INMET MINING

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FOR IMMEDIATE RELEASE
October 23, 2003
All amounts are in Canadian dollars, unless otherwise stated.

INMET MINING ANNOUNCES THIRD QUARTER EARNINGS OF $1.01 PER SHARE

Toronto, Canada - Inmet Mining Corporation reported net income in the third quarter of 2003 of $40.8 million or $1.01 per share, compared to net income of $3.7 million or $0.07 per share in the third quarter of 2002. Included in net income is a gain of $31.2 million arising from the sale of Inmet's 3.3 per cent net proceeds interest ("NPI") in Antamina. Earnings before the gain on sale of the Antamina NPI, of $9.6 million or $0.22 per share, were significantly higher than last year due to the substantial increase in earnings from operations, which now includes the earnings from Ok Tedi. As of July 1, 2003, Inmet changed its method of accounting for its investment in Ok Tedi from cost accounting to proportionate consolidation. This method of accounting reflects the new governance arrangements in place, which give the shareholders joint control over the strategic decisions at Ok Tedi.

(in thousands except per share figures)	**Third Quarter**		**Nine Months**	
Operations' Earnings	**2003**	2002	**2003**	2002
Çayeli	**$7,323**	$4,351	**$15,143**	$16,744
Pyhäsalmi	**5,548**	2,673	**11,589**	7,093
Troilus	**2,730**	2,760	**8,831**	8,990
Ok Tedi	**8,454**	-	**8,454**	-
	24,055	9,784	**44,017**	32,827
Corporate development and exploration	**(1,002)**	(877)	**(2,672)**	(3,720)
General and administration	**(1,022)**	(1,126)	**(3,233)**	(3,440)
Stock based compensation	**(35)**	1,366	**(85)**	(2,571)
Gain on sale of Antamina NPI	**31,200**	-	**31,200**	-
Interest and other income (expense)	**(2,963)**	(1,367)	**(1,595)**	(2,562)
Income and capital taxes	**(7,499)**	(2,096)	**(10,400)**	(9,645)
Non controlling interest	**(1,943)**	(1,958)	**(4,383)**	(4,204)
Net income	**$40,791**	$3,726	**$52,849**	$6,685
Accretion on equity component of convertible debentures	**$(1,023)**	$(939)	**$(3,024)**	$(2,778)
Basic net income per share	**$1.01**	$0.07	**$1.27**	$0.10
Diluted net income per share	**$0.91**	$0.07	**$1.18**	$0.10
Weighted average shares outstanding (000's)	**39,321**	39,283	**39,296**	38,150

An international metal mining corporation

For the nine months ended September 30, 2003, net income was $52.8 million or $1.27 per share, compared to net income of $6.7 million or $0.10 per share in the same period of 2002. The increase is largely due to the gain on sale of the Antamina NPI, increased operating earnings and reduced stock based compensation expense.

The full amount of the proceeds received from the sale of the Antamina NPI, of $31.2 million, was included in earnings as the carrying value was nil. This sale did not trigger any taxes as sufficient tax losses are available to offset any tax liability arising. The proceeds received from the sale were used to fully repay the outstanding balance of the revolving credit facility.

Both the third quarter and nine month year to date earnings were positively impacted by higher copper, gold and zinc prices. However, these were partially offset by the impact of the weakening of the United States dollar in relation to the Canadian dollar that reduced net income by $3 million and $7 million for the three and nine months ended September 30, 2003, respectively, compared to exchange rates in 2002.

In June, the British Columbia Court of Appeal heard the appeal by Homestake, Canada Inc. ("Homestake") and Inmet's related cross appeal concerning the B.C. Supreme Court judgment that awarded Inmet $88.2 million in damages as a result of Homestake's failure to complete the purchase of the Troilus mine. A decision regarding the appeal and cross appeal is expected by early 2004.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUMMARY OF FINANCIAL RESULTS

Comparability of Results

In March 2002, Inmet acquired a 100 per cent interest in Pyhäsalmi and included the results of operations in Inmet's consolidated accounts effective April 1, 2002. Also in March 2002, Inmet increased its interest in Çayeli from 49 per cent to 55 per cent and commenced full consolidation of the results of Çayeli effective April 1, 2002 (previously proportionately consolidated). On July 1, 2003, Inmet began proportionately consolidating Ok Tedi (previously cost accounted). These changes affect the comparability of reported results.

Net Income

The following table identifies the major differences in net income between the three months and nine months ended September 30, 2003 and 2002, respectively:

(millions of dollars)	**Change in Third Quarter**	**Change in Nine Months**
Pyhäsalmi		
First quarter 2003 net income	$ -	$3
Metal prices	2	2
Sales volume	1	3
Foreign exchange rate changes	(1)	(4)
Çayeli		
Metal prices	1	1
Sales volume	1	(1)
Operating costs	(1)	(1)
Tax rate reduction	-	1
Troilus		
Gold price	1	4
Sales volume	-	(2)
Operating costs	-	3
Foreign exchange rate changes	(2)	(6)
Ok Tedi		
Third quarter net income	5	5
Gain on sale of Antamina NPI	31	31
Gain on sale of Jaguar property	-	2
Foreign exchange rate change on debt	-	3
Stock based compensation expense	(1)	2
Increase in net income	$ 37	$46

Net Sales

	Third Quarter		Nine Months	
(in thousands)	**2003**	2002	**2003**	2002
Net sales by operation:				
Çayeli	**$22,407**	$15,959	**$49,279**	$51,295
Pyhäsalmi	**18,537**	14,890	**52,895**	31,404
Troilus	**21,737**	22,011	**62,380**	68,790
Ok Tedi	**27,881**	-	**27,881**	-
	$90,562	$52,860	**$192,435**	$151,489
Net sales by metal:				
Copper	**$39,866**	$16,860	**$78,015**	$54,133
Zinc	**13,891**	10,254	**29,357**	24,119
Gold	**30,351**	19,486	**67,664**	60,490
Other	**6,454**	6,260	**17,399**	12,747
	$90,562	$52,860	**$192,435**	$151,489

	Third Quarter		Nine Months	
Sales by metal volume:	**2003**	2002	**2003**	2002
Copper (tonnes)	**22,400**	12,000	**45,250**	34,900
Zinc (tonnes)	**22,800**	18,200	**50,500**	41,100
Gold (ounces)	**63,800**	39,400	**146,100**	126,700

Prices realized	Third Quarter		Nine Months	
	2003	2002	**2003**	2002
Copper (U.S.$/lb)	**U.S.$0.79**	U.S.$0.68	**U.S.$0.77**	U.S.$0.71
Zinc (U.S.$/lb)	**U.S.$0.37**	U.S.$0.35	**U.S.$0.36**	U.S.$0.36
Gold (U.S.$/oz)	**U.S.$347**	U.S.$322	**U.S.$338**	U.S.$312

Net sales were positively impacted in the quarter by the inclusion of Inmet's share of Ok Tedi's sales. Net sales at Çayeli and Pyhäsalmi were higher in the quarter due to increased metal prices and higher sales volumes. For the nine months ended September 30, lower sales volumes at Çayeli were more than offset by the full nine months of sales from Pyhäsalmi (compared to six months in 2002), the inclusion of sales from Ok Tedi and increased gold and copper prices.

