



## RE-INSTATED AND REVITALISED

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# RELAUNCHED WITH SIGNIFICANT UPLIFT IN ASSET VALUE AND FUTURE POTENTIAL

It is with great pleasure that the Board of Directors of Takoradi Limited (Takoradi) announces Takoradi's return to trading on the Australian Securities Exchange (ASX code: TKG). Key highlights, the status and direction of Takoradi follow:

- Audited Consolidated Net Profit of Takoradi was A\$44.7 million for the six months ended 31<sup>st</sup> December, 2010, after deferred tax provision of A\$14.6 million. No material cash outflows are expected by Takoradi to arise from this deferred tax provision.
- Unaudited net tangible asset (NTA) value of Takoradi had been rebuilt to 62.2c per share as at 22<sup>nd</sup> July, 2011 compared to 2.46c as at 30<sup>th</sup> June, 2009 accounts, soon after the temporary voluntary suspension. As at 4<sup>th</sup> February, 2009, the date of suspension, the ASX closing price was 7.4c.
- Takoradi as at 24<sup>th</sup> July, 2011, holds a significant liquid investment in the ASX listed Metminco Limited (Metminco) of 160 million shares. Metminco is also an AIM (London) listed company.
  - With its key strategic shareholding in Metminco, Takoradi can now be benchmarked against the moving share price of Metminco as that company undertakes a fully funded, major exploration program, to establish a world class copper-molybdenum resource in Peru, and potential mining operations at the Mollacas Project in Chile. Metminco also has several other advanced exploration properties with significant upside potential.
  - As of the close of the ASX on 22<sup>nd</sup> July, 2011, Takoradi's 160 million shares in Metminco (ASX MNC: 33c) were valued at A\$53 million or asset value equivalent of 79c per Takoradi share. In addition, Takoradi has further value in other directly owned assets such as those projects located in Ghana and Namibia in which Takoradi holds a majority interest.
- Takoradi is now restructured to become a potential mine developer and investor, through its JORC resources of copper-gold in Namibia which have the potential for early development, and also its gold resources in Ghana. Both countries, located in Africa, have a strong record of stable sovereign risk.
- Takoradi is undergoing a strategic review of assets and management requirements as a part of the process to determine the future direction of the company, on-going funding needs of specific projects, and opportunities to seek out new value-enhancing projects. As part of this process, Mr Terence V. Willstead, a highly respected and experienced consulting mining engineer, will be appointed to the Board of Directors.
- Takoradi now has sufficient liquid assets to meet current liabilities from various alternatives over the next 12 months, which creates a stable platform for recommencing activities.



## DEFINING YEAR: STABILITY, NET PROFIT, AND MAJOR ASSET ENHANCEMENT

2011 has emerged as the “Defining Year” for Takoradi, with events giving shape to even greater promise for the company, especially after it recommences trading on the ASX.

Takoradi is a very different company today than when it undertook an ASX “voluntary temporary suspension” on 4<sup>th</sup> February, 2009, when circumstances were considered to be very challenging.

Takoradi has submitted fully audited accounts for the half-year ended 31<sup>st</sup> December, 2010, to the Australian Stock Exchange. The company achieved a Consolidated Net Profit after tax of A\$44.7 million for the six months ended 31<sup>st</sup> December, 2010, compared to A\$1.6 million loss for the same period in 2009.

Tax provision for the six months to 31<sup>st</sup> December, 2010 was A\$14.6 million which is in line with the accounting standards and has been accounted as a non-current deferred tax liability. Accordingly, it is important to note that **no material cash out-flows** are expected by Takoradi to arise in respect of this deferred tax provision.

This profit and resulting tax province can be attributed to Takoradi exchanging its shares in the unlisted Hampton Mining Limited (Hampton) for 195 million shares in the listed Metminco and A\$3.5 million in cash.

Takoradi’s balance sheet was significantly restructured through the Metminco transaction.

Prior to the Board successfully executing on this transaction, Takoradi was faced with current liabilities of A\$15.3 million and current book assets of only A\$285,000 at 30<sup>th</sup> June, 2009.

At 31<sup>st</sup> December, 2010, Takoradi had current assets of A\$2.7 million (subsequently reduced since that date to offset current liabilities) and liquid financial assets (Metminco Shares) of A\$64.8 million totalling A\$67.5 million. The company is of the opinion that it has sufficient liquid assets to meet its current liabilities for at least the following 12 month period through a number of alternatives.

The Board of Directors of Takoradi has very much appreciated shareholders’ patience, financial support and goodwill whilst the necessary strategically challenging decisions were made and important actions successfully executed during the ‘temporary voluntary suspension’. This has been of invaluable assistance in enabling Takoradi to realise substantial value from an asset portfolio that now shows significant upside potential for shareholders.

During the “temporary voluntary suspension”, the company has significantly reduced debt levels and now has highly manageable repayment schedules on the remaining limited debt.

The company continues to maintain strong relationships with key financiers and associates.

Takoradi has now been restructured to become both a potential mine developer and key resources investor with significant upside potential to further improve the future value of its assets and share price.

