



Monday, 17 November 2003

## JOINT MARKET ANNOUNCEMENT

### Update On Anaconda Settlement Deed Payment

Queste Communications Ltd ("**Queste**") and its 48.817% controlled entity Central Exchange Ltd ("**Central Exchange**") are pleased to provide this weekly update on the status of the possible payment by Anaconda Nickel Ltd ("**Anaconda**") to Central Exchange of the sum of \$19,071,610 (as indexed by United States Consumer Price Index ("**US CPI**") – pursuant to a settlement deed (the "**Settlement Deed**") between Anaconda and Central Exchange.

<b>Settlement Deed Payment Calculations</b>	<b>Current (to 14 Nov 2003)</b>	<b>Last Announcement (to 7 Nov 2003)</b>	<b>Change since Last Announcement</b>
(1) Current LME nickel price – 14 November 2003	<b>US\$5.6521/lb</b> <b>\$12,460/tonne</b>	US\$5.4434/lb \$12,000/tonne	\$0.2087 higher \$460 higher
(2) Current US CPI indexed LME nickel Trigger Price	<b>US\$4.1077/lb</b>	US\$4.1077/lb	Same
(3) 12 month average LME nickel price to 14 Nov 2003	<b>US\$4.0284/lb</b>	US\$3.9842/lb	\$0.0442 higher
(4) Shortfall/Gap between LME nickel Trigger Price and 12 month Average LME nickel price	<b>US\$0.0794/lb</b>	US\$0.1235/lb	\$0.0441 less
(5) Current 5 day average LME nickel price – 10 to 14 November 2003	<b>US\$5.5223/lb</b>	US\$5.4393/lb	\$0.083 higher
(6) Estimated date when Trigger Price is attained (i.e. the date when the 12 month Average LME nickel price would exceed the Trigger Price) if (5) is sustained and US CPI remains at 185.2	<b>28 November 2003</b>	28 November 2003	Same

Please also refer to Annexure A for a chart showing a comparison between (2) and (3) above and the forecast (4) if (5) is sustained and US CPI remains at 185.2.

The above table and chart in Annexure A are based upon calculations made by Central Exchange and Queste consistent with the terms of the Settlement Deed. The projected date when the Trigger Date is attained in (6) assumes that the average LME nickel price in the 5 days prior to the date of this announcement is sustained and the latest published September 2003 US CPI remains unchanged.

We note that the October 2003 US CPI rate is due to be published later this week and if there is a positive increase from the previous month, the LME nickel Trigger Price will increase and the estimated date in (6) above will change depending on the movements in current LME nickel prices. The amount payable under the Settlement Deed will also increase with an increase in the October 2003 US CPI.

The \$19m Settlement Deed amount will become due and payable to Central Exchange if at a relevant "Review Date" the 12 month average LME nickel price exceeds the US CPI indexed LME nickel Trigger Price. Under the terms of the Settlement Deed, Anaconda is required to provide an audited "Review Date Notice" within 14 business days of a "Review Date" and if the Trigger Price on such date is attained, to effect payment within a further 14 business days after service of such notice (if neither party disputes any matter in such notice).

Therefore, according to Anaconda's view (based on its public statements and correspondence to Central Exchange), the \$19m Settlement Deed amount would be payable to Central Exchange at the Review Date of the 28<sup>th</sup> of a relevant month if the average LME nickel price in the 12 months prior to the 28<sup>th</sup> of such month exceeded the Trigger Price on such date. Anaconda is required to confirm this in a Review Date Notice within 14 business days after the relevant Review Date and effect payment of the \$19m amount within a further 14 business days after service of such notice.

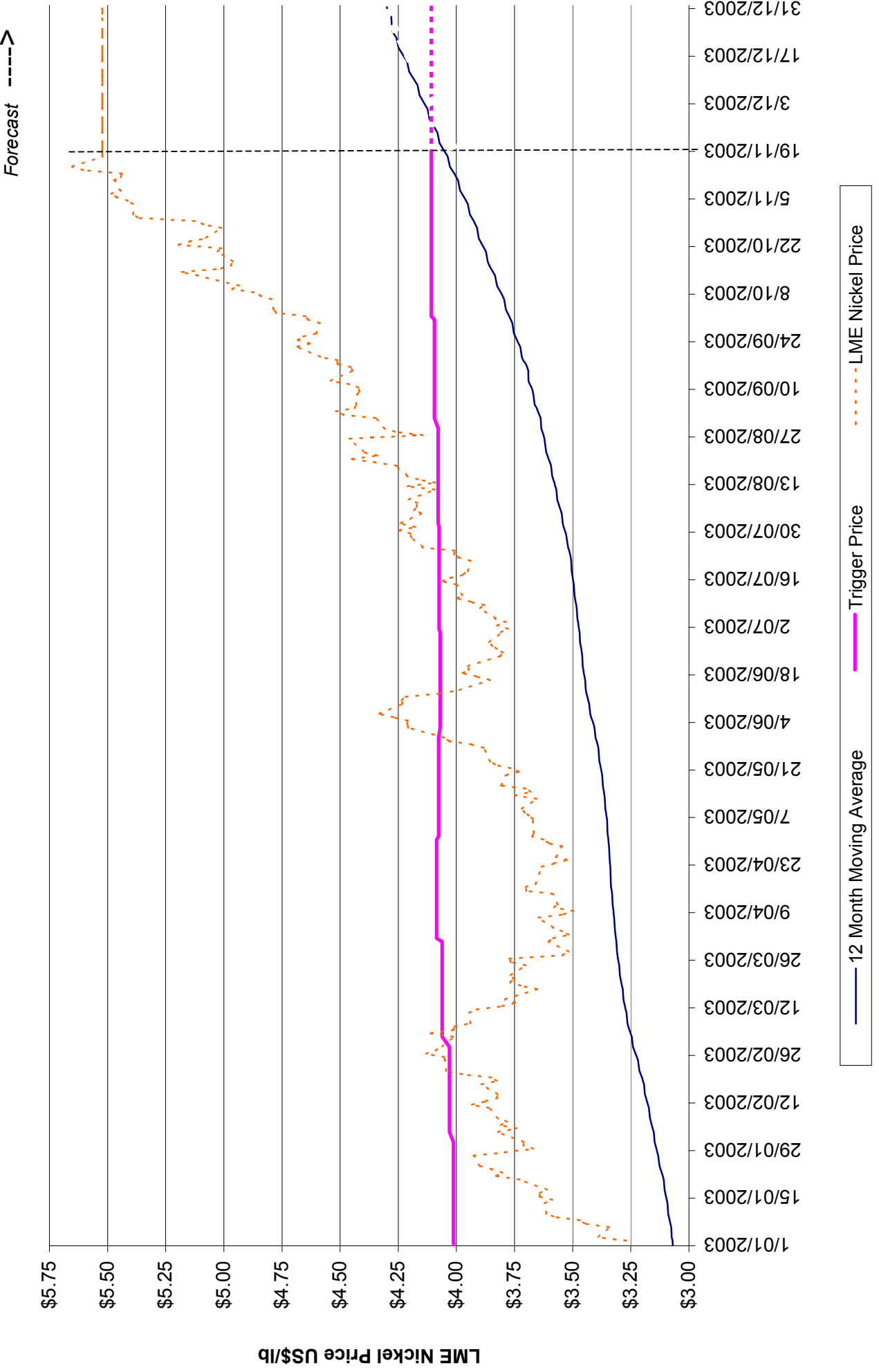
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### Comparison between Moving 12 Month Average LME Nickel Price and Indexed Trigger Price



Forecast ----->