



## KAZAKHMYS PLC

6<sup>TH</sup> FLOOR  
CARDINAL PLACE  
100 VICTORIA STREET  
LONDON SW1E 5JL  
Tel: +44 (0) 20 7901 7800

Company registered in England and Wales  
Company Number: 5180783

26 January 2012

### **Kazakhmys PLC Production Report for 12 Months and the Fourth Quarter Ended 31 December 2011**

- **Copper cathode production in line with guidance**
  - Total cathode production of 301 kt for the full year
  - Production from own concentrate of 299 kt
  - Increase in ore volumes partly offset anticipated decline in copper grade
  
- **By-product output remained robust**
  - Silver output ahead of guidance at 13 moz
  - Total gold production of 151 koz, ahead of target
    - By-product gold production of 118 koz, benefiting from higher ore volumes
  - Zinc output of 140 kt, impacted by lower output in the fourth quarter
  
- **Kazakhmys Power continued to benefit from strong demand**
  - Power generation increased by 15% from prior year at Ekibastuz GRES-1
  - Ekibastuz GRES-1 average realised tariff increased 20% from 2010

Oleg Novachuk, Chief Executive Officer, said: "For the fourth consecutive year we have met all our major production targets and I should like to thank my colleagues for their hard work and commitment on this achievement. We anticipate maintaining similar levels of copper output in 2012 and our sales contracts for the coming year have all been completed, reflecting continued strong demand for copper. I look forward to updating the market on our current operations and the progress being made on our \$6 billion growth and investment programme when we announce our full year results on 1 March 2012."

**For further information please contact:**

### **Kazakhmys PLC**

John Smelt	Head of Corporate Communications	<b>Tel: +44 20 7901 7882</b>
		<b>Tel: +44 78 7964 2675</b>
Irina Tretyakova	Financial Analyst	<b>Tel: +44 20 7901 7814</b>
Maksut Zhapabayev	Head of Corporate Comm's Almaty	<b>Tel: +77 27 3304 556</b>

### **Merlin**

David Simonson		<b>Tel: +44 20 7726 8400</b>
Ian Middleton		<b>Tel: +44 20 7726 8400</b>
Maria Babkina		<b>Tel: +44 20 7726 8400</b>

#### **REGISTERED OFFICE**

6th Floor, Cardinal Place, 100 Victoria Street, London SW1E 5JL.

### **CHANGES TO THE PRODUCTION REPORT**

In the 2011 Half Year Production Report, published on 28 July 2011, the presentation of information in the production report changed from previous quarters, reflecting the ongoing Group restructuring and optimisation programme. There is now a single Mining Division, which contains the assets formerly divided between Kazakhmys Copper and the Kazakhmys Gold. The new Mining Division consists of 3 geographic regions: Zhezkazgan, East and Central. Central Region was formed from the merger of Balkhash Complex and Karaganda Region.

The captive power facilities no longer form part of the Copper business and are managed by a single management team along with Ekibastuz GRES-1. All of the power facilities are reported together within the Power Division.

The two smelting and refining units at Zhezkazgan and Balkhash are no longer part of the regional mining structure, but are managed as part of a single metallurgical department within the Mining Division and are reported together.

### **NOTES TO EDITORS**

Kazakhmys PLC is a leading international natural resources group with significant interests in copper, gold, zinc, silver and power generation.

It is the largest copper producer in Kazakhstan and one of the top worldwide with 17 operating mines, 10 concentrators and 2 copper smelters. Kazakhmys Mining operations are fully integrated from mining ore through to the production of finished copper cathode and rod. Total copper cathode produced in 2011 from own ore was 299 thousand tonnes. Production is backed by a captive power supply and significant rail infrastructure.

Kazakhmys Mining produces significant volumes of other metals, including zinc, silver and gold. In 2011, it produced 140 thousand tonnes of zinc in concentrate. The Group is amongst the largest silver producers in the world (13 million ounces produced in 2011).

Kazakhmys Power has a 50% interest in the coal fired Ekibastuz GRES-1 plant, the largest in Kazakhstan with a current capacity of 2,500 MW and which is undergoing a modernisation programme to reach its nameplate capacity of 4,000 MW. Kazakhmys Power also operates the captive coal mines and power stations which supply power to the Mining Division.

The Group is part of the FTSE-100 index of companies listed on the London Stock Exchange and is also listed on the Kazakhstan Stock Exchange (KASE) and Hong Kong Stock Exchange (HKSE). It

had revenues of \$3.2 billion in 2010 with Group EBITDA (excluding special items) of \$2.8 billion. The Group employs some 61,000 people, principally in Kazakhstan. The Group's strategic aim is to optimise its current operations, deliver its major growth projects and to diversify and participate in the development of the significant natural resource opportunities in Central Asia.