SUMMARY OF OPERATIONS

The weighted average unit costs at Inmet's operations are summarized as follows:

	Third Quarter		Nine Months	
	2003	2002	**2003**	2002
Copper (per pound)				
Cash costs	**U.S.$0.37**	U.S.$0.36	**U.S.$0.39**	U.S.$0.41
Total costs	**U.S.$0.45**	U.S.$0.48	**U.S.$0.52**	U.S.$0.53
Gold (per ounce)				
Cash costs	**U.S.$269**	U.S.$270	**U.S.$261**	U.S.$247
Total costs	**U.S.$281**	U.S.$290	**U.S.$273**	U.S.$267

Metal production at Inmet's operations are summarized as follows:

	Third Quarter		Nine Months	
	2003	2002	**2003**	2002
Copper (tonnes)	**20,100**	21,300	**54,000**	58,100
Zinc (tonnes)	**16,400**	12,800	**42,400**	32,800
Gold (ounces)	**65,700**	67,000	**186,700**	196,100

Production results and costs are consistent when comparing the third quarter of 2003 to the same period in 2002, except for zinc production which increased 28 per cent because of the higher production from Pyhäsalmi.

Çayeli

(100 per cent of production)		**Third Quarter**		**Nine Months**		*Full year*
		2003	2002	**2003**	2002	*Forecast*
Ore milled (000's of tonnes)		**263**	262	**666**	797	*950*
Grades:	Copper	**4.2%**	4.4%	**4.1%**	4.1%	*4.3%*
	Zinc	**6.0%**	4.9%	**5.2%**	5.3%	*5.4%*
Recoveries:	Copper	**85%**	88%	**85%**	86%	*85%*
	Zinc	**73%**	74%	**71%**	72%	*70%*
Production:	Copper (tonnes)	**9,300**	10,200	**23,300**	28,300	*35,000*
	Zinc (tonnes)	**11,500**	9,500	**24,700**	30,500	*36,000*
Cash costs	(per pound/copper)	**U.S.$0.41**	U.S.$0.41	**U.S.$0.44**	U.S.$0.44	*U.S.$0.42*
Total costs	(per pound/copper)	**U.S.$0.46**	U.S.$0.46	**U.S.$0.50**	U.S.$0.48	*U.S.$0.47*
Capital expenditures (millions)		**U.S.$2.5**	U.S.$2.1	**U.S.$5.1**	U.S.$5.5	*U.S.$11.0*

Copper production at Çayeli in the quarter was lower than 2002 due to lower grades mined. Zinc production, however, was significantly higher than the third quarter last year due to higher grades. Çayeli processed 263,000 tonnes of ore in the third quarter, consistent with 2002 throughput levels.

Cash costs in the third quarter of 2003 of U.S.$0.41 per pound of copper were unchanged from the same quarter a year ago. Increased zinc by-product credits from higher zinc production and higher zinc sales prices offset the impact of increased operating costs. The increased cost is largely a factor of foreign exchange rate changes as the impact of the appreciating Turkish lira resulted in higher United States dollar costs at Çayeli. The appreciation of the Turkish lira resulted in lower income taxes.

Operating earnings in the third quarter of 2003 were $3.0 million higher than the third quarter last year due to increased sales of copper and zinc and a significantly higher copper price.

For the nine months ended September 30, 2003 operating earnings were lower than the prior year due the negative effect of exchange rate changes and significantly lower production in the first quarter of the year as a result of the ramp up of production after the October 2002 ground fall event. Stronger copper prices during the period offset this to some extent. In addition, operating earnings for the nine months ended September 30, 2002 include only a 49 per cent proportionate interest in Çayeli for the first quarter.

Rehabilitation and restoration of the areas affected by the ground fall event in October 2002 is now complete. During September, Çayeli processed ore at an annualized rate of 1.15 million tonnes. As the event was insurable, a total of U.S.$11.0 million of costs have been recorded as an insurance receivable. Payments totalling U.S.$7.5 million have been received to date from Çayeli's insurance company. The final settlement of Çayeli's insurance claim is expected in the fourth quarter.

Outlook

Çayeli expects to continue ramping up production to an annualized rate of 1.25 million tonnes during the fourth quarter. Zinc grades are expected to increase in the fourth quarter and Çayeli is expected to achieve its original objective. Copper grades are expected to be slightly below the objective.

The three year collective agreement expired in May 2003 and negotiations regarding a new agreement are expected to commence in the fourth quarter.

Çayeli is in an advance stage of negotiations in regard to a contract for a shaft extension designed to provide Çayeli with access to the ore body at depth. Mobilization on Çayeli's shaft extension from the current depth of 250 metres to a depth of 550 metres will commence during the fourth quarter and work is scheduled to be completed during the first quarter of 2006. Work will be conducted by contractors under a fixed price contract at a cost of U.S.$14 million.

Pyhäsalmi

(100 per cent of production)		**Third Quarter**		**Nine Months**		*Full year*
		2003	2002	**2003**	2002	*Forecast*
Ore milled (000's of tonnes)		**337**	313	**1,003**	922	*1,330*
Grades:	Copper	**1.2%**	1.4%	**1.2%**	1.2%	*1.2%*
	Zinc	**3.2%**	2.7%	**3.1%**	2.9%	*2.9%*
	Sulphur	**41%**	41%	**41%**	41%	*41%*
Recoveries:	Copper	**95%**	94%	**95%**	95%	*95%*
	Zinc	**94%**	91%	**94%**	92%	*94%*
Production:	Copper (tonnes)	**3,700**	4,000	**11,400**	10,500	*14,900*
	Zinc (tonnes)	**10,100**	7,600	**28,800**	24,800	*36,300*
	Pyrite (tonnes)	**74,700**	120,100	**485,200**	406,300	*667,000*
Cash costs	(per pound/copper)	**U.S.$0.20**	U.S.$0.25	**U.S.$0.21**	U.S.$0.25	*U.S.$0.25*
Total costs	(per pound/copper)	**U.S.$0.46**	U.S.$0.43	**U.S.$0.45**	n/a	*U.S.$0.49*
Capital expenditures (millions)		**€0.8**	€1.5	**€2.2**	€3.7	€3.0

Pyhäsalmi continues to achieve higher throughput and recoveries than in the previous year. Lower copper grades in the third quarter of 2003 in comparison to the same period in 2002 resulted in slightly lower copper production, whereas higher zinc grades contributed to the 33 per cent increase in zinc production in that same period.

