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**FOR IMMEDIATE RELEASE**

24 June 2013

**Kazakhmys PLC (“Kazakhmys” or the “Company”)**

**Announcement by Eurasian Resources Group B.V. (“Eurasian Resources”) of Firm Intention to Make an Offer for Eurasian Natural Resources Corporation PLC (“ENRC”)**

The Board of Kazakhmys notes the announcement today by Eurasian Resources of a firm intention to make an offer for ENRC comprising U.S.\$2.65 in cash plus 0.23\* Kazakhmys shares per ENRC share (the “Offer”), which was made by Eurasian Resources on behalf of the ENRC Consortium comprising Mr Machkevitch, Mr Ibragimov, Mr Chodiev and the Government of Kazakhstan.

**SUMMARY**

- Based on the terms of the Offer, Kazakhmys will receive approximately U.S.\$887 million in cash and 77,041,147 Kazakhmys Shares, which will substantially strengthen the Group’s financial position during the development phase of the Group’s major copper growth projects, Bozshakol and Aktogay;
- The Offer provides the Group with an opportunity to end its association with ENRC and will increase the size of the free float in the Company to up to approximately 58 per cent. of the voting share capital of the Company as a result of the Government of Kazakhstan or Eurasian Resources, as the case may be, no longer holding Kazakhmys Shares (or a much reduced stake in Kazakhmys), creating a majority free float and significantly enhancing liquidity in Kazakhmys Shares;
- The Board of Kazakhmys believes that the Offer may undervalue ENRC and its assets but after seeking to engage with the ENRC Consortium and its constituent members, has concluded that there is no prospect of obtaining improved terms;
- Moreover, the Board considers the prospects of realising greater value from ENRC in the short to medium term to be remote and the risks of further erosion in value to be considerable. The Board believes the Offer is the best alternative open to Kazakhmys and other ENRC minority shareholders; and
- In particular, if the Offer does not proceed, the Board has a number of concerns about any ongoing investment in ENRC. These include:
  - The significant issues currently surrounding ENRC including in relation to corporate governance concerns and the ongoing Serious Fraud Office investigation into certain allegations involving ENRC;
  - Given the corporate governance issues at ENRC and the size of the ENRC Consortium’s shareholding in ENRC, the risk that ENRC could be removed from the FTSE index for non-compliance with the 25 per cent. free float condition or that a breach of certain continuing obligations of ENRC could result in ENRC being the subject of sanctions including, *inter alia*, fines and/or the suspension or cancellation of its listing;

- The risk that the Group's investment in ENRC becomes illiquid, which would be to the detriment of Kazakhmys Shareholders; and
- The potential requirement for ENRC to raise additional funds given mining inflationary pressures, commodity price volatility and ENRC's debt servicing requirements.

Consequently, Kazakhmys has acted to safeguard the Offer for Kazakhmys Shareholders, and the other ENRC minority shareholders, by giving an irrevocable undertaking (the "Undertaking") to accept the Offer in respect of its entire shareholding in ENRC. The Group's acceptance of the Offer is subject to the approval of independent Kazakhmys shareholders, giving shareholders the ultimate decision on whether to accept the Offer.

Simon Heale, Chairman of Kazakhmys, said:

*"In the light of the significant issues currently facing ENRC and the prospects for ENRC and the impact on its value if the Offer does not proceed, the Board of Kazakhmys believes that the Offer represents the only realistic opportunity to realise value for the Group's investment in ENRC. The Board has acted to safeguard the Offer for Kazakhmys Shareholders and the ultimate decision on whether to accept the Offer is for Kazakhmys Shareholders."*

*The Board is confident in the future prospects of Kazakhmys, including the development of the Group's large scale, long life, low-cost copper growth projects and in the fundamentals of the copper industry. The Board believes the reinvestment of the cash proceeds from the Group's holding in ENRC into its core business and the strengthening of the Groups financial position will create greater value for all stakeholders."*

## **1. BACKGROUND TO AND REASONS FOR THE TRANSACTION**

Since 2008, the Group has held approximately 26.0 per cent. of the ENRC Shares. The Company has been disappointed in the overall performance of its investment in ENRC and the Company has made clear in the past that this interest in ENRC is no longer considered a strategic investment and that the Board would give due consideration to ways in which to maximise the value of its stake and redeploy the proceeds into Kazakhmys' core activities.