## Copper Summary

### KAZAKHMYS MINING PRODUCTION

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
Ore extraction	'000 t	33,432	32,935	8,429	8,466	8,129
Average copper grade	%	1.01	1.09	1.01	1.00	1.08
Copper in concentrate	'000 t	304.9	337.9	73.7	77.9	83.0
own concentrate	'000 t	302.7	334.9	72.8	77.1	83.0
purchased concentrate	'000 t	2.2	3.0	0.9	0.8	-
Copper cathode equivalent production <sup>1</sup>	'000 t	300.5	306.0	73.5	73.9	64.4
own concentrate	'000 t	298.5	303.3	71.6	73.9	64.4
purchased concentrate	'000 t	2.0	2.7	1.9	-	-
Copper rod	'000 t	32.0	35.0	8.0	8.1	8.1

<sup>1</sup>Includes copper sold in concentrate and cathode converted into rod.

Ore extraction in the 12 months of 2011 was 2% above the previous year, driven by an increase in output from the Central Region. The output in Q4 2011 was in line with the prior quarter, as a decline in the Zhezkazgan Region was offset by increased output from the Central Region, due to higher output from the re-opened Akbastau mine.

The average copper grade of 1.01% over the 12 months of 2011 was in line with previously issued guidance, and compared to 1.09% during the prior year. The Zhezkazgan Region has several mature mines which have declining grades and the Central Region also saw a decline in grade, due to a combination of operations moving to less mineral rich areas and higher ore output from the low grade Nurkazgan mine.

The combination of a 2% increase in ore output and a lower grade led to a 6% reduction in metal in ore mined in 2011, compared to the previous year. Production in the previous year also benefited from a higher use of stockpiled ore compared to 2011. Taking these factors together, the lower level of metal in ore processed led to a 10% decline in the production of copper in own concentrate to 303 kt. Production of copper in concentrate, during both 2011 and 2010, benefited from the reprocessing of slag from the Balkhash concentrator and converters. Similar material will continue to be available for reprocessing throughout 2012.

The Balkhash smelter and refinery produces around two thirds of the Group's finished copper cathode, with the Zhezkazgan smelter and refinery producing the balance. Some concentrate is transferred from the Zhezkazgan region to the Balkhash smelter for processing. The Balkhash smelter processes all concentrate from the Central and East Regions.

Copper cathode equivalent production from own concentrate in the 12 months of 2011 was 299 kt, just 2% below the previous year. The reduction reflects the lower level of concentrate output, largely offset by a release of work in progress carried over from 2010. The production of 71.6 kt of copper cathode equivalent from own concentrate in Q4 2011 was consistent with the production of copper in concentrate and in line with the previous quarter.

Copper rod is produced under annual contracts for sale to China and output for the full year was broadly in line with 2010, reflecting continued demand.

**KAZAKHMYS MINING PRODUCTION**

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
Zinc in concentrate	'000 t	139.6	167.3	25.9	38.1	41.1
Average zinc grade	%	3.55	4.58	2.57	3.82	4.61
Silver <sup>1</sup>	'000 oz	13,137	14,127	3,273	3,091	3,822
Own production (by-product) <sup>2</sup>	'000 oz	13,115	14,093	3,269	3,084	3,811
Average silver grade	g/tonne	17.69	20.06	17.19	17.18	20.09
Gold	'000 oz	150.8	169.6	40.3	40.7	42.0
Own production (by-product) <sup>2</sup>	'000 oz	117.9	126.5	32.6	29.4	29.1
Average grade	g/tonne	0.66	0.73	0.60	0.60	0.62
Doré production (primary)	'000 oz	32.9	43.1	7.7	11.3	12.9
Average grade	g/tonne	1.27	1.25	1.29	1.24	1.33

<sup>1</sup>Includes a small volume of by-product production from the former Kazakhmys Gold mines: Central Mukur and Mizek.

<sup>2</sup>Includes slimes from purchased concentrate.

Zinc (by-product)

Zinc in concentrate production decreased by 17% during the 12 months of 2011 compared to the previous year. There was a general decline in grade across most of the zinc producing mines in the East Region and this was reduced further by low grade volumes from the re-opened Akbastau mine. The decline in grade was only partially offset by higher volumes of zinc bearing ore.

