

### KAZAKHMYS PLC

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## Kazakhmys PLC Production Summary for 12 Months and the Fourth Quarter Ended 31 December 2007

- Copper cathode production for the year ended 31 December 2007 is in line with the guidance outlined in the Q3 production report. Total copper cathode production for the period was 380\* thousand tonnes, of which 341 thousand tonnes was from own material.
  - Cathode output from own material increased by 7% from the previous quarter to 92 thousand tonnes.
- By-product output over the full year was generally positive compared to 2006:
  - Zinc in concentrate production rose 3% to 133 thousand tonnes, due to the higher output of zinc bearing ores.
  - Silver production declined by 12%, with decreased production of silver bearing ores in the Zhezkazgan region.
  - Gold production increased by 6%, to 113 thousand ounces, reflecting ore grade increases.
- Improvements were seen towards the year end in the deliveries of ordered equipment facilitating the availability, maintenance and repairs of mining equipment and facilities. Equipment availability and delivery remains a key area of management focus.
- Mining started, as planned, in January 2008 at the re-opened Abyz mine and the new Akbastau mine.
- Kazakhmys Gold and Kazakhmys Petroleum are included in the report for the first time.
  - Kazakhmys Gold has received the extension of the licence to develop the major Bozymchak Deposit in Kyrgyzstan.
  - Kazakhmys Petroleum has started drilling exploratory wells in the shallow northern area and seismic testing in the southern area.

Oleg Novachuk, Chief Executive Officer, said "2007 brought some production challenges, especially in the supply of equipment and the flood at South Mine. Improvements were seen in several areas towards the year end, along with the introduction of a new concentrator, two concentrator upgrades and the recent commencement of mining at Abyz and Akbastau. We are looking forward to a positive year in 2008 with opportunities to grow production and to develop our programme for operational improvements. There are several new projects and upgrades to be carried out during 2008, along with further work on our major growth assets and we will continue to focus on the success of our core business, alongside the other areas of our strategy."

<sup>\*</sup> Excludes tolled material

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## **NOTES TO EDITORS**

Kazakhmys PLC is the largest copper producer in Kazakhstan and one of the leading copper producers in the world. Kazakhmys is a fully integrated copper producer from mining ore through to the production of finished copper cathode and rod. The Group produces significant volumes of other metals as by-products, including zinc, silver and gold. Existing operations include 20 open pit and underground mines, 9 concentrators, two copper smelting and refining complexes, a copper rod plant, a zinc plant and a precious metals refinery. Production is backed by a captive power supply and significant rail infrastructure. Kazakhmys also owns MKM, a copper products fabrication company in Germany, and has Gold and Petroleum Divisions with assets in Kazakhstan and other parts of Central Asia. The Group's strategic aim is to diversify and participate in the development of the significant natural resource opportunities in Central Asia.

## **Copper Summary**

## **KAZAKHMYS COPPER PRODUCTION**

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Ore extraction	'000 t	33,968	39,240	7,729	8,242	8,986
Average copper grade	%	1.22	1.17	1.22	1.21	1.32
Average zinc grade <sup>1</sup>	%	3.87	4.28	4.19	3.96	4.47
Copper in concentrate	'000 t	389.9	433.5	96.8	91.6	119.5
own concentrate	'000 t	347.9	383.2	84.7	80.3	99.7
purchased concentrate	'000 t	42.0	50.3	12.1	11.3	19.8
Copper cathodes <sup>2</sup>	'000 t	381.2	407.0	103.1	86.9	111.8
own concentrate	'000 t	340.9	368.4	91.6	85.9	102.9
purchased concentrate	'000 t	39.0	36.8	11.3	0.7	8.7
tolling concentrate	'000 t	1.3	1.8	0.2	0.3	0.2
Copper rod	'000 t	35.7	28.5	8.8	9.0	6.1

<sup>1</sup>Complex ores only

<sup>2</sup>Includes copper used to produce copper rod

Total ore extraction in Q4 2007 of 7.7 million tonnes was 6% below the previous quarter. The fourth quarter was mainly impacted by lower output in the Balkhash and Karaganda regions due to stripping works taking place in preparation for 2008. Output in the Zhezkazgan and East regions was in line with Q3 production. Output for the year of 34.0 million tonnes was 13% below 2006 figures, as ore volumes fell, particularly in the Zhezkazgan region.

Copper grades in the fourth quarter 2007 have remained at the level seen in the previous quarter. Average grades of 1.22% in 2007 have generally been higher than 2006. This is due to the significantly lower output from the Kounrad mine, which has the lowest grade of all our operations, which raised the overall average ore grade.

