

**FOR IMMEDIATE RELEASE**

**World's Largest Tungsten Mine<sup>(1)</sup> Delivers Profitable 1<sup>st</sup> Quarter Results**

**Hanoi, 29 April 2016** – Masan Resources Corporation (“MSR”, “Masan Resources” or the “Company”), one of Vietnam’s largest integrated resource producer and chemical processors, is pleased to report its management accounts for the first quarter of 2016 (‘Q12016’). MSR recorded profit attributable to its shareholders of VND11 billion during Q12016, an increase of VND100 billion over the same period last year. The Company’s continuously improving results are driven by productivity and cost efficiencies that have more than offset the fall in commodity prices.

**Q12016 FINANCIAL HIGHLIGHTS**

- **Net revenue steady quarter on quarter** – Following its commissioning in 2015, the tungsten chemicals processing plant continues to ramp up to its design capacity. In conjunction with productivity and efficiency led initiatives being implemented across all business activities, the Company continues to set higher production records. All output was fully sold as we are increasingly being recognized as the global supplier of choice, reputed for reliable and quality focused products that are tailored to customer specifications. As a result, in spite of lower quarter on quarter commodity prices for tungsten and fluorspar, Masan Resources posted net revenues of VND806 billion.
- **EBITDA increased by 31.3%** - Strict cost controls in addition to ongoing initiatives to augment processing recoveries and plant utilization have resulted in EBITDA increasing 31.3% to VND449 billion for Q12016. The Company aims to continue its focus on cost management to further increase profitability. In comparison to all tungsten producers globally, the Nui Phao project is in the lower quartile for cash costs and planned efforts will ensure that Masan Resources firmly retains this position.
- **Attributable net profit increased by VND100 billion** - The Company’s ability to continue to reduce the business’ operational cost base and still increase overall productivity has allowed Masan Resources to report profit attributable to shareholders of VND11 billion in the first quarter of 2016, an increase of VND100 billion over the comparable period last year. MSR’s industry leading margins will enable the Company to capitalize on future recovery in commodity prices much more quickly and substantially than peers.

VND Billion	Q12016	Q12015	Growth
<b>Masan Resources Consolidated Financial Results<sup>(2)</sup></b>			
Net Revenue	806	821	(1.8)%
EBITDA <sup>(3)</sup>	449	342	31.3%
Attributable Net Profit/(Loss) After Tax (VAS)	11	(89)	-

<sup>(1)</sup> World’s largest operating tungsten mine by reserves, proven and probable reserves of 66 million tons

<sup>(2)</sup> Financial numbers are based on management figures.

<sup>(3)</sup> Earnings before interest, taxation, depreciation and amortization (EBITDA) excludes other income and other expenses.

## GLOBAL COMMODITY MARKETS IMPROVING

- Demand growth for finished products, in which MSR's commodities are key raw materials, stabilized over Q12016. As a result, average prices for the Company's products remain relatively unchanged from the end of 2015. However, since the end of the quarter, there has been an increase in enquiries for MSR's products which may be indicative of expected growth in sectors in which tungsten is used as a raw material.
- Global supply side rebalancing coupled with China's efforts to stabilize commodity prices by way of production cuts and stricter environmental policies have started to show results since the end of Q12016. Benchmark tungsten prices had averaged US\$163 per metric ton unit in Q12016, climbing to US\$168 per metric ton unit by quarter end.
- Since the end of Q12016, Tungsten prices have further recovered to US\$190 per metric ton unit. As a result, industry observers are speculating that the market is rebalancing faster than expected and that the recent increase in prices is indicative of a sustained uptrend.
- Management is cautiously optimistic on the prospects of a sustained recovery in commodity prices. 90% of 2016 planned production has been committed to long-term off-take agreements with prices linked to benchmark quotations, thereby positioning the company to benefit from any developing pricing uptrend. Balance production will be sold through the Company's network of customers and trading partners.

AVERAGE COMMODITY PRICES	unit	Average Q12016	Average Q12015	% change	At 31.03.16	At 31.12.15
APT European Low*	\$/mtu	163	261	(37)	168	170
Bismuth Low*	\$/lb	4.2	8.4	(50)	4.3	4.1
Copper*	\$/t	4,672	5,818	(20)	4,856	4,702
Fluorspar Acid Grade**	\$/t	242	299	(19)	240	250

\* Metals Bulletin, \*\* Industrial Minerals

## INCREASING PRODUCTION BY CONTINUING EFFICIENCY IMPROVEMENTS

- As a result of its productivity initiatives, MSR once again achieved record production. Quarter on quarter, production increased 22%, with tungsten and copper production increasing by 10% and 43%, respectively. This was a substantial achievement considering the scheduled week long plant shutdown in March.
- Feed grades, mill throughput and recovery rates increased in line with expectations. The commissioning of a number of low cost and high return projects commenced at the end of the first quarter. These projects were integrated with the main plant during the scheduled shutdown and are expected to yield further productivity efficiencies going forward.
- Continuous focus on safety has helped in maintaining MSR's worldwide best-in-class status. Man-hours worked without Lost Time Injury increased to over 14 million hours by the end of the quarter.

SUMMARY PRODUCTION DATA	Unit	Q12016	Q12015	Growth
Ore mined	kt	822	809	2%
Ore processed	kt	813	845	(4)%
Tungsten concentrate (contained)	t	1,407	1,275	10%
Tungsten equivalent units (contained) <sup>(1)</sup>	t	2,984	2,439	22%

<sup>(1)</sup> Nui Phao finished products are converted to a tungsten equivalent units

## **ABOUT MASAN RESOURCES CORPORATION**

Masan Resources is one of the largest private sector mineral resources and chemical processing companies in Vietnam, currently operating the world-class Nui Phao polymetallic project in Northern Vietnam. Nui Phao is the largest operating tungsten mine in the world by reserves and the industry's first new tungsten project to be commissioned in over a decade. Masan Resources is also a globally significant producer of fluorspar and bismuth. Masan Resource's vision is to show the world that a Vietnamese company can lead the transformation of the global tungsten market.

### **CONTACTS:**

(Investors/Analysts)

Tanveer Gill

T: +848 6256 3862

E: [tanveer@msn.masangroup.com](mailto:tanveer@msn.masangroup.com)

(Media)

Van Nguyen

T: +848 6256 3862

E: [van.nguyen@msn.masangroup.com](mailto:van.nguyen@msn.masangroup.com)

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