

Second 2009 Interim Management Statement

Balen, Belgium (28 October 2009)

HIGHLIGHTS

Actively pursuing announced strategy

- Announced agreements to acquire East Tennessee Zinc mine complex (US), 85% interest in Coricancha mine (Peru) and 19.9% interest in Ironbark (owner of the world class Citronen zinc-lead deposit, Greenland)

On track to deliver transformational changes

- On track to deliver sustainable annual costs savings of €75 million by end 2010 (compared to 2008)
- On track to reduce headcount by 500 by end 2010 (435 reductions completed at 30 September 2009)
- Continuing to target underlying operating costs per tonne of primary metal of €500/tonne in 2009¹

Production responding to market conditions

- Zinc market metal production up 6% in Q3 2009 compared with Q2 2009.
- Full production resumed at Budel (Netherlands) and Clarksville (US) in July, and limited production restarted at Balen smelter (Belgium) at the end of September

Strong financial position

- €120 million convertible bond offering (due 2014) completed during July
- Strong financial position with gross cash of approximately €198 million (including net proceeds of convertible bond), and net cash of approximately €89 million at 30 September 2009
- New dividend policy announced to align with strategy

Production ² (‘000 tonnes)	Q3	Q2	Change	9 months to	9 months to	Change
	2009	2009	%	30 Sep 2009	30 Sep 2008	%
Zinc market metal	207	195	6%	580	781	-26%
Lead market metal	59	60	-2%	170	179	-5%
Copper cathode	1.1	1.0	5%	3.1	2.6	21%
Silver (‘000 troy ounces)	3,775	4,325	-13%	12,294	10,316	19%
Gold (‘000 troy ounces)	7.4	5.1	45%	17.8	11.7	52%
Market						
Average LME zinc price (US\$/t)	1,757	1,476	19%	1,472	2,099	-30%
Average exchange rate (€/US\$)	1.43	1.36	5%	1.37	1.52	-10%

COMMENT

The Company made significant progress in implementing its strategy during Q3 2009, announcing agreements to acquire the East Tennessee Zinc mine complex (US), an 85% interest in the Coricancha mine (Peru) and a 19.9% interest in Ironbark (owner of the world class Citronen zinc-lead deposit).

In combination with the Gordonsville mine purchased in May, when ramped up to full production the Tennessee mines will be capable of providing more than 100% of the concentrate requirements for the Clarksville smelter, and delivering significant synergies to the Group as previously announced.

¹ Total group underlying operating cost per tonne of primary market metal (zinc and lead, excludes ARA and new mines)

² Includes production from primary and secondary smelters only (Auby, Balen/Overpelt, Budel, Clarksville, Hobart, Port Pirie, ARA (50%)). Internal transfers of cathode for subsequent melting and casting are excluded (approximately 28,000 in Q3 2009 and 32,000 in Q2 2009). Lead production at ARA reflects Nyrstar's ownership at 30 September 2009. Production at Föhl, Galva 45, Genesis and GM Metal are not included.

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The Company's investment in Ironbark provides exposure to one of the world's largest undeveloped zinc resources (Citronen) and a life of mine off-take agreement for 35% of production once commercial production commences, which could occur in the next 3-5 years.

The expanded Coricancha mine is also expected to provide a valuable contribution to the Group's earnings in the future through its production of zinc, lead, gold and silver.

The Company continues to explore other opportunities in line with its strategy.

The Company continues to make significant progress in pursuing transformational changes to create a lean, efficient, dynamic and flexible business. The restructuring program is on track to deliver sustainable annual cost savings of €75 million and reduce headcount across the existing business by 500 by the end of 2010. Through these and other cost reduction initiatives, the Company is continuing to target underlying operating costs per tonne of primary market metal of €500/t in 2009.

The market for zinc is showing signs of recovery, driven by rising demand from the steel industry led by China and more recently, Europe and the US. Consequently the Company has seen some improvement in demand for its galvanising and speciality alloys, however premiums continue to remain under pressure.

The average zinc price rose 19% in Q3 2009 compared to Q2 2009, contributing positively to Treatment Charges and Free Metal, and rising commodities prices have also contributed to earnings from the Company's other metals. In contrast, sulphuric acid prices continue to face significant pressure and have declined in all world markets, particularly Europe.