Previous production reports have noted the impact on ore extraction from equipment availability and maintenance, including the effect of longer lead times on the delivery of mining equipment. Towards the end of 2007 we have seen some improvement in rates of delivery for new equipment and to a lesser extent spare parts, but there is still a backlog, and equipment availability remains a key area of focus for management.

Along with the major long term growth projects at the Boschekul and Aktogay, there are a number of smaller near term projects being implemented in Zhezkazgan and Karaganda regions to keep core production stable and offset grade declines in the more mature mines. The North Nurkazgan open pit mine in the Karaganda region and East Sary-Oba and Taskura mines (both open pit mines in the Zhezkazgan region) are scheduled to commence production in 2008.

Production at the Akbastau mine in the Karaganda region with projected annual capacity of 1.0 million tonnes started in January 2008.

#### **Copper Summary**

#### KAZAKHMYS COPPER PRODUCTION (CONT)

The decrease of copper in own concentrate production from 2006 reflects the reduction in ore extraction and the accumulation of approximately 1.3 million tonnes of ore, containing approximately 15.3 thousand tonnes of copper, which is stockpiled and waiting to be processed at the new Nurkazgan concentrator.

During 2007 two out of nine concentrators underwent scheduled upgrades and one new concentrator has been constructed. The Nikolayevsky concentrator (East Region) successfully completed works in Q4 2007. A new concentrator at Nurkazgan is scheduled to ramp up production in 2008. The Karagaily concentrator underwent the installation of an automated production line. The 1.3 million tonnes of stockpiled ore at Nurkazgan will start to be processed in H1 2008, and there is 271 thousand tonnes of complex zinc-bearing Kosmurun ores at Karagaily which will be processed in 2008.

During 2008 four other concentrators (Zhezkazgan, Orlovsky, Irtyshsky and Belousovsky) will undergo planned upgrades, which will focus on improving current recovery rates and increasing ore capacity by 900 thousand tonnes in total.

Total cathode output in Q4 2007, at 103.1 thousand tonnes, represents 19% increase from the previous quarter, due to processing greater levels of own and purchased concentrate. In Q4 total copper cathode production from own concentrate increased by 7% from the previous quarter to 91.6 thousand tonnes, benefiting from a 4.2 thousand tonnes reduction of work in process material at the Zhezkazgan smelter, which had accumulated during maintenance works in Q3.

The cathode production from own material in the full year 2007 was 7% lower than 2006, at 340.9 thousand tonnes, reflecting lower ore production.

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Zinc in concentrate	'000 t	132.8	129.1	31.6	30.0	22.0
Zinc metal	'000 t	45.2	59.5	12.1	5.7	13.6
Silver	'000 oz	18,995	21,570	4,154	4,729	5,577
own production <sup>2</sup>	'000 oz	18,985	21,530	4,154	4,726	5,576
tolling <sup>1</sup>	'000 oz	10	40	0	3.	1
Gold	'000 oz	136.9	165.5	33.7	32.6	44.9
own production <sup>2</sup>	'000 oz	113.4	106.9	32.2	29.8	27.7
tolling <sup>1</sup>	'000 oz	23.5	58.6	1.5	2.8	17.2

## KAZAKHMYS COPPER BY-PRODUCTS PRODUCTION

<sup>1</sup>Represents tolled materials provided via third parties

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

Q4 2007 zinc in concentrate production of 31.6 thousand tonnes was 5% ahead of the previous quarter and the 2007 annual production of 132.8 thousand tonnes was 3% ahead of 2006. Production over the year benefited from a higher output of zinc bearing ores, in particular, at the Kosmurun mine, which more than offset the slight decline in grades from 4.28% to 3.87%. Zinc recovery rates at the Nikolayevsky concentrator improved from 45% to 58% after its recent upgrade. Demand for zinc in concentrate in our markets remains firm.

The sensitivity of the zinc smelter to external temperatures is clearly seen in the improved output of 12.1 thousand tonnes in Q4, compared to just 5.7 thousand tonnes in the previous quarter. Zinc metal production over the full year was below the 2006 level due to continued difficulties with the cooling equipment.

Silver production from own material in Q4 reduced by 12% to 4.2 million ounces, compared to Q3 2007. Production for the full year reduced by the same percentage, compared to 2006, to 19 million ounces. The lower silver production is due to the decline in silver-bearing ore output at Zhezkazgan and East region mines.