The stabilisation and renewed activity of Takoradi was achieved principally through the continued commitment and absolute dedication of the Board of Directors whilst the company was being financially supported by Notesan Pty Ltd (Notesan), the major shareholder in Takoradi, along with other close associates/financiers.



## HIGH VALUE, LIQUID NET ASSET BACKING

As at 22<sup>nd</sup> July, 2011, Takoradi's unaudited asset backing per share is approximately 89c. Based on unaudited management accounts, liabilities payable by the company total approximately A\$7 million (10.4c per share) and **potential deferred tax liability** totals A\$11 million (16.37c per share).

The asset value is based on the following:

- Metminco 160 million shares valued at A\$53 million (based on Metminco's ASX closing price on 22<sup>nd</sup> July, 2011 of 33c per share)
- Namibia copper project valued at A\$7 million (at book value)
- No value being attributed to Takoradi's Ghanaian gold assets (fully written down in line with accounting standards)

The value flowing from the Metminco investment to Takoradi followed years of hard work by Takoradi's Board and Management in scoping out opportunities, committing funds to the then unproven high-potential, early-risk opportunities and protecting the value of those investments even in the face of the Global Financial Crisis and serious legal challenges.

Prior to the Global Financial Crisis, an excellent opportunity arose for Takoradi to expand its activities. At the time, the proven expertise of the Board in identifying early-risk situations, positioned Takoradi to be on the ground floor of acquiring an initial 47% (subsequently reduced to 27%) interest in a portfolio of significant resource projects in South America (Chile and Peru) as the cornerstone investor in the unlisted explorer Hampton (which is now fully owned by Metminco).

The Global Financial Crisis of 2008-09 placed great pressure on the "early risk" investment strategy of Takoradi as the initial cornerstone investor. It was most unfortunate and de-stabilising to Takoradi when Hampton's planned Initial Public Offer was withdrawn in late 2008 due to the effects of the Global Financial Crisis.

At the time of the suspension, Takoradi was extended with debt largely associated with resource exploration and investment commitments that had yet to release their real potential value.

Following deliberation of certain strategic issues and preliminary litigation, Takoradi subsequently merged its illiquid Hampton investment into a liquid asset, by way of becoming the largest shareholder in the (ASX: MNC) listed, Metminco.

This ultimately unlocked the value of the Hampton investment in late 2010.

Takoradi's negotiations with Metminco led to the majority of the consideration being completed in Metminco shares along with a minor cash component of:

- 195 million Metminco shares, and
- A\$3.35 million in cash.

This ensured that Takoradi shareholders were best able to participate in further increases in the value of Metminco shares, whilst Takoradi could meet its immediate financial commitments from the cash component of the Metminco transaction.



In protecting the integrity of its Hampton investment in the face of major financial pressures, Takoradi has ensured that shareholders' interests have been properly protected and that proper value for its investment has been successfully captured.

Through Hampton, Takoradi transformed a A\$7 million cash investment into cash proceeds of A\$3.35 million, retirement of A\$9.9 million of debt and received 160 million Metminco shares. This transaction provided Takoradi with major liquid assets and the immediate means for significant debts to be effectively cleared whilst still holding 160 million Metminco shares valued at A\$53 million as at 22<sup>nd</sup> July, 2011, based on an ASX closing price of 33c a share.

One of the Hampton/Metminco projects - Los Calatos - now stands out as a potential world class, Copper-Molybdenum (Cu-Mo) resource project, given its indicated and inferred tonnage defined under a JORC statement and upside geological potential. Recent deep drilling activity continues to confirm the potential value of this project as outlined by Metminco in recent ASX reports.

## **STRATEGIC REVIEW – VALUE OPTIMISATION**

Today, Takoradi is now restructured with a clear strategic development platform with:

1. The capacity to become a mine operator through direct participation in a highly promising copper-gold project in Namibia with established JORC resources, which has the potential for early development. In addition, Takoradi holds several highly promising gold exploration resource projects in Ghana, West Africa.
2. Highly manageable repayment schedules on its remaining limited debt.
3. The ability to maximise value from Takoradi's position as a key shareholder in the publicly listed Metminco which has major resource discoveries and significant exploration upside within its portfolio of copper-molybdenum and gold properties located in Peru and Chile.
4. Manageable issued share capital of 67.1 million shares (as compared to the 2008 pre 1:50 share consolidation – 3 billion shares on issue) providing the company flexibility for future share capital raisings, if required.

Takoradi is focused on realising, over time, the best value for funds deployed. For example, Takoradi's 160 million shares in Metminco offer a major opportunity at several levels, including:

1. The South American resource-exploration projects held through Hampton now have a day-to-day value that can be ascribed through Metminco, which can then be directly related to a valuation on Takoradi. For example, 160 million shares at 33c each equates to A\$53 million or the equivalent of 79c per Takoradi share (67.1 million shares on issue).
2. The Chairman of Takoradi, Mr Hudspeth, has extensive knowledge and understanding of the Hampton projects in South America bought by Metminco. Mr Hudspeth was previously a director of Hampton. This knowledge and understanding will be invaluable to Takoradi and its board as it seeks to maximise the value of its Metminco investment.
3. Takoradi will seek to utilise the underlying value and growth potential of its Metminco investment to enable Takoradi to capitalise on new opportunities, similar to the Hampton-Metminco transaction, that may be identified in the future.