In Q4 2011, the production of zinc in concentrate was significantly lower than the previous quarter, reflecting the decrease in the overall grade. This decline in grade was led by Artemyevsky and Yubileyno-Snegirikhinsky mines, where operations were focused on sections which had low zinc content.

Silver (by-product)

Own production of silver during the 12 months of 2011 at 13,115 koz, was 7% below the previous year, although ahead of guidance issued at the start of 2011. The impact of declining grades at the mature mines in Zhezkazgan was less than anticipated and was partially offset by output from the re-opened Akbastau mine. Silver output declined at Artemyevsky mine, but again by less than anticipated, as the modernisation of the backfill cement plant allowed access to higher silver grade sections of the ore body.

The increase in silver production in Q4 2011, to 3,269 koz, was due to a release of work in progress carried over from Q3 2011, the re-opening of Akbastau mine and a higher contribution from Artemyevsky mine.

Gold (by-product)

There was an increase in the extracted volume of gold bearing ores in 2011 compared to the previous year, which was offset by a lower grade. An increase in work in progress at the

precious metals refinery, however, led to a 7% decrease in gold production during the 12 months of 2011, compared to the previous year.

The 11% increase in gold production in Q4 2011, compared to the previous quarter, was due to higher gold containing ore output and a release of some work in process built up at the copper smelters during 2011.

#### Gold (primary production)

Gold (primary production) relates to the output from mines previously included within Kazakhmys Gold.

Output significantly decreased during the 12 months of 2011, compared to the previous year, following the cessation of mining works at Mizek in November 2010, although the processing of previously extracted ore has continued. The processing of material from Mukur mine has decreased as the mine has moved towards the end of its operational life.

The decrease in gold output in Q4 2011, compared to the previous quarter, was due to the colder weather, as the efficiency of the heap leaching method used reduces with a lower ambient temperature.

#### Gold Sales

In the Third Quarter Production Report, published on 27 October 2011, it was noted that precious metal sales had been disrupted while negotiations took place with the National Bank of Kazakhstan. The National Bank wishes to purchase precious metals to hold in reserve. The Group has resumed export sales of silver and gold doré, however negotiations are continuing with the National Bank regarding their purchasing of gold bars and the metal is being stockpiled at present.

## Kazakhmys Mining Review by Region

### ZHEZKAZGAN REGION

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
Ore extraction	'000 t	22,890	23,309	5,486	5,801	5,931
Average copper grade	%	0.72	0.82	0.68	0.70	0.82
Copper concentrate	'000 t	397.0	463.0	94.5	95.9	117.4
Copper in concentrate	'000 t	143.6	170.3	32.5	35.2	43.5

Ore extraction of 22,890 kt in the 12 months of 2011 was marginally below the previous year. There was a 203 kt increase in output at North mine which was undergoing stripping works in early 2010. This increase was more than offset by lower output at Annensky mine, where operations moved to lower grade sections and more challenging areas as the mine matures.

There was a 501 kt increase in output from West mine in the 12 months of 2011 compared to the previous year, but this increase broadly mirrored a reduction at East mine of 575 kt. As previously reported, West and East mines are closely linked and since the West mine restarted operations in Q2 2010, previously combined activities have been transferred back from East mine so that the joint output from these mines has been relatively steady.

Ore extraction in Q4 2011 was 5% lower than Q3 2011 as extraction was impacted by equipment availability.

The average copper grade over the 12 months of 2011 decreased to 0.72% compared to 0.82% during the prior year. The reduction reflects the relatively mature stage of the majority of the mines at Zhezkazgan.

The combination of both lower volume and grade led to a 14% decline in metal in ore mined. This decline is reflected in a 16% decrease in copper in concentrate production, at 143.6 kt during the 12 months of 2011, compared to the previous year.

Copper in concentrate production decreased by 8% from the previous quarter to 32.5 kt in Q4 2011. The decline was driven by the lower level of ore extraction.

### CENTRAL REGION

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
Ore extraction	'000 t	5,856	5,016	1,778	1,448	1,019
Average copper grade	%	0.99	1.10	1.08	0.95	1.04
Copper concentrate	'000 t	551.8	545.4	140.9	148.0	119.1
Copper in concentrate	'000 t	62.3	69.4	16.0	16.9	16.5

Central Region is a combination of the assets previously included in the Karaganda Region and Balkhash Complex. The two areas were brought together in Q2 2011 as part of the ongoing Group restructuring and optimisation plan.

