	4.7	5.8	6.9	5.0	4.0
Dividend	(US\$ps)	0.70	0.83	0.96	1.06	1.16
Yield	(%)	3.2	3.8	4.4	4.8	5.3
Franking	(%)	100.0	100.0	100.0	100.0	100.0

PROFIT AND LOSS STATEMENT - US\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Revenue Incl JV & Assoc		60129	52407	48340	56546	61741
Less JV & Assoc		0	0	0	0	0
Operating Costs		28190	26332	26956	28974	30055
Gross Operating Profit		31939	26075	21384	27572	31686
Depreciation		3724	3905	4321	4900	5138
Exploration		893	873	680	620	539
Corporate/Royalties/Other		3039	3293	2779	3181	3306
EBIT (Subsidiaries & JV)		24283	18004	13605	18872	22703
Less Net Interest Expense		662	662	360	237	118
Pre-Tax Profits		23621	17342	13244	18634	22585
Less Group & JV Tax		7680	6845	4238	5963	7227
Less Minorities		572	484	208	284	176
NPAT (pre-Abs)		15369	10013	8798	12387	15181
Net Abnormals		22	-4061	0	0	0
Reported Profit		15391	5952	8798	12387	15181

DIVISIONAL VALUATION		PRINCIPAL ASSETS	
NPV US\$M		NPV US\$M	
Alumina and Aluminium	11,830	Pilbara Iron Ore	51,530
Base Metals (Copper)	25,812	Nth West Shelf Oil	12,096
Petroleum	37,983	Escondida Copper	11,795
Thermal Coal	9,525	CQCA Coke Coal	9,856
Iron Ore	54,871	Olympic Dam	6,936
Metallurgical Coal	17,238	Atlantis Oil	6,839
Stainless Steel Materials	6,000	Bass Strait Oil	5,413
Diamonds & Speciality	3,375	Worsley Alumina	3,376
Manganese	3,492	Hillside Aluminium	2,855
Corporate & Other	1,624	Ingwe Coal	2,115
Net Cash/(Debt) incl JV	-4,168		
TOTAL NPV (US\$M)	167,581		

CASH FLOW ANALYSIS - US\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Cash Flows From Operating Activities						
Receipts From Customers		60121	52407	48340	56546	61741
Payments To Suppliers		(34631)	(28816)	(27164)	(29258)	(30231)
Net Interest		(630)	(560)	(310)	(187)	(68)
JV Divi,Tax and Other		(6701)	(5490)	(3496)	(7255)	(8010)
Cash Flows From Investing Activities						
Acq.of Property, Plant and Equip.		(7894)	(9028)	(8191)	(8575)	(8938)
Exploration Expenditure		(1350)	(1173)	(880)	(820)	(739)
Other		180	400	400	400	400
Cash Flows From Financing Activities						
Net Change in Borrowings		(750)	(3000)	(3000)	0	0
Dividends Paid		(3250)	(4574)	(5009)	(5610)	(6170)
Other incl Share Issue or Buy Back		(3320)	21	21	21	21
Net Increase in Cash Held		1775	188	712	5263	8005
Cash At End of Year		4173	4361	5073	10336	18340

BALANCE SHEET ANALYSIS - US\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Current Assets						
Cash and Liquids		4237	4425	5137	10400	18404
Other		17324	16039	15361	16730	17596
Non-Current Assets						
Investments		0	50	100	150	200
Fixed Assets		47332	51755	55025	58100	61300
Other		6996	6769	6774	6779	6784
Current Liabilities						
Borrowings		3461	3461	3461	3461	3461
Creditors		6774	6789	6804	6819	6834
Other		6124	3806	3806	3806	3806
Non-Current Liabilities						
Borrowings		9234	6234	3234	3234	3234
Other		11253	11308	11363	11418	11473
Minority Interest		708	743	781	820	861
SHAREHOLDERS FUNDS		38335	46696	52949	62600	74615
Net Debt/Equity %		21.7%	11.1%	2.9%	-5.9%	-15.7%

DIVISIONAL EARNINGS (EBIT) - US\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Alumina and Aluminium		1465	33	-12	510	1088
Base Metals (Copper)		7989	656	2671	3326	3995
Iron Ore		4631	6797	4369	5741	6701
Metallurgical Coal		938	4687	1282	1630	1675
Manganese		1644	1560	683	921	540
Stainless Steel		1275	-997	213	444	706
Thermal Coal		1057	1684	812	998	1324
Petroleum		5489	3418	3579	5312	6644
Diamonds and Speciality		198	144	187	149	166
Group/Unallocated/Hedging		-394	173	66	87	109
EBIT Total, before eliminations		24686	17983	13785	19030	22839

PROJECT/DIVISION		07/08A	08/09E	09/10E	10/11E	11/12E
Alumina	(000t)	4528	4383	3922	4682	5224
Aluminium	(000t)	1303	1217	1228	1235	1250
Copper	(000t)	1378	1224	1261	1171	1153
Petroleum	(M boe)	128.8	136.3	153.2	174.3	175.4
Export Thermal Coal	(Mt)	36.1	29.7	28.8	32.2	38.6
Utility Coal	(Mt)	46.6	40.9	46.3	48.8	55.8
Export Coking Coal	(Mt)	31.1	28.0	30.4	35.9	37.4
Iron Ore/Pellets	(Mt wet)	113.5	115.6	122.2	137.5	155.1
Nickel	(000t)	172.8	159.6	178.3	187.1	198.5
TiO ₂ Slag	(000t)	397.8	411.2	469	522	520

Source: BMO Capital Markets

Nickel Miners

June 25, 2009

FNX Mining		FNX TSX	
As at	23-Jun-09		
Recommendation	OP	Analyst:	David Cotterell
Share Price (US\$)	\$6.88	Share Price (C\$)	\$7.95
Model Derived		Model Derived	
Target Value (US\$)	\$7.79	Target Value (C\$)	\$9.00
NPV (US\$)	\$6.47	NPV (C\$)	\$7.47
Ordinary Shares (M)	86.0		
Options + Notes (M)	0.0		
Market Cap (US\$M)	\$592	Market Cap (C\$)	\$683