The Company maintains a strong financial position with a gross cash position of approximately €198 million at 30 September, and a net cash position of approximately €89 million, lower than H1 2009 predominately due to increased working capital requirements as a result of rising metal prices.

Roland Junck, chief executive officer of Nyrstar, said,

"We have made significant progress in executing our announced strategy this quarter, and we believe the Tennessee mines and the multi-metal Coricancha mine have the potential to make significant contributions to our earnings in coming years. Our financial position remains strong, and we will continue to explore opportunities to deliver on our strategy.

Meanwhile we continue to pursue transformational changes across our business to create a lean, efficient, dynamic and flexible business, and we are on track to deliver on our commitments.

The market for zinc is showing signs of recovery, and we were pleased to re-start production at the Balen smelter. Whilst in the short term markets are likely to remain volatile, we continue to believe that the outlook for zinc and other resources in the medium to long-term is positive and will provide further opportunities for growth."

CONFERENCE CALL AND PRESENTATION

Management will discuss these results in a conference call and presentation with the investment community on 28 October at 9:00am UK Time, 10:00am Central European Time. The conference call will be webcast live on the Nyrstar website, www.nyrstar.com, and will also be available in archive.

OPERATIONS REVIEW

Production Profile

Zinc market metal production for Q3 2009 was up 6% compared with Q2 2009, with Clarksville and Budel resuming full production from July 2009. Limited production activities were recommenced at Balen at the end of September, and market metal production is expected to recommence in Q4 2009, ramping up to approximately 70% of capacity by the end of 2009, with ramp up to full capacity by the end of Q1 2010.

Operational Enhancements

The Company's organisational re-structuring program is on-track to deliver €75 million in sustainable annual cost savings and a reduction of 500 employees and contractors by the end of 2010 (compared to 2008), as previously announced. Approximately 435 reductions have been made in the first three quarters of 2009.

Through the rigorous pursuit of cost saving initiatives across the business, including the initiatives above, the Company is continuing to target underlying operating costs per tonne of primary metal of €500/tonne for 2009, a reduction of more than 13% compared to €576/tonne in 2008.

Tennessee Mines

On 14 September, the Company announced an agreement to acquire the East-Tennessee Zinc mine complex in Tennessee US from the Glencore Group for US\$126 million, which had been on care and maintenance since February 2009. In conjunction with the Gordonsville mine complex acquired in May 2009, the Tennessee mines will produce approximately 210,000 dry metric tonnes (dmt) of concentrates at a zinc grade of approximately 62%, providing more than 100% of Nyrstar's Clarksville smelter's requirements. Both mines have a record of one-for-one reserve replacement. There are also a number of significant synergies in relation to cost reductions and operational benefits between the Tennessee mines and the Clarksville smelter, supporting a long-term future for these operations. The Company intends to ramp up these mines to full production by the end of 2010, requiring approximately US\$20 million of capital expenditure in 2010.

The East-Tennessee Zinc acquisition remains subject to a number of conditions including finalisation of due diligence, and is expected to be completed in Q4 2009.

Ironbark - Citronen Zinc-Lead Deposit

On 28 September, the Company announced an agreement to acquire a 19.9% interest in Ironbark Limited (ASX-IBG), owner of the world-class Citronen zinc-lead deposit in Northern Greenland, for approximately €3.5 million. The deposit has a total ore resource (indicated and inferred) of approximately 56 million tonnes at approximately 5.4% zinc and 0.6% lead. As part of the acquisition the Company has been granted a life of mine off-take agreement for 35% of production once commercial production commences, which could be achieved in the next 3-5 years depending on market conditions. The first tranche of shares (giving Nyrstar a 13% interest) were allocated on 8 October 2009. Allocation of the second tranche is subject to Ironbark shareholder approval, which is currently scheduled to be voted on at Ironbark's Annual General Meeting on 26 November 2009.

Coricancha Mine

On 1 October, the Company announced that it had agreed to acquire an 85% interest in the Coricancha mine in Peru from Gold Hawk (TSX-V:CGK) for US\$15 million. Operations at the mine have been suspended since May 2008 following a localised ground displacement, which has subsequently been stabilised. As part of the transaction, Nyrstar will assume a parent company guarantee for a US\$13 million debt facility related to the mine, which is fully drawn and expires in February 2010. Nyrstar will also provide a 3 year commercial loan facility for up to \$20 million, to provide funding to construct a new tailings facility and recommence operations at the mine.