Ore extraction of 5,856 kt in the 12 months of 2011 was 17% higher than the previous year. Repair work on the conveyor at Nurkazgan mine was completed in Q1 2011 and improved the transportation of ore at this mine. Mining also restarted at Akbastau in the second half of the year, a mine suspended in 2008. Operations at Akbastau in 2011 were largely preparatory, ahead of the expansion project and construction of an adjoining concentrator. The improvement at Nurkazgan along with the re-opening of Akbastau mine more than offset a decrease in volumes of ore extraction at Sayak mine, which was affected by adverse weather conditions at the start of 2011.

Ore output in Q4 2011 rose by 23% compared to Q3 2011, reflecting the re-opening of Akbastau mine, as mentioned above, and increased output at Abyz mine following extensive stripping work in the previous quarters.

The average copper grade in the 12 months of 2011 decreased to 0.99% from 1.10% in the previous year. The decline was due to a combination of higher output from the relatively low-grade Nurkazgan mine and a decline in grade at Sayak and Abyz mines, where operations moved to less mineral rich areas. The average grade in the Central Region for 2011 was higher than anticipated in the previous production report, mainly due to the increased extraction of ore from the higher grade Akbastau mine, as mentioned above.

Higher volumes offset the lower grades during 2011, leading to a 5% increase in metal in ore mined. There was, however, a 9% decrease in metal in ore processed, due to a greater volume of stockpiled ore being processed in the previous year. The decline in metal in ore processed was matched by a 10% reduction in the output of copper in concentrate.

The average copper grade increased in Q4 2011 compared to the previous quarter due to larger volumes of extraction from the high grade Akbastau mine and an increase in grade at Abyz mine, benefiting from the lower level of stripping works.

Despite a 40% increase of metal in ore mined, the production of copper in concentrate decreased by 5% in Q4 2011 compared to the previous quarter, principally due to some stockpiling of ore during Q4 2011.



## Kazakhmys Mining Review by Region

### EAST REGION

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
Ore extraction	'000 t	4,686	4,610	1,165	1,217	1,179
Average copper grade	%	2.44	2.48	2.47	2.47	2.42
Copper concentrate <sup>1</sup>	'000 t	477.8	465.4	124.6	119.2	114.4
Copper in concentrate <sup>1</sup>	'000 t	89.3	85.6	23.2	22.6	20.9

<sup>1</sup> Excludes concentrate processed by third parties.

Ore extraction in the East Region during the 12 months of 2011 was 2% higher compared to the previous year. Most of the region's mines performed well, but the improvement was led by a 153 kt increase in ore extraction at Irtyshtsky mine, which benefited from improved equipment availability.

Artemyevsky mine, as noted in previous reports, suffered at the start of 2011 due to cold weather and there were ore transportation problems during Q4 2011. The modernisation programme of the backfill cement plant at Artemyevsky mine was started in 2010 and completed in Q4 2011. The programme impacted operations at the mine, but completion should allow an improvement in operational performance in 2012.

Ore extraction declined in Q4 2011 to 1,165 kt, a decrease of 4% on the previous quarter, mostly due to lower extraction at Artemyevsky mine caused by the transportation difficulties mentioned above.

The average copper grade in the 12 months of 2011 was 2.44%, in line with previously issued guidance and only slightly below the 2.48% reported in the previous year.

Despite the constant level of metal in ore mined, there was a 4% increase in the production of copper in concentrate during the 12 months of 2011, compared to the previous year when some ore was stockpiled and not processed.

In spite of a slight decline in ore output, there was a modest increase in the production of copper in concentrate in Q4 2011 compared to Q3 2011 due to higher recovery rates and the processing of some additional volumes of stockpiled ore.

**KAZAKHMY'S POWER PRODUCTION**

		12m	12m	Q4	Q3	Q4
<b>Ekibastuz GRES-1</b>		2011	2010	2011	2011	2010
Net power generated <sup>1</sup>	GWh	12,697	11,065	3,498	2,804	3,281
Net dependable capacity <sup>2</sup>	MW	2,199	2,171	2,231	2,157	2,224
Electricity tariff	KZT/kWh	5.38	4.49	5.33	5.48	4.44
<b>Captive power stations</b>						
Net power generated <sup>1</sup>	GWh	5,578	5,589	1,432	1,239	1,443
Net dependable capacity <sup>2</sup>	MW	857	868	848	873	864
Internal sales	GWh	3,197	3,477	796	769	855
External sales	GWh	2,381	2,112	636	470	588
Electricity tariff <sup>3</sup>	KZT/kWh	3.50	2.70	3.50	3.50	2.70

<sup>1</sup> Electricity generated and sold to customers less internal consumption and transformer losses in the power station.

