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Client presentation
30-31 October 2007

Resource Sector Outlook Accelerating Boom

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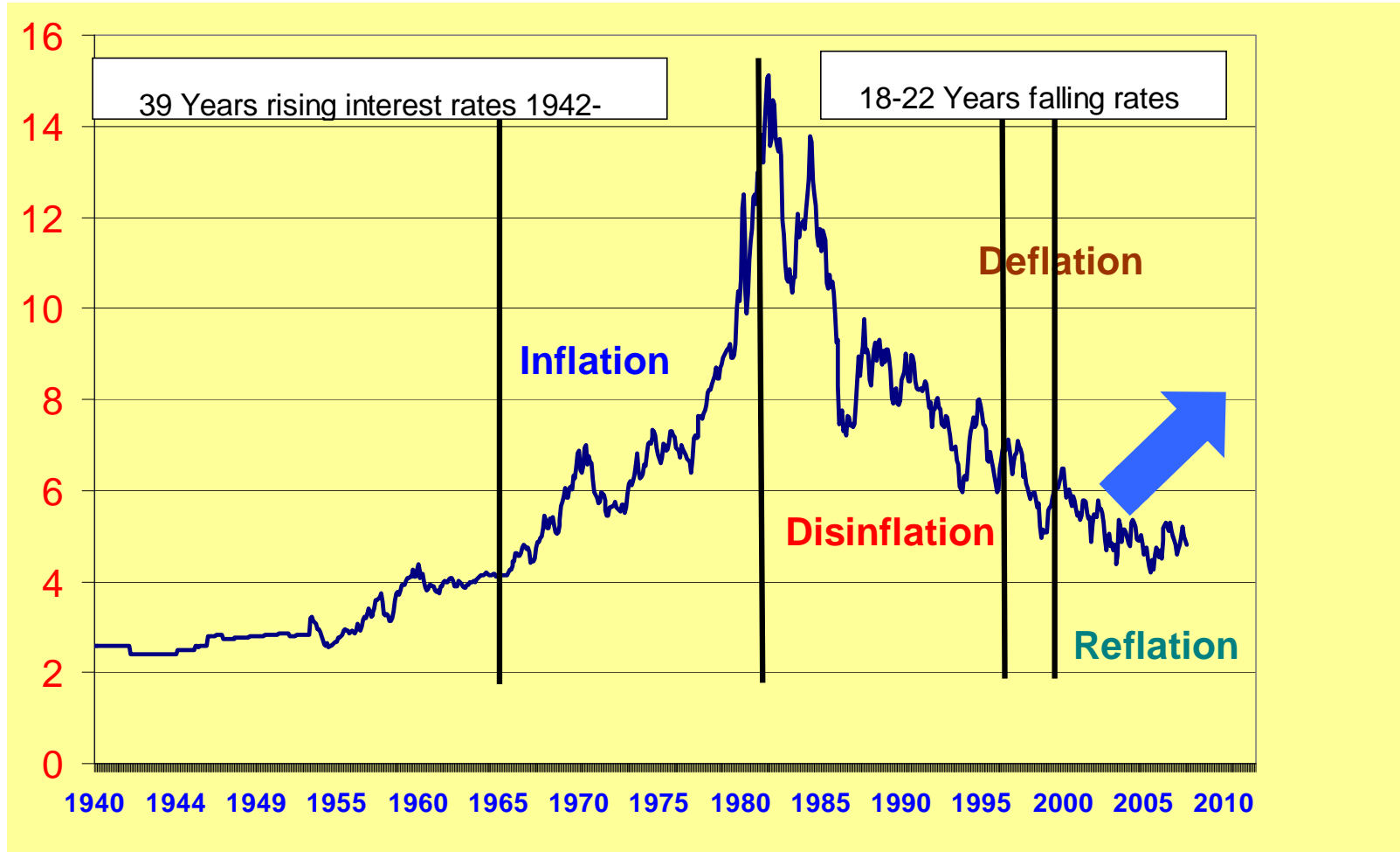
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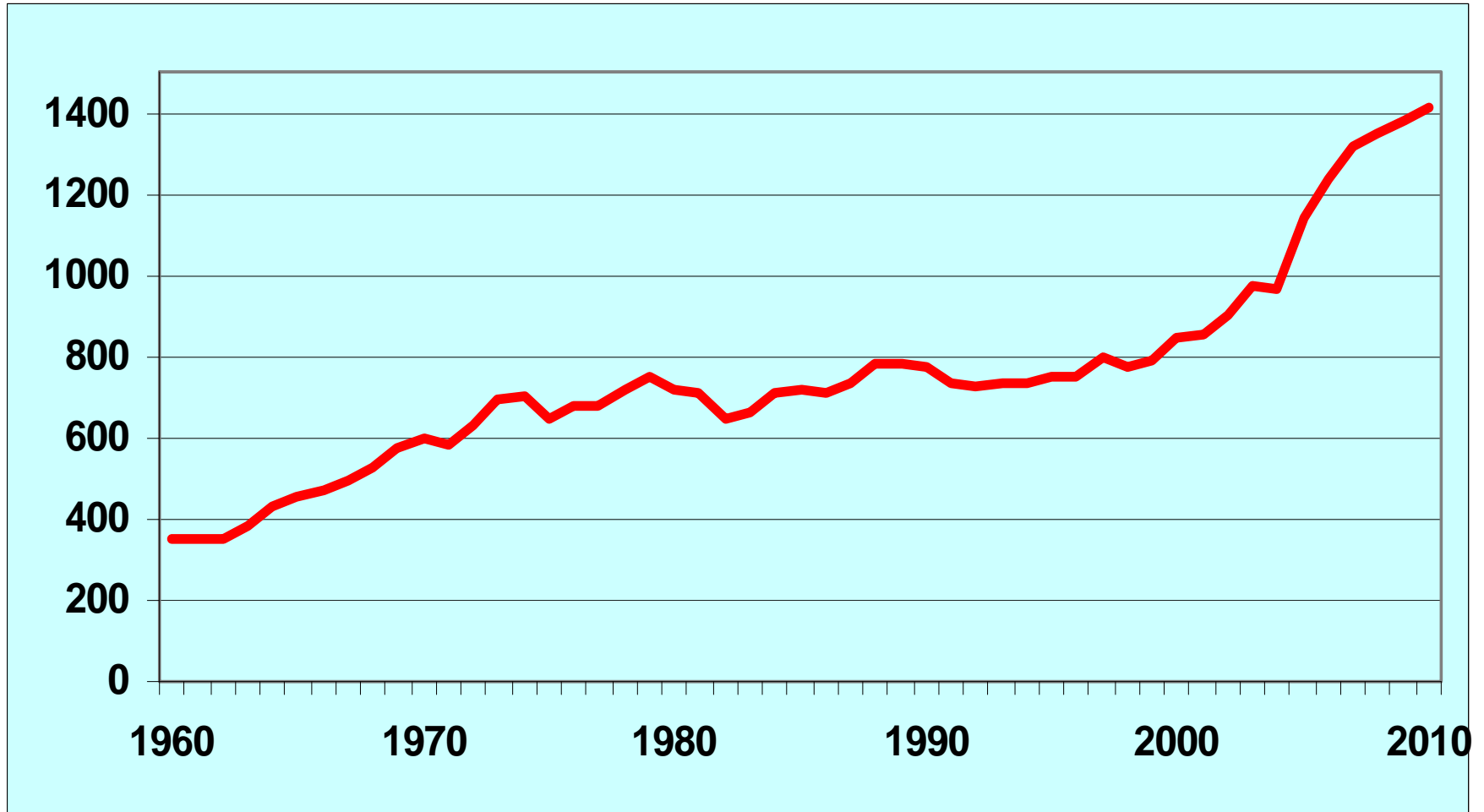
Commodity Outlook

- Steel industry driving
- Continuing high capacity utilisation
- Supply-side issues dominating
- Asian ascendancy
- US economy declining
- Precious metals prices to surge