PRICE ASSUMPTIONS (Dec Year End)						
		2008A	2009E	2010E	2011E	2012E
Exchange Rate	C\$/US\$ (CAD)	0.94	0.81	0.86	0.88	0.91
Nickel	UScents/lb	960	580	750	800	800
Copper	UScents/lb	316	184	230	275	290
Cobalt	UScents/lb	3877	1585	1800	1200	1200
Palladium	US\$/oz	351.8	229.8	222.2	340.0	340.0
Platinum	US\$/oz	1576.1	1005.3	790.2	1300.0	1300.0
Gold	US\$/oz	873	908	950	950	875

FINANCIAL SUMMARY (Dec Year End)						
		2008A	2009E	2010E	2011E	2012E
NPAT (pre-Abs)	(C\$M)	106.8	1.2	65.0	96.6	107.9
EPS	(C\$ps)	-4.6	-0.3	0.7	1.1	1.2
PER	(x)	na	na	10.7	7.2	6.5
EPS Growth	(%)	->100.0	93.1	+>100.0	47.5	11.7
EBITDA	(C\$M)	112.1	32.3	100.4	152.6	165.0
EBITDA per Share	(C\$ps)	1.3	0.4	1.1	1.7	1.9
EV/EBITDA	(x)	4.9	18.5	5.8	3.3	2.6
Dividend	(C\$ps)	0.0	0.0	0.0	0.0	0.0
Yield	(%)	0.0	0.0	0.0	0.0	0.0
P/FCF	(x)	NM	NM	35.3	9.0	7.9
FCF Yield	(%)	NM	NM	2.8	11.2	12.6

PROFIT AND LOSS STATEMENT - C\$M (Dec Year End)						
		2008A	2009E	2010E	2011E	2012E
Sales Revenue		255.0	141.9	267.8	388.4	425.5
Other Revenue		123.1	61.5	90.0	90.0	90.0
Operating Costs		326.0	175.3	245.4	313.2	337.8
Gross Operating Profit		52.1	28.1	112.4	165.2	177.7
Depreciation		57.0	16.5	8.8	17.5	19.1
Exploration and Royalties		0.0	0.0	0.4	0.7	0.8
Corporate and Other		18.4	11.8	13.0	13.0	13.0
EBIT (not incl associates)		-23.3	-0.2	90.2	133.9	144.8
Less Net Interest Expense		-1.2	-3.2	-1.3	-2.0	-7.1
Pre-Tax Profits		-22.1	3.0	91.5	136.0	151.9
Less Tax		-128.9	1.9	26.5	39.4	44.1
Plus Associates less Divids		0.0	0.0	0.0	0.0	0.0
NPAT (pre-Abs)		106.8	1.2	65.0	96.6	107.9
Net Abnormals		-495.3	-28.2	0.0	0.0	0.0
Reported Profit		-388.5	-27.0	65.0	96.6	107.9

DIVISIONAL VALUATION		RESERVES & RESOURCES		
NPV US\$M		Attributable	Contained	Mine Life
			(kt)	(Years)
Levack Complex	124.5			
Levack Footwall	153.2	Nickel Reserves	32.0	3
Podolsky	157.6	Nickel Resources	207.6	22
Hedge Book	0.0	Ni Guesstimate	188.0	20
Corporate & Other	21.4			
Net Cash	99.2			
TOTAL NPV (US\$M)	555.8			
NPV per Share (US\$)	6.47			

CASH FLOW ANALYSIS - C\$M (Dec Year End)					
	2008A	2009E	2010E	2011E	2012E
Cash Flows From Operating Activities					
Receipts From Customers	(388.5)	203.4	357.8	478.4	515.5
Payments To Suppliers	0.0	(187.1)	(258.4)	(326.2)	(350.8)
Net Interest	0.0	3.2	1.3	2.0	7.1
Tax and Other	465.7	(1.9)	(26.5)	(39.4)	(44.1)
Cash Flows From Investing Activities					
Acq. of Property, Plant and Equip.	(167.8)	(66.9)	(54.8)	(38.6)	(41.5)
Exploration Expenditure	0.0	0.0	0.0	0.0	0.0
Other	182.1	0.0	0.0	0.0	0.0
Cash Flows From Financing Activities					
Net Change in Borrowings	0.0	0.0	0.0	0.0	0.0
Dividends Paid	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other	2.9	14.0	0.0	0.0	0.0
Net Increase in Cash Held	94.4	(35.2)	19.4	76.2	86.3
Cash At End of Year	129.6	94.4	113.7	190.0	276.2

BALANCE SHEET ANALYSIS - C\$M (Dec Year End)					
	2008A	2009E	2010E	2011E	2012E
Current Assets					
Cash and Liquids	129.6	94.4	113.7	190.0	276.2
Other	63.1	63.1	63.1	63.1	63.1
Non-Current Assets					
Investments	219.6	219.6	219.6	219.6	219.6
Fixed Assets	435.1	485.5	531.1	551.4	573.0
Other	6.5	0.0	0.0	0.0	0.0
Current Liabilities					
Borrowings	0.0	0.0	0.0	0.0	0.0
Creditors	36.1	36.1	36.1	36.1	36.1
Other	26.4	0.0	0.0	0.0	0.0
Non-Current Liabilities					
Borrowings	0.0	0.0	0.0	0.0	0.0
Other	434.9	434.9	434.9	434.9	434.9
Minority Interest	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
SHAREHOLDERS FUNDS	356.5	391.6	456.6	553.1	661.0
Net Cash/ (Net Debt)	129.6	94.4	113.7	190.0	276.2
Net Debt/Equity %	-36.3	-24.1	-24.9	-34.3	-41.8