<sup>2</sup> The net dependable capacity is the maximum capacity a unit can sustain over a specified period modified for seasonal limitations and reduced by the capacity required for station service and auxiliaries.

<sup>3</sup> External sales only.

**Ekibastuz GRES-1**

On 26 February 2010, the Group completed the disposal of 50% of Ekibastuz GRES-1 to Samruk with the Group retaining a 50% non controlling interest. The results shown above are for 100% of the business.

During the 12 months of 2011 net power generated at Ekibastuz GRES-1 increased by 15%, to 12,697 GWh, compared to the previous year. The increase in output was assisted by a full year of sales to Russia, which in 2010, commenced only from June. Continued growth in demand from within Kazakhstan during the 12 months of 2011 led to a 12% increase in domestic sales.

In Q4 2011 net power generated increased by 25%, compared to the previous quarter. This increase was mainly due to seasonal factors and is consistent with the increase reported in Q4 2010.

The domestic ceiling tariff set for 2011 by the Government of Kazakhstan was 5.60 KZT/kWh, compared to 4.68 KZT/kWh in 2010. The weighted average tariff for electricity sold by Ekibastuz GRES-1 in the 12 months of 2011 was 5.38 KZT/kWh, an increase of 20% compared to the same period of 2010 and reflects the strong level of demand. The weighted average tariff is slightly below the ceiling tariff, as 10% of net electricity generated was sold to Russia at a lower tariff.

The ceiling tariff is expected to remain at current levels during the first quarter of 2012, as agreed with the Ministry of Industry and New Technologies.

Net dependable capacity during the 12 months of 2011 was 28 MW above the comparative period in 2010, due to the commissioning of an electrostatic precipitator at Unit 5 (22 MW) and the installation of more efficient equipment at the other four operational turbines.

Net dependable capacity tends to increase in the colder quarters due to changes in the temperature of the circulation water, which accounts for the increase in net dependable capacity in Q4 2011 compared to Q3 2011.

#### Captive power stations

Net power generated at the captive power stations during the 12 months of 2011 was in line with the previous year. As previously reported, there has been a decrease in internal sales of power, matched by an increase in external sales. The East Region purchased a greater volume of its power from a local third party power provider, saving external transmissions costs and allowing the captive power station at Karaganda to sell more power externally with a higher profitability.

Net power generation and total sales rose by 16% in Q4 2011 compared to the previous quarter. The increase mostly reflects seasonal changes in demand from external customers as internal sales of power have not increased significantly.

The weighted average realised tariff for electricity sold to external customers during the 12 months of 2011 increased by 30% to 3.50 KZT/kWh, compared to 2.70 KZT/kWh in the previous year. This compares to a ceiling tariff for 2011 of 4.10 KZT/kWh set by the Government of Kazakhstan. The ceiling tariff for the captive power plants is lower than that set for Ekibastuz GRES-1 due to the smaller scale of their modernisation programmes.

#### **Additional information on captive power stations**

The captive power stations were previously part of Kazakhmys Copper, but as part of the Group's restructuring and optimisation programme, the captive power stations and Ekibastuz GRES-1 have been brought together under a single management team.

The captive power stations include three coal-fired power and heating plants at Karaganda, Balkhash and Zhezkazgan and a heating plant (heat generation only) in Satpayev. There are 17 turbines and 38 boilers in operation between the three power plants and the heating plant. The plants have a combined installed electricity generation capacity of 1,025 MW.

All three captive power stations utilise coal, supplied by the Group's Borly coal mine. In 2011 this coal mine produced approximately 7.6 Mt of coal, around 90% of which was used by the Group's captive power stations.

## Kazakhmys Mining Production Appendix

### COPPER MINING

		12m	12m	Q4	Q3	Q4
		2011	2010	2011	2011	2010
<b>Zhezkazgan Region</b>						
North	ore ('000 t)	2,107	1,904	382	471	688
	grade (%)	0.69	0.90	0.55	0.72	1.09
East	ore ('000 t)	3,788	4,363	903.3	979	984
	grade (%)	0.55	0.65	0.47	0.56	0.59
South	ore ('000 t)	5,268	5,272	1,355	1,353	1,265
	grade (%)	0.57	0.60	0.57	0.55	0.56
West	ore ('000 t)	2,066	1,565	434	530	547
	grade (%)	0.49	0.55	0.46	0.48	0.55
Stepnoy	ore ('000 t)	3,278	3,371	810	855	870
	grade (%)	0.62	0.76	0.57	0.58	0.74
Annensky	ore ('000 t)	2,671	3,127	659	652	661
	grade (%)	0.58	0.67	0.63	0.55	0.56
Zhomart	ore ('000 t)	3,712	3,707	943	962	916
	grade (%)	1.44	1.56	1.31	1.40	1.63
Region total	ore ('000 t)	22,890	23,309	5,486	5,801	5,931
Region average	grade (%)	0.72	0.82	0.68	0.70	0.82