Cash costs in the third quarter and nine months ended September 30, 2003, of U.S.$0.20 per pound and U.S.$0.21 per pound, respectively, were below prior year levels due to higher zinc production and lower operating costs. Pyrite production was lower during the quarter compared to 2002 as pyrite was not produced for two months to lower stocks.

Operating earnings for the third quarter were $2.9 million higher than the previous year's third quarter as the benefits of higher copper and zinc prices and higher sales more than offset the $1 million of negative effects from foreign exchange rate changes.

Outlook

Pyhäsalmi's mill throughput is expected to continue at current levels for the remainder of the year. Zinc grades are anticipated to decrease during the fourth quarter as lower grade zinc ore is planned to be mined. The full year forecast has been adjusted to reflect the higher mill throughput and metal grades achieved through the first nine months of the year. As a result, cash costs have also been adjusted downwards to reflect the increased production at Pyhäsalmi and reduced operating costs.

Troilus

(100 per cent of production)	**Third Quarter**		**Nine Months**		*Full year*
	2003	2002	**2003**	2002	*Forecast*
Ore milled (000's of tonnes)	**1,547**	1,487	**4,496**	4,276	*5,900*
Strip ratio	**1.7**	2.4	**2.0**	2.5	*2.2*
Grade (grams per tonne)	**0.97**	1.02	**1.01**	1.09	*1.0*
Recoveries	**84%**	83%	**83%**	83%	*83%*
Gold production (ounces)	**40,200**	40,200	**121,500**	123,300	*165,000*
Cash costs (per ounce/gold)	**U.S.$269**	U.S.$270	**U.S.$261**	U.S.$247	*U.S.$257*
Total costs (per ounce/gold)	**U.S.$281**	U.S.$290	**U.S.$273**	U.S.$267	*U.S.$271*
Capital expenditures (millions)	**$3.1**	$1.0	**$6.5**	$2.7	*$7.5*
Capitalized stripping (millions)	**$0.9**	-	**$6.0**	$1.9	*$8.1*

Gold production in the third quarter was comparable to the results achieved in 2002 as slightly lower grades offset higher mill throughput.

Unit cash costs for the three months ended September 30, 2003 were also comparable to the third quarter of 2002. In comparison to the prior year, the negative impact on cash costs from the weaker United States dollar was offset by higher copper by-product credits.

Operating earnings for the third quarter of 2003 of $2.7 million were similar to the 2002 third quarter. The benefits of a high United States dollar gold price and copper price were offset by the weaker United States dollar.

During the quarter, capital expenditures of $3.1 million related to the replacement of mine equipment and improvements made as part of the extension of the Troilus mine life from four to eight years.

In July, Troilus celebrated the production of its one millionth ounce of gold since production started in 1996.

Outlook

For the fourth quarter, gold grades are expected to increase. The original objective to produce 165,000 ounces of gold is still forecasted, however, cash costs are now forecast to increase somewhat from the previous objective due to the negative impact of the weaker United States dollar.

Capital expenditures for the balance of 2003 are for equipment upgrades and replacements in connection with the extended mine plan. The increase in capitalized stripping is a result of higher waste being mined in the fourth quarter than was originally expected.

Ok Tedi

(100 per cent of production)		**Third Quarter**		**Nine Months**		*Full year*
		2003	2002	**2003**	2002	*Forecast*
Ore milled (000's of tonnes)		**7,000**	7,700	**20,300**	23,700	*28,000*
Grades:	Copper	**0.9%**	0.8%	**0.8%**	0.8%	*0.8%*
	Gold (grams per tonne)	**0.9**	0.8	**0.8**	0.8	*0.8*
Recoveries:	Copper	**85%**	91%	**84%**	87%	*84%*
	Gold	**72%**	73%	**68%**	67%	*68%*
Production:	Copper (tonnes)	**53,700**	55,300	**142,300**	168,300	*193,000*
	Gold (ounces)	**141,700**	148,800	**362,100**	404,600	*500,000*
Cash costs	(per pound /copper)	**U.S.$0.41**	U.S.$0.38	**U.S.$0.44**	U.S.$0.43	*U.S.$0.45*
Total costs	(per pound/copper)	**U.S.$0.45**	U.S.$0.52	**U.S.$0.56**	U.S.$0.57	*U.S.$0.55*
Capital expenditures (millions)		**U.S.$0.8**	U.S.$0.4	**U.S.$7.7**	U.S.$8.2	*U.S.$12.0*

Copper and gold production in the quarter at Ok Tedi was marginally below last year's third quarter production. Ok Tedi mined harder ores in the quarter which resulted in lower mill throughput. The impact of lower throughput was offset by higher copper and gold grades mined. Copper and gold recoveries were in line with expectations during the quarter. Year to date copper and gold production was lower than last year due to the scheduled replacement of the mill shell liner for one of Ok Tedi's two SAG mills.

Cash costs and total costs per pound of copper were positively impacted because of higher gold by-product credits and significantly lower processing and refining charges. The positive impact of these factors was partially offset by the negative impacts of the weaker United States dollar on Australian and Papua New Guinean denominated costs. Year to date costs reflect the impact of the lower mill throughput and foreign exchange impacts on costs, offset by the positive impact of the stronger gold price and by-product credits.

In the third quarter, Inmet's share of Ok Tedi's operating earnings were $8.5 million compared to nil in the third quarter of 2002. No earnings were recorded in the third quarter of 2002 as no dividends were received.

Outlook

For the balance of 2003, Ok Tedi's copper and gold production should be at similar levels to the third quarter. The positive impact of higher mill throughput in the quarter will be offset somewhat by lower grades. Unit cash costs are expected to remain at similar levels.

LIQUIDITY AND FINANCIAL CONDITION

Consolidated cash and short-term investments at September 30, 2003 was $99 million. A summary of consolidated sources and uses of cash and short-term investments for the three and nine months ended September 30 follows.