DIVISIONAL EARNINGS (EBIT) - C\$M (Dec Year End)					
	2008A	2009E	2010E	2011E	2012E
Levack Complex	-26.9	4.6	24.9	40.8	40.1
Levack Footwall	0.0	-6.3	49.6	88.9	90.8
Podolsky	28.7	20.8	74.7	80.6	87.9
Total	2	19	149	210	219
FINANCIAL RATIOS					
ROA (%)	NM	NM	9.7	13.1	12.8
ROE (%)	NM	NM	14.2	17.5	16.3
ROIC (%)	NM	NM	19.8	24.2	21.9

PROJECT/DIVISION		2008A	2009E	2010E	2011E	2012E
Nickel Produced						
Levack Complex	(000t)	4.7	0.8	1.6	4.6	4.9
Levack Footwall	(000t)	0.0	0.4	1.2	1.8	1.8
Podolsky	(000t)	0.7	1.0	1.7	1.5	2.0
Total	(000t)	5.4	2.2	4.4	7.9	8.7
Ni Equivalent Production	(000t)	12.5	9.0	15.2	20.7	23.3
Committed Hedging						
Nickel	(000 t)	0	0	0	0	0
Price	(US\$/lb)	0.00	0.00	0.00	0.00	0.00
Ni Cash Cost	(US\$/lb)	6.71	4.78	2.80	2.99	3.15

Source: BMO Capital Markets

Nickel Miners

June 25, 2009

Minara		MRE ASX	
As at	23-Jun-09		
Recommendation	<u>Market Perform</u>	Analyst:	David Radclyffe
Share Price (US\$)	\$0.69	Share Price (A\$)	\$0.80
Model Derived Target Value (US\$)	\$0.71	Model Derived Target Value (A\$)	\$0.90
NPV (US\$)	\$0.93	NPV (A\$)	\$1.18
Ordinary Shares (M)	1,167.8		
Options + Notes (M)	0.0		
Market Cap (US\$M)	\$809	Market Cap (A\$)	\$934

PRICE ASSUMPTIONS		2008A	2009E	2010E	2011E	2012E
(Dec Year End)						
Exchange Rate	C\$/US\$ (CAD)	0.94	0.81	0.86	0.88	0.91
Exchange Rate	A\$/US\$	0.85	0.70	0.80	0.81	0.80
Nickel	UScents/lb	960	580	750	800	800
Cobalt	UScents/lb	3877	1585	1800	1200	290

FINANCIAL SUMMARY		2008A	2009E	2010E	2011E	2012E
(Dec Year End)						
NPAT (pre-Abs)	(A\$M)	-21.0	1.8	55.4	110.4	106.3
EPS	(¢ps)	-1.7	0.2	4.7	9.5	9.1
PER	(x)	na	50.0	16.9	8.5	8.8
EPS Growth	(%)	>+100.0	+>100.0	+>100.0	99.4	-3.7
EBITDA	(A\$M)	19.3	47.8	126.2	211.1	202.2
EBITDA per Share	(¢ps)	3.7	4.1	10.8	18.1	17.3
EV/EBITDA	(x)	14.0	15.6	5.3	2.5	1.8
Dividend	(¢ps)	0.0	0.0	0.0	0.0	0.0
Yield	(%)	0.0	0.0	0.0	0.0	0.0
P/FCF	(x)	NM	20.2	13.1	6.1	6.3
FCF Yield	(%)	NM	5.0	7.6	16.3	15.9

PROFIT AND LOSS STATEMENT - A\$M		2008A	2009E	2010E	2011E	2012E
(Dec Year End)						
Sales Revenue		446.0	411.0	472.4	548.5	559.7
Other Revenue		-20.6	-16.9	-19.3	-22.2	-22.1
Operating Costs		359.9	316.2	295.2	281.6	301.0
EBITDA		65.5	78.0	157.9	244.7	236.0
Depreciation		47.0	49.8	52.0	60.1	60.4
Exploration and Royalties		10.1	10.2	11.7	13.6	13.9
Corporate and Other		36.1	20.0	20.0	20.0	20.0
EBIT		-27.7	-1.9	74.2	151.0	141.8
Less Net Interest Expense		0.4	-4.5	-5.0	-6.7	-10.1
Pre-Tax Profits		-28.1	2.5	79.1	157.7	151.9
Less Tax		-7.1	0.8	23.7	47.3	45.6
plus Minorities		-1.2	0.0	0.0	0.0	0.0
Less Pref Dividends		0.0	0.0	0.0	0.0	0.0
NPAT (pre-Abs)		-19.8	1.8	55.4	110.4	106.3
Net Abnormals		0.0	0.0	0.0	0.0	0.0
Reported Profit		-19.8	1.8	55.4	110.4	106.3

DIVISIONAL VALUATION		RESERVES & RESOURCES		
NPV US\$M		Attributable	Contained Metal (Mt)	Mine Life (Years)
Murrin Murrin HPAL	1,083			
Murrin Murrin Heap Leach	0			
Corporate	-108	Nickel Reserves	1.60	65
Hedge Book	0	Nickel Resources	3.37	136
Net Cash & Other	113	Ni Guesstimate	1.65	67
TOTAL NPV (US\$M)	1,087	Cobalt Reserves	0.13	65
NPV per Share (US\$)	0.93	Cobalt Resources	0.22	136
		Co Guesstimate	0.12	67

CASH FLOW ANALYSIS - A\$M		2008A	2009E	2010E	2011E	2012E
(Dec Year End)						
Cash Flows From Operating Activities						
Receipts From Customers		438.6	411.0	472.4	548.5	559.7
Payments To Suppliers		(440.6)	(316.2)	(295.2)	(281.6)	(301.0)
Net Interest		3.0	(12.4)	(14.3)	(15.4)	(12.6)
Tax and Other		(59.2)	(30.2)	(55.4)	(80.9)	(79.4)
Cash Flows From Investing Activities						
Acq. of Property, Plant and Equip.		(77.4)	(6.0)	(36.0)	(18.0)	(18.0)
Exploration Expenditure		(2.2)	0.0	0.0	0.0	0.0
Other		(8.8)	0.0	0.0	0.0	0.0
Cash Flows From Financing Activities						
Net Change in Borrowings		0.0	0.0	0.0	0.0	0.0
Dividends Paid		(70.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other		202.8	0.0	0.0	0.0	0.0
Net Increase In Cash Held		(13.8)	46.3	71.4	152.5	148.7
Cash At End of Year		142.5	188.8	260.2	412.7	561.4