The Long View

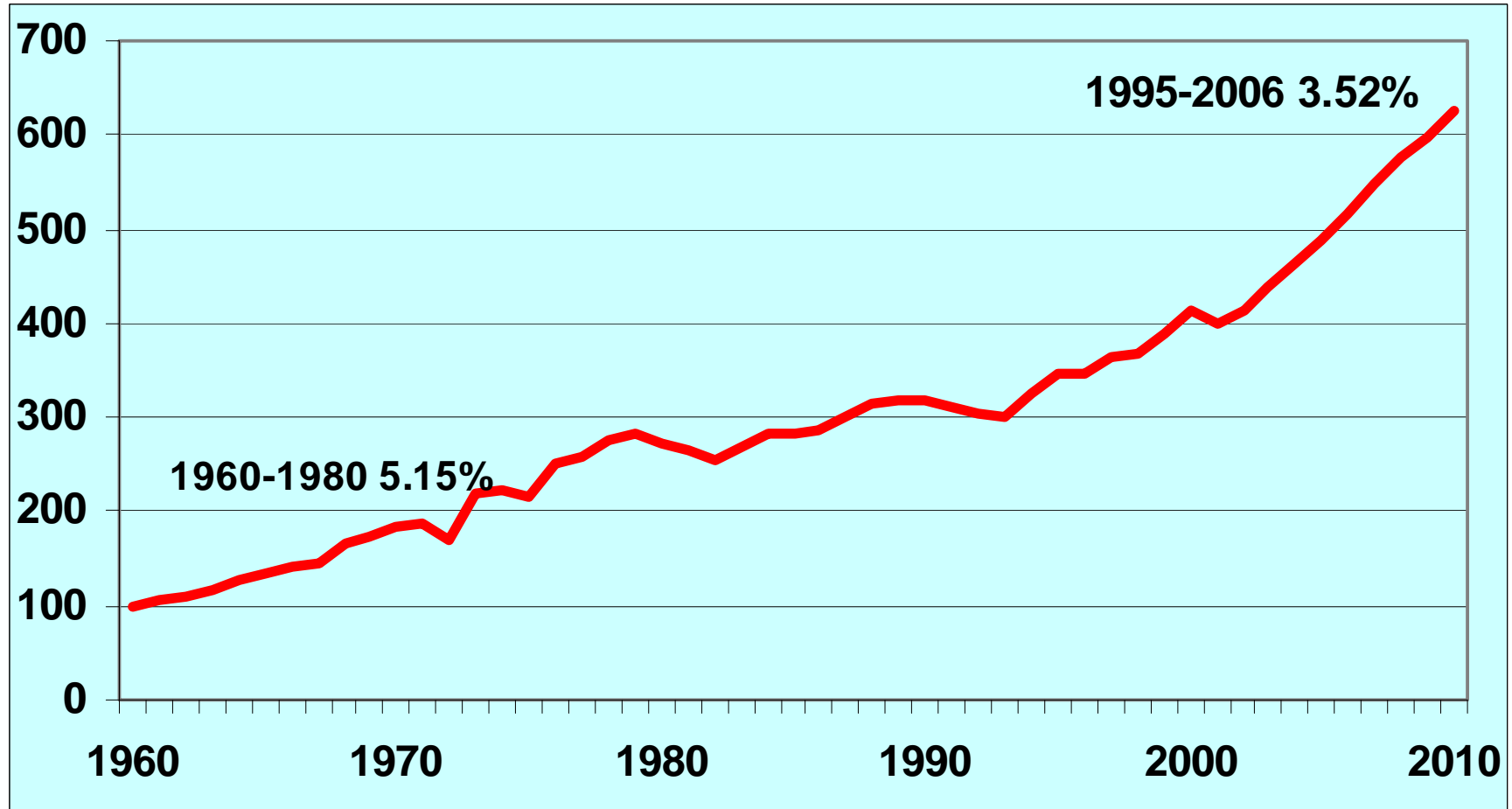


World Crude Steel (mmt)