Gold output in Q4 2007 increased 3% to 33.7 thousand ounces of gold, compared to Q3 2007. Excluding tolled material, 32.2 thousand ounces were produced, an 8% increase compared to the third quarter of 2007. In Q4, and throughout the year, gold production, excluding tolled material, benefited from the increase in the gold grade as well as from the gold recovered from purchased copper concentrate. This led own gold production to increase to 113.4 thousand ounces in 2007, compared to 106.9 thousand ounces in 2006.

As previously reported, the gold-bearing Abyz mine was closed for major stripping works for the entire year but resumed production in January 2008. This should contribute to an increase in gold production in 2008.

### ZHEZKAZGAN COMPLEX

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Ore extraction	'000 t	24,355	27,676	5,751	5,787	6,555
Average copper grade	%	0.82	0.82	0.83	0.81	0.84
Copper concentrate	'000 t	491.1	541.1	122.9	121.0	128.8
Copper in concentrate	'000 t	178.6	199.3	42.9	42.6	49.6
Copper cathodes <sup>1</sup>	'000 t	187.5	221.8	49.1	44.7	56.2
own concentrate	'000 t	183.7	214.9	49.0	44.7	55.2
purchased concentrate	'000 t	3.8	6.2	0.1		1.0
tolling <sup>2</sup>	'000 t		0.7			
Copper rod	'000 t	35.7	28.5	8.8	9.0	6.1

<sup>1</sup>Includes copper used to produce copper rod

<sup>2</sup> Represents tolled materials provided via third parties

Ore extraction at the Zhezkazgan complex in Q4 2007 was in line with Q3, at 5.8 million tonnes. Production for the full year was 12% lower than 2006, at 24.4 million tonnes.

As announced in December, production at the South mine recovered during Q4 2007 from flooding which took place in September. The main mine shaft has recovered to normal production, although further repair works will be required on the lifting equipment of the support mine shaft. As previously reported, the North mine was impacted during the year, and in Q4, by delays in delivery of equipment – principally drilling, excavator and transportation. Shortages of equipment interrupted mine development works which affected the region's overall output.

In Q4 2007, the copper grade increased due to slightly higher grades contributed by the Stepnoy, North and West mines, which saw the development of richer copper layers. The average copper grade for 2007 was 0.82%, the same as 2006. This was due to the increased output volumes and improved grade at the relatively new Zhomart mine of 1.27% in 2007 compared to 1.16% in 2006, compensating the modest declines seen elsewhere. The underlying trend of declining grade is likely to continue in 2008. However, this should be offset by increased ore extraction volumes as result of the delivery of equipment.

The output of copper in concentrate in the Zhezkazgan region reflects the reduction in ore extraction. Copper in concentrate production in Q4 2007 was in line with the Q3 figures, at 42.9 thousand tonnes.

Q4 copper cathode production, of 49.1 thousand tonnes, was 10% higher than the previous quarter. The increase is due to the ramp up after the maintenance works performed at the smelter in September and October. This included the processing of accumulated work in process materials at the smelting and electrolysis shops, which was reduced by 4.2 thousand tonnes during Q4 2007. Annual copper cathode production decreased by 15% from 214.9 thousand tonnes in 2006 to 183.7 thousand tonnes in 2007, again reflecting the lower level of ore production. Copper rod is produced to customer order and output for the full year 2007 grew by 25%, responding to continued strong demand from the Chinese market.

### BALKHASH COMPLEX

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Ore extraction	(000 t	0 4 0 7	4 074	440	646	000
Ore extraction	'000 t	2,127	4,371	419	616	833
Average copper grade	%	1.05	0.81	1.07	0.86	0.93
Copper concentrate <sup>1</sup>	'000 t	187.9	257.1	47.6	47.8	52.0
Copper in concentrate	'000 t	32.5	43.4	8.7	7.8	9.0
Copper cathodes	'000 t	193.7	185.2	54.0	42.2	55.6
own concentrate	'000 t	157.2	153.5	42.6	41.2	47.7
purchased concentrate	'000 t	35.2	30.6	11.2	0.7	7.7
tolling <sup>2</sup>	'000 t	1.3	1.1	0.2	0.3	0.2
Copper rod	'000 t					

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

<sup>2</sup> Represents tolled materials provided via third parties

The decreased ore extraction in Q4 2007 and for the 12 months of 2007 was due to the scheduled major stripping works at Kounrad mine, which are expected to continue during 2008, though accompanied with intermittent ore extraction. Shatyrkul and Sayak mines saw lower ore output during Q4 due to delays in ore preparation works, caused by equipment issues similar to those in Zhezkazgan. It is anticipated that this equipment will start arriving during H1 2008.