BALANCE SHEET ANALYSIS - A\$M		2008A	2009E	2010E	2011E	2012E
(Dec Year End)						
Current Assets						
Cash and Liquids		142.5	188.8	260.2	412.7	561.4
Other		157.0	164.0	171.0	178.0	185.0
Non-Current Assets						
Investments		0.0	0.0	0.0	0.0	0.0
Fixed Assets		567.6	523.8	507.8	465.8	423.4
Other		147.1	152.1	157.1	162.1	167.1
Current Liabilities						
Borrowings		0.0	0.0	0.0	0.0	0.0
Creditors		54.2	64.2	74.2	84.2	94.2
Other		4.7	5.1	5.5	5.9	6.3
Non-Current Liabilities						
Borrowings		0.0	0.0	0.0	0.0	0.0
Other		140.3	140.3	140.3	140.3	140.3
Minority Interest		0.0	0.0	0.0	0.0	0.0
SHAREHOLDERS FUNDS						
Net Cash/ (Net Debt)		815.0	819.2	876.2	988.2	1096.1
Net Debt/Equity %		-17.5	-23.1	-29.7	-41.8	-51.2

DIVISIONAL EARNINGS (EBIT) - A\$M		2008A	2009E	2010E	2011E	2012E
(Dec Year End)						
Murrin Murrin		8.4	18.1	94.2	171.0	161.8
FINANCIAL RATIOS						
ROA	(%)	NM	NM	6.8	12.4	10.6
ROE	(%)	NM	0.2	6.3	11.2	9.7
ROIC	(%)	NM	NM	8.5	15.3	12.9

PROJECT/DIVISION		2008A	2009E	2010E	2011E	2012E
Nickel Production						
Murrin Murrin	100%	30514	31744	33176	38324	38500
Total Attrib Nickel - Tonnes		18308	19046	19906	22994	23100
Cobalt Production						
Murrin Murrin	100%	2018	2073	2042	2358	2464
Total Attrib Cobalt - Tonnes		1211	1244	1225	1415	1478
Ni Cash Cost	US\$/lb	6.29	4.50	4.73	4.14	4.34
*Co-Product Basis						

Source: BMO Capital Markets

Nickel Miners

June 25, 2009

Talvivaara			TALV LSE	
As at	23-Jun-09			
Recommendation	Market Perform (S)	Analyst:	David Cotterell	
Share Price (US\$)	4.80	Share Price (£)	3.35	
Model Derived		Model Derived		
Target Value (US\$)	4.58	Target Value (£)	3.20	
NAV (US\$)	4.44	NAV (£)	3.10	
Ordinary Shares (M)	240			
Options & other (M)	0			
Market Cap (USM)	1,096	Market Cap (£M)	765	

PRICE ASSUMPTIONS (Dec Year End)						
		2008A	2009E	2010E	2011E	2012E
Exchange Rate	GBP/USD	0.545	0.689	0.625	0.588	0.581
Exchange Rate	Euro/USD	0.683	0.750	0.699	0.714	0.730
Nickel Price	UScents/lb	960	580	750	800	800
Zinc Price	UScents/lb	86	64	80	90	100
Copper	UScents/lb	316	184	230	275	290
Cobalt	UScents/lb	3877	1585	1800	1200	1200

FINANCIAL SUMMARY (Dec Year End)						
		2008A	2009E	2010E	2011E	2012E
NPAT	(€M)	7.0	-17.9	19.7	90.3	90.9
EPS	(€ps)	3	-8	8	37	37
EPS Growth	(%)	+>100	->100	+>100	+>100	1
PE Ratio	(x)	50.0	na	45.8	10.0	9.9
EBITDA	(€M)	1.5	4.3	85.2	215.7	212.3
EBITDA/ Share	(€ps)	1	2	36	88	87
EV/EBITDA	(x)	50.0	50.0	13.3	4.5	3.9
Dividend	(€ps)	0	0	0	0	0
Yield	(%)	0%	0%	0%	0%	0%
P/FCF	(x)	nm	nm	15.1	5.1	6.1
FCF Yield	(%)	nm	nm	6.6	19.4	16.4

PROFIT AND LOSS STATEMENT - €M (Dec Year End)					
	2008A	2009E	2010E	2011E	2012E
Sales Revenue	0.0	73.7	231.4	383.5	426.0
Other Revenue	0.0	15.6	22.6	41.7	0.0
Operating Costs	0.0	81.0	164.8	205.5	209.7
Gross Operating Profit	0.0	8.3	89.2	219.7	216.3
Depreciation	5.8	14.0	32.6	47.5	49.3
Royalties	0.0	0.0	0.0	0.0	0.0
Corporate/Exploration/Other	-1.5	4.0	4.0	4.0	4.0
EBIT	-4.3	-9.7	52.5	168.2	163.0
Less Net Interest Expense	3.7	20.4	19.2	15.7	9.4
Pre-Tax Profits	-8.0	-30.2	33.3	152.5	153.6
Tax	-13.9	-7.8	8.7	39.7	39.9
Less Minorities	-1.2	-4.5	4.9	22.6	22.7
NPAT (pre-Abs)	7.0	-17.9	19.7	90.3	90.9
Net Abnormals	0.0	0.0	0.0	0.0	0.0
Reported Profit	7.0	-17.9	19.7	90.3	90.9

DIVISIONAL VALUATION NPV US\$M		RESERVES & RESOURCES		
Kuusilampi & Kolmisoppi	1310		Contained Metal (kt)	Mine Life (Years)
Hedge Book	53			
Corporate	-30	Nickel Reserves	1,230	25
Net Cash	-270	Nickel Resources	2,209	44
		Ni Guesstimate	1,170	24
TOTAL NPV	1063			
NPV per Share (US\$)	4.44			