Since the announcement on 19 April 2013 of a possible offer by the ENRC Consortium, the Company has sought to engage with the ENRC Consortium and its constituent members and the Independent Committee of ENRC in order to explore the possibility of increasing the value of the offer. These approaches have been unsuccessful and the Board has concluded that there is no prospect of persuading the ENRC Consortium to improve the terms. Whilst the Board believes that the Offer does not reflect the full fundamental value of ENRC, the Board has had to consider a number of other factors when considering whether or not to support the Offer, which are summarised below.

### ***Benefits to Kazakhmys under the Transaction***

Based on the terms of the Offer, Kazakhmys will receive approximately U.S.\$887 million in cash and 77,041,147 Kazakhmys Shares.

As at 31 December 2012, the Group had net debt of U.S.\$707 million compared to net funds of U.S.\$19 million as at 31 December 2011. In line with the capital expenditure profile of the Group's copper growth projects, Bozshakol and Aktogay, the Group's net debt is expected to rise through the course of 2013 and 2014.

In this context, the Board believes it is in the interest of Kazakhmys Shareholders to support the Offer, as the cash proceeds of U.S.\$887 million payable to the Group will substantially strengthen the Group's financial position during the development phase of the Group's major copper growth projects, Bozshakol and Aktogay.

In addition to substantially strengthening the Group's financial position, the Offer: (i) provides the Group with an opportunity to realise the entirety of its stake in ENRC and end its association with ENRC; and (ii) as a result of the size of the free float in the Company increasing from approximately 37 per cent. to up to

approximately 58 per cent. of the voting share capital of the Company following the Share Repurchase, will create a majority free float and significantly enhance the liquidity of Kazakhmys Shares.

### ***The Prospects for ENRC if the Offer is not successful***

In assessing the future value of the Group's investment in ENRC, the Board has also taken into account the fact that the ENRC Consortium currently controls approximately 54 per cent. of ENRC, which gives it the ability to set ENRC's strategy and to replace the ENRC board if it so chooses. By contrast, the Group only holds approximately 26.0 per cent. of ENRC and does not have any board representation. In this context, if the Offer is not successful, the Board has the following concerns about any ongoing investment in ENRC:

- The significant issues currently surrounding ENRC including in relation to corporate governance concerns and the ongoing Serious Fraud Office investigation into certain allegations involving ENRC;
- The recent departures of senior executives and independent board members at ENRC, and, in the circumstances surrounding ENRC, the ability of the remaining ENRC leadership team to realise a strong independent future for ENRC;
- ENRC may not be able to meet the new FTSE index free float requirement of 25 per cent. free float by 1 January 2014 required by FTSE Group of all UK index constituents, meaning that ENRC would no longer be eligible for inclusion in the FTSE UK Index Series. If ENRC is removed from the FTSE UK Index Series this could result in (i) a reduction in trading liquidity in the company's shares over the long-run; (ii) short term downward pressure on the share price caused by the forced selling of ENRC Shares by shareholders who track the FTSE UK indices and currently constitute a material part of the ENRC free-float shareholder register; and (iii) reduced ENRC equity market access and reduced investor interest following post index exclusion;
- Given the corporate governance concerns involving ENRC and the size of the ENRC Consortium's shareholding in ENRC, there is a risk of a breach by ENRC of certain of its continuing obligations. If there is such a breach which is not remedied, or is not capable of remedy given the complicated governance issues and shareholding structure, there are a number of sanctions which ENRC could be the subject of, including fines and/or the suspension or cancellation of its listing. The Board believes that a suspension and/or cancellation of ENRC's premium listing on the London Stock Exchange would be damaging for Kazakhmys as well as other minority shareholders in ENRC. In addition, irrespective of whether or not ENRC's listing is cancelled, the Board considers there to be a high risk, in the absence of the Offer, that the Group's investment in ENRC, as well as the ENRC free float, become illiquid, to the detriment of Kazakhmys Shareholders and other ENRC minority shareholders; and
- The potential requirement for ENRC to raise additional funds given mining inflationary pressures, commodity price volatility and ENRC's debt servicing requirements.

As a result, the Board has concluded that the prospects of the full fundamental value of ENRC being realised in the ENRC Share price in the short to medium term are remote and the risks of a further erosion in value are considerable.

### ***Conclusion***

The Transaction will raise approximately U.S.\$887 million, and will substantially strengthen the Group's overall financial position. Furthermore, the Board believes that if successful, the Offer will benefit Kazakhmys Shareholders by increasing the free float in Kazakhmys and ending Kazakhmys' association with ENRC.