The average copper grade over the year rose to 1.05% compared to 0.81% in 2006. This was principally due to the reduced output at the Kounrad mine, which has the lowest grade in the region, thereby increasing the overall average for the region.

Output of copper in concentrate increased by 12% from 7.8 thousand tonnes in Q3 2007 to 8.7 thousand tonnes in Q4 2007 mainly as a result of processing greater volumes from the Nurkazgan mine in the Karaganda region. The annual copper in concentrate production was 32.5 thousand tonnes, 25% lower than in 2006 and in line with the decrease in ore output.

The Balkhash smelter processes concentrates not only from the Balkhash concentrator but also from the concentrators in the East and Karaganda regions. Copper cathode production from own concentrate of 42.6 thousand tonnes in Q4 2007 was in line with the third quarter output of 41.2 thousand tonnes due to consistent concentrate output levels during Q3 and Q4 by the contributing regions. Annual copper cathode production in 2007 from own material of 157.2 thousand tonnes was in line with 2006.

The new sulphuric acid plant is expected to start production in H2 2008. Sulphuric acid and by products produced from sulphur oxide gases will be sold to third parties. The plant's expected annual capacity is 1.2 million tonnes of sulphuric acid. This facility will bring environmental improvements to the Balkhash region.

### Kazakhmys Copper Review by Region

## EAST REGION

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Ore extraction	'000 t	4,140	4,441	1,005	960	1,049
Average copper grade	%	2.84	2.83	3.16	3.07	3.00
Copper concentrate <sup>1</sup>	'000 t	506.2	534.5	147.4	127.4	135.2
Copper in concentrate	'000 t	95.9	98.7	27.8	24.4	24.6
Copper cathodes	'000 t					
Copper rod	'000 t					
	1.1 41.1	1				

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

Ore extraction in Q4, at 1 million tonnes, was 5% higher than the previous quarter benefiting from the increased production volumes at Artemyevsky and Orlovsky mines as result of the improved situation with spare parts..

Ore extraction in the East region in 2007 was 7% lower than in 2006, primarily due to the lower production volumes at several mines caused by issues of equipment availability reported in Q3.

The average copper grade rose in Q4 2007, due to higher grade and output at Artemyevsky mine and the increased production at Orlovsky, which had a grade of over 5%. The average copper grade in 2007 was 2.84%, in line with 2006.

Production of copper in concentrate during Q4 increased by 14% compared to the previous quarter to 27.8 thousand tonnes. This was the result of the increase in both ore output and copper grade. The annual 2007 copper in concentrate output was 95.9 thousand tonnes, 3% below the 98.7 thousand tonnes produced in 2006 reflecting the lower ore production.

The Nikolayevsky concentrator successfully underwent a planned upgrade during 2007 replacing the automation and filter equipment in the flotation section. This expected to improve recovery rates from the complex ores.

### KARAGANDA REGION

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Ore extraction	'000 t	3,346	2,752	554	879	549
Average copper grade	%	2.21	2.59	1.94	2.06	4.46
Copper concentrate	'000 t	231.6	230.8	38.9	34.0	93.8
Copper in concentrate	'000 t	33.3	33.7	4.2	4.5	15.7
Copper cathodes	'000 t					
Copper rod	'000 t					

The Karaganda region's ore output decreased during Q4 by 37% compared to Q3 2007. This was due to stripping works for 2008 production at the Kosmurun and West Nurkazgan mines. Despite that, annual output increased by 22% from 2.8 million tonnes in the year 2006, to 3.3 million tonnes for the full year of 2007. The ramped up production at the Kosmurun and West Nurkazgan mines contributed to the higher volumes of ore extracted, with output of 1.5 million tonnes and 1.8 million tonnes in 2007, compared to 0.9 million tonnes and 1.7 million tonnes in 2006, respectively. This was partly offset by the gold-rich Abyz mine, which produced 210 thousand tonnes in 2006, but was closed for planned stripping works throughout 2007 and resumed production in January 2008.

The new mine at Akbastau, with a projected annual capacity of 1.0 million tonnes per annum, underwent major stripping works in 2007 and started production in January 2008. Akbastau is one of several small new projects which will offset the decrease in output from mature mines and maintain existing production levels. In 2008 it will offset the declining output from the mature Kosmurun mine.