Now that Takoradi has undergone a major transformation and revitalisation, Takoradi will undertake a strategic review of all assets, liabilities and operations to determine:

1. The most suitable business objectives and strategic parameters given expertise, resources and opportunities in hand, including future management personnel needs.
2. Optimisation requirements of its project portfolio.
3. Funding requirements to maximise future opportunities.
4. Future management requirements that will be required to maximise both operational and investment evaluation opportunities.
5. Where appropriate, enter into joint venture projects as well as ensure the company has the necessary skills to develop projects independently.
6. Consideration of expenditures for Namibia and Ghana. These projects have been on care and maintenance only for the last two years. No new exploration and development activity has taken place on these properties during the period 1<sup>st</sup> January, 2009 to 31<sup>st</sup> March, 2011 – hence no reporting has been required under ASX listing rules 5.2.1 and 5.2.2.

## **BOARD OF DIRECTORS, MANAGEMENT RESTRUCTURING**

Now that the company has achieved financial stability, new directors will be appointed to the board to complement the existing directors' expertise. Additional corporate management strength will also be added to the company as it moves forward.

As an initial move, Mr Terence V. Willsted will join the Board of Takoradi in the current quarter. The Board welcomes Mr Willsted's extensive expertise and his potential contributions to Takoradi.

Terence Willsted holds a Bachelor of Engineering [Mining] with Honours and a Bachelor of Arts. He is a Fellow of the Australasian of Mining and Metallurgy and a Registered Member of the Society of Mining Engineers. Since 1973 he has been the principal of consulting mining engineers Terence Willsted & Associates.

His 45 year plus career in the mining industry has included senior operational and engineering management positions with Zinc Corporation, Mt Isa Mines Limited and Consolidated Goldfields Australia Limited. His recent public directorships include European Gas Limited, Austral Gold Limited, International Ferro Metals Limited, Citigold Corporation Limited, Vantage Goldfields Limited, Goldsearch Limited, South American Ferro Metals Ltd and Niuminco Group Limited. He was a director of Hampton. In his consulting experience, Mr Willsted has been involved in the assessment and development of a wide range of mineral, coal and oil shale projects, and has participated in the management of developing and operating mineral projects both in Australia and internationally.

The Board of Directors and Management continue to be supported by Pitcher Partners. Pitcher Partners is a full service accounting firm and advises the company on matters such as taxation, accounting and process improvement.

Takoradi's Namibian operations are managed by Dr Tim Smalley, a highly qualified consulting geologist charged with managing the company's Namibian resource project interests. Dr Smalley has an established long-term relationship with the Namibian government which will assist the company's aim of establishing potential copper and gold mine development opportunity within the Kuiseb and Hope projects.

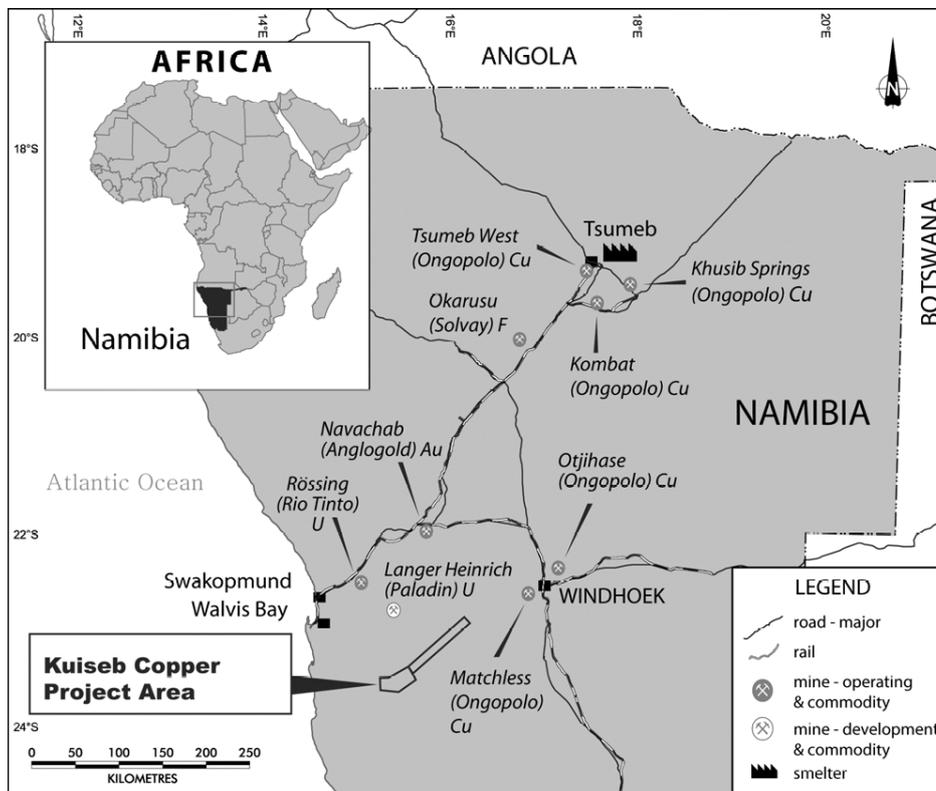
Further appointments to the Board and Management will be made in due course.



