

News Release
Regulated Information

Nyrstar announces binding agreement to pursue friendly offer to acquire Breakwater Resources Ltd.

15 June 2011

Nyrstar NV ("Nyrstar") today announced that it has entered into a binding agreement (the "**Support Agreement**") with Breakwater Resources Ltd. (TSX: BWR) ("Breakwater") pursuant to which Nyrstar has agreed to make an all-cash offer to acquire all of the issued and outstanding shares of Breakwater by way of a friendly take-over bid. Under the terms of the Support Agreement, Breakwater shareholders will receive the following consideration for each share held:

- C\$7.00 in cash per common share, representing a total value of approximately C\$619 million (€442 million) to be paid by Nyrstar (the "**Nyrstar Offer**").
- A special dividend of C\$0.50 in cash per common share (the "**Breakwater Special Dividend**") to be declared payable to Breakwater shareholders of record on the business day immediately prior to the take-up of shares by Nyrstar pursuant to the offer. This represents a total value of approximately C\$44 million (€32 million) to be paid by Breakwater, as consented to by Nyrstar under the Support Agreement.

The Nyrstar Offer, together with the Breakwater Special Dividend, (collectively, the "**Consideration**") implies a total transaction value to Breakwater shareholders of approximately C\$663 million (€473 million) on a fully diluted basis (including shares to be issued from the conversion of options and warrants)¹.

Breakwater's operations consist of four zinc poly-metallic mines, including El Toqui in Chile, El Mochito in Honduras, Myra Falls in British Columbia Canada, and Langlois in Quebec Canada (Langlois is currently in ramp-up and expected to restart production in Q1 2012). Together, the operations have an annual production capacity of approximately 140,000 tonnes of zinc in concentrate, 14,000 tonnes of lead in concentrate, 6,000 tonnes of copper in concentrate, 2.3 million troy ounces of silver and 40,000 troy ounces of gold thereby significantly increasing Nyrstar's aggregate annual mining production.

Following the acquisition of Breakwater and once all operations are fully ramped-up (as expected by the end of 2012), Nyrstar's aggregate annual mining production is expected to be approximately 475,000 tonnes of zinc in concentrate, 28,000 tonnes of lead in concentrate, 15,000 tonnes of copper in concentrate, 7.8 million troy ounces of silver², and 95,000 troy ounces of gold. At this level, Nyrstar would be one of the 5 largest zinc miners based on 2010 global zinc mine production³.

The acquisition will significantly increase Nyrstar's level of zinc integration (zinc production from mines as a percentage of smelter production) from 31% to 43% (assuming all mining operations at full production as expected by the end of 2012), a significant advancement on Nyrstar's stated medium term integration target of 50%.

Due to strong by-product credits, the operations are expected to have an average zinc C1 cash costs⁴ of less than US\$750/tonne of payable metal once at full production, thereby supporting Nyrstar's stated objective of having an average zinc C1 cash cost across all its mining operations of less than US\$1,000/tonne of payable metal.

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Commenting on the offer, Nyrstar's Chief Executive Officer, Roland Junck said:

"This acquisition is in line with our strategy to selectively pursue opportunities in mining, and presents an exciting opportunity to significantly increase our zinc integration.

The acquisition will provide immediate production and cashflows and will reinforce and further diversify our multi-metals profile whilst maintaining our competitive cash cost position.

The rapid integration of the operations into the Nyrstar portfolio will be a high priority for management, and as such we have recently introduced a dedicated integration function reporting to the Management Committee.

We believe that our offer provides substantial value to Breakwater shareholders and recognises the long-term potential and value of the operating portfolio.

The acquisition will be financed from currently available funds and facilities, and is expected to be immediately accretive for Nyrstar on an earnings and cashflow per share basis."

Breakwater's Board of Directors has unanimously recommended that shareholders tender their shares in favour of the Nyrstar Offer. GMP Securities has provided an opinion to the Breakwater Board of Directors that the Consideration to be received by Breakwater shareholders under the Nyrstar Offer is fair, from a financial point of view, to the Breakwater shareholders. Breakwater's largest shareholder, Dundee Corporation, which owns approximately 22.1% of Breakwater's outstanding shares, as well as all of Breakwater's directors and key officers, have each entered into a lock-up agreement pursuant to which each has agreed to tender common shares held by them in favour of the Nyrstar Offer (in total representing approximately 22.6% of outstanding shares).