		12m	12m	Q4	Q3	Q4
		2011	2010	2011	2011	2010
<b>Central Region</b>						
Nurkazgan West	ore ('000 t)	2,686	2,190	673	720	390
	grade (%)	0.68	0.81	0.63	0.72	0.76
Abyz	ore ('000 t)	491	465	131	99	33
	grade (%)	1.33	1.73	1.34	1.20	1.43
Akbastau	ore ('000 t)	501	-	447	54	-
	grade (%)	1.74	-	1.73	1.78	-
Sayak	ore ('000 t)	1,605	1,802	387	425	453
	grade (%)	0.71	0.93	0.61	0.72	0.86
Shatyrkul	ore ('000 t)	573	559	140	149	143
	grade (%)	2.21	2.25	2.20	2.20	2.28
Region total	ore ('000 t)	5,856	5,016	1,778	1,448	1,109
Region average	grade (%)	0.99	1.10	1.08	0.95	1.04

## Kazakhmys Mining Production Appendix

### COPPER MINING (CONTINUED)

		12m	12m	Q4	Q3	Q4
		2011	2010	2011	2011	2010
<b>East Region</b>						
Nikolayevsky	ore ('000 t)	581	603	135	150	180
	grade (%)	0.86	1.05	0.75	0.79	0.97
Artemyevsky	ore ('000 t)	1,283	1,397	305	356	321
	grade (%)	1.92	1.76	2.01	2.00	1.83
Irtyshtsky	ore ('000 t)	578	425	144	136	117
	grade (%)	1.33	1.38	1.25	1.40	1.28
Belousovsky	ore ('000 t)	22	18	-	-	18
	grade (%)	1.02	1.28	-	-	1.28
Orlovsky	ore ('000 t)	1,566	1,538	399	395	376
	grade (%)	3.66	3.67	3.66	3.60	3.69
Yubileyno-Snegirikhinsky	ore ('000 t)	656	629	182	180	167
	grade (%)	2.98	3.30	2.87	3.13	3.17
Region total	ore ('000 t)	4,686	4,610	1,165	1,217	1,179
Region average	grade (%)	2.44	2.48	2.47	2.47	2.42
<b>Total</b>	<b>ore ('000 t)</b>	<b>33,432</b>	<b>32,935</b>	<b>8,429</b>	<b>8,466</b>	<b>8,129</b>
<b>Average</b>	<b>grade (%)</b>	<b>1.01</b>	<b>1.09</b>	<b>1.01</b>	<b>1.00</b>	<b>1.08</b>

## Kazakhmys Mining Production Appendix

### COPPER PROCESSING

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
<b>Zhezkazgan Region</b>						
Copper concentrate	'000 t	397.0	463.0	94.5	95.9	117.4
Copper in concentrate	'000 t	143.6	170.3	32.5	35.2	43.5
<b>Central Region</b>						
Copper concentrate	'000 t	551.8	545.4	140.9	148.0	119.1
Copper in concentrate	'000 t	62.3	69.4	16.0	16.9	16.5
<b>East Region</b>						
Copper concentrate	'000 t	477.8	465.4	124.6	119.2	114.4
Copper in concentrate	'000 t	89.3	85.6	23.1	22.6	20.9
<b>Total own processed</b>						
Copper concentrate	'000 t	1,426.6	1,473.9	360.0	363.1	351.0
Copper in concentrate	'000 t	295.2	325.3	71.6	74.7	80.9
<b>Own ore processed by third parties</b>						
Copper concentrate	'000 t	27.9	36.8	4.2	8.8	8.0
Copper in concentrate	'000 t	7.5	9.6	1.2	2.4	2.1
<b>Total own</b>						
<b>Copper concentrate</b>	<b>'000 t</b>	<b>1,454.5</b>	<b>1,510.7</b>	<b>364.2</b>	<b>372.0</b>	<b>359.0</b>
<b>Copper in concentrate</b>	<b>'000 t</b>	<b>302.7</b>	<b>334.9</b>	<b>72.8</b>	<b>77.1</b>	<b>83.0</b>
<b>Purchased concentrate</b>						
Copper concentrate	'000 t	4.5	9.8	1.7	1.4	-
Copper in concentrate	'000 t	2.2	3.0	0.9	0.8	-
<b>Total copper in concentrate</b>						
	'000 t	304.9	337.9	73.7	77.9	83.0