CASH FLOW ANALYSIS - €M					
	2008A	2009E	2010E	2011E	2012E
Cash Flow From Operating Activities					
Receipts From Customers	5.8	89.3	254.0	425.2	426.0
Payments To Suppliers	0.0	-85.0	-168.8	-209.5	-213.7
Net Interest	3.7	-20.4	-19.2	-15.7	-9.4
Tax and Other	-28.3	-10.0	0.0	-39.7	-39.9
Cash Flow From Investing Activities					
Acq. of PP&E	-426.3	-75.0	-7.5	15.0	-15.0
Exploration Expenditure	0.0	0.0	0.0	0.0	0.0
Other	24.5	0.0	0.0	0.0	0.0
Cash Flow From Financing Activities					
Net Change in Borrowings	376.7	50.0	-50.0	-50.0	-50.0
Dividends Paid	-20.0	0.0	0.0	0.0	0.0
Other	0.0	78.3	0.0	0.0	0.0
Net Increase in Cash Held	-63.8	27.1	8.5	125.4	98.0
Cash At End of Year	82.7	109.8	118.3	243.7	341.7

BALANCE SHEET ANALYSIS - €M (Dec Year End)					
	2008A	2009E	2010E	2011E	2012E
Current Assets					
Cash and Liquids	82.7	109.8	118.3	243.7	341.7
Other	97.2	97.2	97.2	97.2	97.2
Non-Current Assets					
Investments	0.0	0.0	0.0	0.0	0.0
Fixed Assets	552.5	613.5	588.3	525.8	491.5
Other	141.6	7.8	7.8	7.8	7.8
Current Liabilities					
Borrowings	0.2	0.2	0.0	0.0	0.0
Creditors	53.6	53.6	53.6	53.6	53.6
Other	2.3	20.0	0.0	0.0	0.0
Non-Current Liabilities					
Borrowings	368.0	418.0	368.0	318.0	268.0
Other	26.0	26.0	26.0	26.0	26.0
Minority Interest	0.0	0.0	(0.0)	(0.0)	(0.0)
SHAREHOLDERS FUNDS	423.9	310.5	364.1	476.9	590.6
Net Cash/ (Net Debt)	(285.5)	(308.3)	(249.6)	(74.2)	73.7
Net Debt/ Equity %	67.3	99.3	68.6	15.6	-12.5

DIVISIONAL EARNINGS (EBIT) - €M (Dec Year End)					
	2008A	2009E	2010E	2011E	2012E
Kuusilampi & Kolmisoppi	-29.4	-21.3	33.9	130.5	167.0
FINANCIAL RATIOS					
ROA (%)	2.3	-0.8	4.8	14.9	13.6
ROE (%)	1.9	-4.9	5.9	21.5	17.0
ROIC (%)	2.8	-0.6	5.6	16.6	15.1

METAL PRODUCTION (Dec Year End)						
	2008A	2009E	2010E	2011E	2012E	
Nickel	tonnes	0	8,562	22,623	32,943	34,163
Zinc	tonnes	0	14,822	40,631	54,254	59,573
Copper	tonnes	0	0	0	4,758	6,870
Cobalt	tonnes	0	0	0	323	603
Manganese	tonnes	0	0	0	0	0
N.B. Gross Metal in Concentrate						
Cash Costs						
Cash Cost	US\$/lb	-	6.47	5.34	4.29	3.94

Source: BMO Capital Markets

Nickel Miners

June 25, 2009

Vale		VALE NYSE	
As at	23-Jun-09		
Recommendation	<u>Market Perform</u>	Analyst:	Tony Robson
Ordinary Shares (US\$)	\$17.56		
Preferred Stock (US\$)	\$15.12		
Target Price (US\$)	\$20.00		
NPV (US\$)	\$31.73		
Ordinary Shares (M)	3,200.1		
Preferred Stock (M)	2078.2		
Market Cap (US\$M)	\$87,617		

PRICE ASSUMPTIONS (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Exchange Rate	BRL/US\$	1.84	2.36	2.51	2.67	2.85
Exchange Rate	C\$/US\$	0.94	0.81	0.86	0.88	0.91
Iron Ore Fines SSF	US\$/%Fe	107.3	93.8	91.8	97.1	87.9
Fines Carajas SFCJ	US\$/%Fe	140.6	101.0	111.0	116.0	99.8
Pellets Tubarao BFP	US\$/%Fe	220.2	113.8	125.2	155.3	133.5
Copper LME Cash	UScents/lb	315.7	184.3	230.0	275.0	290.0
Aluminium Cash	UScents/lb	116.8	68.0	80.0	100.0	110.0
Alumina Realised	US\$/t	339	213	233	291	320

FINANCIAL SUMMARY (Dec Year End)		2008A	2009E	2010E	2011E	2012E
NPAT (Normalized) (US\$M)		14074	4552	7850	11157	10717
EPS (US\$ps)		2.79	0.86	1.49	2.11	2.03
PER (x)		6.3	20.4	11.8	8.3	8.6
EPS Growth (%)		23.7	-69.1	72.5	42.1	-3.9
EBITDA (US\$M)		17664	9327	14297	19359	19152
EBITDA per share (US\$ps)		3.49	1.77	2.71	3.67	3.63
EV/EBITDA (x)		5.3	10.8	7.2	5.1	5.1
Dividend (US\$ps)		0.52	0.48	0.58	0.62	1.00
Yield (%)		3.0	2.7	3.3	3.5	5.7
Franking (%)		0.0	0.0	0.0	0.0	0.0

PROFIT AND LOSS STATEMENT - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Group Sales Revenue		38493	23411	31100	39872	40659
VAT		-1083	-852	-1141	-1464	-1382
Consolidated Revenue		37410	22558	29960	38408	39277
Operating Costs		17989	12654	14928	18344	19295
Gross Operating Profit		19421	9904	15031	20064	19983
Depreciation		2787	2333	2973	3389	3671
Corporate/Royalties/Other		1969	672	770	887	915
EBIT (Subsidiaries)		14665	6899	11288	15788	15397
Less Net Interest Expense		592	982	963	1124	1001
Pre-Tax Profits		14073	5916	10325	14664	14395
Less Tax		535	1420	2478	3666	3743
JV Profits		794	182	268	543	475
Less Minorities		258	126	265	384	411
NPAT (pre-Abs)		14074	4552	7850	11157	10717
Net Abnormals		0	0	0	0	0
Reported Profit		14074	4552	7850	11157	10717