The reduction in the average copper grade from 2.59% in 2006 to 2.21% in 2007 was caused by the decrease in the copper grade contributed by the Kosmurun mine from 5.53% in 2006 to 3.55% in 2007. The Q4 2007 average copper ore grade of 1.94% also decreased from the grade reported in Q3. This was again due to a decrease in copper grades at Kosmurun mine where there was a change in the geological profile from copper ores, towards complex copper-zinc ores with higher zinc content. Average grades were also affected by the decline in grades at the West Nurkazgan, which fell to 0.88% from 1.12% in the previous quarter, due to geological conditions which led to higher ore dilution. This trend is likely to continue during 2008.

The stockpile of 1.4 million tonnes of ore from the West Nurkazgan mine, containing approximately 16.8 thousand tonnes of copper was build up during H2 2007. A portion of the Nurkazgan stockpiles was processed at the Balkhash concentrator. The remainder 1.3 million tonnes containing approximately 15.3 thousand tonnes of copper is being kept to process at the new Nurkazgan concentrator. The concentrator saw a trial processing in Q4 2007 and it is anticipated that the production will be ramped up in two phases over 2008.

Tests were carried out to improve copper recovery from complex copper-zinc ore from Kosmurun and production is expected to increase in Q1. At the year end 271 thousand tonnes of this ore was held at the Karagaily concentrator, which will be processed during 2008.

## **KAZAKHMYS GOLD PRODUCTION**

		12m 2007	12 m 2006	6 m* 2007	Q4 2007	Q3* 2007	Q4 2006
Ore extraction	t	2,061	2,058	1,206	479	728	499
Gold ore grade	g/t	1.48	1.29	1.52	1.38	1.52	1.27
Gold in ore to pads	ktr.oz	103	102	63	26	37	17
Gold precipitation	ktr.oz	52	56	33	16	17	13
Gold doré production	ktr.oz	52	53	33	15	17	13
Silver production	ktr.oz	44	44	21	12	9	10

Period from acquisition on 4th July 2007

The decrease in production during Q4 compared to Q3 figures is due to standard seasonal changes. Production is carried out using heap leaching which slows down in line with the decreases in temperature of the solution. The optimal temperature for the leaching solution is 15 degrees, compared with a maximum achieved during the winter season of 5-6 degrees. The weather during Q4 2007 was milder than anticipated in the beginning of the year allowing production to lift above expectations.

Q1 2008 production is expected to be below Q4 2007, reflecting the likelihood of lower temperatures. Annual production for 12 months in 2007 was 52 ktroz, of which 33 ktroz is attributable to Kazakhmys, having purchased the assets in July 2007. This was slightly ahead of management expectations, set at the start of the year and time of acquisition.

The licence to develop the central part of the major Bozymchak gold-copper deposit has been extended to 2027, by the State Agency for Geology and Mineral Resources of the Government of Kyrgyzstan. The Bozymchak deposit of gold, copper and silver is located in the Alabuka region Jalalabad district, Kyrgyzstan.

An update on the substantial development projects at Kazakhmys Gold will be given at the time of the 2007 Annual Results.

## **KAZAKHMYS PETROLEUM**

Having completed the re-analysis of the available existing data on the exploration area, Kazakhmys Petroleum has started its shallow well drilling programme on the Northern Elimessai (suprasalt) section. This is expected to continue through to the end of H1 2008.

The main focus of the exploration activity is the Southern Akzhar (subsalt) section. This will be the subject of a 3D seismic survey over most of 2008. The results of the survey will be used to plan the location of future new deep wells. Whilst the 3D seismic work is taking place, an existing deep well may be re-opened in 2008 to validate the results of earlier drilling programmes.

Further updates on the exploration will be provided as news arises.