In addition, in light of the significant issues currently facing ENRC and the Board's views on the prospects for ENRC if the Offer is not successful, the Board believes that the Offer represents the only realistic opportunity to realise value for the Group's investment in ENRC and to avoid a situation in which further value could be destroyed for Kazakhmys and other ENRC minority shareholders.

The ENRC Consortium made it clear to the Company that without the Undertaking from the Company to accept the Offer in respect of the Group's entire shareholding in ENRC, no offer would have been forthcoming from the ENRC Consortium. As a result, Kazakhmys has entered into the Undertaking such that if Kazakhmys Shareholders approve the proposed disposal by Kazakhmys of its ENRC Shares pursuant to the Offer, the Share Repurchase and the Rule 9 Waiver in respect of the Kazakhmys Concert Party, the Group will accept the Offer in accordance with the vote of Kazakhmys Shareholders.

Vladimir Kim, Oleg Novachuk and Eduard Ogay have each entered into an irrevocable undertaking with Eurasian Resources and Kazakhmys, in respect of their beneficial holdings in Kazakhmys, to vote in favour of the Resolutions at the General Meeting (other than the Rule 9 Waiver Resolution as explained below).

## **2. PROPOSED DISPOSAL OF KAZAKHMYS' SHAREHOLDING IN ENRC PURSUANT TO THE OFFER**

Under the terms of the Offer, the Group will be entitled to, in aggregate, U.S.\$887 million in cash and 77,041,147 Kazakhmys Shares (which will be acquired by Kazakhmys by way of the Share Repurchase).

As a result of (i) the size of the Group's interest in ENRC, which would be transferred to Eurasian Resources under the Offer, (ii) the fact that Eurasian Resources and the Company are related parties under the Listing Rules (due to the size of Eurasian Resources's interest in the Company) and (iii) the settlement mechanics under the Offer involving the Share Repurchase, the acceptance by the Group of the Offer, the Share Repurchase and the publication by Kazakhmys of a prospectus in connection with the Offer are subject to the approval of Kazakhmys Shareholders (including the approval of the Rule 9 Waiver in connection with the increase in the proportionate shareholding of the Kazakhmys Concert Party as a result of the Share Repurchase). Further information in relation to the Resolutions which will be proposed to the independent Kazakhmys Shareholders at a General Meeting is set out below.

The cash proceeds (following the Share Repurchase) of U.S.\$887 million, which will be received by the Group under the Offer will be used to repay the Group's borrowing facilities, reduce the future borrowing requirements and to fund the development of Kazakhmys. It is proposed that the Kazakhmys Shares that are repurchased by the Company under the Share Repurchase will be cancelled.

## **3. FURTHER INFORMATION ON THE KAZAKHMYS SHAREHOLDER APPROVALS**

Eurasian Resources currently owns 139,162,843 Kazakhmys Shares (representing approximately 26.6 per cent. of the voting share capital of Kazakhmys). The Government of Kazakhstan and Eurasian Resources are therefore classified as related parties of the Company under the Listing Rules and, as a result, the transfer by the Group of its ENRC Shares to Eurasian Resources under the terms of the Offer, the Share Repurchase and the publication by Kazakhmys of a prospectus in connection with the Offer will be related party transactions for the purposes of Listing Rule 11.

Furthermore, due to the size of the Group's interest in ENRC, the disposal by the Group of its ENRC Shares under the Offer also constitutes a Class 1 transaction for the Company under Listing Rule 10. Under the Listing Rules, a related party transaction and a Class 1 transaction require the approval of the Kazakhmys Shareholders, which will be by way of an ordinary resolution.

Under the Companies Act 2006, a company cannot acquire its own shares for non-cash consideration and therefore the Group cannot directly receive Kazakhmys Shares as partial consideration for its ENRC Shares under the Offer in the same way as the Relevant ENRC Shareholders. As a result, in order to enable the Group to receive the same economic terms as the Relevant ENRC Shareholders under the Offer and to comply with the Companies Act 2006, the Group has the right to receive an additional amount of cash consideration under the Offer (instead of the Kazakhmys Shares it would otherwise be entitled to) and has entered into a conditional agreement with the ENRC Consortium to use the right to that additional amount of cash consideration to buy back 77,041,147 Kazakhmys Shares. The Share Repurchase will be effected immediately following payment of the consideration to the Relevant ENRC Shareholders by Eurasian Resources under the Offer. Following the Share Repurchase, Kazakhmys will

have received U.S.\$2.65 in cash and 0.23 Kazakhmys Shares for every ENRC share it owns. In accordance with the Companies Act 2006, the Share Repurchase will require the approval of the Kazakhmys Shareholders by way of a special resolution.