## CURRENT STATUS AND POTENTIAL OF DIRECT PARTICIPATION PROJECTS:

Takoradi has a number of direct participation projects. The current status and potential of these are:

### NAMIBIA SOUTH WEST AFRICA 70% OWNED 'KUISEB COPPER/GOLD PROJECT'



General Location Diagram

### PRINCIPAL OBJECTIVE:

Takoradi is aiming to establish with the Kuseb Project in Namibia an initial open pit shallow underground copper/gold resource of an acceptable size and grade for early production.

### LOCATION:

The Kuseb Copper/Gold Project is located at the southwest end of the Matchless Amphibolite Copper Belt that has a strike length of 350kms. Takoradi through wholly owned subsidiary, Nimrod Metals Limited (Nimrod) has a 70% interest in 150kms of that strike strength.

Importantly, the Kuseb Project is close to the TransNamib railway and less than 150km from the major sea port Walvis Bay in Namibia. Roads connect the port to the Kuseb Project site and rail transport is available to the local smelter and/or for export. Namibia is politically one of the most stable African nations.



## HOPE DEPOSIT JORC COMPLIANT RESOURCE:

A copper-gold deposit called 'Hope Deposit' has been defined through 106 diamond drill holes of 34,370m, by Takoradi and 19,000m of diamond holes and 55,000m of percussion holes by South African mining company JCI Ltd prior to Takoradi's acquisition. The 'Hope Deposit' is outlined in a shallow plunging lode structure over 2.6km, identified to date.

### JORC Compliant Resource:

Takoradi has established the following resources for the Hope Deposit:

JORC COMPLIANT	TONNES	Cu	Au	Cut Off
Indicated Resource	1,807,463	2.4%	0.59g/t	0.2% Cu
Inferred Resource	1,789,368	2.6%	0.65g/t	0.2% Cu
Total	3,600,000	2.5%	0.64g/t	0.2% Cu

- i) **Mineralisation Distribution:** Correlation between plunge length and cumulative metal volumes is good, indicating "even mineralisation distribution" overall along the plunge of the body.
- ii) **Target Mineralisation:** Based on other Matchless Belt deposits, total target mineralisation at the Hope Deposit is approximately 6 to 8 tonnes @ 2.5% Cu and 0.6g/t Au to a depth of 700m.
- iii) **Metallurgical Test Work:** The previous owners sunk an exploration shaft to a depth of 140m including 111m of underground development work and underground diamond drilling. They also extracted a 5,711 kg bulk sample and then carried out beneficiation flotation test work, that reported:

*"Excellent chalcopyrite recovery (96%) and pyrite recovery was achieved with conventional all-wet crushing-grinding flotation treatments.*

*"The test work provided the amenability of a mill feed water consisting of clarified sewerage, high saline mine water and recycled filtrates from all flotation products."*

- iv) **Conceptual Mining Target:** The 'Hope Deposit' initial targeted mineralised resource is around 6 to 8 million tonnes at an average grade of 2.5% Cu and 0.6g/t Au, with the conceptual possibility of achieving 20 million tonnes of mineralisation with extensions in depth and from nearby additional targets based on geological analysis. This would enable a potential commercial mining operation producing a throughput of 750,000 to 1,000,000 tonnes per annum.
- v) **Development:** Pre-feasibility planning and development options for the 'Hope Deposit' will be given major consideration as part of the strategic review to be undertaken now that the Hampton buyout by Metminco has been completed and Takoradi has a significantly improved financial position.
- vi) **Other Kuiseb Targets:** At Gorob, Vendome and Anomaly, these areas have deposits that have the potential to substantially complement the Hope Deposit with over 3 million tonnes already outlined within these targets.



## GHANA WEST AFRICA: GOLD TENEMENTS



### PRINCIPAL OBJECTIVE:

Takoradi is aiming to establish the potential of existing gold tenements – four of which are in the north western region near the township of Bole, while the fifth is near Kutukrom in the south western region, adjacent to the border of the Prestea/Bogasu Gold mine.

### BOLE PROJECT:

The Dokrupe Gold project has identified JORC compliant resource Proven and Probable Reserves containing 145,000 ounces gold and Inferred Resources with 17,000 ounces Gold.

At the Baju licence area, approximately 160,000 ounces of gold has been identified within a mineralised resource.

The company is evaluating the most beneficial way forward by either re-commencing an exploration program and/or joint venturing the project.