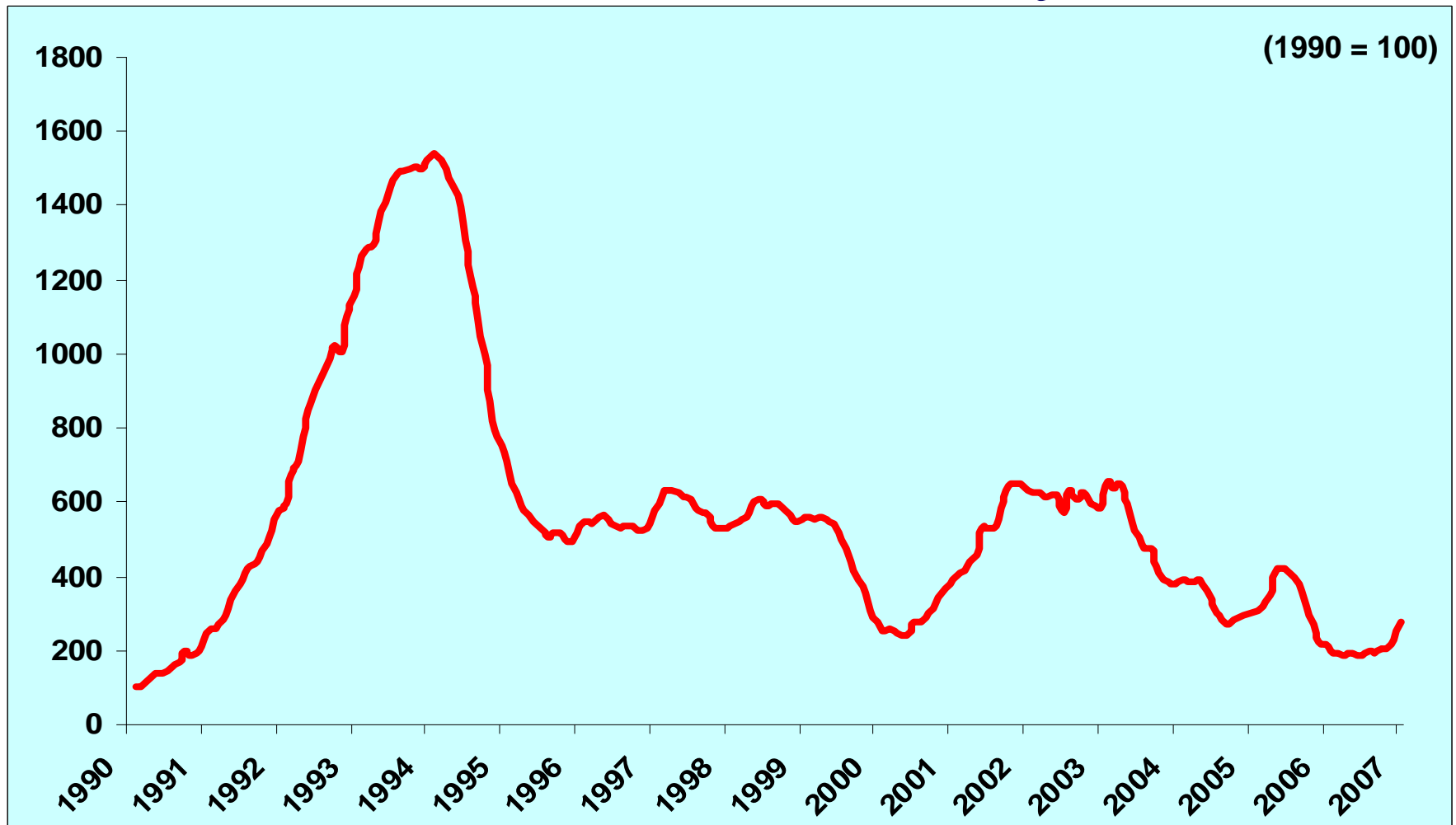
Source: IISI

Composite Metals Consumption



Source: Iress & MPS

LME Metals Inventory Index



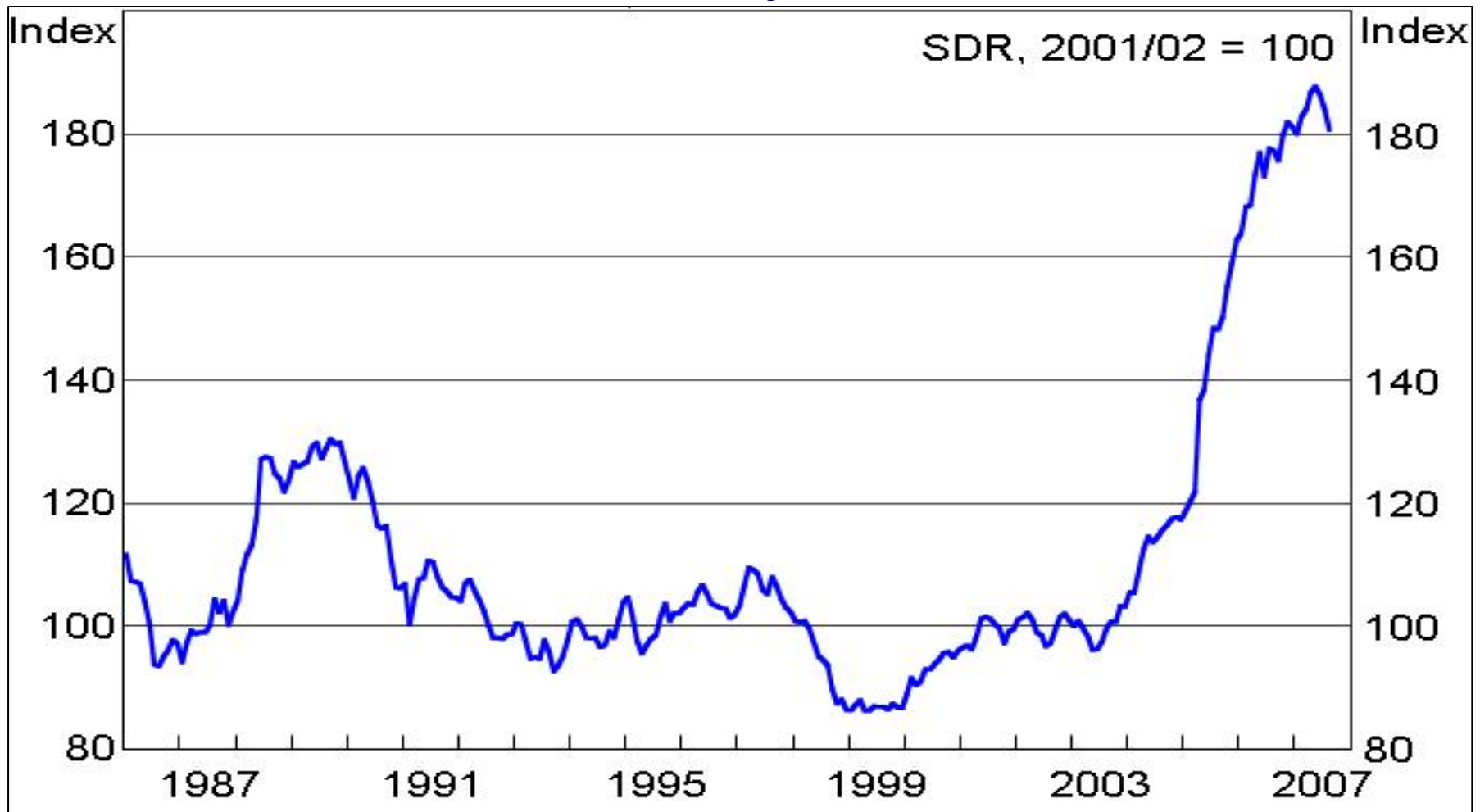
Source: Iress & MPS

LME Metals Price Index



Source: Iress & MPS

RBA Commodity Price Index

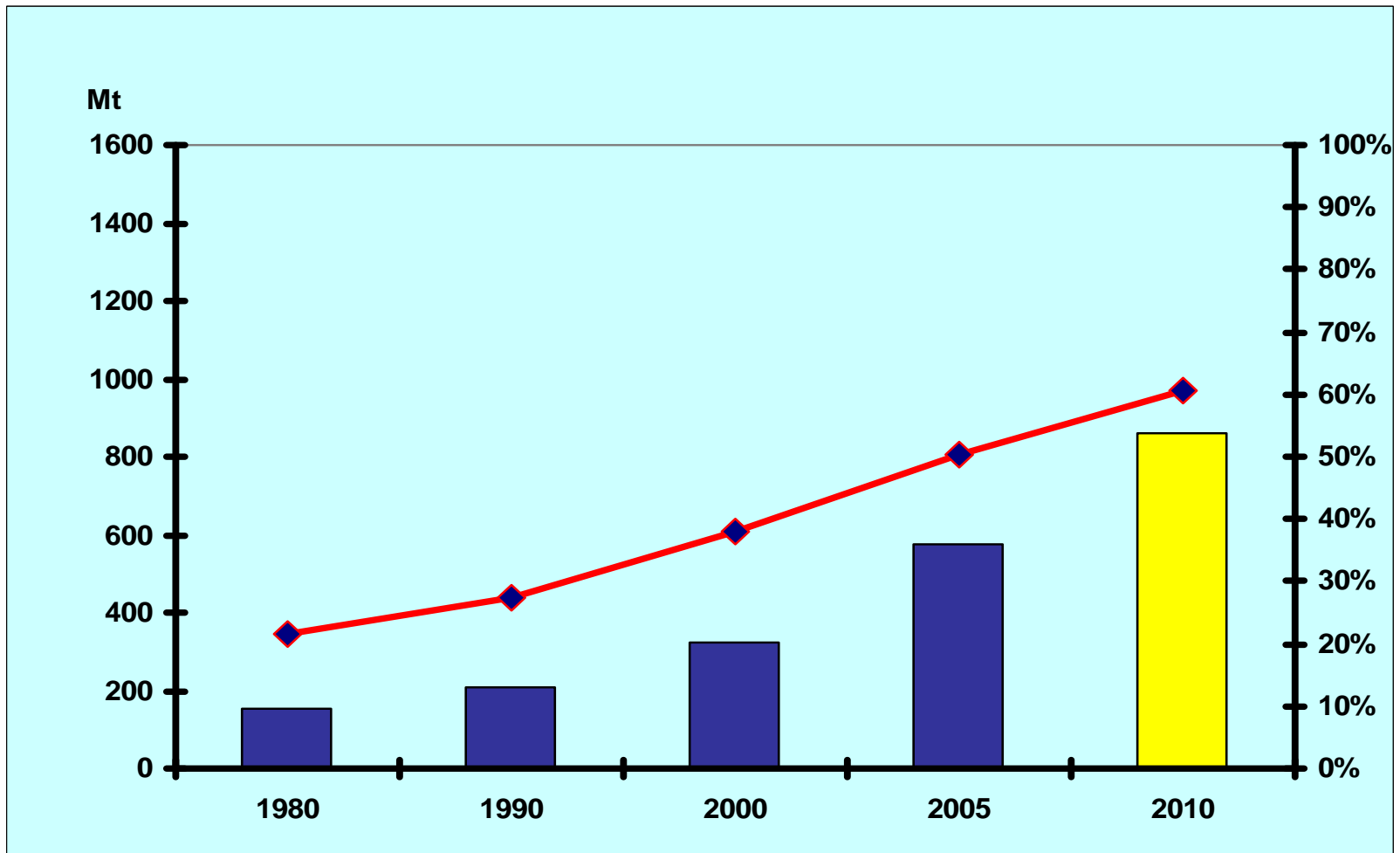


Source: RBA Data 2007

Asia rising

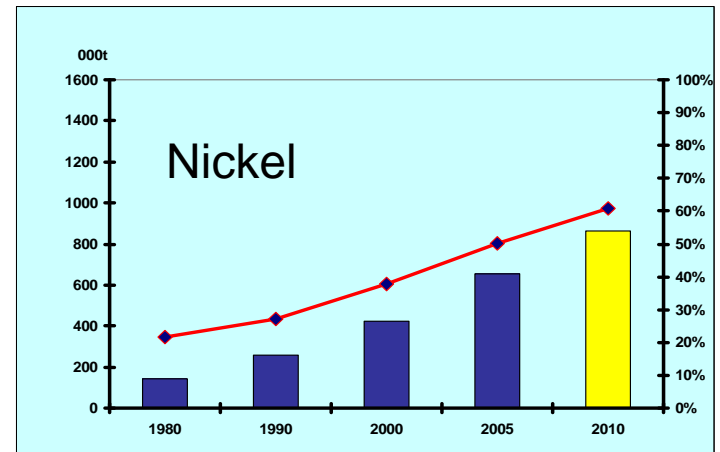
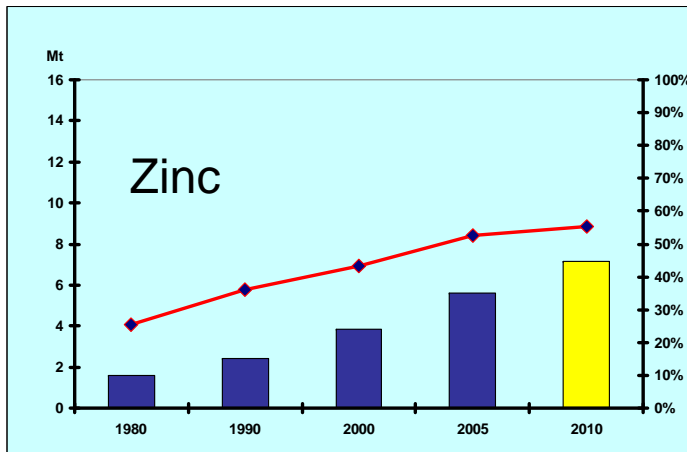
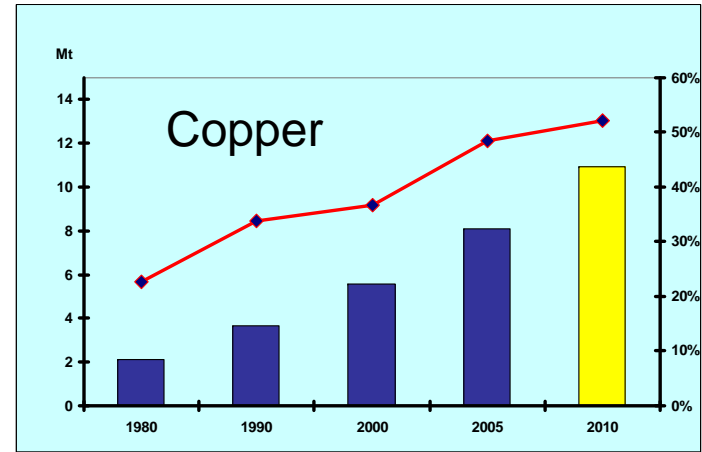
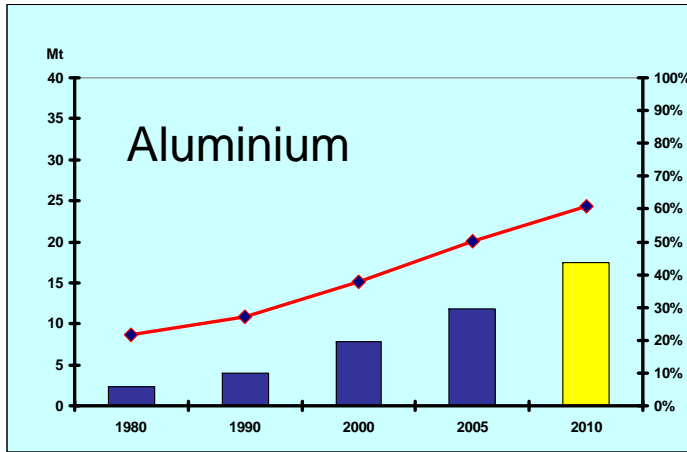
- Pre eminent economic region
- Basic industries in powerful booms
- Energy costs rising
- Energy security paramount
- Convergence of energy prices