Sources and Uses of Consolidated Cash and Short-Term Investments

(millions of Canadian dollars)	**Third Quarter**		**Nine Months**	
	2003	2002	**2003**	2002
Cash provided by (used in) operating activities:				
Çayeli	**$16.6**	$5.3	**$13.2**	$21.2
Pyhäsalmi	**8.1**	6.0	**19.2**	12.3
Troilus	**7.4**	5.2	**12.8**	25.1
Ok Tedi	**5.7**	-	**21.3**	6.0
Corporate development and exploration	**(1.0)**	(0.9)	**(2.7)**	(3.7)
General and administration	**(1.0)**	(1.1)	**(3.2)**	(3.4)
Other	**(0.9)**	(4.5)	**(8.6)**	(4.8)
	34.9	10.0	**52.0**	52.7
Cash provided by (used in) investing and financing activities:				
Sale of Antamina NPI	**31.2**	-	**31.2**	-
Deferred payment from sale of Ovaçik	**-**	-	**5.6**	-
Sale of Jaguar deposit	**-**	-	**1.9**	-
Acquisition of Pyhäsalmi	**-**	-	**-**	(64.4)
Acquisition of 6% of Çayeli (net of cash acquired)	**-**	-	**-**	(3.2)
Credit facility borrowing (repayments)	**(32.6)**	(1.9)	**(40.2)**	45.6
Capital expenditures	**(9.3)**	(6.7)	**(25.9)**	(16.8)
Other	**(2.8)**	(0.7)	**(11.4)**	(6.6)
	(13.5)	(9.3)	**(38.8)**	(45.4)
Increase in cash	**21.4**	0.7	**13.2**	7.3
Cash and short-term investments				
Beginning of period	**68.3**	70.5	**76.5**	63.9
Ok Tedi – June 30 cash	**9.5**	-	**9.5**	-
End of period	**$99.2**	$71.2	**$99.2**	$71.2

Cash flows from operating activities

In the third quarter, increased earnings from operations increased consolidated cash from operations to $35 million, an increase of $25 million from the third quarter a year ago. At Çayeli, operating cash inflows of $17 million included positive working capital changes related to the timing of shipments and insurance proceeds.

For the nine months ending September 30, operating cash flows were essentially unchanged between 2003 and 2002. In 2002, operating cash flows for the nine months include $8 million in cash inflows from Troilus arising from the permanent reduction of Troilus' receivables from four months to two months.

The following table highlights the significant changes in operating cash flows between the three and nine months ended September 30, 2003 and 2002.

Changes in 2003 Operating Cash Flows Compared to 2002

(millions of dollars)	**Change in Third Quarter**	**Change in Nine Months**
Pyhäsalmi		
First quarter 2003 operating cash flows	$-	$4
Metal prices	2	2
Sales volume	1	3
Impact of stronger Euro	-	(1)
Impact of weaker United States dollar	(1)	(3)
Change in non-cash working capital	-	2
Çayeli		
Change in non-cash working capital	12	(8)
Troilus		
Gold price	1	4
Sales volume	-	(2)
Operating costs	-	3
Impact of weaker United States dollar	(2)	(6)
Change in non-cash working capital	1	(13)
Ok Tedi		
Dividends	-	10
Third quarter 2003 operating cash flows	6	6
Sales tax payment received in 2002	-	(2)
Other	5	-
Increase (decrease) in 2003 operating cash flows compared to 2002	$25	$(1)

Cash flows from investing and financing activities

Capital expenditures in the three and nine months ended September 30, 2003 were $3 million and $9 million higher than the same periods in 2002, respectively. The increased spending compared to 2003 is largely a result of higher capitalized stripping and other capital expenditures at Troilus.

During the third quarter of 2003, Inmet sold its net proceeds interest in Antamina for proceeds of $31.2 million. In the first quarter of 2003, Inmet received a total of $7.5 million from the sale of its interest in the Jaguar deposit and for a deferred payment from the 1999 sale of its interest in the Ovaçik gold mine. In 2002, net cash outflows from the acquisition of 100 per cent of Pyhäsalmi and an additional six per cent of Çayeli totalled $20.2 million.

During the third quarter of 2003, Inmet repaid the U.S.$23.5 million outstanding balance on its revolving credit facility. In the first half of the year, Inmet had made mandatory prepayments of U.S.$5.3 million on its revolving credit facility. Debt repayments related to Çayeli's project loan totalled $1.5 million in the quarter and $4.6 million for the nine months ended September 2003.

Financial condition

Inmet's cash and short term investments at September 30, 2003 were $99 million, an increase of $22 million from December 31, 2002 and an increase of $31 million from June 30, 2003. Long-term debt was $23 million, down from $68 million at December 31, 2002. The decrease in long-term debt is due to the repayment of Inmet's revolving credit facility and scheduled repayments on the Çayeli project loan.

Inmet's key financial ratios as at September 30, 2003 and June 30, 2003 compared to December 31, 2002 are summarized below.

Financial ratios

	September 30, 2003	June 30, 2003	December 31, 2002
Current ratio	**3.1**	2.5	2.4
Debt to total capitalization [(1)]	**21%**	31%	35%

[(1)] The convertible debentures are treated as debt for the purposes of the debt to total capitalization ratio.

The improved current ratio reflects the value realized from the sale of the Antamina NPI. The positive effect of sale of the Antamina NPI, along with the repayments of debt, resulted in the significant reduction in debt to total capitalization.

At September 30, 2003 and October 23, 2003, Inmet had 39,348,139 common shares outstanding.

Risks

Inmet's earnings and cash flows are significantly affected by fluctuations in metal prices and exchange rate changes between the Canadian dollar, United States dollar and euro.

The following table illustrates the sensitivity of Inmet's annualized net income to changes in metal prices based on 2003 sales estimates:

	Change in Metal Prices	Effect on Annual Net Income	Effect Per Share
Copper (per pound)	U.S.$0.10	$15 million	$0.38
Zinc (per pound)	U.S.$0.05	$3 million	$0.08
Gold (per ounce) (1)	U.S.$10.00	$1 million	$0.03

(1) The effect on net income does not include hedged production.

In order to mitigate the impact of declining prices, Inmet from time to time enters into hedge transactions. Any hedge transaction is made in accordance with Inmet's Metal Price Hedging Policy which restricts hedging to a maximum of 50 per cent of proven and probable reserves.

The following table sets out Inmet's consolidated gold hedging position:

Gold forward sales as at September 30, 2003

	Ounces	Price
2003	45,000	US$332
2004	140,494	US$336
2005	121,828	US$345
2006	116,844	US$358
2007	13,500	US$371
2008	6,750	US$366
Total forward sales	**444,416**	**US$345**

All hedging transactions are under margin-free facilities. As at September 30, 2003, based on a spot price of gold of U.S.$385 per ounce, Inmet's unrealized hedging loss on forward gold sales was $29 million. Inmet has not hedged any of its base metal exposure.

In the nine months to September 30, 2003, Inmet deferred 43,000 ounces of its forward sales to future periods.

