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REFINANCING OF PRE-EXPORT FINANCE DEBT FACILITY AND INCREASE TO \$1.0 BILLION

KAZ Minerals PLC ("KAZ Minerals" or "the Group") announces that it has completed an amendment and extension of its pre-export finance loan facility which includes an increase in facility commitments to \$1.0 billion, an extension of the loan tenor and a reduction in the margin pricing (the "New PXF").

The increase of the facility amount to \$1.0 billion reflects strong support from the market and the New PXF was significantly over subscribed during syndication. The New PXF represents a net increase of \$700 million above the \$300 million outstanding under the existing facility and the Group expects to fully draw the facility by the end of February 2020.

The New PXF incorporates a number of other enhancements compared with the previous facility, including:

- i. an extension to the maturity profile by 3.5 years, from June 2021 until December 2024;
- ii. two annual extension options, exercisable on the first and second anniversary dates of signing, which, if exercised, would extend final maturity of the facility to December 2025 or December 2026 respectively (the "Extension Options");
- iii. a revised repayment profile with monthly principal repayments commencing in January 2021 and continuing over a four-year period until December 2024, or over a six-year period to December 2026 if the Extension Options are exercised;
- iv. a balloon repayment of one-third of the facility amount (\$333 million) if final maturity occurs in December 2024, or to be amortised during 2025 and 2026 if the Extension Options are exercised;
- v. a reduced interest margin set initially at 2.50% above US dollar LIBOR (previously set at 3.00% under the existing PXF facility). The margin is variable during the life of the facility ranging between 2.25% and 3.50% above US dollar LIBOR, depending on the ratio of net debt to EBITDA, to be tested semi-annually; and
- vi. increased headroom under financial covenants.

The bank syndicate has increased from 12 to 19 lenders. The Mandated Lead Arrangers are Deutsche Bank AG, ING Bank NV, Société Générale, ABN AMRO Bank NV, Bank of China Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse AG, ICBC London, Natixis and PJSC «SOVCOMBANK». Other lenders in the facility are Bank of Montreal, DZ Bank AG, Intesa SanPaolo S.P.A., Mizuho Bank, Sumitomo Mitsui Banking Corporation, HSBC Bank PLC, KfW IpeX-Bank GMBH, Raiffeisen Bank International AG and Citibank N.A.

Deutsche Bank AG continues as the facility agent and ING Bank is the security trustee.

John Hadfield, Chief Financial Officer, said: "The signing of this facility provides additional financial flexibility for the Group and demonstrates ongoing support from our lenders. We are pleased to have expanded the banking group and improved the terms of the facility."

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NOTES TO EDITORS

KAZ Minerals PLC (“KAZ Minerals” or “the Group”) is a high growth copper company focused on large scale, low cost, open pit mining in Kazakhstan, Russia and Kyrgyzstan. It operates the Bozshakol and Aktogay open pit copper mine in the Pavlodar and East Region of Kazakhstan, three underground mines and associated concentrators in the East Region of Kazakhstan and the Bozymchak copper-gold mine in Kyrgyzstan. In 2018, total copper production was 295 kt with by-products of 50 kt of zinc in concentrate, 183 koz of gold and 3,511 koz of silver. In January 2019, the Group acquired the Baimskaya project in the Chukotka region of Russia, one of the world’s most significant undeveloped copper assets with the potential to become a large scale, low cost, open pit copper mine.

The Group’s new operations at Bozshakol and Aktogay have delivered industry leading production growth and transformed KAZ Minerals into a company dominated by world class, open pit copper mines.

Bozshakol is a first quartile asset on the global cost curve with an annual ore processing capacity of 30 million tonnes and a remaining mine life of c.40 years at an average copper grade of 0.37%. The mine and processing facilities commenced output in 2016 and will produce an average of 100 kt of copper cathode equivalent and 120 koz of gold in concentrate per year over the first 10 years of operations.

Aktogay is a large scale, open pit mine similar to Bozshakol, with a remaining mine life of around 25 years (including the expansion project) at an average copper grade of 0.36% (oxide) and 0.33% (sulphide). Aktogay commenced production of copper cathode from oxide ore in December 2015 and copper in concentrate from sulphide ore in February 2017. The operating sulphide concentrator has an annual ore processing capacity of 25 million tonnes and the sulphide processing capacity will be doubled to 50 million tonnes with the addition of a second concentrator by the end of 2021. Aktogay is competitively positioned on the global cost curve and will produce an average of 100 kt of copper per year from sulphide ore until 2021, increasing to 170 kt per year from 2022 to 2027, after the second concentrator commences operations. Copper production from oxide ore will be in the region of 20 kt per annum until 2024.

The Peschanka deposit within the Baimskaya licence area in Russia has JORC resources of 9.5 Mt of copper at an average grade of 0.43% and 16.5 Moz of gold at an average grade of 0.23 g/t. Average annual production over the first ten years of operations is expected to be 250 kt copper and 400 koz gold, or 330 kt Copper Equivalent Production, with a mine life of approximately 25 years and first quartile operating costs. The project is located in a region identified by the Russian Government as strategically important for economic development and will benefit from the construction of state-funded power and transport infrastructure and the provision of tax incentives. The estimated capital budget for construction is \$5.5 billion and the project is currently at feasibility study stage. The Group expects the project to generate a significant NPV uplift and an attractive IRR at analyst consensus copper prices. The development of Baimskaya will enable the Group to continue its high growth trajectory, adding a large scale, long life asset to the Group’s portfolio.

KAZ Minerals is listed on the London Stock Exchange and the Kazakhstan Stock Exchange and employs around 15,000 people, principally in Kazakhstan.

This announcement contains inside information.