The Company intends to re-start the mine after construction of the new tailings facility in H1 2010, and expects approximately US\$10 million of capital expenditure in 2010. The Company intends to undertake an exploration program that is expected to significantly increase mineral resources and reserves, and allow for an expansion of the scope and scale of operations in 2011. The acquisition remains subject to Gold Hawk shareholder approval, which is currently scheduled to be voted on at a special shareholder meeting on 9 November 2009.

Health & Safety

The Company's Recordable Injury Rate decreased to 18.8 at the end of Q3 2009 compared to 19.4 at H1 2009, and the Lost Time Injury Rate decreased to 6.3, compared to 6.4 at H1 2009¹.

As previously announced, tragically, despite the Company's strong safety performance, a contractor was critically injured during an incident at the Hobart smelter on 3 August 2009 and subsequently died. The cause of the incident is under extensive investigation.

New initiatives during the period included the development of critical safety standards such as "work at heights" and "isolation of hazardous energy", the continued roll-out of behavioural safety programs, and the globalization of support systems that will harmonize safety & health risk management and medical data tracking across the Company. Meanwhile, corporate safety audits completed by the end of Q3 2009 have shown consistent progress in the implementation of safety & health programs throughout the Company.

Environment

There were 15 minor recordable environmental incidents in the first three quarters of 2009, an improvement on 20 in the first three quarters of 2008². Progress continued on planned environmental projects, which focus on emission reductions and addressing historical contamination. At Auby, soil remediation in the local community is substantially complete and at Overpelt, the upgraded wastewater treatment plant is operational. Regulatory approvals are now in place for the Overpelt groundwater remediation project, which is required to be completed by August 2011. Port Pirie fugitive lead emission reduction measures continue to show progress towards the tenby10 project goals.

The zinc smelting industry has been informed that it will qualify for assistance as an energy / emissions intensive trade exposed industry under both the proposed Australian and revised EU emissions trading schemes. The exact financial impacts of these schemes are still uncertain as relevant legislation is yet to be finalised and may change subsequent to the Copenhagen climate change meetings in December.

MARKET REVIEW

Led by China, the world economy is now emerging from its deepest downturn in decades in response to aggressive counter-cyclical fiscal and monetary policies implemented in all major countries and an end to the de-stocking that occurred in late 2008 and first half of 2009.

Zinc demand appears to be moving towards recovery. While world zinc consumption was 6% lower year-on-year in July 2009, according to the latest data from the International Lead Zinc Study Group (ILZSG), this marks a clear improvement on the double-digit declines recorded through the first half of the year. In China, zinc consumption was 18% higher year-on-year in July 2009.

Recovery in the steel industry has been important for zinc demand, with galvanised steel accounting for over half of total zinc consumption, according to ILZSG. World crude steel output was 0.5% higher month-on-month in September 2009 after a gain of 2.5% in August, according to the latest available data from the World Steel Association, and less than 1% lower year-on-year, whereas total output year to date was 16% lower than in the corresponding period of 2008.

¹ Recordable injuries are any injury requiring medical treatment beyond first aid. Recordable Injury Rate and Lost Time Injury Rate are 12 month rolling averages of the number of recordable injuries and lost time injuries (respectively) per million hours worked, and are include all employees and contractors across all operations.

² A recordable environmental incident is an event at any operation requiring reporting to a relevant environmental authority which is a non-compliance with license conditions. Numbers are correct as of reporting date, but may be subject to adjustment based on subsequent internal audit or regulatory review.

China has been leading the recovery in the steel industry and, as the rate of growth in its output starts to moderate, recovery in the steel industries in Europe and the US is also growing stronger. This is significant for zinc demand since galvanised steel makes up a higher proportion of the total steel product mix in developed countries, and heavier coatings are typically applied for some galvanised steel products in these markets.

Lead demand is also moving towards recovery, led by China which has overtaken the US to become the world's largest market for new cars and where sales of e-bikes remain strong. Indeed, world lead consumption was 2% higher from January to July 2009 than in the corresponding period a year ago, according to ILZSG. The Company has seen rising sales of lead alloys in recent months.