The Kazakhmys Concert Party currently has an interest in 35.9 per cent. of the issued share capital (excluding treasury shares) of Kazakhmys. If the Share Repurchase occurs, this proportionate interest will increase to 42.1 per cent., which could result in the Kazakhmys Concert Party being required to make a mandatory offer for the remainder of the issued ordinary share capital of the Company under Rule 9 of the Code. The Board intends to seek a Rule 9 Waiver with regards to this potential increase in the Kazakhmys Concert Party's percentage voting interest in Kazakhmys Shares, which will be subject to approval by the independent shareholders of Kazakhmys. The Rule 9 Waiver Resolution will be an ordinary resolution taken on a poll of independent Kazakhmys Shareholders. Eurasian Resources, the members of the ENRC Consortium (and their respective concert parties) and the Kazakhmys Concert Party shall not vote on the Rule 9 Waiver Resolution.

Each of the Offer, the Share Repurchase, the publication by the Company of a prospectus and the Rule 9 Waiver are connected and, as a result, the Transaction cannot proceed without all of these parts being approved by the relevant Kazakhmys Shareholders. Therefore, each of the Resolutions is conditional upon the other Resolutions being passed. Unless all of the Resolutions are passed by the relevant Kazakhmys Shareholders, the Group will not be permitted to dispose of its interest in the ENRC Shares under the Offer and effect the Share Repurchase, and therefore will not receive the cash proceeds (following the Share Repurchase) of U.S.\$887 million under the Transaction.

Eurasian Resources has agreed that it and the members of the ENRC Consortium and their associates shall not vote on the Resolutions to be proposed to the General Meeting.

Vladimir Kim, Oleg Novachuk and Eduard Ogay have each entered into an irrevocable undertaking with Eurasian Resources, in respect of their beneficial holdings in Kazakhmys, to vote in favour of the Resolutions at the General Meeting (other than the Rule 9 Waiver Resolution).

A circular setting out further details of the Transaction, the Undertaking and the Rule 9 Waiver, together with the notice to convene a General Meeting and the form of proxy for use at the General Meeting, will be posted to Kazakhmys Shareholders in due course.

The Board (other than Daulet Yergozhin, who is a minister for the Kazakhstan Government, and is therefore considered to be interested in the outcome of the Transaction) has resolved that they shall recommend in the circular that Kazakhmys Shareholders vote in favour of the Transaction Approval Resolution and the Share Repurchase Resolution. The Board (other than Vladimir Kim, Oleg Novachuk, Eduard Ogay and Daulet Yergozhin) has resolved that they shall recommend in the circular that Kazakhmys Shareholders vote in favour of the Rule 9 Waiver. The recommendations of the Board are subject to the directors' ongoing fiduciary duties.

#### Summary of required Kazakhmys shareholder approvals:

Resolution	Parties excluded from voting	Nature of vote (threshold)
Approval of the disposal by Kazakhmys of its ENRC Shares to Eurasian Resources, the Share Repurchase and the publication by Kazakhmys of a prospectus ( <i>Class 1 transaction and related party transaction under Listing Rules</i> )	Eurasian Resources and the members of the ENRC Consortium and their associates	Ordinary resolution (simple majority)
Approval of the Share Repurchase in accordance with the terms of the Share Repurchase Agreement ( <i>Companies Act 2006</i> )	Eurasian Resources and the members of the ENRC Consortium and their associates	Special resolution (75 per cent.)
Approval of the Rule 9 Waiver ( <i>Takeover Code</i> )	Eurasian Resources and the members of the ENRC	Ordinary resolution (simple majority taken)

	Consortium and their respective concert parties and the Kazakhmys Concert Party	on a poll of independent Kazakhmys Shareholders)
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#### 4. FURTHER INFORMATION ON ENRC

ENRC is a large diversified natural resources group with integrated mining, processing, energy, and logistical and marketing operations. The majority of its assets were acquired in the privatisation process undertaken in Kazakhstan in the mid-1990s. ENRC was formed as part of a reorganisation in 2006 to simplify the ownership structure of the assets and to consolidate them in a single group of companies. ENRC's main production assets are located in Kazakhstan.