# **COPPER MINING**

Artemyevsky

Irtyshsky

Zhozkozaon complet		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Zhezkazgan complex North	ore ('000 t)	2,375	3,143	478	552	714
	grade (%)	0.65	0.66	0.70	0.58	0.69
East	ore ('000 t)	5,615	5,501	1,428	1,434	1,252
	grade (%)	0.82	0.88	0.82	0.82	0.87
South	ore ('000 t)	5,220	6,819	967	1,117	1,692
	grade (%)	0.69	0.72	0.63	0.74	0.72
West	ore ('000 t)	2,054	2,585	488	519	571
	grade (%)	0.37	0.41	0.41	0.33	0.43
Stepnoy	ore ('000 t)	2,849	3,200	746	655	732
	grade (%)	0.80	0.79	0.86	0.73	0.74
Annensky	ore ('000 t)	3,360	4,225	873	838	760
	grade (%)	1.03	1.10	0.98	1.06	1.16
Zhomart	ore ('000 t)	2,882	2,203	771	672	834
	grade (%)	1.27	1.16	1.23	1.26	1.26
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Complex total	ore ('000 t)	24,355	27,676	5,751	5,787	6,555
Complex average	grade (%)	0.82	0.82	0.83	0.81	0.84
		12m	12m	Q4	Q3	Q4
Balkhash complex		2007	2006	2007	2007	2006
Kounrad	ore ('000 t)	404	2,267	41	184	379
	grade (%)	0.30	0.35	0.48	0.25	0.44
Sayak I, III	ore ('000 t)	1,372	1,663	338	333	376
•	grade (%)	1.02	1.11	1.03	0.95	1.16
Shatyrkul	ore ('000 t)	351	441	40	99	78
	grade (%)	2.05	2.03	2.01	1.69	2.21
Complex total	ore ('000 t)	2,127	4,371	419	616	833
Complex average	grade (%)	1.05	0.81	1.07	0.86	0.93
				• •		
		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
East region		2007	2000	2007	2007	2000
Nikolayevsky	ore ('000 t)	532	578	111	146	65
	grade (%)	1.75	1.47	1.93	1.66	2.06

Belousovsky	ore ('000 t)	163	246	54	36	69
	grade (%)	0.85	1.00	0.83	0.93	1.14
Orlovsky	ore ('000 t)	1,231	1,542	326	286	339
	grade (%)	5.24	4.69	5.74	6.00	5.17
Yubileyno-Snegirikhinsky	ore ('000 t)	429	345	106	120	92
	grade (%)	3.31	4.20	3.52	3.51	4.21
Region total	ore ('000 t)	4,140	4,441	1,005	960	1,049
Region average	grade (%)	2.84	2.83	3.16	3.07	3.00

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Karaganda region		2007	2000	2007	2007	2000
West Nurkazgan	ore ('000 t)	1,842	1,670	263	473	165
	grade (%)	1.11	1.17	0.88	1.12	1.09
Akbastau	ore ('000 t)	40	-	-	40	-
	grade (%)	3.91	-	-	3.91	-
Kosmurun	ore ('000 t)	1,464	872	291	366	384
	grade (%)	3.55	5.53	2.90	3.08	5.91
Abyz	ore ('000 t)	-	210	-	-	-
	grade (%)	-	1.67	-	-	-
Region total	ore ('000 t)	3,346	2,752	554	879	549
Region average	grade (%)	2.21	2.59	1.94	2.06	4.46
Total	ore ('000 t)	33,968	39,240	7,729	8,242	8,986
Average	grade (%)	1.22	1.17	1.22	1.21	1.32

## **COPPER PROCESSING**

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Zhezkazgan complex						
Copper concentrate	'000 t	491.1	541.1	122.9	121.0	128.8
Copper in concentrate	'000 t	178.6	199.3	42.9	42.6	49.6
Balkhash complex						
Copper concentrate	'000 t	187.9	257.1	47.6	47.8	52.0
Copper in concentrate	'000 t	32.5	43.4	8.7	7.8	9.0
East region						
Copper concentrate	'000 t	506.2	534.5	147.4	127.4	135.2
Copper in concentrate	'000 t	95.9	98.7	27.8	24.4	24.6
Karaganda region						
Copper concentrate	'000 t	231.6	230.8	38.9	34.0	93.8
Copper in concentrate	'000 t	33.3	33.7	4.2	4.5	15.7
Total own processed						
Copper concentrate	'000 t	1,416.8	1,563.5	356.8	330.2	409.8

Copper in concentrate	'000 t	340.3	375.1	83.6	79.3	98.9
Own ore processed by						
third parties						
Copper concentrate	'000 t	28.9	32.8	4.1	4.1	3.2
Copper in concentrate	'000 t	7.6	8.1	1.1	1.0	0.8
Total own						
Copper concentrate	'000 t	1,445.7	1,596.3	360.9	334.3	413
Copper in concentrate	'000 t	347.9	383.2	84.7	80.3	99.7
Purchased concentrate						
Copper concentrate	'000 t	152.5	214.2	41.3	38.8	73.8
Copper in concentrate	'000 t	42.0	50.3	12.1	11.3	19.8
Total copper in						
concentrate	'000 t	389.9	433.5	96.8	91.6	119.5