The sensitivity of Inmet's net income to changes in the United States dollar and euro, based on 2003 sales estimates, is as follows:

	Change in Canadian dollar	Effect on Annual Net Income	Effect Per Share
United States dollar [(1)]	$0.05	$4 million	$0.10
Euro	$0.05	$1 million	$0.03

(1) The effect on net income does not include hedging in place at December 31, 2002.

In order to mitigate some of the risk of a weakening United States dollar, Inmet has put in place the following hedges for United States dollars, in relation to Troilus production, for the years 2003 to 2005:

Currency Hedging Position as at September 30, 2003

	US dollars	Rate
2003 bought put options	$4.5 million	$1.5033
2003 sold call options	$4.5 million	$1.5933
2004-05 bought put options	$28.5 million	$1.5033
2004-05 sold call options	$28.5 million	$1.5933

The 2003 currency hedge represents approximately 47 per cent of forecasted United States dollar cash flow from Troilus for the remainder of 2003. As at September 30, 2003, Inmet's unrealized gain on the currency hedges was $5 million based on a Canadian dollar to United States dollar spot exchange rate of $1.35.

About Inmet - Inmet is a Canadian based international mining company. Inmet's mining operations produce copper, zinc and gold, and Inmet's growth strategy is focused on finding quality base metal reserves. Inmet's operating base consists of four competitive mining operations: Çayeli, Pyhäsalmi, Troilus and Ok Tedi.

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THIRD QUARTER CONFERENCE CALL

Please listen in to Inmet's third quarter conference call on October 23, at 3.30PM (EST) at www.newswire.ca/webcast/viewEventCNW.html?eventID=661980 or through a link with Inmet's website: www.inmetmining.com for the live audio webcast.

CAUTIONARY STATEMENT
Some of the disclosures included in this press release represent forward-looking information. Such statements are subject to inherent risks and uncertainties as they are based on assumptions and estimates related to future economic and market conditions. While the reasonableness of these assumptions is reviewed regularly by management, unusual or unanticipated events could cause actual results to differ materially from those stated in the forward-looking information.

INMET MINING CORPORATION
CONSOLIDATED PRODUCTION AND UNIT COSTS

	Three Months Ended September 30		Nine Months Ended September 30	
	2003	2002	**2003**	2002
PRODUCTION (Inmet's share)				
COPPER (tonnes)				
Ok Tedi	**9,700**	10,000	**25,600**	30,300
Çayeli [(1)]	**5,100**	5,600	**12,800**	15,000
Pyhäsalmi [(2)]	**3,700**	4,000	**11,400**	7,300
Troilus	**1,600**	1,700	**4,200**	5,500
	20,100	21,300	**54,000**	58,100
ZINC (tonnes)				
Çayeli [(1)]	**6,300**	5,200	**13,600**	16,200
Pyhäsalmi [(2)]	**10,100**	7,600	**28,800**	16,600
	16,400	12,800	**42,400**	32,800
GOLD (ounces)				
Troilus	**40,200**	40,200	**121,500**	123,300
Ok Tedi	**25,500**	26,800	**65,200**	72,800
	65,700	67,000	**186,700**	196,100
PYRITE (tonnes)				
Pyhäsalmi [(2)]	**74,700**	120,100	**485,200**	232,100
UNIT COSTS				
Çayeli (U.S.$ per pound of copper)				
Direct cash costs	**$0.44**	$0.33	**$0.41**	$0.38
Copper processing charges and freight	**0.22**	0.24	**0.22**	0.25
Net metal credits	**(0.25)**	(0.16)	**(0.19)**	(0.19)
Cash cost	**0.41**	0.41	**0.44**	0.44
Amortization and other non cash costs	**0.05**	0.05	**0.06**	0.04
Total cost	**$0.46**	$0.46	**$0.50**	$0.48
Pyhäsalmi (U.S.$ per pound of copper) [(2)]				
Direct cash costs	**$0.86**	$0.68	**$0.92**	$0.75
Copper processing charges and freight	**0.21**	0.21	**0.20**	0.22
Net metal credits	**(0.87)**	(0.64)	**(0.91)**	(0.72)
Cash cost	**0.20**	0.25	**0.21**	0.25
Amortization and other non cash costs	**0.26**	0.18	**0.24**	0.19
Total cost	**$0.46**	$0.43	**$0.45**	$0.44
Troilus (U.S.$ per ounce of gold)				
Direct cash costs	**$302**	$301	**$311**	$287
Amortization (capitalization) of stripping costs	**5**	-	**(26)**	(7)
Processing charges and freight	**44**	41	**40**	45
Metal credits	**(82)**	(72)	**(64)**	(78)
Cash cost	**269**	270	**261**	247
Amortization and other non cash costs	**12**	20	**12**	20
Total cost	**$281**	$290	**$273**	$267
Ok Tedi (U.S.$ per pound of copper)				
Direct cash costs	**$0.63**	$0.57	**$0.64**	$0.56
Processing charges and freight	**0.20**	0.19	**0.21**	0.21
Metal credits	**(0.42)**	(0.38)	**(0.41)**	(0.34)
Cash cost	**0.41**	0.38	**0.44**	0.43
Amortization and other non cash costs	**0.04**	0.14	**0.12**	0.14
Total cost	**$0.45**	$0.52	**$0.56**	$0.57

(1) For the period up to and including March 31, 2002, Inmet's share represents 49%.
From April 1, 2002, Inmet's share represents 55%.

(2) The production and unit costs for Pyhäsalmi represent the operation's results from April 1, 2002.

INMET MINING CORPORATION
CONSOLIDATED BALANCE SHEETS

(thousands of Canadian dollars)	**September 30 2003**	December 31 2002
	(Unaudited)	
ASSETS		
Current assets:		
Cash and short-term investments	**$99,170**	$76,532
Accounts receivable	**52,193**	50,594
Inventories (note 3)	**47,123**	24,357
Future income tax asset	**3,464**	4,942
	201,950	156,425
Investments (note 2)	**1,713**	66,890
Capital assets	**257,085**	219,149
Future income tax asset	**5,860**	3,752
Other assets	**35,452**	28,811
	$502,060	$475,027
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	**$58,563**	$50,362
Current portion of long-term debt	**6,515**	14,999
	65,078	65,361
Long-term debt	**23,082**	67,711
Reclamation liabilities	**59,345**	43,391
Other liabilities	**16,562**	14,347
Future income tax liability	**18,217**	12,433
Non controlling interest	**23,060**	22,111
	205,344	225,354
SHAREHOLDERS' EQUITY		
Convertible debentures	**44,193**	41,171
Share capital	**227,682**	227,372
Contributed surplus	**66,999**	66,999
Stock based compensation (note 4)	**6,515**	3,823
Deficit	**(56,995)**	(106,820)
Foreign currency translation account (note 5)	**8,322**	17,128
	296,716	249,673
	$502,060	$475,027

