



Monday, 10 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.

Settlement Deed Payment Calculations	Current (to 7 Nov 2003)	Last Announcement (to 31 Oct 2003)	Change since Last Announcement
(1) Current LME nickel price – 7 November 2003	US\$5.4434/lb \$12,000/tonne	US\$5.3890/lb \$11,880/tonne	\$0.0544 higher \$120 higher
(2) Current US CPI indexed LME nickel Trigger Price	US\$4.1077/lb	US\$4.1077/lb	Same
(3) 12 month average LME nickel price to 7 Nov 2003	US\$3.9842/lb	US\$3.9422/lb	\$0.042 higher
(4) Shortfall/Gap between LME nickel Trigger Price and 12 month Average LME nickel price	US\$0.1235/lb	US\$0.1655/lb	\$0.042 less
(5) Current 5 day average LME nickel price – 3 to 7 November 2003	US\$5.4393/lb	US\$5.1980/lb	\$0.2413 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	28 November 2003	3 December 2003	4 days earlier

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 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 month 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 \$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 28th of a relevant month if the average LME nickel price in the 12 months prior to the 28th 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.

For further information, please contact William Johnson or Victor Ho on telephone (08) 9214 9797.

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

Forecast ----->