# **COPPER SMELTER / REFINERY - COPPER CATHODES PRODUCTION**

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
Zhezkazgan smelter						
Own concentrate	'000 t	183.7	214.9	49.0	44.7	55.2
Purchased concentrate	'000 t	3.8	6.2	0.1	0.0	1.0
Sub - total	'000 t	187.5	221.1	49.1	44.7	56.2
Tolling	'000 t	-	0.7	-	-	-
Total including tolling	'000 t	187.5	221.8	49.1	44.7	56.2
Balkhash smelter						
Own concentrate	'000 t	157.2	153.5	42.6	41.2	47.7
Purchased concentrate	'000 t	35.2	30.6	11.2	0.7	7.7
Sub - total	'000 t	192.4	184.1	53.8	41.9	55.4
Tolling	'000 t	1.3	1.1	0.2	0.3	0.2
Total including tolling	'000 t	193.7	185.2	54.0	42.2	55.6
Grand total	'000 t	381.2	407.0	103.1	86.9	111.8

# **BY-PRODUCTS MINING, PROCESSING AND SMELTER / REFINERY**

		12m 2007	12m 2006	Q4 2007	Q3 2007	Q4 2006
ZINC						
East region						
Nikolayevsky	grade (%)	3.07	2.48	2.74	3.37	3.69
Artemyevsky	grade (%)	5.19	6.91	4.91	4.78	6.52
Irtyshsky	grade (%)	3.24	2.80	3.25	3.60	3.26
Belousovsky	grade (%)	2.87	3.52	2.67	3.24	3.96
Orlovsky	grade (%)	4.60	3.72	5.03	4.93	3.06
Yubileyno-Snegirikhinsky	grade (%)	3.27	3.05	3.56	3.09	3.45
Region average	grade (%)	4.27	4.32	4.29	4.23	4.47
Karaganda region						
Kosmurun	grade (%)	2.77	-	3.88	3.38	-
Akbastau	grade (%)	2.84	-	-	2.84	-
Abyz	grade (%)	-	3.47	-	-	-
Region average	grade (%)	2.77	3.47	3.87	3.32	-
Overall average	grade (%)	3.87	4.28	4.19	3.96	4.47
<b></b>		400.0	400.4	04.0	00.0	
Zinc in concentrate	('000 t)	132.8	129.1	31.6	30.0	22.0
Zinc metal	('000 t)	45.2	59.5	12.1	5.7	13.6

		12m	12m	Q4	Q3	Q4
SILVER		2007	2006	2007	2007	2006
Zhezkazgan complex						
North	grade (g/t)	8.25	7.36	8.79	6.81	8.86
East	grade (g/t)	16.82	19.29	16.22	16.96	18.92
South	grade (g/t)	16.86	14.08	14.48	17.16	17.95
West	grade (g/t)	11.11	14.26	11.71	10.92	15.56
Stepnoy	grade (g/t)	11.81	16.58	12.61	10.44	14.37
Annensky	grade (g/t)	21.86	23.75	16.66	19.91	31.71
Zhomart	grade (g/t)	8.15	5.78	6.86	7.66	6.92
Region average	grade (g/t)	14.6	15.5	13.27	14.09	16.73
Balkhash complex						
Kounrad	grade (g/t)	0.86	1.81	0.07	1.10	1.50
Sayak I, III	grade (g/t)	5.22	6.12	5.17	4.81	6.04
Shatyrkul	grade (g/t)	1.71	2.59	1.49	1.40	2.70
Region average	grade (g/t)	3.82	3.53	4.32	3.15	3.66

East region						
Nikolayevsky	grade (g/t)	38.60	24.50	50.37	46.06	33.90
Artemyevsky	grade (g/t)	95.99	143.23	69.00	88.69	140.20
Irtyshsky	grade (g/t)	53.66	44.10	52.73	55.86	51.48
Belousovsky	grade (g/t)	47.89	52.60	47.95	57.59	55.31
Orlovsky	grade (g/t)	55.90	52.35	56.22	58.79	47.71
Yubileyno-Snegirikhinsky	grade (g/t)	49.23	37.42	58.37	51.92	34.89
Region average	grade (g/t)	65.97	72.98	58.99	64.39	80.30
• •						
Karaganda region						
Nurkazgan	grade (g/t)	2.77	3.71	2.84	3.04	2.24
Akbastau	grade (g/t)	33.43	-	-	33.43	-
Kosmurun	grade (g/t)	36.72	31.97	55.34	40.77	33.64
Abyz	grade (g/t)	-	47.88	-	-	-
Region average	grade (g/t)	17.99	16.04	30.42	20.13	24.20
<b>•</b> "						
Overall average	grade (g/t)	20.52	20.69	19.97	19.79	23.39
Silver in concentrate	('000 oz)	18,147	20,549	4,382	4,373	6,288
own concentrate	('000 oz)	14,088	15,792	3,236	3,257	4,210
purchased concentrate	('000 oz)	4,059	4,757	1,146	1,116	2,078
Silver metal <sup>1</sup>	('000 oz)	18,985	21,530	4,154	4,726	5,576