(see accompanying notes)

INMET MINING CORPORATION
SEGMENTED BALANCE SHEETS
(thousands of Canadian dollars)

As at September 30, 2003

(Unaudited)	**CORPORATE**	**ÇAYELI (Turkey)**	**PYHÄSALMI (Finland)**	**TROILUS (Canada)**	**OK TEDI (PNG)**	**TOTAL 2003**
ASSETS						
Cash and short-term investments	$54,630	$18,321	$15,660	-	$10,559	$99,170
Other current assets	2,755	23,966	22,069	24,028	29,962	102,780
Investments	1,713	-	-	-	-	1,713
Capital assets	26,975	50,574	94,851	40,953	43,732	257,085
Other assets	28,955	467	-	3,253	8,637	41,312
TOTAL ASSETS	$115,028	$93,328	$132,580	$68,234	$92,890	$502,060
LIABILITIES						
Current liabilities	$9,769	$20,395	$10,595	$11,103	$13,216	$65,078
Long-term debt	23,082	-	-	-	-	23,082
Reclamation liabilities	39,844	-	-	-	19,501	59,345
Other liabilities	3,629	1,708	-	6,083	5,142	16,562
Future income tax liability	-	9,677	3,897	-	4,643	18,217
Non controlling interest	-	23,060	-	-	-	23,060
TOTAL LIABILITIES	$76,324	$54,840	$14,492	$17,186	$42,502	$205,344

As at December 31, 2002

	CORPORATE	**ÇAYELI (Turkey)**	**PYHÄSALMI (Finland)**	**TROILUS (Canada)**	**TOTAL 2002**
ASSETS					
Cash and short-term investments	$44,637	$22,971	$8,924	-	$76,532
Other current assets	11,631	21,627	22,677	23,958	79,893
Investments	66,890	-	-	-	66,890
Capital assets	26,954	55,474	104,093	32,628	219,149
Other assets	29,063	577	-	2,923	32,563
TOTAL ASSETS	$179,175	$100,649	$135,694	$59,509	$475,027
LIABILITIES					
Current liabilities	$18,056	$25,241	$11,133	$10,931	$65,361
Long-term debt	64,398	3,313	-	-	67,711
Reclamation liabilities	43,391	-	-	-	43,391
Other liabilities	6,464	1,680	-	6,203	14,347
Future income tax liability	-	8,465	3,968	-	12,433
Non controlling interest	-	22,111	-	-	22,111
TOTAL LIABILITIES	$132,309	$60,810	$15,101	$17,134	$225,354

INMET MINING CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(thousands of Canadian dollars except per share amounts)	Three Months Ended September 30 **2003**	Three Months Ended September 30 2002	Nine Months Ended September 30 **2003**	Nine Months Ended September 30 2002
Sales	**$90,562**	$52,860	**$192,435**	$151,489
Cost of sales	**(61,581)**	(38,341)	**(134,649)**	(107,993)
Amortization	**(4,926)**	(4,735)	**(13,769)**	(10,669)
	24,055	9,784	**44,017**	32,827
Corporate development and exploration	**(1,002)**	(877)	**(2,672)**	(3,720)
General and administration	**(1,022)**	(1,126)	**(3,233)**	(3,440)
Stock based compensation	**(35)**	1,366	**(85)**	(2,571)
Investment and other income (note 6)	**30,270**	1,312	**36,007**	3,121
Interest expense (note 7)	**(2,033)**	(2,679)	**(6,402)**	(5,683)
Capital tax expense	**(186)**	(333)	**(586)**	(696)
Income tax expense	**(7,313)**	(1,763)	**(9,814)**	(8,949)
Non controlling interest	**(1,943)**	(1,958)	**(4,383)**	(4,204)
Net income	**$40,791**	$3,726	**$52,849**	$6,685
Accretion on equity component of convertible debentures	**($1,023)**	($939)	**($3,024)**	($2,778)
Basic net income per share	**$1.01**	$0.07	**$1.27**	$0.10
Diluted net income per share	**$0.91**	$0.07	**$1.18**	$0.10
Weighted average shares outstanding (000's)	**39,321**	39,283	**39,296**	38,150

(see accompanying notes)

INMET MINING CORPORATION
SEGMENTED STATEMENTS OF OPERATIONS

(thousands of Canadian dollars)

For the nine months ended September 30, 2003

(Unaudited)

	CORPORATE	ÇAYELI (Turkey)	PYHÄSALMI (Finland)	TROILUS (Canada)	OK TEDI (PNG)	TOTAL 2003
Sales	-	$49,279	$52,895	$62,380	$27,881	$192,435
Cost of sales	-	(31,288)	(33,696)	(51,458)	(18,207)	(134,649)
Amortization	-	(2,848)	(7,610)	(2,091)	(1,220)	(13,769)
	-	15,143	11,589	8,831	8,454	44,017
Corporate development and exploration	(2,672)	-	-	-	-	(2,672)
General and administration	(3,233)	-	-	-	-	(3,233)
Stock based compensation	(85)	-	-	-	-	(85)
Investment and other income	36,007	-	-	-	-	36,007
Interest expense	(5,344)	(648)	-	(69)	(341)	(6,402)
Capital tax expense	(586)	-	-	-	-	(586)
Income tax expense	(332)	(4,744)	(1,833)	-	(2,905)	(9,814)
Non controlling interest	-	(4,383)	-	-	-	(4,383)
Net income	$23,755	$5,368	$9,756	$8,762	$5,208	$52,849

For the nine months ended September 30, 2002

(Unaudited)

	CORPORATE	ÇAYELI (Turkey)	PYHÄSALMI (Finland)	TROILUS (Canada)	TOTAL 2002
Sales	-	$51,295	$31,404	$68,790	$151,489
Cost of sales	-	(31,882)	(19,987)	(56,124)	(107,993)
Amortization	-	(2,669)	(4,324)	(3,676)	(10,669)
	-	16,744	7,093	8,990	32,827
Corporate development and exploration	(3,720)	-	-	-	(3,720)
General and administration	(3,440)	-	-	-	(3,440)
Stock based compensation	(2,571)	-	-	-	(2,571)
Investment and other income	801	2,320	-	-	3,121
Interest expense	(4,034)	(1,369)	(280)	-	(5,683)
Capital tax expense	(696)	-	-	-	(696)
Income tax expense	(1,146)	(6,826)	(977)	-	(8,949)
Non controlling interest	-	(4,204)	-	-	(4,204)
Net income (loss)	($14,806)	$6,665	$5,836	$8,990	$6,685

