

Outotec

22 December 2009

FACSIMILE TRANSMISSION

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The Board of Directors
Ausmelt Limited
12 Kitchen Road
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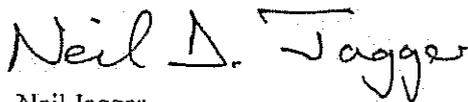
Outotec Pty Ltd ("Outotec") – Takeover bid for all of the ordinary shares on issue in Ausmelt Limited ("Ausmelt") (the "Takeover Bid")

In accordance with section 671B of the *Corporations Act 2001* (Cth) (the *Corporations Act*), I enclose a Form 604 in respect of a change in the interest of Outotec and its associates (collectively, the **Outotec Group**) in Ausmelt. This change is the result of on-market acquisitions made by Outotec yesterday, pursuant to which Outotec acquired a further 2,661,400 shares in the capital of Ausmelt, thereby increasing the interest of the Outotec Group in Ausmelt's share capital to approximately 29.6%.

I take this opportunity to formally advise the board of directors of Ausmelt (the **Ausmelt Board**) that, consistent with Outotec's purchases of Ausmelt shares on the Australian Securities Exchange (**ASX**) yesterday, and with the provisions of the *Corporations Act*, the offer price under the Takeover Bid is now **\$1.25 per share**. This represents a further 25% increase from the \$1.00 per share which I yesterday advised the Ausmelt Board that Outotec would offer shareholders under the Takeover Bid, and which the Ausmelt Board yesterday recommended (with the exception of Dr John Floyd, who abstained from the recommendation on the basis that his associated entity previously sold 19.9% of Ausmelt's shares to the Outotec Group) that shareholders accept in the absence of a superior proposal.

Outotec will shortly lodge with the Australian Securities and Investments Commission a Replacement Bidder's Statement reflecting the increased price under the Takeover Bid of **\$1.25 per share**, and will also send a copy of the Replacement Bidder's Statement to Ausmelt and ASX.

Yours sincerely



Neil Jagger
Director
Outotec Pty Ltd