	12m	12m	Q4	Q3	Q4
	2007	2006	2007	2007	2006
grade (g/t)	0.34	0.27	0.52	0.29	0.27
grade (g/t)	0.30	0.31	0.38	0.28	0.32
grade (g/t)	0.33	0.28	0.50	0.29	0.28
grade (g/t)	0.71	0.26	0.68	0.94	0.31
grade (g/t)	1.28	1.66	0.79	1.25	1.62
grade (g/t)	0.37	0.31	0.39	0.40	0.37
grade (g/t)	0.46	0.50	0.47	0.43	0.51
grade (g/t)	0.59	0.58	0.63	0.57	0.59
grade (g/t)	0.70	0.57	0.73	0.84	0.49
grade (g/t)	0.83	0.82	0.67	0.84	0.91
grade (g/t)	0.32	0.31	0.32	0.34	0.22
grade (g/t)	1.80	-	-	1.80	-
grade (g/t)	2.46	1.87	4.52	2.65	1.72
grade (g/t)	-	3.67	-	-	-
	grade (g/t) grade (g/t)	grade (g/t) 0.34   grade (g/t) 0.34   grade (g/t) 0.30   grade (g/t) 0.33   grade (g/t) 0.33   grade (g/t) 0.33   grade (g/t) 0.71   grade (g/t) 0.71   grade (g/t) 0.37   grade (g/t) 0.37   grade (g/t) 0.37   grade (g/t) 0.46   grade (g/t) 0.59   grade (g/t) 0.70   grade (g/t) 0.70   grade (g/t) 0.83   grade (g/t) 0.32   grade (g/t) 1.80   grade (g/t) 2.46	2007   2006     grade (g/t)   0.34   0.27     grade (g/t)   0.30   0.31     grade (g/t)   0.33   0.28     grade (g/t)   0.33   0.28     grade (g/t)   0.33   0.28     grade (g/t)   0.71   0.26     grade (g/t)   0.71   0.26     grade (g/t)   0.37   0.31     grade (g/t)   0.37   0.31     grade (g/t)   0.37   0.31     grade (g/t)   0.46   0.50     grade (g/t)   0.59   0.58     grade (g/t)   0.70   0.57     grade (g/t)   0.83   0.82     grade (g/t)   0.32   0.31     grade (g/t)   0.32   0.31     grade (g/t)   1.80   -     grade (g/t)   2.46   1.87	2007   2006   2007     grade (g/t)   0.34   0.27   0.52     grade (g/t)   0.30   0.31   0.38     grade (g/t)   0.33   0.28   0.50     grade (g/t)   0.33   0.28   0.50     grade (g/t)   0.71   0.26   0.68     grade (g/t)   1.28   1.66   0.79     grade (g/t)   0.37   0.31   0.39     grade (g/t)   0.37   0.31   0.39     grade (g/t)   0.59   0.58   0.63     grade (g/t)   0.70   0.57   0.73     grade (g/t)   0.83   0.82   0.67     grade (g/t)   0.32   0.31   0.32     grade (g/t)   1.80   -   -     grade (g/t)   2.46   1.87   4.52	2007   2006   2007   2007     grade (g/t)   0.34   0.27   0.52   0.29     grade (g/t)   0.30   0.31   0.38   0.28     grade (g/t)   0.33   0.28   0.50   0.29     grade (g/t)   0.71   0.26   0.68   0.94     grade (g/t)   0.37   0.31   0.39   0.40     grade (g/t)   0.46   0.50   0.47   0.43     grade (g/t)   0.59   0.58   0.63   0.57     grade (g/t)   0.83   0.82   0.67   0.84     grade (g/t)<

Region average	grade (g/t)	1.27	1.06	2.53	1.37	1.27
		0.00	0.77	4 47	0.04	0.07
Overall average	grade (g/t)	0.89	0.77	1.17	0.94	0.87
Gold in concentrate	('000 oz)	116.4	111.4	47.4	27.8	43.6
own concentrate	('000 oz)	80.8	72.5	24.6	17.1	21.5
purchased concentrate	('000 oz)	35.6	38.9	22.8	10.7	22.1
	('000 oz)	113.4	106.9	32.2	29.8	27.7

Includes slimes from purchased concentrate