### KUTUKROM PROJECT:

The Kutukrom Project is located in the South Western region of Ghana, near the township of Takoradi. The target area is adjacent to the border of the Prestea-Bogasu Gold mine. Earlier, limited shallow drilling and trenching by a previous joint venture partner had identified a mineralised system within the tenements.



## **CURRENT STATUS OF METMINCO INVESTMENT AND KEY PROJECTS – SOUTH AMERICA**

### **METMINCO INCREASING VALUE TO TAKORADI:**

Since taking over Hampton, Metminco has pushed through with completion of the Phase 2 drilling program at Los Calatos. This has resulted in a 350% increase in the Los Calatos JORC Compliant resource of 926 million tonnes, using a cut off grade of 0.2% Cu defined as:

- Indicated Resource: 111,264,000 tonnes with 0.39% copper and 380 ppm molybdenum
- Inferred Resource: 814,970,000 tonnes with 0.37% copper and 260 ppm molybdenum

The potential of the Los Calatos project and the other value drivers in South America, held by Metminco, have resulted in a major re-rating of the Metminco share market price and capitalisation. The Metminco share price has moved up from a low to mid 20s in the middle of 2010 to trade mainly in the range of 30¢ to 40¢ on an expanded capital base, which is now approximately 1.5 billion shares and options.

The recent extinguishment of the Barrick Gold Corporation Limited (Barrick) buy-back right to the Los Calatos project has now seen Barrick hold a 5% equity position in Metminco. This transaction has clarified and secured the 100% ownership of the Los Calatos Project by Metminco.

Barrick is currently the largest gold producer in the world and is the recent acquirer of the US\$7 billion copper producer, Equinox Minerals Ltd.

With Metminco having undertaken major capital raisings of approximately A\$60 million of which approximately A\$30 million was recently completed, Metminco is now well funded to undertake major strategic exploration programs in 2011 and 2012. These programs have the potential to change the profile of Metminco very substantially with a positive impact on market capitalisation. The Los Calatos Project will continue to be the most important target in the short term.

Recently released deep drilling results from Metminco's strategic exploration programs at the Los Calatos project included a drill hole of 1,340 metres containing mineral grades of 0.64% Cu and 360ppm Mo. Within this hole is a high grade section of 255 metres @1.68% Cu and 310ppm Mo near surface.

This further confirms Los Calatos to be a world class potential Cu-Mo resource project (see later details).

### **PRINCIPAL OBJECTIVE:**

Takoradi's principal objective is to ensure the maximum realisation of the value for Takoradi shareholders during the life of this very important investment.

### **POTENTIAL - OVERVIEW:**

Each of the key Metminco projects has demonstrated potential for generation or expansion of significant resource, thereby substantially increasing the value of Metminco shares. Over the last nine months the shares were as high as 47.5¢ a share prior to the recent risk adverse influences on the share markets. Price movements since then can be attributed in part, to the recent change in the Peruvian government and in part to recent global economic issues, particularly Europe.



**KEY VALUE DRIVERS FOR METMINCO:**

Takoradi will be watching closely future results as released by Metminco and making its own assessments as to the relative worth and potential of its investment. Shareholders, where appropriate, will be kept fully informed by the company. Shareholders can also follow the information flow on [www.metminco.com.au](http://www.metminco.com.au).

**METMINCO PROJECTS (for further detail see [www.metminco.com.au](http://www.metminco.com.au)):**

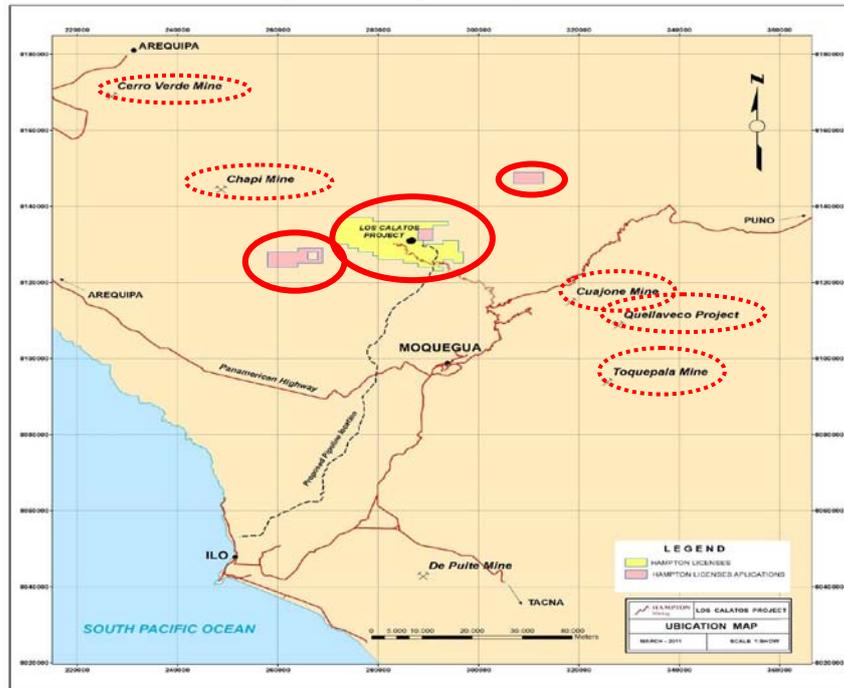


Source: Metminco

LOS CALATOS (100%) – Early Stage Large Scale Exploration	2011-2012
<ul style="list-style-type: none"> <li>• Peru</li> <li>• A major new Cu-Mo discovery with JORC resources (926 million tonnes @ 0.51 CuEq = 4.7 million tonnes CuEq)</li> </ul>	<ul style="list-style-type: none"> <li>• Major exploration drilling program</li> <li>• Target major increase in JORC resource</li> </ul>