INMET MINING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(thousands of Canadian dollars)	Three Months Ended September 30 **2003**	2002	Nine Months Ended September 30 **2003**	2002
Cash provided by (used in) operating activities [1]				
Net income	**$40,791**	$3,726	**$52,849**	$6,685
Add (deduct):				
Gain on sale of investment	**(31,200)**	-	**(33,147)**	-
Stock based compensation	**35**	(1,366)	**85**	2,571
Amortization	**5,781**	4,735	**14,624**	10,669
Future income tax	**1,088**	1,273	**3,445**	1,966
Non controlling interest	**1,943**	1,958	**4,383**	4,204
Other	**3,949**	273	**1,422**	(1,522)
Distributions in excess of earnings from Ok Tedi	**-**	-	**15,605**	5,954
Reclamation costs, net of related asset sales	**(2,916)**	(1,256)	**(3,707)**	(1,354)
Net change in non-cash working capital	**15,443**	653	**(3,606)**	23,531
	34,914	9,996	**51,953**	52,704
Cash provided by (used in) investing activities				
Acquisitions and dispositions	**31,200**	87	**38,686**	(67,543)
Capital assets	**(9,313)**	(6,685)	**(25,912)**	(16,815)
Short-term investments	**(22,864)**	(9,986)	**(17,651)**	20,306
	(977)	(16,584)	**(4,877)**	(64,052)
Cash used in financing activities				
Long-term debt:				
Borrowing	**-**	-	**-**	47,430
Repayment	**(34,682)**	(3,948)	**(46,407)**	(7,360)
Deferred financing costs	**-**	(31)	**-**	(1,659)
Issue of share capital	**83**	23	**83**	23
Dividend paid to non controlling shareholder	**-**	-	**(1,453)**	-
	(34,599)	(3,956)	**(47,777)**	38,434
Cash assumed on consolidation of Ok Tedi	**9,454**	-	**9,454**	-
Foreign exchange change on cash held in foreign currency	**(783)**	1,303	**(3,765)**	577
Increase (decrease) in cash and cash equivalents	**8,009**	(9,241)	**4,988**	27,663
Cash and cash equivalents:				
Beginning of period	**58,231**	60,946	**61,252**	24,042
End of period	**66,240**	51,705	**66,240**	51,705
Short-term investments	**32,930**	19,523	**32,930**	19,523
Cash and short-term investments	**$99,170**	$71,228	**$99,170**	$71,228

(see accompanying notes)

[1] **Cash used in operations includes the following payments:**				
Interest	**$2,478**	$1,939	**$6,389**	$4,142
Taxes	**$1,333**	$398	**$3,740**	$3,653

INMET MINING CORPORATION
SEGMENTED STATEMENTS OF CASH FLOWS

(thousands of Canadian dollars)

For the nine months ended September 30, 2003

(Unaudited)

	CORPORATE	ÇAYELI (Turkey)	PYHÄSALMI (Finland)	TROILUS (Canada)	OK TEDI (PNG)	TOTAL 2003
Cash provided by (used in):						
Operating activities						
Before net change in working capital	$1,264	$15,970	$18,886	$13,876	$5,563	$55,559
Net change in working capital	(248)	(2,751)	290	(1,067)	170	(3,606)
	1,016	13,219	19,176	12,809	5,733	51,953
Investing activities	20,866	(7,247)	(5,493)	(12,809)	(194)	(4,877)
Financing activities	(41,714)	(6,063)	-	-	-	(47,777)
Cash assumed on consolidation of Ok Tedi	-	-	-	-	9,454	9,454
Foreign exchange change on cash held in foreign currency	-	(3,242)	(515)	-	(8)	(3,765)
Intergroup funding (distributions)	12,175	(1,317)	(6,432)	-	(4,426)	-
Increase (decrease) in cash and cash equivalents	(7,657)	(4,650)	6,736	-	10,559	4,988
Cash and cash equivalents:						
Beginning of period	29,357	22,971	8,924	-	-	61,252
End of period	21,700	18,321	15,660	-	10,559	66,240
Short-term investments	32,930	-	-	-	-	32,930
Cash and short-term investments	$54,630	$18,321	$15,660	-	$10,559	$99,170

For the nine months ended September 30, 2002

(Unaudited)

	CORPORATE	ÇAYELI (Turkey)	PYHÄSALMI (Finland)	TROILUS (Canada)	TOTAL 2002
Cash provided by (used in):					
Operating activities					
Before net change in working capital	($7,009)	$12,594	$10,352	$13,236	$29,173
Net change in working capital	1,099	8,618	1,983	11,831	23,531
	(5,910)	21,212	12,335	25,067	52,704
Investing activities	(56,543)	(7,356)	(4,213)	(4,562)	(72,674)
Financing activities	42,556	(4,122)	-	-	38,434
Cash acquired on acquisition	-	7,876	746	-	8,622
Foreign exchange change on cash held in foreign currency	-	33	544	-	577
Intergroup funding (distributions)	20,157	536	(188)	(20,505)	-
Increase in cash and cash equivalents	260	18,179	9,224	-	27,663
Cash and cash equivalents:					
Beginning of period	19,699	4,343	-	-	24,042
End of period	19,959	22,522	9,224	-	51,705
Short-term investments	19,523	-	-	-	19,523
Cash and short-term investments	$39,482	$22,522	$9,224	-	$71,228

INMET MINING CORPORATION
CONSOLIDATED STATEMENTS OF DEFICIT
(Unaudited)

(thousands of Canadian dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2003	2002	**2003**	2002
Deficit, beginning of period	**($96,763)**	($109,320)	**($106,820)**	($110,440)
Net income	**40,791**	3,726	**52,849**	6,685
Accretion on equity component of convertible debentures	**(1,023)**	(939)	**(3,024)**	(2,778)
Deficit, end of period	**($56,995)**	($106,533)	**($56,995)**	($106,533)

INMET MINING CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies

The interim consolidated financial statements follow the same accounting policies and methods of application as the most recent annual financial statements except for the changes, as described in notes 2 and 3. The interim consolidated financial statements should be read in conjunction with Inmet's annual consolidated financial statements included in its 2002 Annual Report. Certain comparative amounts have been reclassified to conform to the 2003 presentation.

2. Investment in Ok Tedi

As of July 1, 2003 Inmet changed its method of accounting for its investment in Ok Tedi from cost accounting to proportionate consolidation. This method of accounting reflects the new governance arrangements in place, which give the shareholders joint control over the strategic decisions at Ok Tedi. The balance sheet and results from operations have been consolidated effective July 1, 2003.

