



## KAZAKHMYS PLC

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Company registered in England and Wales  
Company Number: 5180783

15 April 2014

### **Kazakhmys PLC confirms acquisition of third major growth project**

Kazakhmys PLC (or the 'Group') announces that it has concluded the agreement for the purchase of Koksay from CCC Mining Construction B.V., an unrelated private company. First announced on 27 February 2014, Koksay will be the Group's third major growth project. Completion is subject to Government of Kazakhstan and regulatory approvals.

As previously announced, the net acquisition cost will be \$260 million in cash, of which \$65 million is deferred. Of the deferred consideration, \$30 million is payable on 1 January 2015 and \$35 million on 31 July 2015. The latter is subject to confirmation of reserves.

The Koksay deposit is in south eastern Kazakhstan around 234 kilometres from Almaty and is well located for existing infrastructure. The mine has a total resource of approximately 3.4 MT of copper, with an average grade of 0.48%. There are by-products of gold, silver and molybdenum.

The project is at scoping stage and has an estimated mine life of over 20 years with average annual production of around 80 kt of copper cathode equivalent, 60 koz of gold, 400 koz of silver and 1 kt of molybdenum in concentrate.

Oleg Novachuk, Chief Executive said: "We are delighted to have secured Koksay, which will provide long-term growth beyond our existing projects of Bozshakol and Aktogay. The acquisition is in keeping with our strategy of production dominated by low cost, open pit, long life mines. Koksay will provide a sound return for shareholders, and local benefit through employment and economic growth."

**For further information please contact:**

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**Kazakhmys PLC**

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**REGISTERED OFFICE**

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**NOTES TO EDITORS**

**Kazakhmys PLC** is a leading international natural resources group. The core business is the production and sale of copper.

It is the largest copper producer in Kazakhstan and one of the top worldwide with 16 operating mines, 8 concentrators and a copper smelter. Kazakhmys Mining has a full range of facilities, from ore 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 (KASE) and the Hong Kong Stock Exchange (HKSE). It had revenues from continuing operations of \$3.1 billion in 2013 and a Group EBITDA of \$1.1 billion. The Group employs around 56,000 people, principally in Kazakhstan.

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