

## PERILYA COMPLETES RETAIL ENTITLEMENT OFFER

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Perilya Limited (ASX: PEM – “Perilya”) is pleased to announce that the final component of its accelerated non-renounceable entitlement offer, the Retail Entitlement Offer, closed on 21 November 2011. Together with the Institutional Entitlement Offer, approximately \$102.2 million was raised under the Offer.

The Retail Entitlement Offer closed on Monday 21 November 2011 and will raise approximately \$19.7 million in total. Eligible Retail Shareholders have subscribed for approximately 8.2 million new shares, or approximately \$3.4 million. The shortfall under the Retail Entitlement Offer was 58.1 million shares, or approximately \$24.4 million. 38.7 million of the shortfall shares, or approximately \$16.3 million will now be allocated to:

- certain members of Perilya’s Board and Executive Management who have agreed to collectively underwrite \$490,000 (in addition to taking up their respective entitlements), with priority allocation of the shortfall; and
- various institutional investors who were sub-underwriters for the Entitlement Offer..

The directors may, subject to the requirements of the Listing Rules and the Corporations Act, place the remaining 19.4 million shortfall shares, or approximately \$8.2 million, within the next three months. If placed, these shares will be issued at a price not less than the issue price of new shares under the Entitlement Offer, which was \$0.42.

In addition, approximately 0.3 million entitlements of ineligible shareholders were offered for sale by the nominee on 21 November 2011 by way of a bookbuild at a floor price of \$0.42. These entitlements did not clear at the floor price, and as a result ineligible shareholders will not receive any value for these entitlements, and the entitlements will lapse.

Final allotment under the Retail Entitlement Offer is expected to occur on Tuesday, 29 November 2011, with trading in the new shares expected to commence on Wednesday, 30 November 2011.

The Retail Entitlement Offer successfully completes the final stage of Perilya’s Entitlement Offer, which raised \$102.2 million (before costs of the Offer).

Proceeds from the \$102.2 million raising will be used by Perilya to:

- de-lever Perilya’s balance sheet following the acquisition of GlobeStar in January 2011. The GlobeStar acquisition was initially funded with the support of bank finance. The GlobeStar transaction has already provided a number of benefits to Perilya shareholders including further asset, geographic and commodity diversification;
- continue the development of the Potosi mine in Broken Hill where development is already underway with production expected in late 2012/early 2013. Annualised

production from Potosi of 45,000 tonnes of combined zinc/lead can be readily treated at the Broken Hill concentrator given spare mill capacity; and

- progress Perilya's suite of advanced development assets including the North Moolooloo zinc silicate project, North Mine Uppers at Broken Hill, the Moblan Lithium Project in Canada, the Cumpié Hill laterite nickel project in the Dominican Republic, the Cerro de Maimón mine extension and the Mount Oxide copper project in Queensland.

Perilya's Managing Director, Paul Arndt, said *"the successful completion of this equity raising places Perilya in a strong position with available cash to retire short term debt and progress development projects that will help to form the basis of a strong future for the company. The support of shareholders is a reflection of the success that we have had with both the Broken Hill operation and the Globestar acquisition. As we go forward we will continue to apply a strong financial discipline to ensure funds are used effectively in uncertain times."*

Yours faithfully  
**PERILYA LIMITED**



**Paul Marinko**  
 Company Secretary

### For further information:

#### Investors & Media:

Paul Arndt  
 Managing Director & CEO  
 +61 8 6330 1000

#### Enquiries:

Paul Marinko  
 Company Secretary  
 +61 8 6330 1000

#### Analysts:

Angelo Christou  
 Chief Financial Officer  
 +61 8 6330 1000

### About Perilya

*Perilya is an Australian base and precious metals mining and exploration company, which owns and operates the iconic Broken Hill zinc, lead, silver mine in NSW Australia and, with the successful takeover of GlobeStar Mining Corporation in December 2010, the Cerro de Maimón copper, gold & silver mine in the Dominican Republic. The Company's operations at the iconic Broken Hill mine went through a resizing in 2008 which has resulted in significant improvement in productivity, profitability and cashflows resulting in an extension to the life of mine of in excess of 10 years.*

*In addition to its mining operations, the Company has an active exploration and development program which includes exploration and development programs in the Broken Hill region NSW Australia and in the Flinders region of South Australia in the vicinity of its Beltana zinc silicate project. The Company also has extensive exploration programs underway on its Dominican Republic mining and exploration concessions that include a laterite nickel project and highly prospective copper, gold & silver targets near its Cerro de Maimón mine.*

*The Company is reviewing options for the development of the Mount Oxide Copper Project in the Mount Isa region in Queensland. In addition, the Company has a 60% interest in the Moblan lithium project located in Quebec, Canada, which is currently undergoing a development study (the remaining 40% is held by SOQUEM, which is an investment company owned by the Quebec Government in Canada).*

*Perilya is owned 53.3% by Shenzhen Zhongjin Lingnan Nonfermet Co. Ltd, China's third largest zinc producer (after allotment of all shares under the Entitlement Offer).*

*For more details, visit [www.perilya.com.au](http://www.perilya.com.au)*

## Important Information

*This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "U.S. Securities Act")) ("U.S. Person"). Securities may not be offered or sold in the United States, or for the account or benefit of, or to U.S. Persons unless the securities have been registered under the U.S. Securities Act or an exemption from registration is available. The securities to be offered and sold in the Offer have not been, and will not be, registered under the U.S. Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of U.S. Persons, unless the securities are registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available.*

*Neither this announcement nor any other documents relating to the Offer may be sent or distributed to persons in the United States or to U.S. Persons or to any persons acting for the account or benefit of U.S. Persons.*

*The offer does not constitute an offer, and new shares will not be issued or sold under the offer, in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, issue or sale. No action has been taken to register or qualify the shares or the new shares or to otherwise permit a public offering of shares or new shares outside Australia. The new shares may only be offered, issued or sold in any jurisdiction under the offer where such offer, issue or sale is permitted under applicable law.*

*This announcement may contain "forward-looking statements". The words "forecast", "estimate", "likely", "anticipate", "believe", "expect", "project", "opinion", "predict", "outlook", "guidance", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. You are cautioned not to place undue reliance on forward looking statements. While due care and attention has been used in the preparation of forward-looking statements, forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from forward-looking statements. An investment in the Company's shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible delays in repayment and loss of income and principal invested. The Company does not guarantee any particular rate of return or the performance of the Company or the Perilya Group, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.*

*Eligible shareholders will be entitled to apply for 1 new share for every 2 shares held as at the Record Date. If a Perilya shareholder has ordinary shares out on loan, the borrower will be regarded as the shareholder for the purposes of determining the entitlement (provided that those borrowed shares have not been on-sold).*

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