Crude Steel - Asia's share



Source: IISI

Metal consumption- Asia's share



Proximity

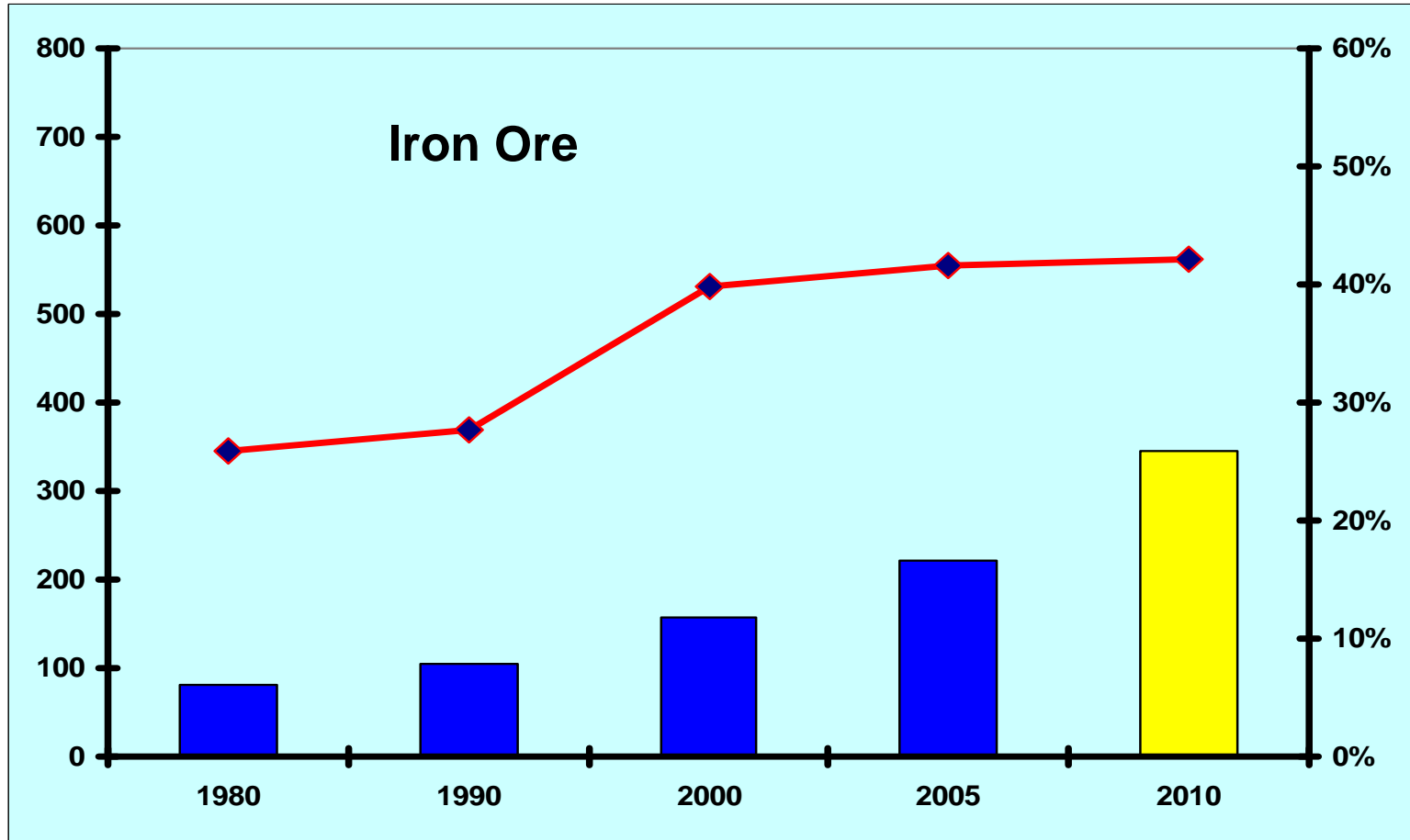


Source: Austrade

Australia as Supplier

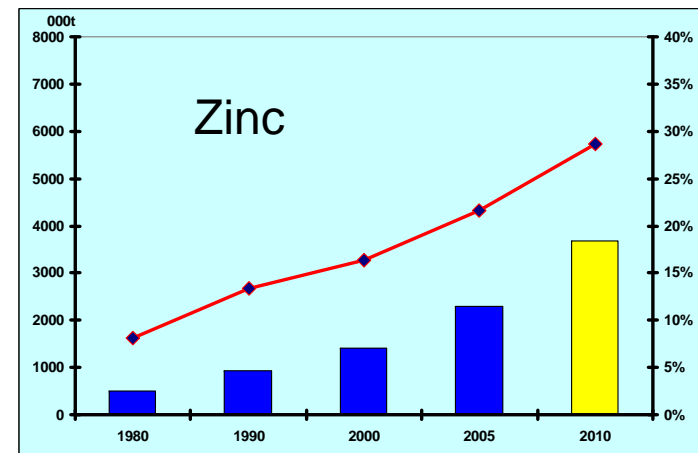
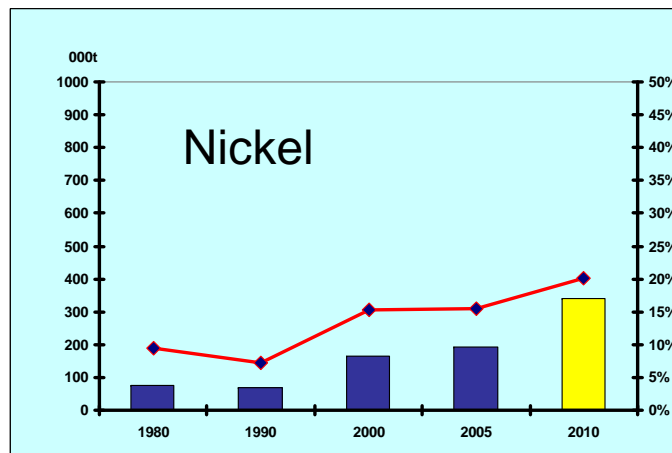
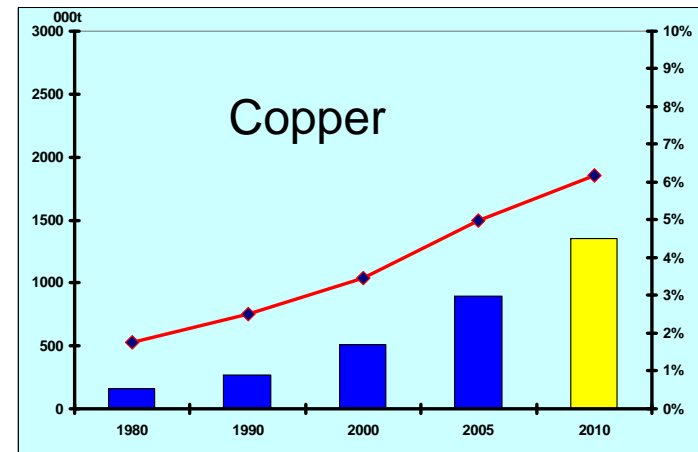
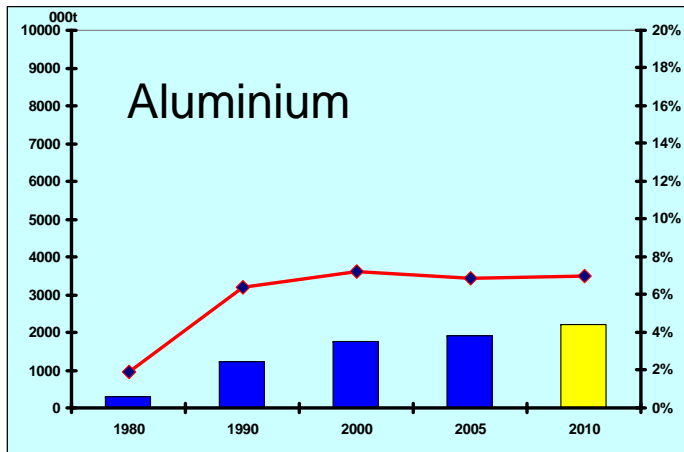
- Leader in seaborne trade
- Growing market share
- Proximity to markets
- Competitive and reliable
- Growing resource base