The Nyrstar Offer is conditional on a number of customary conditions including a minimum acceptance condition of 66 2/3%, receipt of all regulatory approvals and no material adverse change in Breakwater's business. The support agreement between Nyrstar and Breakwater provides for, among other things, a non-solicitation covenant on the part of Breakwater subject to customary "fiduciary out" provisions, a right in favour of Nyrstar to match any superior proposal and a payment to Nyrstar of a termination fee of C\$20 million in certain circumstances, including if Breakwater accepts a superior proposal.

The Take-Over Bid Circular and Directors' Circular are expected to be mailed and filed shortly. The Nyrstar Offer will be open for acceptance for a period of not less than 35 days from its commencement.

RBC Capital Markets and Goldman, Sachs & Co. are acting as financial advisors to Nyrstar and Goodmans LLP is providing legal advice.

Breakwater Operations Overview

The mining operations owned by Breakwater are all zinc poly-metallic underground mines located in the Americas. In 2010, whilst the Langlois mine was on care and maintenance, Breakwater produced approximately 87,000 tonnes of zinc in concentrate, 18,000 tonnes of lead in

concentrate, 5,000 tonnes of copper in concentrate, 2.7 million ounces of silver, and 57,000 troy ounces of gold.

El Toqui

The Toqui mine is located 1,350 kilometres south of Santiago, Chile and 120 kilometres north east of Coyhaique in a region with a well known history of poly-metallic mineralization. The El Toqui mine has been in operation since 1983 and has a long history of reserve replacement and promising exploration potential. In 2010, Toqui produced approximately 20,000 tonnes of zinc in concentrate, 400 tonnes of lead in concentrate, 0.1 million troy ounces of silver and 37,000 troy ounces of gold.

El Mochito

The El Mochito mine is located in north-west Honduras near the town of Las Vegas. The El Mochito mine has been in operation since 1948 and has a long history of reserve replacement and promising exploration potential. In 2010, El Mochito produced approximately 34,000 tonnes of zinc in concentrate, 17,000 tonnes of lead in concentrate and 1.9 million troy ounces of silver.

Myra Falls

The Myra Falls mine is located in a provincial park in central Vancouver Island and linked by a 90 kilometre asphalt road to the port of Campbell River. The Myra Falls mine has been in operation since 1966 and has a long history of reserve replacement and promising exploration potential. In 2010, Myra Falls produced approximately 33,000 tonnes of zinc in concentrate, 500 tonnes of lead in concentrate, 5,000 tonnes of copper in concentrate, 0.7 million troy ounces of silver and 20,000 troy ounces of gold.

Langlois

The Langlois mine is located in north west of Québec, approximately 50 kilometres north east of the town of Lebel-Sur-Quévillon. Breakwater first commenced commercial production at the Langlois mine in July 2007; however, the mine was placed on care and maintenance in November 2008 due to declining zinc prices and a lack of development. Breakwater is planning to restart production in the first quarter of 2012. The Langlois mine is in a prospective region with promising exploration potential.

Reserves and Resources

The following are summaries of the most recent NI 43-101 compliant reserve and resource statement for the Mochito, Toqui, Myra Falls and Langlois mines, sourced from the Breakwater Resources Ltd. website (see:

<http://www.Breakwater.ca/English/Operations/MineralReservesandResources/default.aspx>).

Mochito Reserves and Resources*, 31 December 2010						
Resource Class	Tonnes(kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)
Proven Reserves	1,285	5.0	2.9	-	97	-
Probable Reserves	3,491	4.2	1.7	-	46	-
Total Reserves	4,776	4.4	2.0	-	60	-
Measured Resource	1,353	5.7	3.1	-	106	-
Indicated Resource	3,776	4.9	1.9	-	52	-
Total Resource	5,129	5.1	2.2	-	66	-
Inferred Resource	3,545	4.4	2.1	-	42	-

Toqui Reserves and Resources*, 31 December 2010						
Resource Class	Tonnes(kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)
Proven Reserves	1,229	5.4	0.3	-	13	4.60
Probable Reserves	2,296	7.5	0.4	-	13	1.20
Total Reserves	3,525	6.7	0.4	-	13	2.40
Measured Resource	1,495	6.5	0.3	-	13	4.00
Indicated Resource	3,049	8.3	0.6	-	17	1.10
Total Resource	4,544	7.7	0.5	-	16	2.1
Inferred Resource	1,761	6.7	0.7	-	19	0.60

Myra Falls Reserves and Resources*, 31 December 2010						
Resource Class	Tonnes(kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)
Proven Reserves	5,350	4.7	0.4	0.9	43	1.30
Probable Reserves	905	6.0	0.6	1.1	42	1.60
Total Reserves	6,255	4.9	0.5	0.9	43	1.30
Measured Resource	5,591	6.3	0.6	1.1	56	1.60
Indicated Resource	958	7.9	0.8	1.4	56	2.10
Total Resource	6,549	6.5	0.6	1.2	56	1.70
Inferred Resource	3,181	8.1	0.9	1.1	109	2.30