DIVISIONAL VALUATION NPV US\$M		PRINCIPAL ASSETS NPV US\$M	
Ferrous Minerals Division	137,285	Southeast Iron	44,308
Non-Ferrous Division	22,529	Carajas Iron Ore	45,921
Aluminium Division	9,233	Southern Iron	28,462
Logistics Division	1,522	INO Nickel	8,220
Coal Division	5,791	Own Pellet Plants	12,971
Investments	1,400	Samarco	3,407
Other	0	Voisey's Bay	3,829
Corporate Costs/Other	-2,127	Alunorte Alumina	4,193
Net Cash/(Debt) incl JV	-6,046	Albras Aluminium	1,346
TOTAL NPV (US\$M)	167,460		
NPV per Share (US\$)	\$31.73		

CASH FLOW ANALYSIS - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Cash Flows From Operating Activities						
Receipts From Customers		37426	22558	29960	38408	39277
Payments To Suppliers		(17641)	(12654)	(14928)	(18344)	(19295)
Net Interest		(664)	(982)	(963)	(1124)	(1001)
JV Divs, Tax and Other		(2007)	(1870)	(2948)	(3988)	(4163)
Cash Flows From Investing Activities						
Acq. of Property, Plant and Equip.		(10364)	(11124)	(9522)	(8207)	(6865)
Exploration Expenditure		(1044)	(700)	(700)	(700)	(700)
Other		7	300	300	300	300
Cash Flows From Financing Activities						
Net Change in Borrowings		559	1000	0	0	(3000)
Dividends Paid		(2993)	(2594)	(3194)	(3464)	(5484)
Other incl Share Issue or Buy Back		6006	0	0	0	0
Net Increase In Cash Held		9285	(6067)	(1996)	2881	(930)
Cash At End of Year		10331	4264	2268	5149	4219

BALANCE SHEET ANALYSIS - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Current Assets						
Cash and Liquids		12639	6572	4576	7457	6527
Other		10599	10601	10602	10604	10605
Non-Current Assets						
Investments		2408	2508	2608	2708	2808
Fixed Assets		49329	57860	64141	68680	71594
Other		4956	4956	4956	4956	4956
Current Liabilities						
Borrowings		710	710	710	710	710
Creditors		2261	1363	1810	2320	2373
Other		4266	4266	4266	4266	4266
Non-Current Liabilities						
Borrowings		17535	18535	18535	18535	15535
Other		10112	10357	10602	10847	11092
Minority Interest		2491	2516	2541	2566	2591
SHAREHOLDERS FUNDS		42556	44749	48419	55160	59923
Net Debt/Equity %		12.4%	26.8%	28.8%	20.4%	15.5%

DIVISIONAL EARNINGS (EBIT) - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Ferrous Minerals Division		12429	6772	9692	12306	10738
Non-Ferrous Division		206	147	297	738	981
Former Inco		2081	-306	715	1209	1333
Aluminium Division		516	-126	23	383	582
Logistics Division		287	267	302	304	309
Coal Division		192	120	234	823	1428
Investments & JVs		0	0	0	0	0
Corporate/Other Operations		-27	6	6	6	6
EBIT Consolidated+JV+Investments		15684	6879	11268	15768	15377

PROJECT/DIVISION		2008A	2009E	2010E	2011E	2012E
Iron Ore Produced	Mt	293.4	236.8	297.5	334.0	359.8
External Iron Ore Sale	Mt	264.1	228.0	266.9	284.4	308.4
Attributable Pellets	Mt	41.9	19.8	42.7	66.6	68.7
CVRD Pellet Sales	Mt	32.2	14.8	34.6	55.6	57.7
Mn Alloys Sold	(000t)	396	211	420	504	509
Aluminium	(000t)	546	463	503	554	556
Alumina Refined	(000t)	5001	6182	6260	6460	7314
Bauxite Produced	Mt	11.7	16.0	22.7	23.3	23.9
Copper Produced	(000t)	391.0	326.5	379.0	480.3	489.7
Nickel Produced	(000t)	271.9	217.6	275.9	315.9	340.4
Coal Produced	Mt	4.0	6.7	9.8	18.5	29.5

Source: BMO Capital Markets

Nickel Miners

June 25, 2009

Western Areas		WSA ASX	
As at Recommendation	23-Jun-09 <u>Outperform</u>	Analyst:	David Radclyffe
Share Price (US\$)	\$4.10	Share Price (A\$)	\$5.19
Model Derived Target Value (US\$)	\$4.90	Model Derived Target Value (A\$)	\$6.20
NPV (US\$)	\$4.26	NPV (A\$)	\$5.40
Ordinary Shares (M)	175.3		
Options + Notes (M)	0.0		
Market Cap (US\$M)	\$703	Market Cap (A\$)	\$889

PRICE ASSUMPTIONS		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Exchange Rate	A\$/US\$	0.90	0.73	0.77	0.81	0.81
Nickel	UScents/lb	1295	607	688	775	800
Copper	UScents/lb	354	216	215	253	283
Cobalt	UScents/lb	4000	2231	1725	1500	1200

FINANCIAL SUMMARY		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
NPAT (pre-Abs)	(A\$M)	-54.9	-19.1	37.7	85.7	83.9
EPS	(¢ps)	-32.6	-11.2	21.4	48.7	47.7
PER	(x)	na	na	24.2	10.7	10.9
EPS Growth	(%)	->100.0	65.6	+>100.0	+>100.0	-2.1
EBITDA	(A\$M)	-40.4	34.5	120.6	212.0	199.6
EBITDA per Share	(¢ps)	-23.9	19.6	68.6	120.5	113.4
EV/EBITDA	(x)	na	31.0	8.8	4.4	4.0
Dividend	(¢ps)	0.0	0.0	0.0	9.7	9.5
Yield	(%)	0.0	0.0	0.0	1.9	1.8
P/FCF	(x)	NM	NM	NM	6.6	6.1
FCF Yield	(%)	NM	NM	NM	15.1	16.5