Los Calatos is in a major copper province surrounded by a group of proven substantial copper mines and projects. Los Calatos is showing early signs of having the potential to be a significant new copper-molybdenum discovery of the scale of surrounding mines designated by: 



Source: Metminco

EXISTING MINES FOR EXAMPLE	Toquepala	Cujajone	Cerro Verde
Commenced production	1960	1974	1972
Current production (2009)	165,000 t Cu	189,000 t Cu	300,000 t Cu
Reserves million tonnes (end 2009)	3,734	2,765	2,809
Grade Copper Cu%	0.44	0.52	0.40
Grade Molybdenum Mo%	0.022	0.017	0.015
Cut off Grade Cu%	0.17	0.15	0.20
Cu Price Assumptions US\$/lb	2.9	2.9	1.6
Mo Price Assumptions US\$/lb	23.4	23.4	11.0
Strip ratio	4.37	2.61	n/a
Current Depth (2007)	700 m	800 m	n/a
Expansion Plans	+ 125,000 tonnes	+60,000 tonnes	+300,000 Tonnes
Source Metminco June 2011	Underway	Underway	Possible

**BY COMPARISON:**

METMINCO's .... LOS CALATOS as at June 23, 2010 (Los Calatos 1 only)				
Resource Classification	TONNES Million	Cu Grade %	Mo Grade %	CuEq Grade %
Indicated	111	0.39	0.038	0.58
Inferred	815	0.37	0.026	0.50
<b>TOTAL</b>	<b>926</b>	<b>0.37</b>	<b>0.027</b>	<b>0.51</b>
Source Metminco June 2011				

- Generated from 21,200 metres of drilling of Los Calatos 1
- Drilled zone ~ 900 m x 500 m x 1,100 m of depth
- Test work shows high Cu (87%) and Mo (79%) recoveries to Cu Concentrate
- Block tonnages and grades generated by SRK Consulting, Chile