Langlois Reserves and Resources*, 31 December 2010						
Resource Class	Tonnes(kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)
Proven Reserves	1,469	8.7	-	0.5	38	0.10
Probable Reserves	3,626	10.1	-	0.7	48	0.10
Total Reserves	5,095	9.7	-	0.6	45	0.10
Measured Resource	2,398	9.4	-	0.6	41	0.10
Indicated Resource	4,261	10.4	-	0.7	51	0.10
Total Resource	6,659	10.0	-	0.7	47	0.10
Inferred Resource	1,543	8.0	-	0.5	44	0.10

* Measured and indicated resources includes proven and probable reserves but excludes inferred resources

For further and more detailed financial and operational information, including the Breakwater First Quarter 2011 Report, please visit www.Breakwater.ca

CONFERENCE CALL

Management will discuss this statement in a conference call with the investment community on Wednesday 15 June at 10:00am Central European Time, 9.00am UK Time. The presentation will be webcast live on the Nyrstar website, www.nyrstar.com, and will also be available in archive.

The call can also be accessed using the following dial-in numbers:

Country	Toll Number
UK	+44 (0)20 3140 8286
Belgium	+32 (0)2 789 2126
France	+33 (0)1 70 99 42 83
Germany	+49 (0)69 2222 7111
Switzerland	+41 (0)22 592 7953
USA	+1 718 354 1152
Canada	+1 416 849 5515
The Netherlands	+31 (0)20 708 5036
Australia	+61 (0)2 8014 9371

If your country is not listed above please dial the international number: +44 20 3140 8286.

1. Please dial in 5 minutes prior to the call
2. Ask for the Nyrstar call, and advise your name and company name
3. You will then be placed on hold until the conference starts

Breakwater shareholders are encouraged to call the Depositary and Information Agent for this offer Kingsdale Shareholder Services Inc. ("Kingsdale"), if they have questions or would like assistance depositing their shares to Nyrstar's offer. Shareholders can reach Kingsdale by email at contactus@kingsdaleshareholder.com, or by calling toll-free at 1-800-775-5159 (English or Français). Banks and brokers can call collect at 1-416-867-2272.

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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.

[1] Fully diluted, based on exercise of all outstanding warrants and net share settlement of in-the-money options.

[2] The Campo Morado operation is expected to produce approximately 3 million troy ounces of silver per annum by the end of 2012, of which 75% is subject to a streaming agreement with Silver Wheaton Corporation whereby only \$3.90 per oz is payable.

[3] Based on Brook Hunt 2010 mine production data.

[4] C1 cash costs are the net direct cash costs incurred from mining through to refined metal (including operating costs, treatment charges, concentrate freight costs), less by-products credits.

IMPORTANT INFORMATION

This announcement has been prepared by Nyrstar NV (the "Company"). It does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to subscribe for, underwrite or otherwise acquire, any securities of the Company or any member of its group nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company or any member of its group, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

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This announcement includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations concerning, among other things, the results of operations, financial condition, exploration potential, liquidity, performance, prospects, growth, strategies of the Company and Breakwater and the industry in which the Company and Breakwater operate. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause the actual results of operations, financial condition, exploration potential, liquidity, performance, prospects, growth or opportunities, as well as those of the markets they serve or intend to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. In particular, information about the completion of the transactions contemplated by the Nyrstar Offer, the Company's future plans for the operation and financial results of Breakwater's mines.

The Company cautions you that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition, exploration potential, liquidity, performance, prospects, growth or opportunities and the development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements contained in this announcement. In addition, even if the Company's results of operations, financial condition, exploration potential, liquidity, performance, prospects, growth or opportunities and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in future periods. The Company and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this announcement or any change in the Company's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

The Company also cautions you that mineral reserves and resources mentioned herein are subject to numerous uncertainties inherent in estimating quantities and classification of reserves (including subjective judgments and determinations based on available geological, technical, contracted and economic information). Mineral reserve and mineral resource estimates are, to a large extent, based on interpretations of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive costs based on anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates of metal from the ore, estimated operating costs, estimated capital costs, estimated site remediation costs and asset retirement costs, anticipated climatic conditions and other factors. Mineral reserves are estimated quantities of proven and probable reserves and other minerals that under present and anticipated conditions can be legally and economically mined and processed, including (where relevant) by



the extraction of their mineral content. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a mineral deposit may differ materially from the Company's or Breakwater's estimates. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

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