Australia as supplier



Source: TEX Report; ABARE

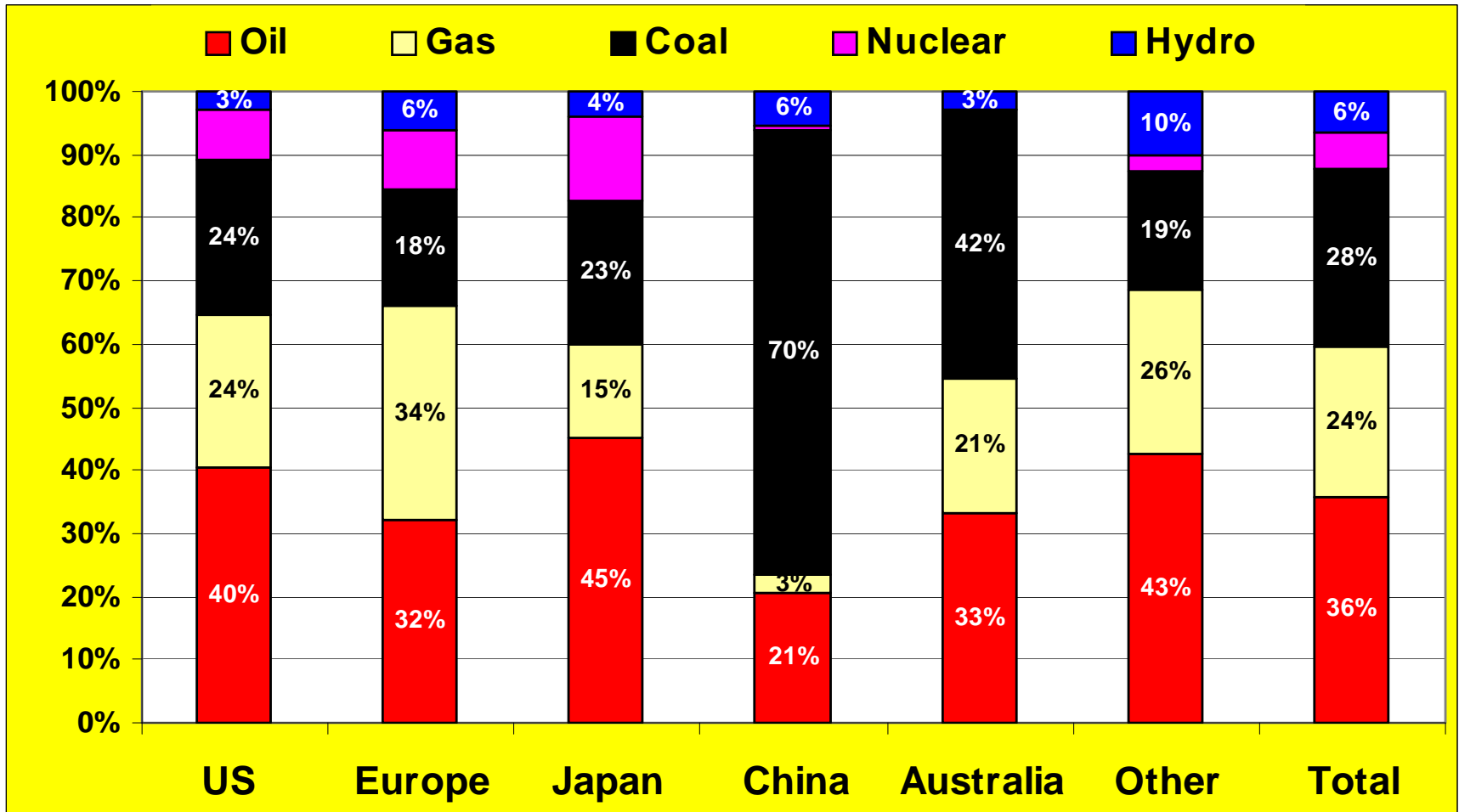
Australia as supplier



Energy Issues Paramount

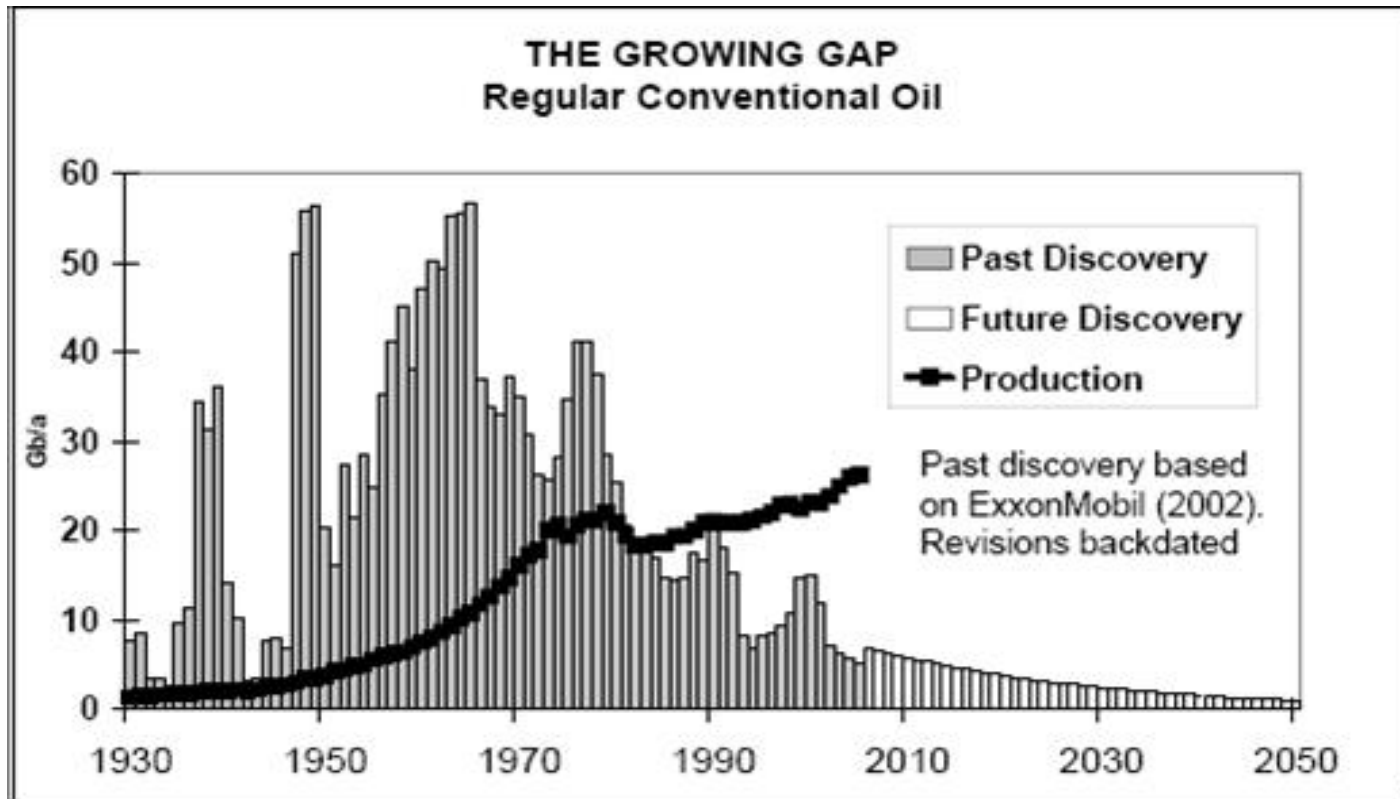
- Long term underpricing of energy
- Supply issues from OPEC and others
- Alternate fuels gaining
- Greenhouse overlay growing
- Energy supply to dominate politics

World Energy Patterns



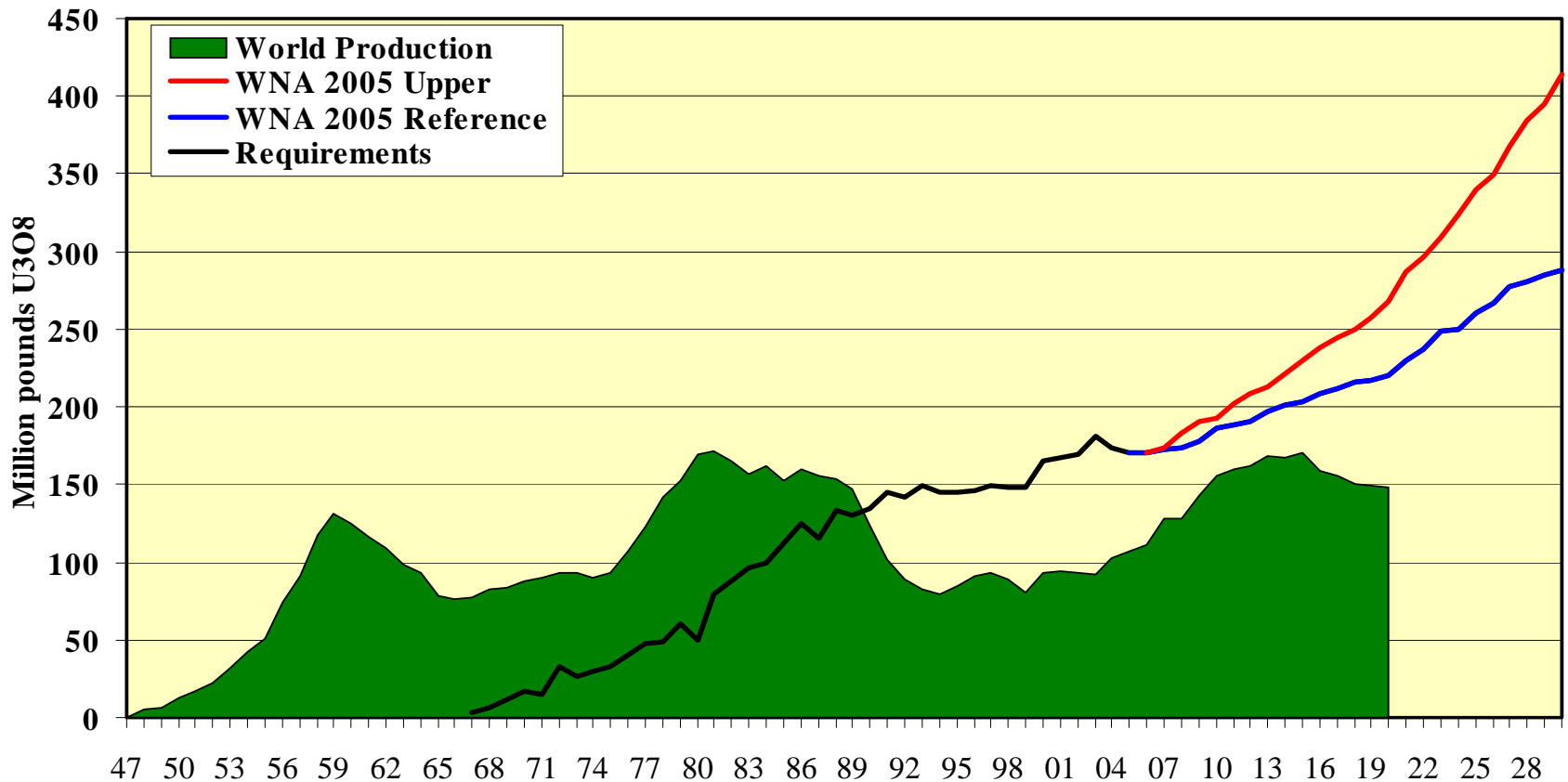
Source: BP Data 2007

ASPO Peak Oil concept



ASPO data 2006

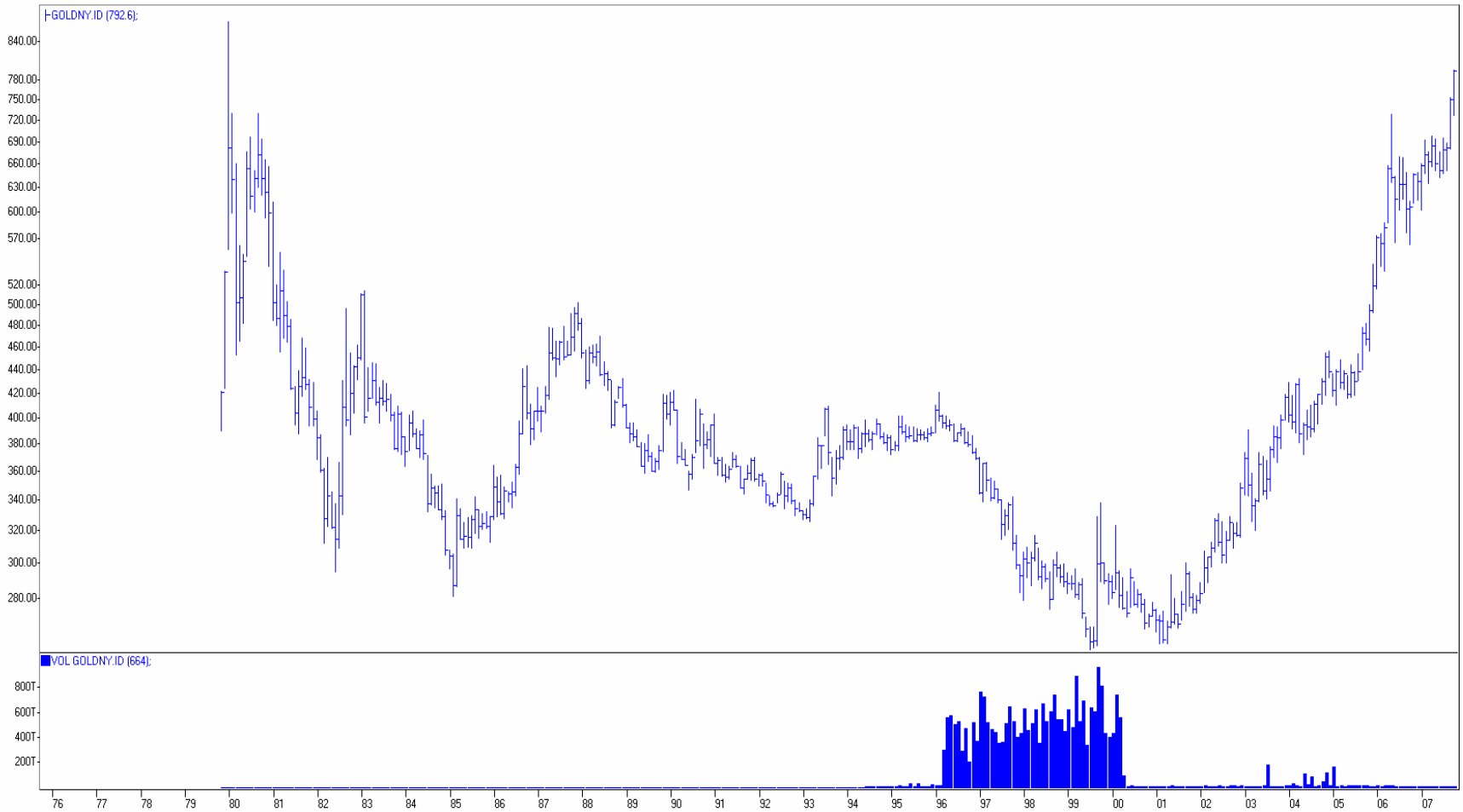
Western Production vs. Requirements, 1947-2030