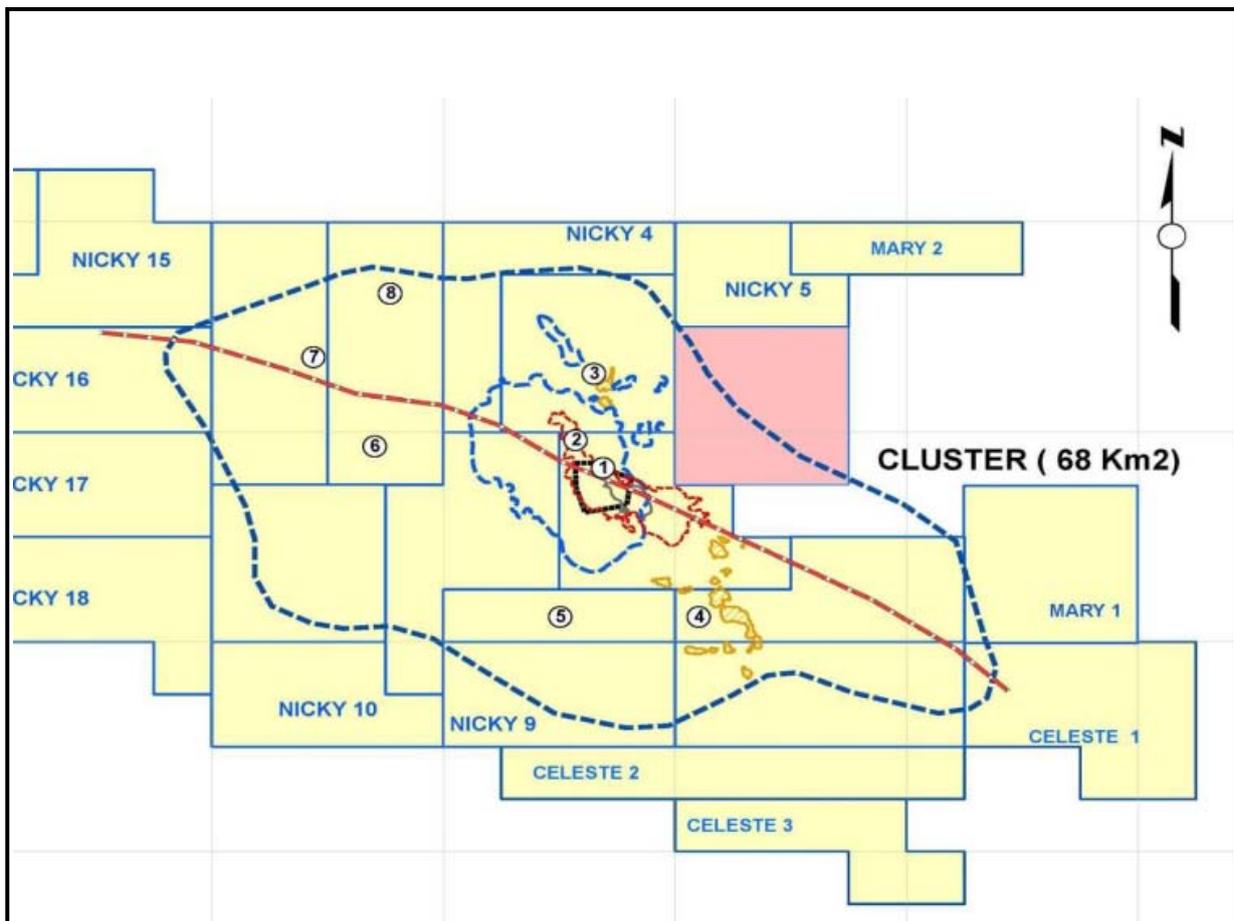


The Los Calatos discovery covers 68 square kilometres with 8 discrete targets contained within a porphyry cluster. The total project licence area now covers approximately 214 square kilometres.

With the focus on Los Calatos 1 to date, less than 5% of the tenements targets have been drilled.

A drilling program in 2011 and 2012 is to be undertaken given Los Calatos 2, 3, 4, 5, 6 and 7 have strong surface indications.

Source: Metminco

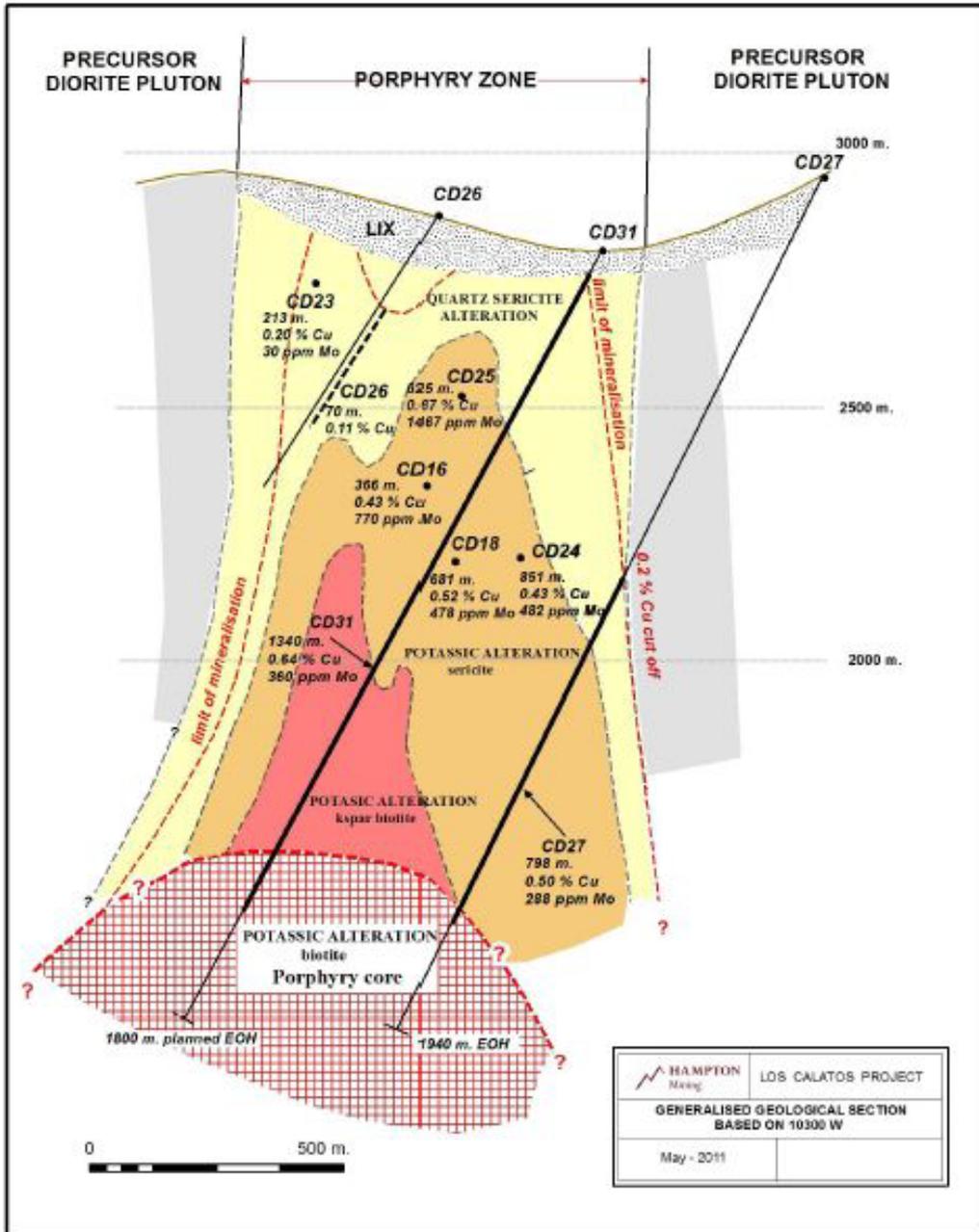




Section 10300 metres West:

Los Calatos 1 is open at depth and appears open along the strike.

