



## TAKORADI LIMITED

ACN 006 708 676

# CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING

Following the relisting of Takoradi Limited on 25 July 2011 the Company's three key areas of interest of corporate activity and direction, are mineral exploration and development opportunities located in:-

1. CHILE & PERU– held through Takoradi's 10.7% direct shareholding in Metminco Limited (MNC), an Australian listed public company which holds a number of significant copper (Cu), gold (Au) and molybdenum (Mo) projects of which the Los Calatos , Cu and Mo project in Peru, is the prime target.
2. NAMIBIA – comprises a 70% interest in the high grade Kuiseb copper gold project.
3. GHANA – comprising the 100% owned Kutukrom gold project, in the western region and Bole – in the northern region.

Full details of the projects are outlined in the Company's Annual Report. An updated, detailed presentation on the Metminco projects is contained in a presentation document found at [www.metminco.com.au](http://www.metminco.com.au).

Following a detailed review of the Company's assets and their respective value in relation to the current share price, the Board has worked to find a solution to enhance the value of Shareholders interests, specifically in regard to the Company's MNC investment. Several alternatives have been under consideration, including the realization of cash from the sale of MNC shares, a distribution to shareholders of the MNC shares, or simply hold the investment for future increase in value. Each of these options would be subject to "market conditions" and ongoing financial commitments of the company in the very near future.

Of these options, the Board determined that the distribution in specie may possibly provide shareholders with potentially greater "upside" and value in the immediate short term. This provides, in effect a capital return to each shareholder from Takoradi and will ensure a realignment of the value of Takoradi being transferred directly to each shareholder, rather than awaiting a reflection of the true value of the Takoradi share price.

However, due to significant changes in the last few weeks of the MNC share price, principally as a result of a steeply discounted share placement of A\$40million at 14cps and a proposed rights issues to MNC shareholders, the gap between Takoradi share price and that of MNC has narrowed considerably. The Directors have been very concerned with the MNC actions as it relates to the



subsequent recent share price reduction and have decided to further review the potential distribution of the MNC shares along with other options, including either maintaining the shareholding so as to ensure greater balance sheet strength or the possible disposal of the shareholding in due course to a third party.

In regards to the other exploration assets, the Company has also commenced a scoping study on the Namibia copper / gold project, the result of which should be known within the next few months. This knowledge will allow the Directors, to best determine the most appropriate direction of this project. Alternatives that will be considered are:-

1. Possible outright sale
2. Joint Venture
3. Full development of the assets by Takoradi to create strong cashflow.

The Ghana gold projects are being fully reviewed to evaluate the best alternatives to extract value. Since 30 June the company has been granted a renewal of its Kutukrom licenses and is at an advanced stage of reaching agreement on additional areas. The Bole licenses, where the company has an established reserve and resource, license applications are expected to be finally approved for renewal, following which the company will determine the future direction of this project.

The Director's will inform the shareholders of all future developments and are available for discussion at anytime. The Company has had a very successful year, improving its balance sheet and prospects which would have been better reflected if not for the recent global financial markets instability which in turn effected the share values.

on Behalf of Takoradi Limited

RODNEY T HUDSPETH  
Chairman