Recent leading economic indicators suggest that recovery will continue, although commodities markets will likely remain volatile in the near term. For example, Purchasing Managers Indices (PMIs) in the US, Eurozone, Japan and China, which are based on surveys of manufacturing companies' output, order intake and inventory levels, have all passed the 50-point threshold indicative of increasing industrial output in recent months. Historically, PMIs have been closely correlated with industrial production, which is the principal driver of demand for metals including zinc and lead.

With the world economy moving towards recovery, the US dollar has been declining in foreign exchange markets. This has lent support to US dollar denominated commodities prices, including zinc and lead. However some of the benefit from these commodity price rises is offset for Nyrstar by increased costs in US dollar terms at its plants in Australia and Europe.

FINANCIAL REVIEW

Treatment charges

Spot Treatment Charges (TCs) for zinc and lead concentrates have been rising in recent months as Chinese zinc and lead mines have reversed production cuts implemented during the economic downturn. While Nyrstar's business is not significantly impacted by changes in spot TCs as the Company sources most feed materials for its smelters under annual and long-term frame contracts, the rise in spot TCs is indicative of good availability of zinc and lead concentrates in the market as mine output increases.

Preliminary discussions regarding contract TCs in 2010 have begun, but negotiations will not start until later in the year. Whilst it is too early to comment on the potential range of outcomes at this time, the Company believes the concentrate market in 2010 will be similar to 2009 with a moderate surplus of concentrates.

Free Metal

The LME zinc cash settlement price averaged US\$1,757/tonne in Q3 2009, 19% higher than the average of US\$1,476/tonne in Q2 2009, contributing to the company's earnings from Free Metal.

Premiums

Zinc premiums continue to remain under pressure in all markets, with spot premiums for SHG (Special High Grade) zinc in Europe reported in a range from US\$80-100/tonne ex-works. The Company's European sales volumes of galvanising and speciality alloys, which command higher premiums than SHG zinc, fell drastically as a result of the financial crisis but have risen in recent months as end user demand begins to recover.

Other Products

Gold

Prices for Nyrstar's metallic by-products increased during Q3 2009. The London Bullion Market Association (LBMA) average gold price rose by 4% to US\$960/oz, from US\$923/oz, driven by increased investor demand in response to depreciation of the US dollar and concerns over the risk of rising inflation as a result of governments' fiscal and monetary policy responses to the world economic downturn in the medium term.

Silver

The LBMA silver price rose by 7% to US\$14.69/oz, from US\$13.76/oz in Q2 2009, drawing support from the start of a recovery in industrial demand as well as increased investor demand and synergy benefits from the rise in the price of gold.

Copper

The LME copper price rose by 25% to US\$5,840/tonne, from US\$4,676/tonne in Q2 2009, in response to strong demand from China and an emerging recovery in consumption in other major markets, coupled with worries about prospective supply-side shortages in the medium term.

Sulphuric Acid

Prices for sulphuric acid continue to face significant pressure and have reduced in all world markets, particularly in Europe. However whilst the market remains in surplus, concerns in the zinc industry earlier this year that storage capacity for sulphuric acid might become a production constraint have eased in recent months.

Cash Flows and Net Debt

As of 30 September 2009, Nyrstar maintained a gross cash position of approximately €198 million¹, including the net proceeds from the €120 million convertible bond offering (due 2014, launched on 2 July 2009). The net cash position decreased from €158 million at 30 June 2009 to approximately €89 million at 30 September 2009, predominantly due to increased working capital requirements as a result of the pronounced increase in the price of the Company's main metals, zinc and lead (the zinc price rose 23% to end the quarter at \$1914/tonne).

Under the existing undrawn €350 million revolving multicurrency loan facility, €200 million is due to expire in December 2009 as previously announced. The Company does not presently anticipate the need to access additional financing in 2009, but is in advanced discussions with its core banks to find an appropriate substitution for this tranche.

Dividend Policy

The Company's Board of Directors recently reviewed the Company's dividend policy. The Board concluded that in light of the revised Company strategy a dividend policy defining a fixed pay-out ratio was no longer appropriate and have adopted a revised policy.

In accordance with the revised policy, the Company aims to maximize total shareholder return through a combination of share price appreciation and dividends, whilst maintaining adequate cash flows for growth and the successful execution of the Company's strategy.

The Board will decide on a recommendation to the annual shareholders meeting for the financial year 2009 during the first quarter of 2010.

