

GLOBAL MINING

INVESTMENTS LIMITED

Level 29, 101 Collins Street, Melbourne VIC 3000
Tel 03 9235 1700 • Fax 03 9235 1850 • www.globalmining.com.au
ACN 107 772 467

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Global Mining Investments announces 1H net profit

- Significant increase in NTA after tax to \$1.38, up 28 per cent for the half
- Resumes fully franked dividend payments
- Chairman notes signs of recovery in global resources sector
- Supply side expected to remain tight reflecting credit crisis impact on producers
- Initiates convertible bond in Glencore, represents 6.6 percent of GMI portfolio

Global Mining Investments Limited (ASX: GMI) today announced that net profit in the six months ended 31 December, 2009, was \$4.45 million compared with a net loss of \$47.37 million in the first half of 2008/09. An interim dividend of one cent per share fully franked (nil in 2009) has been declared.

It remains GMI's intention to pass on income earned by the portfolio to shareholders as fully franked dividends.

The improved profit performance is mainly due to an increase in realised gains on the sale of investments and a reduction in unrealised impairment charges.

Net tangible asset backing [after tax on unrealised gains or losses as at 31 December, 2009], was \$1.38 per share compared with 85 cents per share at the end of calendar 2008 and gained 13 per cent in the December quarter.

In a volatile sector the portfolio has performed strongly over the longer term, with annualised performance of 19.8 per cent over the five years to 31 December 2009, outperforming the HSBC Global Mining Index by 3.9 per cent. More recently the portfolio outperformed the index by 3.6 per cent in the half to 31 December 2009.

GMI Chairman John Robinson said: "I am sure shareholders will welcome the improved results in the latest six months and the outperformance of the GMI portfolio both in absolute terms and relative to the benchmark HSBC Global Mining Index."

"As always, GMI is committed to maximising capital growth opportunities for all shareholders and this is reinforced by the active management of our portfolio by investment manager BlackRock and its internationally-respected resources team led by Evy Hambro in London," Mr Robinson added.

"As part of this proactive process on behalf of shareholders, in December GMI initiated a convertible bond position in global miner and commodities trader Glencore. This investment is GMI's fourth largest holding at 6.6 per cent (at 31 January, 2010) and provides GMI with an attractive entry point into Glencore should the company list in the future while still providing GMI with a solid ongoing return should it remain private," he said.

“While the impact of the global financial crisis appears to be easing, with some signs of a recovery in demand, investors should not expect much more than patchy growth from key developed economies in the foreseeable future. As has been the case in recent years, the demand side focus remains on China and its ability to effectively manage its growth objectives,” Mr Robinson said.

“It remains evident that capital constraints imposed by the credit crisis have curtailed the production plans of many companies and amid ongoing market volatility it is important that investors focus on underlying and long term demand fundamentals in the resources sector,” he said.

The portfolio’s continued emphasis on major global diversified miners with strong iron ore exposure should provide significant reassurance for shareholders that GMI is well positioned to take advantage of further improvements in key markets,” Mr Robinson said.

The fully franked interim dividend is payable on 19 March, 2010, with a record date of 5 March, 2010.

GMI’s portfolio retains a broad commodity and geographical diversity with 50 companies listed across eight international stock exchanges.

GMI’s top twenty holdings as at 31 January, 2010 were:

Company	% of GMI incl cash	Location	Commodity
BHP Billiton	10.8	Global	Diversified
Vale	10.1	Global	Diversified
Rio Tinto	8.3	Global	Diversified
Glencore	6.6	Global	Diversified
Impala Platinum Holdings Ltd	5.9	South Africa	Platinum
First Quantum Minerals	4.5	Africa	Copper
Xstrata Plc	4.3	Global	Diversified
Newcrest Mining	3.9	Australia	Gold
African Rainbow Minerals Ltd	3.8	South Africa	Diversified
Aquila Resources	3.6	Australia	Coal
Anglo American Plc	3.1	Global	Diversified
Atlas Iron	3.0	Australia	Iron
GV Gold	2.9	Russia	Gold
Minas Buenaventura	2.8	Latin America	Gold
Freeport McMoran	2.1	Asia Ex-China	Copper
Petropavlovski Plc	2.1	Russia	Gold
Eurasian Natural Resources	1.9	Asia Ex-China	Diversified
Eramet Sln	1.9	Europe	Diversified
Kumba Iron Ore Limited	1.9	South Africa	Iron
Sociedad Minera	<u>1.8</u>	Latin America	Copper
	85.3		

For further information, contact:

John Robinson

Tel: 0409 418 749