



3 May 2006

Kazakhmys PLC Production Summary for the first quarter ended 31 March 2006

- Copper cathode production stood at 89.1 thousand tonnes with 405 thousand tonnes of total copper concentrate produced.
- Copper cathode production was 6.6% lower than the same period in 2005 mainly due to some operational interruptions and adverse weather conditions experienced at the beginning of 2006. Ore extraction improved from March 2006 and this performance is expected to be reflected in improved copper cathode production in the second quarter of 2006.
- Zinc metal production was up 6.4% at 18.2 thousand tonnes with 86.9 thousand tonnes of zinc concentrate produced.
- Gold and silver production grew by 74.6% and 5.0% respectively year on year due to the silver and gold-rich ores from the Abyz mine.
- The newly completed Artemyevskoe, Stepnoy and Abyz mines are performing well.

Kazakhmys Group Copper Production

		Q1 2006	Q1 2005
Ore extraction	'000 t	9,839	9,592
Average copper grade	%	1.07	1.00
Average zinc grade	%	3.98	3.28
Copper Concentrate	'000 t	405	385
own concentrate	'000 t	356	330
purchased concentrate	'000 t	49	55
Copper in Concentrate	'000 t	95.0	96.8
own concentrate	'000 t	84.7	84.0
purchased concentrate	'000 t	10.3	12.8
Copper Cathodes ¹	'000 t	89.1	95.4
own concentrate	'000 t	76.8	81.0
purchased concentrate	'000 t	11.6	10.0
tolling concentrate	'000 t	0.7	4.4
Copper Rod	'000 t	5.3	1.3

¹Includes copper used to produce copper rod

In the first quarter of 2006, Kazakhmys PLC produced 89.1 thousand tonnes of copper cathode (of which 5.3 thousand tonnes were used to produce copper rods), a 7% decrease compared to the same period of 2005. This was primarily due to operational interruptions at mines caused by adverse weather conditions at the beginning of 2006 when the temperatures at certain locations in Kazakhstan remained below 40⁰C for nearly two weeks. Copper cathode production volumes improved significantly in March 2006 resulting in a 13.8% increase compared to March 2005 and 31% increase compared to February 2006. Overall in the first quarter of 2006, 76.7 thousand tonnes of copper cathode were produced from the Group's own concentrate, with 11.6 thousand tonnes from purchased concentrate and the remaining 0.7 thousand tonnes through tolling arrangements.

Copper concentrate production in the first quarter of 2006 was 5.2% higher than in the first quarter of 2005 due to the increasing contribution from the higher grade Stepnoy, Artemyevskoe and Abyz mines, commissioned in 2005. In the first quarter of 2006 the Group produced 356 thousand tonnes of copper concentrate and a further 49 thousand tonnes of copper concentrate were purchased from third parties.

The production volume expansion program at the Nurkazgan mine (Karaganda complex) and the stripping works at the Zhaman-Aybat mine (Zhezkazgan complex) were successfully completed well ahead of schedule with the increasing contribution from both mines expected in the second quarter of 2006.

Kazakhmys Group by-products Production

		Q1 2006	Q1 2005
Zinc Concentrate	'000 t	86.9	58.8
Zinc in Concentrate	%	45.12	38.36
Zinc in Concentrate	'000 t	39.2	22.6
Zinc metal	'000 t	18.2	17.1
Silver	'000 oz	5,249	4,997
own concentrate	'000 oz	5,226	4,961
Tolling	'000 oz	23	36
Gold	'000 oz	35.1	20.1
own concentrate	'000 oz	23.2	13.1
Tolling	'000 oz	11.9	7.0

Zinc metal production in the first quarter of 2006 stood at 18.2 thousand tonnes, slightly higher than in the first quarter of 2005. As previously indicated the ramp-up of the new Balkhash zinc smelter is proceeding slower than originally anticipated. Optimization of the smelter process and concentrate feed grade is expected to improve smelter productivity in the course of the year.

Zinc concentrate production in the first quarter of 2006 was significantly higher year on year and increased 47.8% compared to the first quarter of 2005. This rise was due to the larger contribution from the zinc-rich ores of Artemyevskoe mine that commenced operations in

2005.

In the first quarter of 2006, the Group also produced 5.2 million ounces of silver and 35.1 thousand ounces of gold, which were 5% and 75% higher respectively compared to the same period in 2005. Of the 35.1 thousand ounces of gold produced in the period, 11.9 thousand ounces were produced under tolling arrangements. This increased gold production was the result of a larger ore contribution from the Abyz and Artemyevskoe mines that produce ores with higher gold content.