¹ Note: excludes payment for Nyrstar's acquisitions of the East Tennessee Zinc mine complex, its 85% interest in the Coricancha mine and its 19.9% investment in Ironbark, which had not been completed in the quarter

SEGMENT INFORMATION

Production ('000 tonnes)	Q3 2009	Q2 2009	Change %	9 months to 30 Sep 2009	9 months to 30 Sep 2008	Change %
Zinc cathode						
Auby	39	40	-3%	117	87	34%
Balen/Overpelt	0	0	0%	0	206	-100%
Budel	61	61	0%	170	192	-11%
Clarksville	29	21	40%	70	97	-28%
Hobart	69	68	2%	206	191	8%
Port Pirie	10	10	2%	30	27	11%
Total	208	199	4%	593	800	-26%
Zinc market metal						
Auby	39	40	-3%	117	87	34%
Balen/Overpelt	34	34	0%	96	223	-57%
Budel	58	59	-1%	162	183	-11%
Clarksville	27	20	39%	65	91	-29%
Hobart	68	66	4%	199	186	7%
Port Pirie	9	9	0%	27	25	8%
Elimination ¹	-28	-32	-13%	-86	-14	514%
Total²	207	195	6%	580	781	-26%
Lead market metal						
Port Pirie	54	55	-2%	155	164	-5%
ARA	5.1	4.9	4%	14.5	15.0	-3%
Total	59	60	-2%	170	179	-5%
Other products						
Copper cathode ('000 tonnes)	1.1	1.0	5%	3.1	2.6	21%
Silver ('000 troy ounces)	3,775	4,325	-13%	12,294	10,316	19%
Gold ('000 troy ounces)	7.4	5.1	45%	17.8	11.7	52%
Indium (tonnes)	3.3	9.7	-66%	21.1	26.6	-21%
Sulphuric acid ('000 tonnes)	270	262	3%	781	1081	-28%

¹ Elimination is an adjustment to exclude inter-company purchases of cathode

² Historical production re-stated to exclude Nyrstar Yunnan Zinc Alloys, disposed of in August 2009

SEGMENT REVIEW

Auby

Market metal production in Q3 2009 was 3% down compared to Q2 2009 due to minor repairs to a transformer, and remains significantly above 2008 levels as a result of the expansion to 160,000 tonnes per annum. Indium production in Q3 2009 was reduced to 3.3 tonnes from 9.7 tonnes in Q2 2009 in response to reduced indium prices and reduced indium in concentrates.

Balen/Overpelt

Limited production activities restarted at Balen at the end of September, with the restarting of the roasting facility to produce calcine for Balen and the Company's other European smelters. Zinc market metal production is currently expected to recommence in Q4 2009 at approximately 70% of capacity and ramp-up to full capacity by the end of Q1 2010.

Budel

Zinc market metal production in Q3 2009 was flat compared to Q2 2009. The site completed a minor shutdown in the roasters and acid plant in the first week of October, and is expected to operate at full production for the remainder of Q4 2009. An additional alloying facility for nickel-based galvanizing alloys was commissioned during the quarter to meet the growing demand for these products.

Clarksville

Clarksville resumed full production in July, resulting in a 39% increase in zinc market metal production for Q3 2009 compared with Q2 2009.

Hobart

Zinc market metal production for Q3 2009 was 4% up on Q2 2009, achieving a record quarter production due to continued operational improvements in the cell house.

Port Pirie

Lead market metal production in Q3 2009 was down 2% compared to Q2 2009 due to an 8 day blast furnace shutdown. Copper production was up 5% compared to Q2 2009 due to improved reliability of the copper plant, allowing the site to take advantage of high copper prices. Gold production was up 45% and silver production was down 13% compared to Q2 2009, due to changing concentrate feed grades.

Other Operations

At the Company's other operations, production at ARA was up 4% due to increased receipts of lead-acid batteries, galvanised steel parts production at Galva 45 was down 21% due to reduced demand, zinc alloy production was down 12% at GM Metal due to a furnace shutdown, and production at Chinese operations Genesis and Fohl was up 55% and 63% respectively as a result of increased demand.

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About Nyrstar

The partner of choice in essential resources for the development of a changing world. Nyrstar is a leading global multi-metals business, producing significant quantities of zinc and lead as well as other products (including silver, gold and copper). Nyrstar is listed on NYSE Euronext Brussels under the symbol NYR. For further information visit the Nyrstar website, www.nyrstar.com.