PROFIT AND LOSS STATEMENT - A\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Sales Revenue		60.7	95.9	198.3	328.6	319.1
Other Revenue		0.0	0.0	0.0	0.0	0.0
Operating Costs		32.3	50.8	62.8	82.8	86.1
Gross Operating Profit		28.5	45.1	135.5	245.8	232.9
Depreciation		14.2	40.3	42.9	66.9	59.7
Exploration and Royalties		0.0	2.5	8.9	26.8	26.4
Corporate and Other		70.3	10.9	7.0	7.0	7.0
EBIT (not incl associates)		-56.0	-8.6	76.7	145.1	139.9
Less Net Interest Expense		11.5	17.3	22.8	22.6	20.0
Pre-Tax Profits		-67.6	-25.9	53.9	122.5	119.8
Less Tax		-12.7	-6.8	16.2	36.7	36.0
Plus Associates less Divds		0.0	0.0	0.0	0.0	0.0
NPAT (pre-Abs)		-54.9	-19.1	37.7	85.7	83.9
Net Abnormals		0.0	0.0	0.0	0.0	0.0
Reported Profit		-54.9	-19.1	37.7	85.7	83.9

DIVISIONAL VALUATION	NPV US\$M	RESERVES & RESOURCES		
		Attributable	Contained Metal	Mine Life
Flying Fox & Spotted Quoll	596.5		(kt)	(Years)
Other Nickel Assets	282.1	Nickel Reserves	80.2	6
Hedge Book	0.0	Nickel Resources	553.7	39
Corporate & Other	-9.3	Ni Guesstimate	145.8	10
Net Cash	-117.9			
TOTAL NPV (US\$M)	747			
NPV per Share (US\$)	4.26			

CASH FLOW ANALYSIS - A\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Cash Flows From Operating Activities						
Receipts From Customers		60.7	95.9	198.3	328.6	319.1
Payments To Suppliers		(32.3)	(50.8)	(62.8)	(82.8)	(86.1)
Net Interest		(2.0)	(20.5)	(22.8)	(22.8)	(20.0)
Tax and Other		(51.0)	(6.6)	(15.9)	(21.8)	(21.4)
Cash Flows From Investing Activities						
Acq.of Property, Plant and Equip.		(44.1)	(95.6)	(98.0)	(55.0)	(33.0)
Exploration Expenditure		(21.1)	(30.4)	(12.0)	(12.0)	(12.0)
Other		(3.4)	0.0	20.0	0.0	0.0
Cash Flows From Financing Activities						
Net Change in Borrowings		(3.4)	57.5	0.0	0.0	(70.0)
Dividends Paid		(0.0)	(0.0)	0.0	(8.8)	(15.3)
Other		4.3	34.9	3.4	0.0	0.0
Net Increase In Cash Held		(92.2)	(15.5)	10.2	125.4	61.3
Cash At End of Year		144.8	129.3	139.5	264.8	326.1

BALANCE SHEET ANALYSIS - A\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
Current Assets						
Cash and Liquids		144.7	129.2	139.3	264.7	326.0
Other		13.1	13.6	14.1	14.6	15.1
Non-Current Assets						
Investments		7.0	7.0	7.0	7.0	7.0
Fixed Assets		175.4	261.1	328.3	316.4	289.6
Other		74.9	80.6	80.6	80.6	80.6
Current Liabilities						
Borrowings		12.2	0.0	0.0	0.0	0.0
Creditors		47.8	47.8	47.8	47.8	47.8
Other		0.5	0.9	1.3	1.7	2.1
Non-Current Liabilities						
Borrowings		227.7	285.3	285.3	285.3	215.3
Other		1.2	1.4	1.6	1.8	2.0
Minority Interest		0.0	0.0	0.0	0.0	0.0
SHAREHOLDERS FUNDS						
Net Cash/ (Net Debt)		(95.2)	(156.1)	(145.9)	(20.6)	110.7
Net Debt/Equity %		75.7	99.9	62.5	5.9	-24.5

DIVISIONAL EARNINGS (EBIT) - A\$M		07/08A	08/09E	09/10E	10/11E	11/12E
(Jun Year End)						
FORRESTANIA		22	-1	81	167	161
Total		22	-1	81	167	161
FINANCIAL RATIOS						
ROA	(%)	NM	NM	13.5	21.2	19.5
ROE	(%)	NM	NM	16.2	24.7	18.6
ROIC	(%)	NM	NM	14.8	23.0	21.0

PROJECT/DIVISION		07/08A	08/09E	09/10E	10/11E	11/12E
Forrestania Production						
Nickel Produced	(000t)	3	9	14	22	21
Attributable Payable						
	(000t)	2	6	10	15	14
Committed Hedging						
Nickel Price	(000 t) (US\$/lb)		0.00	0.00	0.00	0.00
Ni Cash Cost	(US\$/lb)	5.49	2.73	2.18	1.96	2.18

Source: BMO Capital Markets

Nickel Miners

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Xstrata Plc		XTA LSE	
As at Recommendation	23-Jun-09 Market Perform	Analyst: Tony Robson	
Share Price (US\$)	\$10.49	Share Price (£)	£6.40
Model Derived Target Value (US\$)	\$11.48	Model Derived Target Value (£)	£7.00
NPV (US\$)	\$12.27	NPV (£)	£7.49
Ordinary Shares (M)	2,942.5		
Options + Notes (M)	0.0		
Market Cap (US\$M)	\$30,867	Market Cap (£\$M)	£18,829