ENRC's operations in Kazakhstan are vertically integrated with the ENRC group comprising six key operating divisions covering ferroalloys, iron ore, alumina and aluminium, energy, logistics and other non-ferrous metals. The other non-ferrous division was added in November 2009 when ENRC completed its acquisition of Central African Mining and Exploration Company PLC (CAMEC). This acquisition added cobalt and copper to its portfolio of products and further expanded ENRC's geographic focus:

- The Ferroalloys Division operates chrome ore and manganese mines along with processing plants, which produce ferroalloys.
- The Iron Ore Division mines and processes iron ore into concentrate and pellets for sale.
- The Alumina and Aluminium Division operates two bauxite mines which feed an alumina refinery and an aluminium smelter which are supported by a captive heat and energy plant.
- The Other Non-ferrous Division includes output from the copper and cobalt ore operations predominately in the Democratic Republic of the Congo and Zambia.
- The Energy Division operates the Vostochny and Shubarkol coal mines and the Aksu coal-fired power station making it a significant producer of electricity and coal in Kazakhstan.
- The Logistics Division provides transportation and logistics services to third parties and to ENRC's operations in Kazakhstan.

In ENRC's audited financial statements for the financial year ended 31 December 2012, ENRC reported net assets of U.S.\$10,550 million (2011: U.S.\$11,236 million; 2010: U.S.\$10,009 million). For the financial year ended 31 December 2012 ENRC also reported gross profit of U.S.\$2,597 million (2011: U.S.\$4,188 million; 2010: U.S.\$3,758 million), an operating loss of U.S.\$374 million (2011: operating profit of U.S.\$2,876 million; 2010: operating profit of U.S.\$2,710 million) and a net loss after taxation of U.S.\$852 million (2011: net profit of U.S.\$1,986 million; 2010: net profit of U.S.\$2,197 million). The Group's holding of 334,824,860 ENRC Shares had a market value of U.S.\$1,252 million, based on a share price of 246 pence as at 31 March 2013, compared to a market value of U.S.\$1,546 million as at 31 December 2012 when the ENRC share price was 284 pence.

#### 5. FINANCIAL EFFECTS OF THE TRANSACTION

In 2012 the Group received dividends of U.S.\$59 million from ENRC, representing the 2011 final dividend and the 2012 interim dividend. ENRC was equity accounted as an associate of Kazakhmys in the Group's audited consolidated financial statements. The dividends received from ENRC of U.S.\$59 million during 2012 (2011: U.S.\$113 million) were not recognised in the Group's audited consolidated income statement for the year ended 31 December 2012, but were instead netted off against the carrying value of the investment in associate in the Group's audited consolidated balance sheet as at 31 December 2012, in accordance with equity accounting principles. The Group's investment in associate as reported in its audited consolidated balance sheet as at 31 December 2012 was U.S.\$2,027 million.

The share of earnings from ENRC recognised in the Group's audited consolidated income statement for the year ended 31 December 2012, net of tax, was a loss of U.S.\$258 million based on the unaudited results of ENRC for the year which were published on 20 March 2013. The share of earnings from ENRC fell following lower commodity prices for ENRC's major product lines in the year and impairment charges recognised by ENRC of U.S.\$1,216 million to reflect the recoverable amount of certain of their assets. In addition, in 2012, the Group also recognised an impairment charge against the investment in ENRC of \$2,223 million. The share of profits from ENRC recognised in the Group's audited consolidated income statement for the year ended 31 December 2011 was U.S.\$466 million and for the year ended 31 December 2010 was U.S.\$522 million.

Other than the Group's shareholding in ENRC, there are no material relationships between the Group and ENRC. Following the Transaction, the Group will no longer have an interest in ENRC and ENRC will no longer be treated as an associate of Kazakhmys and equity accounted for in the Group's consolidated financial statements.

Pursuant to the Transaction, the Group will receive cash proceeds of U.S.\$887 million.