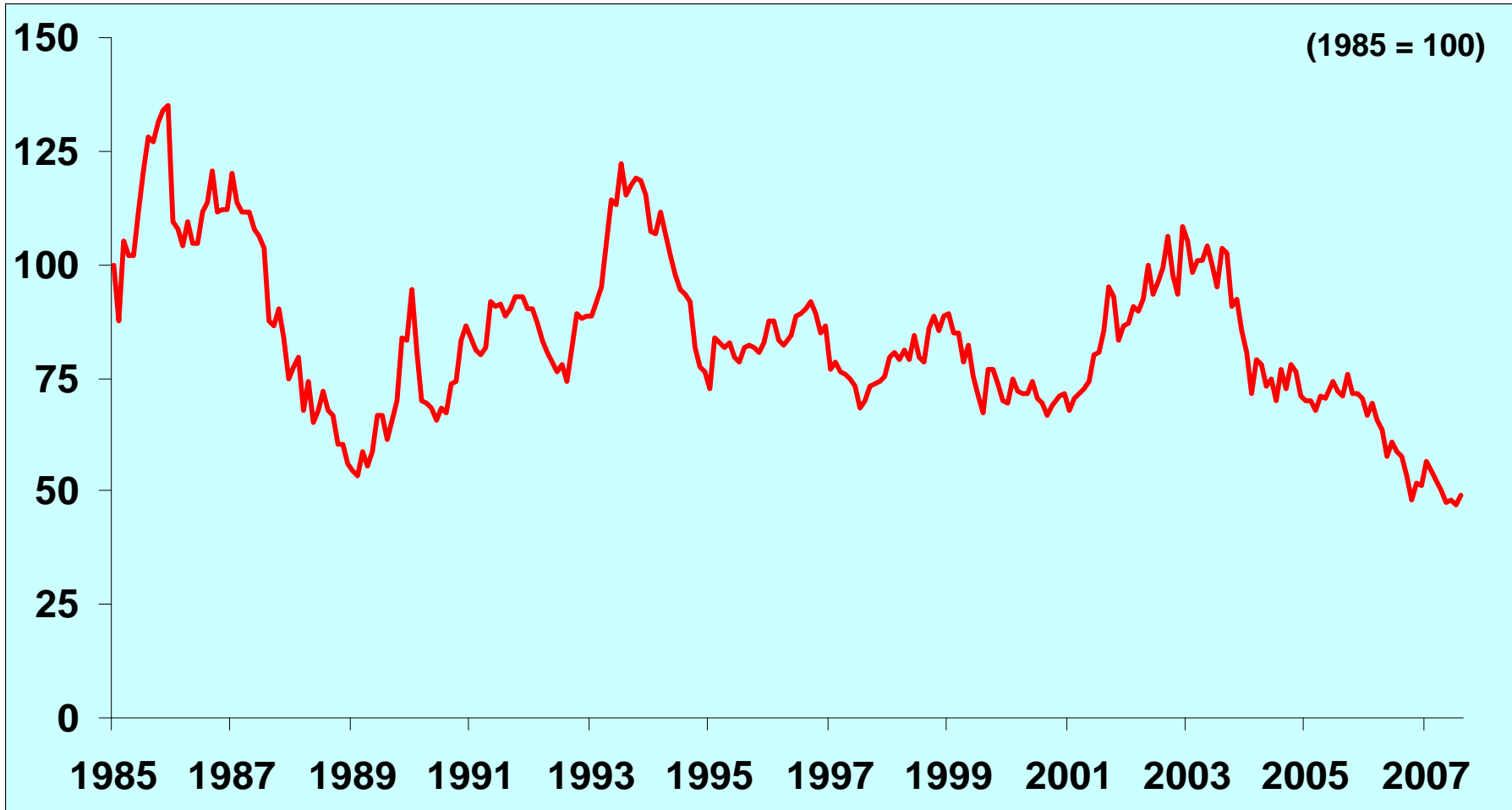
Gold Outlook

- US\$ Gold price bull market breaking out
- Gold shares now performing
- Gold mine production flagging
- Stagflation for US economy
- World economic boom
- US\$ weakness to accelerate