## COPPER SMELTER / REFINERY – COPPER CATHODE PRODUCTION

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
<b>Zhezkazgan smelter</b>						
Own concentrate	'000 t	111.2	117.0	24.8	27.6	25.4
Purchased concentrate	'000 t	-	-	-	-	-
Sub - total	'000 t	111.2	117.0	24.8	27.6	25.4
Tolling	'000 t	-	-	-	-	-
Total including tolling	'000 t	111.2	117.0	24.8	27.6	25.4
<b>Balkhash smelter</b>						
Own concentrate	'000 t	187.3	186.3	46.8	46.3	39.0
Purchased concentrate	'000 t	2.0	2.7	1.9	-	-
Sub - total	'000 t	189.3	189.0	48.7	46.3	39.0
Tolling	'000 t	7.1	2.7	1.3	1.7	2.7
Total including tolling	'000 t	196.4	191.7	50.0	47.9	41.7
Total copper cathode production	'000 t	307.6	308.7	74.8	75.5	67.1
<b>Total copper cathode production from own concentrate</b>	<b>'000 t</b>	<b>298.5</b>	<b>303.3</b>	<b>71.6</b>	<b>73.9</b>	<b>64.4</b>

## Kazakhmys Mining Production Appendix

### OTHER METALS MINING – ZINC

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
<b>ZINC</b>						
<b>East Region</b>						
Nikolayevsky	grade (%)	3.63	3.47	3.11	4.10	3.07
Artemyevsky	grade (%)	5.63	6.65	4.33	6.05	7.26
Irtysky	grade (%)	2.87	3.12	2.69	2.96	2.93
Belousovsky	grade (%)	0.32	0.28	-	-	0.28
Orlovsky	grade (%)	3.83	4.99	3.39	3.21	5.28
Yubileyno-Snegirikhinsky	grade (%)	2.26	2.45	1.91	2.71	1.96
Region average		3.94	4.76	3.28	4.05	4.70
<b>Central Region</b>						
Abyz	grade (%)	2.69	2.81	2.66	2.84	1.35
Akbastau	grade (%)	0.66	-	0.69	0.42	-
Region average		1.67	2.81	1.14	1.99	1.35
<b>Overall average</b>		<b>3.55</b>	<b>4.58</b>	<b>2.57</b>	<b>3.82</b>	<b>4.61</b>
<b>Zinc in concentrate</b>						
	('000 t)	<b>139.6</b>	<b>167.3</b>	<b>25.9</b>	<b>38.1</b>	<b>41.1</b>



## Kazakhmys Mining Production Appendix

### OTHER METALS MINING – SILVER

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010	
<b>SILVER</b>							
<b>Zhezkazgan Region</b>							
North	grade (g/t)	5.91	6.41	4.22	5.97	6.12	
East	grade (g/t)	11.36	12.86	8.48	11.46	11.53	
South	grade (g/t)	12.82	15.65	12.76	12.91	16.00	
West	grade (g/t)	12.01	11.07	11.75	15.69	10.70	
Stepnoy	grade (g/t)	12.82	14.38	9.40	9.24	12.00	
Annensky	grade (g/t)	14.47	14.91	16.33	14.49	16.28	
Zhomart	grade (g/t)	8.18	7.28	7.49	9.04	5.84	
<b>Region average</b>							
	grade (g/t)	10.73	12.45	10.41	11.35	11.50	
<b>Central Region</b>							
Nurkazgan	grade (g/t)	1.71	2.16	1.54	1.77	2.52	
Abyz	grade (g/t)	34.57	37.34	33.67	39.97	16.54	
Akbastau	grade (g/t)	18.19	-	18.57	15.00	-	
Sayak	grade (g/t)	4.60	5.31	4.00	3.83	5.21	
Shatyrcul	grade (g/t)	2.11	2.39	2.01	1.70	1.88	
<b>Region average</b>							
	grade (g/t)	6.70	6.58	8.76	5.48	4.08	
<b>East Region</b>							
Nikolayevsky	grade (g/t)	31.65	34.05	30.64	41.04	40.14	
Artemyevsky	grade (g/t)	125.48	132.07	130.70	103.71	160.39	
Irtysky	grade (g/t)	48.64	57.72	44.45	53.77	50.82	
Belousovsky	grade (g/t)	16.66	16.11	-	-	16.11	
Orlovsky	grade (g/t)	53.44	58.99	44.08	43.65	57.88	
Yubileyno-Snegirikhinsky	grade (g/t)	22.69	27.02	23.30	22.20	25.11	
<b>Region average</b>							
	grade (g/t)	65.39	73.21	62.00	58.85	77.11	
<b>Overall average</b>		<b>grade (g/t)</b>	<b>17.69</b>	<b>20.06</b>	<b>17.19</b>	<b>17.18</b>	<b>20.09</b>
<b>Silver in concentrate</b>		<b>(‘000 oz)</b>	<b>13,347</b>	<b>15,719</b>	<b>2,979</b>	<b>3,415</b>	<b>3,874</b>
Own concentrate	(‘000 oz)	11,980	12,993	2,805	3,071	3,406	
Own concentrate processed by 3 <sup>rd</sup> parties	(‘000 oz)	1,294	2,452	149	317	468	
Purchased concentrate	(‘000 oz)	73	274	25	27	-	
<b>Silver metal<sup>1</sup> (as by-product)</b>		<b>(‘000 oz)</b>	<b>13,137</b>	<b>14,127</b>	<b>3,273</b>	<b>3,091</b>	<b>3,822</b>