## 6. DEFINITIONS

For the purposes of this announcement, the following definitions will apply:

Board	the board of directors of Kazakhmys
ENRC	Eurasian Natural Resources Corporation PLC, a public company incorporated in England and Wales
ENRC Consortium	Mr Machkevitch, Mr Ibragimov, Mr Chodiev and the Government of Kazakhstan
ENRC Shares	the existing unconditionally allotted or issued and fully paid (or credited as fully paid) ordinary shares of 20 U.S. cents each in the capital of ENRC and any further such shares which are unconditionally allotted or issued and fully paid (or credited as fully paid) before the Offer closes (or before such earlier date as the ENRC Consortium, subject to the Takeover Code, may determine)
Eurasian Resources	Eurasian Resources Group B.V.
Eurasian Resources Offer Document	the document to be dispatched to the ENRC Shareholders by which any Offer would be made
Government of Kazakhstan	the Government of the Republic of Kazakhstan, including acting through the State Property and Privatisation Committee of the Ministry of Finance of the Republic of Kazakhstan
General Meeting	the general meeting of the Company to be held to consider the Resolutions
Group	the Company and its subsidiary undertakings
Kazakhmys or the Company	Kazakhmys PLC
Kazakhmys Concert Party	Vladimir Kim, Oleg Novachuk and Eduard Ogay
Kazakhmys Repurchase Shares	the 77,041,147 Kazakhmys Shares to be repurchased by Kazakhmys from Eurasian Resources under the Share Repurchase

Kazakhmys Shareholders	the holders of Kazakhmys Shares
Kazakhmys Shares	the ordinary shares of 20 pence each in the capital of Kazakhmys
Offer	the offer to be made by Eurasian Resources to acquire all the issued and to be issued ENRC Shares not already owned by Eurasian Resources (by means of a contractual offer or, should Eurasian Resources so elect with the consent of the Panel, a Scheme of Arrangement)
Relevant ENRC Shareholders	the ENRC Shareholders other than Eurasian Resources and Kazakhmys
Resolutions	the Transaction Approval Resolution, the Share Repurchase Resolution and the Rule 9 Waiver Resolution
Rule 9 Waiver	the waiver the Company shall seek from the Panel of the obligation which may otherwise arise under Rule 9 of the Takeover Code requiring the Kazakhmys Concert Party (or any entity through which the Kazakhmys Concert Party may hold Kazakhmys Shares) to make an offer for the issued ordinary share capital of the Company in connection with the Transaction
Rule 9 Waiver Resolution	the ordinary resolution taken on a poll of independent shareholders to approve the Rule 9 Waiver to be proposed at the General Meeting
Share Repurchase	the proposed repurchase by Kazakhmys of the 77,041,147 Kazakhmys Shares from Eurasian Resources pursuant to the Share Repurchase Agreement
Share Repurchase Agreement	the conditional share repurchase agreement entered into by Kazakhmys and Eurasian Resources dated June 2013 in relation to the Share Repurchase
Share Repurchase Resolution	the special resolution to approve the Share Repurchase to be proposed at the General Meeting
Takeover Code	the City Code on Takeovers and Mergers
Transaction	the proposed disposal by the Company of its ENRC Shares pursuant to the Offer and the Share Repurchase
Transaction Approval Resolution	the ordinary resolution to approve the Transaction and the publication by the Company of a prospectus, in accordance with Listing Rule 10 and Listing Rule 11 of the Listing Rules, to be proposed at the General Meeting
Undertaking	the irrevocable undertaking to accept the Offer, subject to the approval of Kazakhmys Shareholders

\* The number of Kazakhmys Shares to which Relevant ENRC Shareholders are entitled under the Offer, expressed as 0.23 Kazakhmys Shares for each ENRC Share is a rounded figure and should be construed as being 0.230093869 Kazakhmys Shares for each ENRC Share.

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**Disclosure requirements of the City Code on Takeovers and Mergers (the “Code”)**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of a party to the offer (other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which the offeror (other than a cash offeror) is first identified or, in the case of the Company, following the announcement on 20 May 2013. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of the party to the offer (other than a cash offeror). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the announcement in which the offeror (other than a cash offeror) is first identified or, in the case of the Company, following the announcement on 20 May 2013. Relevant persons who deal in the relevant securities of a party to the offer (other than a cash offeror) prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of a party to the offer (other than a cash offeror) must make a Dealing Disclosure if the person deals in any relevant securities of a party to the offer (other than a cash offeror). A Dealing Disclosure must contain details of the dealing concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each party to the offer (other than a cash offeror), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant, they will be deemed to be a single person for the purpose of Rule 8.3.

Details of the parties to the offer in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel’s website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any party to the offer was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel’s Market Surveillance Unit on +44 (0)20 7638 0129.

Citigroup Global Markets Limited (“Citi”), which is authorised by the Prudential Regulation Authority, and regulated by the Prudential Regulation Authority and the Financial Conduct Authority, is acting exclusively for Kazakhmys and no-one else in connection with the matters set out in this announcement and will not be responsible to any person other than Kazakhmys for providing the protections afforded to clients of

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