US\$ Gold Price



Gold Price/LME Metals Price Index



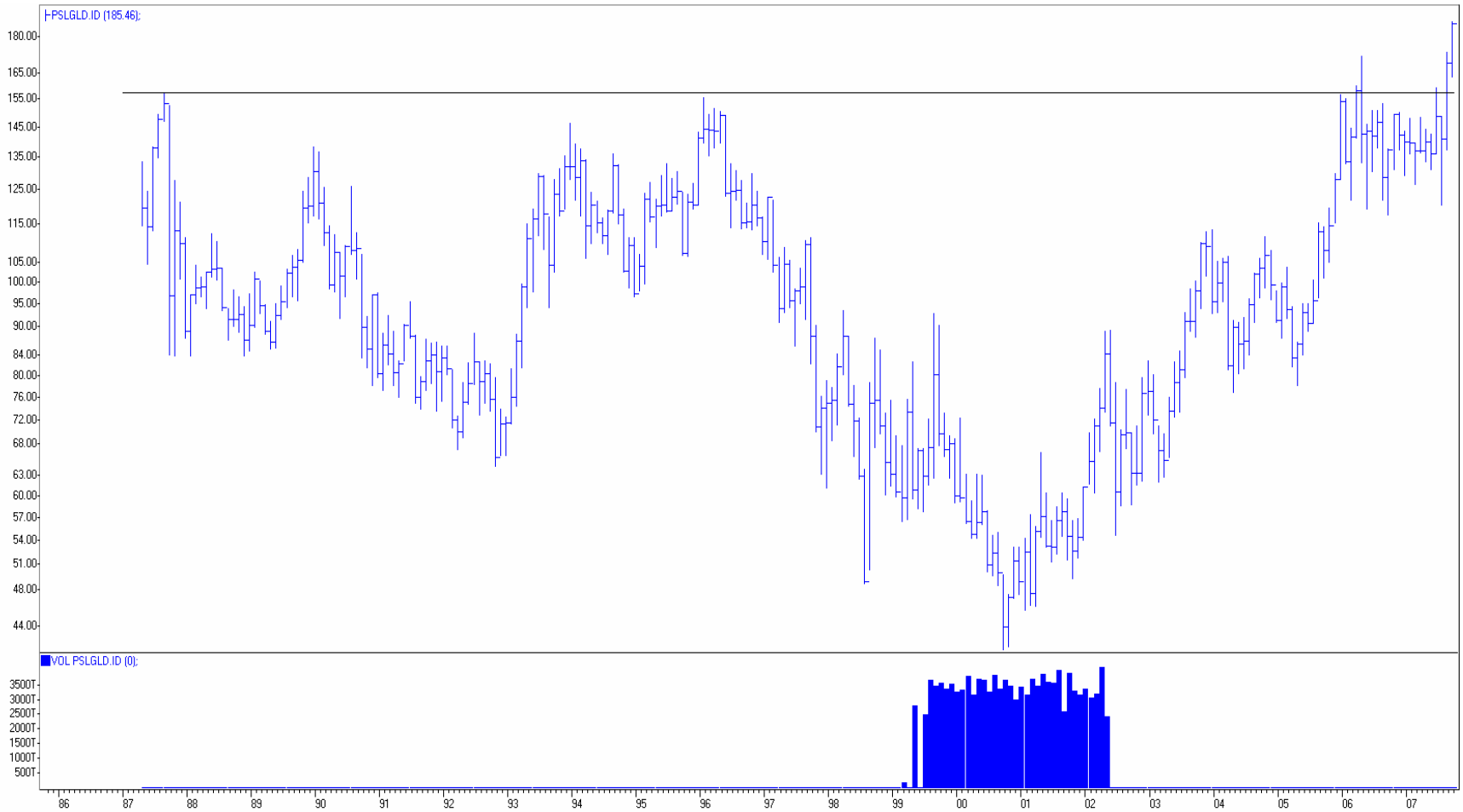
Source: Iress & MPS

US\$ Tradeweighted Index

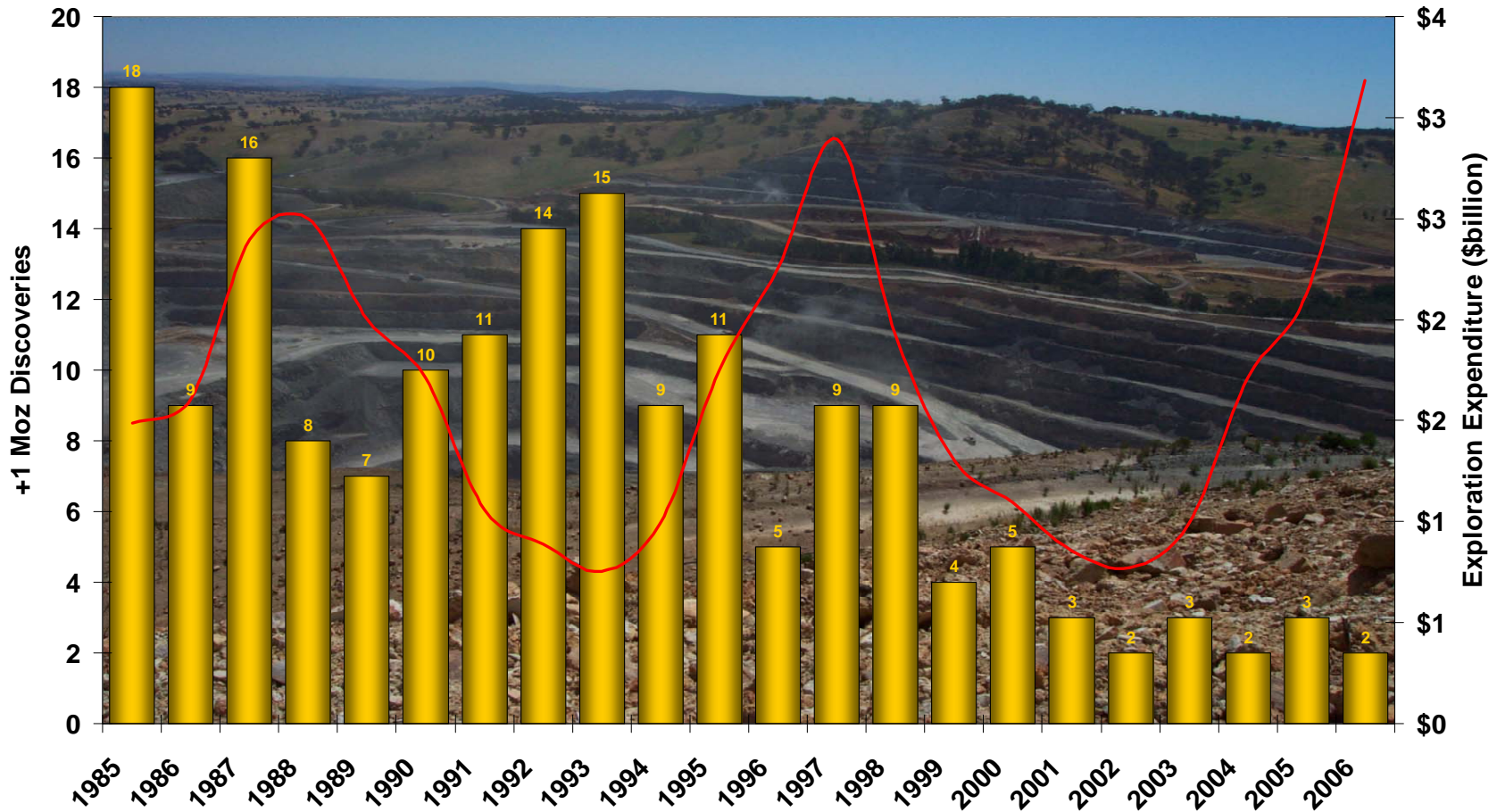


Source: Bloomberg

US 'XAU' Gold Index

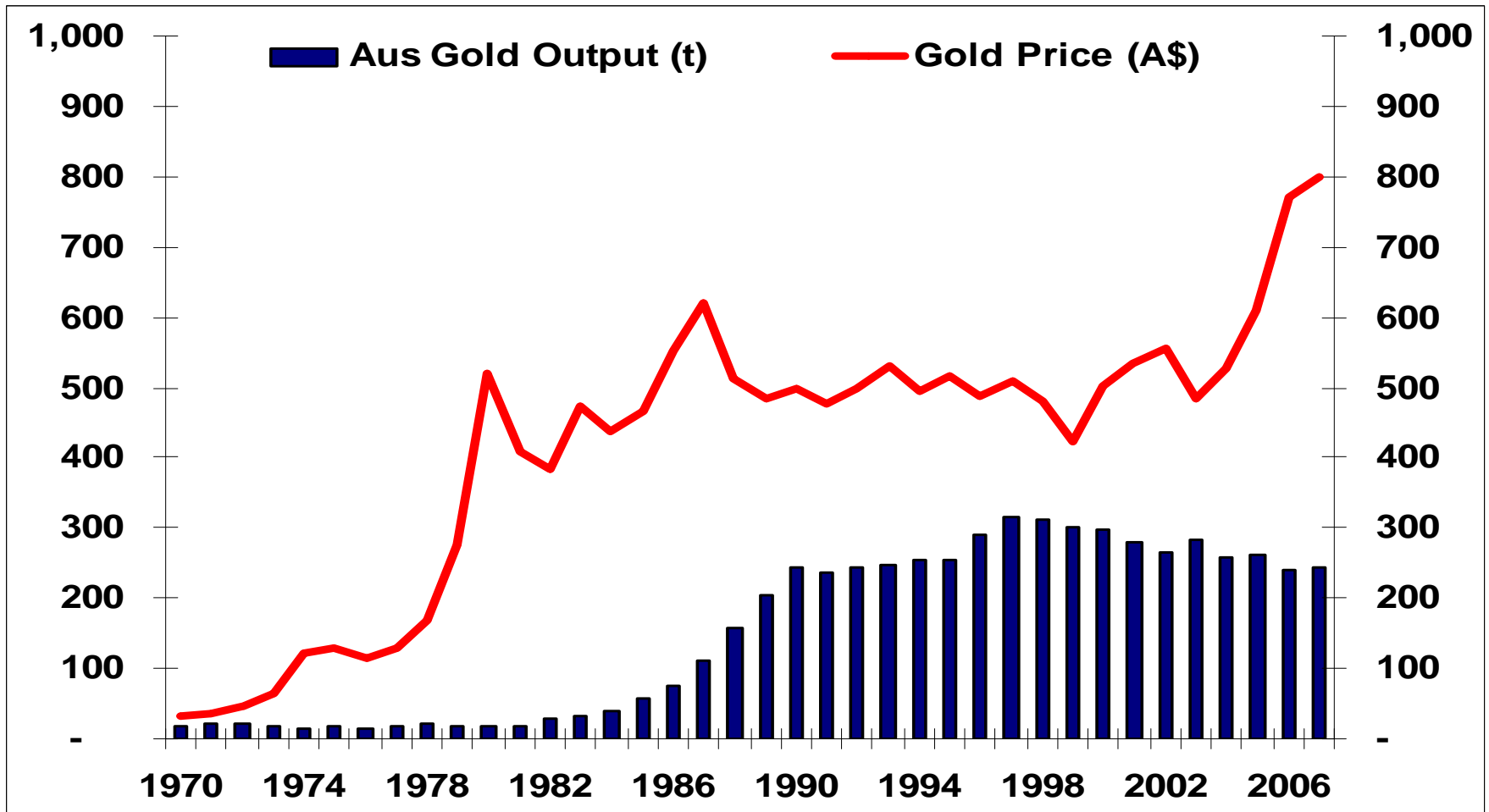


Gold: +1Moz Discoveries per Year



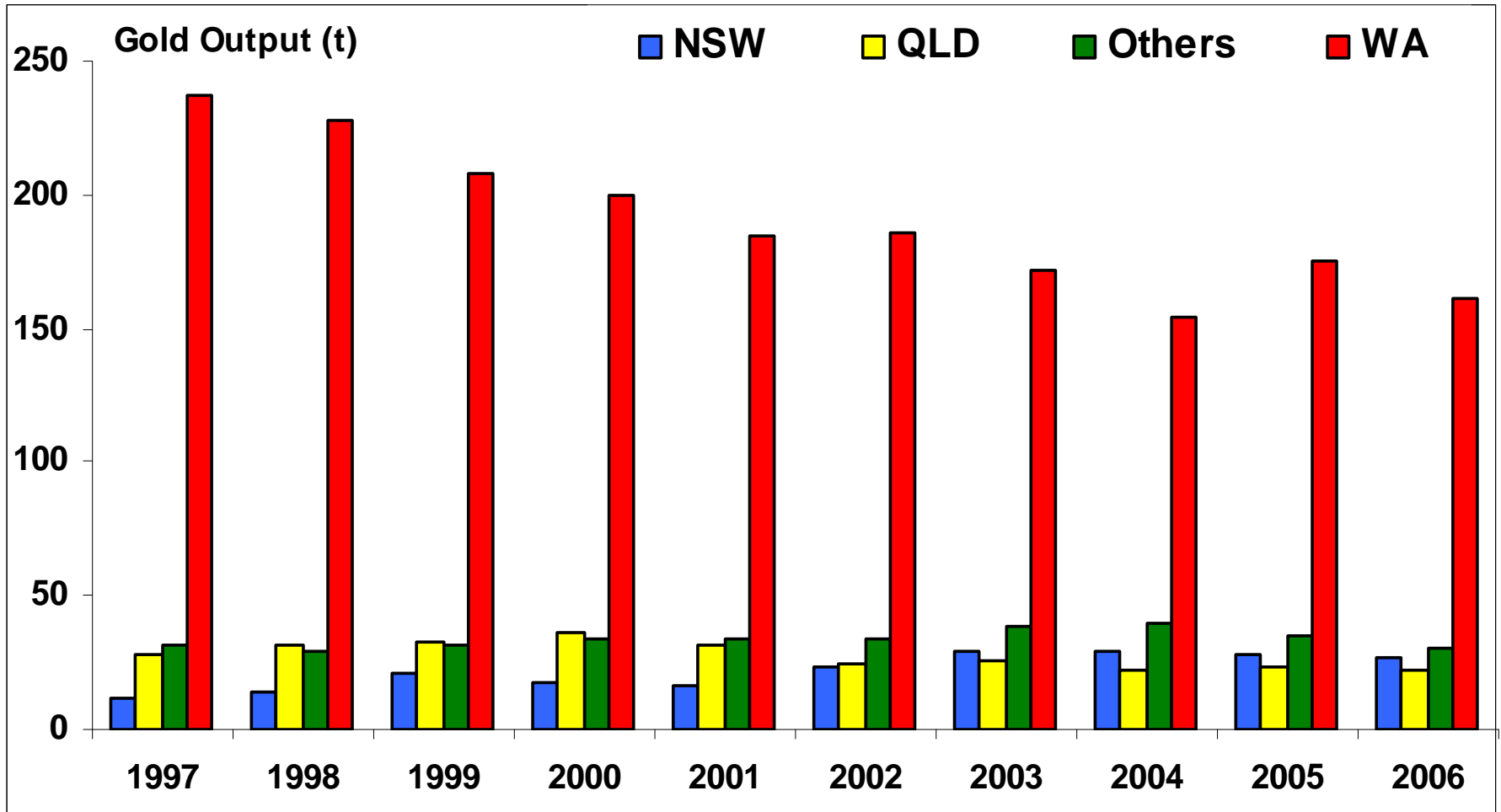
Integra Mining

Aus Gold Output Vs Gold Price (A\$)