<sup>1</sup> Includes slimes from purchased concentrate.

## Kazakhmys Mining Production Appendix

### OTHER METALS MINING – GOLD

		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
<b>GOLD</b>						
<b>Central Region</b>						
Nurkazgan	grade (g/t)	0.26	0.32	0.24	0.28	0.36
Abyz	grade (g/t)	3.23	3.47	2.31	3.25	1.81
Akbastau	grade (g/t)	0.72	-	0.75	0.50	-
Sayak	grade (g/t)	0.22	0.24	0.20	0.23	0.26
Shatyrkul	grade (g/t)	0.38	0.45	0.40	0.40	0.46
Region average	grade (g/t)	0.55	0.60	0.52	0.49	0.38
<b>East Region</b>						
Nikolayevsky	grade (g/t)	0.43	0.28	0.44	0.57	0.29
Artemyevsky	grade (g/t)	1.12	1.22	1.32	1.02	1.10
Irtysky	grade (g/t)	0.33	0.32	0.32	0.31	0.36
Belousovsky	grade (g/t)	0.26	0.16	-	-	0.16
Orlovsky	grade (g/t)	1.03	1.17	0.90	0.84	1.23
Yubileyno-Snegirikhinsky	grade (g/t)	0.38	0.33	0.39	0.38	0.34
Region average	grade (g/t)	0.80	0.87	0.80	0.73	0.82
<b>Overall average</b>	<b>grade (g/t)</b>	<b>0.66</b>	<b>0.73</b>	<b>0.60</b>	<b>0.60</b>	<b>0.62</b>
<b>Gold in concentrate</b>	<b>('000 oz)</b>	<b>135.6</b>	<b>124.1</b>	<b>32.6</b>	<b>35.6</b>	<b>25.2</b>
Own concentrate	('000 oz)	124.2	108.1	30.6	32.4	21.9
Own concentrate processed by 3 <sup>rd</sup> party	('000 oz)	7.8	14.0	0.8	2.1	2.8
Purchased concentrate	('000 oz)	3.6	2.0	1.2	1.1	0.5
<b>Gold output<sup>1</sup></b>	<b>('000 oz)</b>	<b>117.9</b>	<b>126.5</b>	<b>32.6</b>	<b>29.4</b>	<b>29.1</b>
<sup>1</sup> Includes slimes from purchased concentrate.						
<b>Gold doré production (as primary production)</b>						
		12m 2011	12m 2010	Q4 2011	Q3 2011	Q4 2010
Ore extraction	ore ('000 t)	812	1,401	154	300	260
Gold ore grade	g/t	1.27	1.25	1.29	1.24	1.33
Gold in ore to pads	'000 tr.oz	41.2	69.6	6.4	12.1	13.1
Gold precipitation	'000 tr.oz	33.0	43.1	7.4	11.3	12.2
<b>Gold doré production</b>	<b>'000 tr.oz</b>	<b>32.9</b>	<b>43.1</b>	<b>7.7</b>	<b>11.3</b>	<b>12.9</b>
Silver production	'000 tr.oz	21.7	33.6	3.6	6.8	10.5