Inmet's book value for Ok Tedi has been allocated as follows:

(thousands of dollars)	
Cash and short-term investments	$ 9,454
Other current assets	25,924
Capital assets	44,849
Other assets	6,624
Current liabilities	(8,678)
Reclamation liabilities	(19,142)
Other liabilities	(5,308)
Future income tax liability	(4,151)
	$49,572

The reclamation liability is recorded at fair value based on closure estimates provided by Ok Tedi. Ok Tedi is required to make semi-annual cash payments to a trust account specifically established for the purpose of ensuring there is sufficient cash at the time of mine closure for settlement of mine rehabilitation and restoration liabilities. At July 1, 2003 Inmet included its 18 per cent share ($3.7 million) of the cash in trust in other assets on the balance sheet (as at September 30, 2003, the amount had increased to $5.5 million).

As of July 1, 2003 Ok Tedi is considered a reportable operating segment and as such, at September 30, 2003, has been identified separately in Inmet's segmented disclosure.

3. Change in Accounting Policy

Effective January 1, 2003, Inmet changed its accounting policy for inventory valuation. Prior to the change, inventory value included costs directly related to bringing the inventory to its current condition and location, such as mining, milling and transport costs. Amortization was treated as a period cost. In accordance with evolving practice, Inmet revised its inventory valuation methodology to include amortization. The effect of the change was determined to be immaterial for prior periods.

4. Stock Based Compensation

Effective January 1, 2003, Inmet's directors waived their rights in respect of the stock appreciation rights feature of the deferred share units (DSUs). As a result, the $2.8 million liability associated with the DSUs was reclassified to shareholders' equity and all DSUs will be redeemed for common shares of Inmet. There should be no further compensation expense recorded with respect to the existing DSUs. For the nine months ended September 30, 2002 the appreciation in Inmet's share price resulted in a charge to earnings for stock based compensation, due to a stock appreciation rights feature. Inmet's share price dropped slightly from the second to the third quarter of 2002 resulting in income in relation to stock based compensation. Stock based compensation expense is now determined using a fair value approach.

5. Foreign Currency Translation Account

At September 30, 2003 and December 31, 2002 the foreign currency translation account consisted of the following:

(thousands of dollars)	**September 30 2003**	December 31 2002
Pyhäsalmi (euro)	**$10,147**	$15,126
Çayeli (United States dollar)	**(1,859)**	2,002
Ok Tedi (United States dollar)	**34**	-
	$8,322	$17,128

The Canadian dollar to United States dollar exchange rate was 1.35 at September 30, 2003 and 1.58 at December 31, 2002. The Canadian dollar to euro exchange rate was 1.57 at September 30, 2003 and 1.66 at December 31, 2002.

6. Investment and Other Income

Investment and other income is summarized as follows:

(millions of dollars)	**Third Quarter**		**Nine Months**	
	2003	2002	**2003**	2002
Antamina NPI	**$31.2**	$ -	**$31.2**	$ -
Gain on sale of investment	**-**	-	**1.9**	-
Foreign exchange gains (losses)	**(1.1)**	(1.3)	**3.8**	0.3
Litigation expense	**(0.1)**	-	**(1.4)**	-
Insurance settlement	**-**	2.3	**-**	2.3
Interest and other income	**0.3**	0.3	**0.5**	0.5
Total	**$30.3**	$1.3	**$36.0**	$3.1

The gain on sale of investment results from Inmet's sale of its interest in the Jaguar deposit for cash proceeds received of $1.9 million and immediate vesting in the Teutonic Bore exploration joint venture at 65 per cent ownership. Foreign exchange gains (losses) arise largely from exchange rate changes on Inmet's United States dollar denominated debt. This debt was repaid in July 2003. Litigation expense largely relates to the appeal by Homestake of the B.C. Supreme Court judgment and Inmet's related cross appeal.

7. Interest Expense

Interest expense by obligation is summarized as follows:

(millions of dollars)	**Third Quarter**		**Nine Months**	
	2003	2002	**2003**	2002
Revolving credit facility	**$0.2**	$0.7	**$1.3**	$1.4
Convertible debentures	**0.3**	0.3	**0.8**	1.0
Çayeli project financing	**-**	0.1	**0.2**	0.3
Outokumpu promissory note	**0.4**	0.5	**1.3**	0.9
Other interest	**1.1**	1.1	**2.8**	2.1
Total	**$2.0**	$2.7	**$6.4**	$5.7

Other interest charges include imputed interest on long-term water treatment costs associated with mine tailings reclamation and amortization of financing costs related to the revolving credit facility. Inmet fully repaid its revolving credit facility on July 23, 2003.

8. Commitments and Contingencies

Ok Tedi

Communities affected by the operation of Ok Tedi provided their consent to its continued operation under community mine continuation agreements ("CMCAs") between each such community and Ok Tedi. Under the CMCAs, Ok Tedi and its shareholders are released from claims relating to future environmental impacts and Ok Tedi will provide approximately U.S.$47 million in compensation to affected communities over the remaining mine life.

Ok Tedi and BHP Billiton are co-defendants in legal proceedings commenced in the State of Victoria, Australia alleging breach of a 1996 settlement agreement relating to earlier claims for damages arising from the environmental impacts of the mine. Ok Tedi is advised that it has good defenses to this action. Inmet is not a party to those proceedings. As a shareholder of Ok Tedi, a limited liability corporation incorporated under the laws of Papua New Guinea, Inmet enjoys the legal protections afforded to shareholders under those laws.

One of the litigants in the State of Victoria proceedings and the Leader of the Opposition at the time of passage of the legislation (now the Prime Minister of Papua New Guinea) filed a petition with the Supreme Court of Papua New Guinea to challenge the constitutional validity of aspects of the Ninth Supplemental Agreement Act passed by the National Parliament of Papua New Guinea. Among other things, that Act gives the force of law to certain agreements relating to BHP Billiton's transfer of its 52 per cent equity interest in Ok Tedi as well as to agreements under which many of the communities affected by the mine have consented to its continued operation. No date has been set for the petition to be heard.

9. Derivative Financial Instruments

At September 30, 2003, in relation to gold production from Troilus and Ok Tedi, Inmet has the following commitments:

	Ounces [1]	**Price**
2003	45,000	US$332
2004	140,494	US$336
2005	121,828	US$345
2006	116,844	US$358
2007	13,500	US$371
2008	6,750	US$366
Total forward sales	**444,416**	**US$345**

[1] Represents 100% of Troilus' hedges and Inmet's 18% share of Ok Tedi's hedges.

All hedging transactions are under margin-free facilities. As at September 30, 2003, based on a spot price of gold of U.S.$385 per ounce, Inmet's unrealized hedging loss on forward gold sales was $29 million.