Source: ABARE

Australian Gold Production



Source: Intierra (OZ Mine) & MPS 2007

Investment Opportunities

- Universe of over 500 local stocks
- Big caps provide lowest risk
- Mid cap consolidation underway
- Exploration to deliver results
- Gold to drive speculative stocks

MPS Investment Portfolios

Portfolio	Current Value (A\$) 30 October 07	Total Return	Compound Annual Growth
2004	5.62	462%	77.8%pa
2005	3.83	283%	115.5%pa
2006	2.10	110%	110.0%pa

MPS 2007 Portfolio

- 35% Leaders
BHP, RIO, OXR, ZFX, NCM
- 25% Mid caps
MMX, JBM, AGP, SMM, CMR, CDU, CBH, IGO
- 20% Micro caps
ANU, BNT, DIO, TRO, BDG, CRK, AGS
- 20% Explorers
IGR, SVL, ERL, FWL, HEG, MCO, ATV, GOA, CLY, DRX, UXA

Conclusions

- World Economic Boom to continue
- Raw material demand to remain firm
- Precious metals to surge higher
- Energy price to remain firm
- Australian resources stocks to rally strongly
- A\$ to exceed parity with US\$

Current Opportunities

- Leaders

BHP, RIO, OXR, ZFX, NCM

- Mid caps

MMX, AGP, SMM, CMR, CDU, CBH, IGO

- Micro caps

ANU, BNT, DIO, TRO, BDG, CRK, AGS

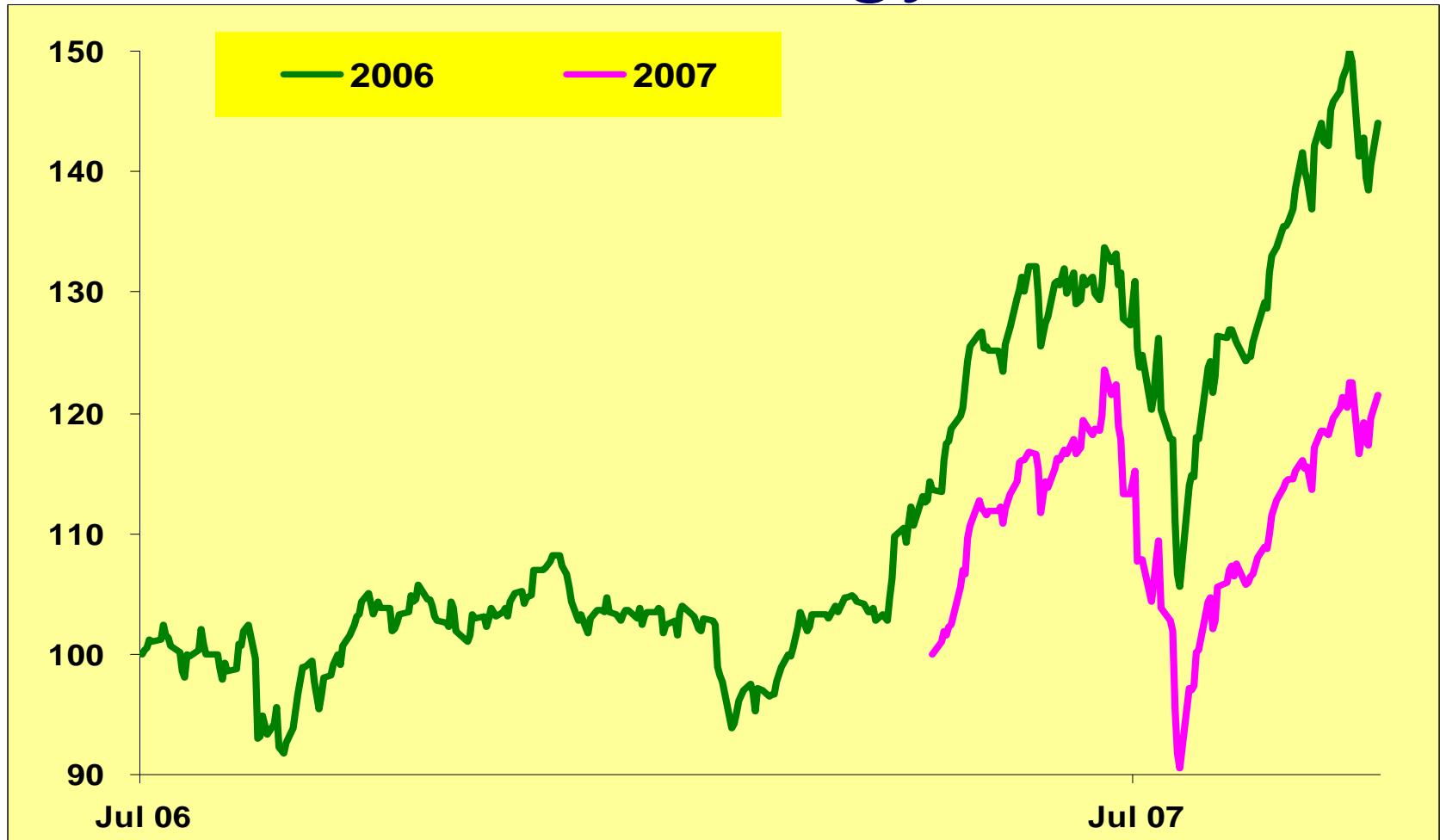
- Explorers

IGR, SVL, ERL, FWL, HEG, MCO, ATV, GOA, CLY, DRX, UXA, EVG, PPD

- IPOs

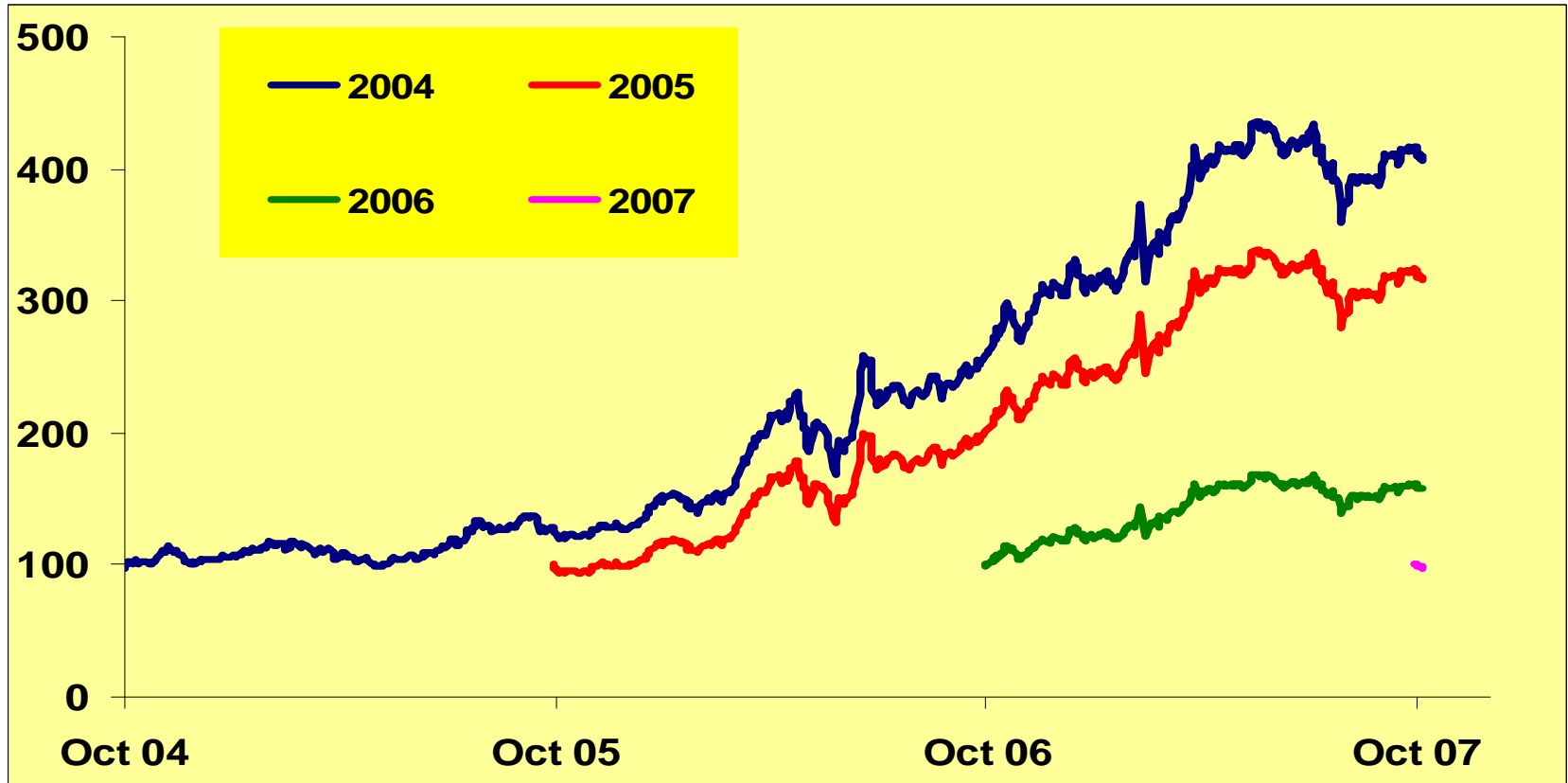
SNV, NGE, ANQ, CYU, NIP, SRX, SCL, ORE

MPS Model Energy Portfolios



Source: MPS & IRESS

MPS Model Resources Portfolios



Source: MPS & IRESS