Zhezkazgan		Q1 2006	Q1 2005
Ore extraction	'000 t	6,824	6,759
Average copper grade	%	0.82	0.87
Copper Concentrate	'000 t	139.5	145.4
Copper Cathodes ¹	'000 t	51.7	57.9
of which tolling	'000 t	0.3	--
Copper Rod	'000 t	5.3	1.3

¹Includes copper used to produce copper rod

At the Zhezkazgan complex, copper cathode production was lower in the first quarter of 2006, due to adverse weather conditions in the first two months of 2006. Temperatures of below 40⁰C lasting nearly two weeks caused some operational interruptions at several mines, all of which have now been resolved.

Copper rod production significantly increased from 1.3 thousand tonnes in the first quarter of 2005 to 5.3 thousand in the first quarter of 2006 due to higher market demand.

Balkhash		Q1 2006	Q1 2005
Ore extraction	'000 t	1,021	1,391
Average copper grade	%	0.82	0.65
Copper Concentrate	'000 t	48.9	41.6
Copper Cathodes	'000 t	37.4	37.5
of which tolling	'000 t	0.4	4.3
Copper Rod	'000 t	--	--

Copper concentrate and copper cathode production at the Balkhash complex in the first quarter of 2006 was higher than in the first quarter of 2005 primarily due to higher copper grades, which overcompensated for lower ore extraction volumes caused by decreasing production at the Kounrad mine.

East Region

		<u>Q1 2006</u>	<u>Q1 2005</u>
Ore extraction	'000 t	1,361	1,152
Average copper grade	%	2.42	2.39
Copper Concentrate ¹	'000 t	132.1	134.5
Copper Cathodes	'000 t	--	--
Copper Rod	'000 t	--	--

¹Excludes concentrate processed by third parties

In the first quarter of 2006, ore extraction at the East Region complex increased by 18.1% compared to that of the first quarter of 2005, due to a ramp-up of production at the Artemyevskoe mine. Despite the higher quantity of mined ores and higher copper grades, copper concentrate production in the first quarter of 2006 was slightly lower compared to the first quarter of 2005. This was primarily due to minor transportation problems, which have now been rectified.

Karaganda

		<u>Q1 2006</u>	<u>Q1 2005</u>
Ore extraction	'000 t	633	290
Average copper grade	%	1.2	0.4
Copper Concentrate	'000 t	28.1	8.9
Copper Cathodes	'000 t	--	--
Copper Rod	'000 t	--	--

Ore extraction and copper concentrate production at the Karaganda complex mines in the first quarter of 2006 increased by 118% and 216% respectively year on year. The ramp-up of production at the Abyz and Nurkazgan mines continues to perform in line with management expectations. The stripping works at the Kosmurun mine were completed ahead of schedule and the mine is expected to commence test production earlier than anticipated.

Appendix 1

As announced on April 27, 2006, from now on the Group will report its production results on a four complex basis, in order to be aligned with the management structure of the business. This reporting change will introduce an additional complex, at Karaganda, to the three complexes breakdown reported previously. The Karaganda complex comprises the Abyz, Kosmurun and Nurkazgan mines and the Karagaily concentrator. All these operations are located in the vicinity of Karaganda and therefore management is of the view that it is more appropriate to account for these operations as a separate complex.

For the ease of comparison the first quarter 2006 production results in the old reporting format are set out below:

Zhezkazgan		Q1 2006	Q1 2005
Ore extraction	'000 t	6,824	6,759
Average copper grade	%	0.82	0.87
Copper Concentrate	'000 t	139.5	145.4
Copper Cathodes	'000 t	51.7	57.9
Of which tolling	'000 t	0.3	--
Copper Rod	'000 t	5.3	1.3

Balkhash		Q1 2006	Q1 2005
Ore extraction	'000 t	1,544	1,602
Average copper grade	%	0.95	0.61
Copper Concentrate	'000 t	48.9	41.6
Copper Cathodes	'000 t	37.4	37.5
Of which tolling	'000 t	0.4	4.4
Copper Rod	'000 t	--	--

East Region		Q1 2006	Q1 2005
Ore extraction	'000 t	1,471	1,231
Average copper grade	%	2.34	2.3
Copper Concentrate ¹	'000 t	160.2	143.3
Copper Cathodes	'000 t	--	--
Copper Rod	'000 t	--	--

¹Excludes concentrate processed by third parties

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Notes to Editors

The Group's principal business is the mining, processing, smelting, refining and sale of copper and copper products, including copper cathode and copper rod, and is carried on by the Company's main subsidiary LLC Kazakhmys Corporation ("Kazakhmys"). Based on 2004 production, the Group is the 10th largest producer of copper cathode and mined copper in the world. The Group's operations are vertically integrated. Kazakhmys operates 16 open pit and underground mines and two smelting and refining complexes in the Republic of Kazakhstan. Kazakhmys also owns significant rail infrastructure in Kazakhstan and MKM, a copper products fabrication company in Germany.