Source: Metminco





<b>MOLLACAS (100%) – Advanced Stage, potential development project</b>	<b>2011</b>
<ul style="list-style-type: none"> <li>• Chile</li> <li>• Small low cost Cu leach-SXEW at immediate pre-feasibility stage</li> <li>• JORC Resource 17.05 million tonnes 0.54% Cu (92,000 tonnes Cu)</li> </ul>	<ul style="list-style-type: none"> <li>• Initiating definitive feasibility study second half</li> <li>• Target development determination</li> </ul>
<b>VALLECILLO (100%) – Advanced Stage, potential development project</b>	<b>2011</b>
<ul style="list-style-type: none"> <li>• Chile</li> <li>• JORC indicated and inferred 10.1 million tonnes with 713,000 AuEq</li> <li>• A large Cu-Au porphyry target</li> <li>• Potential for major expansion</li> </ul>	<ul style="list-style-type: none"> <li>• Seven exploration targets</li> <li>• Drilling starts second half</li> <li>• Target major increase in JORC resource – major “Blue Sky” potential</li> </ul>
<b>CAMARON (100%) – Large untested low sulphidation Au project</b>	<b>2011</b>
<ul style="list-style-type: none"> <li>• Chile</li> <li>• Sulphidation Au anomaly major – over 10 kilometres</li> </ul>	<ul style="list-style-type: none"> <li>• Fourth quarter begin drilling large scale exploration targets</li> <li>• Target to establish potential</li> </ul>
<b>ISIDRO (50% &amp; 100%) – Large untested Cu-Au mantos</b>	
<ul style="list-style-type: none"> <li>• Chile</li> <li>• Cu-Au mantos</li> </ul>	<p>Awaiting strategic direction</p>
<b>LOICA (100%) – Low grade Cu-Mo porphyry</b>	
<ul style="list-style-type: none"> <li>• Chile</li> <li>• Large scale exploration target</li> </ul>	<p>Awaiting strategic direction</p>



## CURRENT FINANCIAL POSITION AND OUTLOOK

The Board of Takoradi is conscious that Takoradi may require further working capital in the future. This may be achieved either through a share market placement and or by way of a joint venture that includes recovery of expenditure to date. However, before proceeding, Takoradi will have defined strategic operating parameters so that all future funding is fully justified against clear objectives and planned outcomes. The focus of Takoradi, subject to finalisation of the strategic review and given its proven skills as an early-risk investor, will centre on:

1. Maximising the value of its Metminco shareholding.
2. Monitoring the defined exploration, pre-feasibility objectives and any corporate activities of Metminco.
3. Realising value from other Takoradi assets through either exploration and or capital expenditure to justify development or sale at a multiplier reflecting the value of these assets or via joint venture arrangements.
4. Seeking out new, value-enhancing projects.

The Board of Directors recognises the importance of ensuring that Shareholders' ongoing investments in Takoradi are liquid (ASX trading) and as such, have instigated a review of the following:

- Management processes
- Corporate Governance
- Policies and procedures with an emphasis on timely ASX reporting.

The company plans to call an Annual General Meeting of Shareholders in the near future to inform shareholders in further detail of the company's activities.

The Board of Directors, looks forward to successfully further developing Takoradi on behalf of Shareholders.

Yours sincerely  
**RODNEY T. HUDSPETH**

Chairman  
Takoradi Limited  
On behalf of the Board of Directors  
25<sup>th</sup> July, 2011

### FURTHER INFORMATION:

For further investor information, please email: [rodney.hudspeth@takoradi.com.au](mailto:rodney.hudspeth@takoradi.com.au) , or Company Secretary Mr Robert Blake – email: [robert.blake@takoradi.com.au](mailto:robert.blake@takoradi.com.au) and see website: [www.takoradi.com.au](http://www.takoradi.com.au).

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**DECLARATION:** Aspects of this report on Takoradi Limited and the Kuiseb Copper Project that relate to Mineralisation, Mineral Resources or Ore Reserves are based on information compiled by persons who were Fellows or Members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, and have sufficient relevant experience of the activity undertaken and of the mineralisation style and type of deposit described. They qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code of Reporting of Identified Mineral Resources and Ore Reserves" (JORC Code). The above statement fairly reflects the reports prepared by these Competent Persons and has been overviewed by T. V. Willsteed, BE (Min) Hons, BA, FAusIMM as a Competent Person for Takoradi Limited. Mr Willsteed consents to the inclusion in this report of these matters based on their information in the form and context in which it appears.