PRICE ASSUMPTIONS (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Exchange Rate	GBP/US\$	0.54	0.69	0.63	0.59	0.58
Exchange Rate	AS/US\$	0.85	0.70	0.80	0.81	0.80
Copper	UScents/lb	315.7	184.3	230.0	275.0	290.0
Gold	US\$/oz	873	908	950	950	875
Silver	US\$/oz	15.01	12.64	14.50	14.50	13.50
Coal - Thermal	0	107.7	85.3	74.7	75.6	72.8
FerroVanadium	US\$/kg	67.8	60.0	50.0	50.0	50.0

FINANCIAL SUMMARY (Dec Year End)		2008A	2009E	2010E	2011E	2012E
NPAT (Adj.)	(US\$M)	3781	1591	2687	4351	4777
EPS	(US\$ps)	4.81	0.50	0.85	1.40	1.57
PER	(x)	2.2	20.9	12.3	7.5	6.7
EPS Growth	(%)	-12.5	-89.6	69.9	65	12
EBITDA	(US\$M)	9657	5538	7355	9451	9943
EBITDA per Share	(US\$ps)	9.89	1.87	2.49	3.19	3.36
EV/EBITDA	(x)	2.6	7.7	5.6	4.1	3.6
Dividend	(US\$ps)	0.18	0.00	0.00	0.24	0.27
Yield	(%)	1.7	0.0	0.0	2.3	2.6

PROFIT AND LOSS STATEMENT - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Sales Revenue		27954	21081	25569	29590	30366
Other Revenue		0	0	0	0	0
Operating Costs		17980	15164	17823	19716	19968
Gross Operating Profit		9974	5916	7745	9873	10398
Depreciation		2396	2393	2552	2657	2690
Exploration and Royalties		236	166	178	210	243
Corporate and Other		82	212	212	212	212
EBIT		7261	3146	4803	6794	7253
Less Net Interest Expense		660	879	824	476	436
Pre-Tax Profits		6601	2266	3978	6319	6817
Less Tax		1634	589	1114	1769	1909
less Minorities		83	86	177	199	131
plus Associates		0	0	0	0	0
NPAT (pre-Abs)		4884	1591	2687	4351	4777
Net Abnormals		-1103	0	0	0	0
Reported Profit		3781	1591	2687	4351	4777

DIVISIONAL VALUATION NPV US\$M		RESERVES & RESOURCES		
		Attributable	Ore	Mine Life (Years)
Copper	16,685		(Mt)	
Coal	16,764	Coal Reserves	2486	22
Nickel	7,658	Copper Reserves	3372	10
Lead/Zinc	3,920	Lead/Zinc Reserves	303	22
Aluminium	0	Alloy Reserves	79	21
Alloys	3,945	Nickel Reserves	147	23
Lonmin/Other	1,028			
Corporate	-1,414	Coal Resources	18204	160
Net Cash & Other	-12,475	Copper Resources	7750	24
TOTAL NPV (US\$M)	36,110	Lead/Zinc Resources	853	82
NPV per Share (US\$)	12.27	Alloy Resources	647	176
		Nickel Resources	268	52

CASH FLOW ANALYSIS - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Cash Flows From Operating Activities						
Receipts From Customers		27954	21081	25569	29590	30366
Payments To Suppliers		(19066)	(15264)	(17923)	(19816)	(20068)
Net Interest		(641)	(879)	(824)	(476)	(436)
Tax and Other		(1753)	(589)	(1114)	(1769)	(1909)
Cash Flows From Investing Activities						
Acq. of Property, Plant and Equip.		(10537)	(5691)	(3970)	(4227)	(4942)
Exploration Expenditure		0	0	0	0	0
Other		144	0	0	0	0
Cash Flows From Financing Activities						
Net Change in Borrowings		4884	(4000)	0	(2000)	(2000)
Dividends Paid		(720)	(100)	(100)	(710)	(799)
Other		(191)	5300	0	0	0
Net Increase In Cash Held		76	(143)	1637	592	212
Cash At End of Year		1145	1002	2638	3230	3442

BALANCE SHEET ANALYSIS - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Current Assets						
Cash and Liquids		1156	1013	2649	3241	3453
Other		5996	6036	6076	6116	6156
Non-Current Assets						
Investments		2124	2124	2124	2124	2124
Fixed Assets		36141	39411	40799	42342	44571
Other		9897	9897	9897	9897	9897
Current Liabilities						
Borrowings		794	794	794	794	794
Creditors		3233	2438	2957	3422	3512
Other		1033	957	337	337	947
Non-Current Liabilities						
Borrowings		16337	12337	12337	10337	8337
Other		9518	9518	9518	9518	9518
Minority Interest		1636	1636	1636	1636	1636
SHAREHOLDERS FUNDS		22763	30801	33966	37676	41458
Net Debt/Equity %		65.5%	37.4%	29.4%	20.1%	13.2%

DIVISIONAL EARNINGS (EBIT) - US\$M (Dec Year End)		2008A	2009E	2010E	2011E	2012E
Copper		2297	780	2017	2975	3600
Met Coal		930	364	256	339	304
Thermal Coal		2619	2244	1883	2028	1842
Nickel		341	-28	420	611	574
Lead/Zinc		113	-44	240	456	595
Aluminium		0	0	0	0	0
Alloys		1007	-3	155	552	506

PROJECT/DIVISION		2008A	2009E	2010E	2011E	2012E
Production						
Copper	000t	905	986	1022	1020	1096
Coal - Coking	Mt	12.4	10.6	14.5	16.2	16.3
Coal - Thermal	Mt	74.0	75.6	83.7	87.8	88.1
Nickel	000t	115.9	98.8	114.0	128.6	132.0
Gold	000oz	1520	1492	1650	1540	1395
Zinc	000t	1397	1556	1544	1538	1531
Lead	000t	407	578	587	587	587
FerroChrome	000t	1132	350	978	1479	1479
FerroVanadium	Mlbs	8.0	6.5	8.6	12.2	12.2
Alumina	Mt	0	0	0	0	0
Aluminium	000t	0	0	0	0	0

Source: BMO Capital Markets

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