

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain terms used in this prospectus in connection with our Company and our business. Some of these may not correspond to standard industry definitions or usage of these terms.

“CAGR”	compound annual growth rate
“CIF”	Cost, Insurance and Freight, a trade term used when shipping goods to indicate that the seller pays the costs, insurance and freight to bring the goods to the port of destination
“COMEX”	Commodity Exchange Inc.
“concentrate”	a powdery product containing an upgraded mineral content resulting from initial processing of mined ores to remove some waste materials. A concentrate is an intermediary product, which would still be subject to further processing, such as smelting, to effect recovery of metal
“copper concentrate”	concentrate produced from copper sulphide ore, which typically contains approximately 23% to 36% of copper
“crusher”	a machine for crushing rocks to smaller grain size
“cut-off”	the lowest grade of mineralized material that qualifies as ore that will meet further operating cost in a given deposit
“deposit” or “mineral deposit”	a body of mineralization containing a sufficient average grade of metal or metals to warrant further exploration and/or development expenditure. A deposit may not have a realistic expectation of being mined; therefore it may not be classified as a resource or a reserve
“dmt”	dry metric tonne
“drilling”	a technique or process of making a circular hole in the ground with a drilling machine, which typically occurs to obtain a cylindrical cone as a sample of ore. Alternatively, blasthole drilling is where the drilling technique is used to create a hole to house an explosive charge in preparation for blasting a zone of rock
“EPCM”	engineering, procurement and construction management, a common form of contracting arrangement within the construction industry
“exploration”	activity to prove the location, volume and quality of an ore body
“ferrous”	containing iron

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“FOB”	Free on Board, a trade term used when shipping goods to indicate that the seller loads the goods on board the vessel nominated by the buyer and all subsequent costs are born by the buyer
“geochemical”	a prospecting technique which measures the chemical content of certain metals in soils and rocks and defines anomalies for further testing
“grade,” “grading” or “ore grade”	the relative amount of valuable elements or minerals contained in a parcel of ore material. For copper and molybdenum, grade is commonly expressed in percentage; for silver, grade is commonly expressed in grams per tonne
“in-situ ore”	natural ores before being processed or transported
“indicated mineral resource(s)” or “indicated resource(s)”	as defined in JORC Code, that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological grade and grade continuity to be reasonably assumed
“JORC”	Australasian Joint Ore Reserves Committee
“JORC Code”	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, a widely used and internationally recognized resource/reserve classification system, prepared by JORC in September 1999 and revised in December 2004
“kV”	Kilovolt
“LBMA”	The London Bullion Market Association
“limestone”	a sedimentary rock composed largely of the minerals calcite and aragonite
“LME”	London Metal Exchange
“measured mineral resource(s)” or “measured resource(s)”	as defined in the JORC Code, that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as

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	outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity
“mineral processing”	the treatment of mineral products into concentrate products
“mineral reserve”	as defined in the JORC Code, the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined
“mineral resources”	as defined in the JORC Code, a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth’s crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge
“mineralization”	an area with discontinuous distribution belts of mineralization, including the occurrence of deposits, mine sites and alteration of waste rock, as exploration indicators and under control of same geology conditions. It is a key zone for estimation and further planning of exploration of minerals
“molybdenum concentrate”	concentrate whose main mineral content is molybdenum, usually containing 45% to 53% of molybdenum
“molybdenum oxide”	roasted molybdenite concentrate, also known as technical molybdenum oxide, which typically contains 56% to 58% molybdenum and no more than 0.5% copper
“MW”	megawatt
“non-ferrous metals”	metals other than iron and alloys that do not contain appreciable amount of iron
“open-pit mining”	mining of a deposit from a pit open to surface and usually carried out by stripping of overburden materials
“operating cash costs”	include mining costs, processing costs, general and administration costs, selling costs, environmental protection costs, production taxes, resource compensation levy, other cash cost items and by-product credit
“ore”	mineral bearing rock which can be mined and treated profitably under current or immediately foreseeable economic conditions

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“ore processing” or “processing”	the process which in general refers to the extraction of usable portions of ores by using physical and chemical methods
“ore reserve(s)”	the economically mineable part of a measured and/or indicated mineral resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, and social and government factors, as defined in the JORC Code. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore reserves are sub-divided in order of increasing confidence into probable ore reserves and proved ore reserves
“probable mineral reserve(s)” or “probable reserve(s)”	as defined in the JORC Code, the economically mineable part of an indicated and, in some circumstances, a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified
“proved mineral reserve(s)” or “proved reserve(s)”	as defined in the JORC Code, the economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified
“pyrometallurgical process”	an ore-refining process, such as smelting, dependent on the action of heat
“recovery rate”	the percentage of metal produced compared to the amount of metal contained in the feed ore in the context of a processing plant, or the percentage of metal produced compared to the amount of metal contained in the feed concentrates in the context of a smelting plant
“refined copper,” “copper cathode” or “cathode copper”	copper produced from copper ore which can be used to produce copper products or copper alloy
“refining”	the final stage of the metallurgical process of refining crude metal products to a pure or very pure end-product
“refining charge” or “RC”	the price paid by a mining company to a smelter for refining the contained precious metals (and copper) in their concentrate’s to produce a payable metal
“rehabilitation”	revegetation of mining disturbed areas by planting an appropriate mixture of trees, shrubs and ground covers
“SAG”	semi-autogenous grinding, a process widely applied in copper concentrate production process

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“secondary refined copper”	refined copper, which is produced from copper scrap
“SHFE”	Shanghai Future Exchange
“smelting”	a pyrometallurgical process of separating metal by fusion from those impurities with which it is chemically combined or physically mixed
“strip ratio”	the ratio of the volume of overburden and segregable waste to ore in an open-pit operation
“sulphide copper”	a main type of copper resource
“SXEW”	solvent extraction/electrowinning
“tailing(s)”	the waste materials (residue) produced after extraction of valuable minerals
“tailing dam”	a storage facility for tailings
“tonne”	metric ton, equivalent to 1,000 kilograms
“tpa” and “tpd”	tonnes per annum and tonnes per day
“treatment charge” or “TC”	the charge paid by a mining company to have their concentrate treated through a smelter to produce saleable metal
“USGS”	U.S. Geological Survey