



## KAZAKHMYS PLC

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Company registered in England and Wales  
Company Number: 5180783

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## KAZAKHMYS ANNOUNCES UPDATE ON AKTOGAY GROWTH PROJECT

Kazakhmys PLC (“Kazakhmys” or “the Group”) announces that it has awarded the contract for the construction of the sulphide concentrator at Aktogay, the Group’s second major copper growth project, to Non Ferrous China (“NFC”).

The sulphide concentrator contract is the largest item in the capital expenditure budget for Aktogay. Following this contract award the Group is now able to confirm that the total capital cost for the Aktogay project is expected to be in the region of \$2.3 billion.

Oleg Novachuk, Chief Executive of Kazakhmys, said: “NFC has a strong track record in significant construction projects with experience in Kazakhstan and I am pleased to announce the award of this contract. We look forward to building on our existing relationship with NFC as we develop the Aktogay project together, which remains on track for first copper production from sulphide in 2017.”

### For further information please contact:

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#### REGISTERED OFFICE

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#### NOTES TO EDITORS

**Kazakhmys PLC** is a leading international natural resources group. It is the largest copper producer in Kazakhstan and one of the top worldwide with 16 operating mines, 7 concentrators and a copper smelter. Kazakhmys Mining has a full range of facilities enabling it to process ore extracted through to finished metal. Total copper cathode equivalent output from own ore was 294 kt in 2013. The Group has two major copper projects under construction.

Kazakhmys Mining produces significant volumes of other metals, including zinc, silver and gold. In 2013, it produced 134 kt of zinc in concentrate. The Group is amongst the largest global silver producers with output of 14 Moz in 2013.

Kazakhmys Power operates three captive power stations which supply electricity to Kazakhmys Mining and third parties. In 2013, net power generated by captive power stations was 5,723 GWh.

The Group is listed on the London Stock Exchange, the Kazakhstan Stock Exchange and the Hong Kong Stock Exchange. It had revenues from continuing operations of \$3.1 billion in 2013 and a Group EBITDA of \$1.1 billion. The Group employs around 53,000 people, principally in Kazakhstan.

## **Group Restructuring**

In February 2014, the Group announced plans for a potential restructuring of its business in order to improve profitability and cash returns.

On 23 July 2014, Kazakhmys made a further announcement on its proposed restructuring, having entered into an agreement to transfer certain mature assets in the Zhezkazgan and Central Regions, to Cuprum Netherlands Holding B.V., a company owned by Vladimir Kim and Eduard Ogay. The transaction was approved by independent shareholders on 15 August 2014. Completion of the restructuring is dependent upon various consents and conditions and should be achieved by the end of 2014.

Following completion of the transaction, the Group will continue to own the mining and producing assets in the East Region and the Bozymchak mine in Kyrgyzstan, as well as the major growth projects Bozshakol, Aktogay and Koksay. It is proposed the Company be renamed KAZ Minerals PLC following completion.

**China Nonferrous Metal Industry's Foreign Engineering and Construction Company Ltd ("Non Ferrous China" or "NFC")** is involved in international project contracting and non-ferrous metal resource development. NFC has been listed on the Shenzhen Stock Exchange since April 1997. NFC has been involved in large-scale non-ferrous project management across Asia, including Central and Northern Asia, Central and South Africa and neighbouring countries.