

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION  
FOR IMMEDIATE RELEASE**

**26 March 2021**

**RECOMMENDED CASH ACQUISITION**

**of**

**KAZ MINERALS PLC**

**by**

**NOVA RESOURCES B.V.**

**(a company indirectly owned by joint offerors (i) Oleg Novachuk and (ii) Vladimir Kim)**

**FINAL INCREASED CASH OFFER**

**1. Final Increased Offer**

On 28 October 2020 the board of Nova Resources B.V. ("**Bidco**") and the Independent Committee of KAZ Minerals PLC ("**KAZ Minerals**") announced the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued share capital of KAZ Minerals (other than the KAZ Minerals Shares already owned or controlled by members of the Consortium) (the "**2.7 Announcement**"). On 7 December 2020, Bidco announced that the Acquisition was to be implemented by way of a recommended takeover offer (the "**Original Offer**").

On 4 February 2021, Bidco and the Independent Committee announced the terms of a significantly increased recommended cash offer comprising 780 pence in cash (the "**Original Increased Offer Price**") for each KAZ Minerals Share (other than the KAZ Minerals Shares already owned or controlled by either member of the Consortium) (the "**Original Increased Offer**"). On 8 February 2021, Bidco published an offer document (the "**Original Offer Document**") setting out the full terms and conditions of the Original Increased Offer.

Bidco and the Independent Committee are pleased to announce the terms of a further increased and final offer comprising 850 pence in cash payable by Bidco for each KAZ Minerals Share (other than the KAZ Minerals Shares already owned or controlled by either member of the Consortium) (the "**Final Increased Offer**"), together with a special dividend equal to 27 US cents per KAZ Minerals Share payable by KAZ Minerals subject to the Final Increased Offer becoming or being declared unconditional in all respects, to all KAZ Minerals Shareholders who are on the register of members of KAZ Minerals at 6.00 p.m. (London time) on the day that the Final Increased Offer

becomes or is declared unconditional in all respects (the “**Special Dividend**”). The Final Increased Offer and the Special Dividend in aggregate have a value of 869 pence in cash per KAZ Minerals Share, on the basis of the Dividend Conversion Rate. The Final Increased Offer has been unanimously recommended by the Independent Committee.

## 2. **Summary of terms of the Final Increased Offer and Special Dividend**

Under the terms of the Final Increased Offer, KAZ Minerals Shareholders will be entitled to receive, for each KAZ Minerals Share, 850 pence in cash.

In addition, in connection with the Final Increased Offer, KAZ Minerals will pay the Special Dividend of 27 US cents per KAZ Minerals Share. The payment of the Special Dividend is conditional upon the Final Increased Offer becoming or being declared unconditional in all respects. Subject to the Final Increased Offer becoming or being declared unconditional in all respects, KAZ Minerals Shareholders who are on the register of members of KAZ Minerals at 6.00 p.m. (London time) on the day that the Final Increased Offer becomes or is declared unconditional in all respects will receive the Special Dividend. The Special Dividend will be paid at or around the same time as settlement of consideration payable by Bidco under the Final Increased Offer to those KAZ Minerals Shareholders who have validly accepted the Final Increased Offer before it becomes or is declared unconditional in all respects.

Accordingly, under the terms of the Final Increased Offer, when taken together with the Special Dividend, KAZ Minerals Shareholders will be entitled to receive:

<b>For each KAZ Minerals Share</b>	<b>850 pence in cash</b>
	<b>(the "Final Increased Offer Price")</b>
	<b>and</b>
	<b>27 US cents in cash</b>
	<b>(the “Special Dividend”)</b>
	The Final Increased Offer Price and the Special Dividend in aggregate having a value of <b>869 pence in cash</b> (on the basis of the Dividend Conversion Rate) (the " <b>Final Increased Offer Value</b> ").

The terms of the Final Increased Offer, when taken together with the Special Dividend, value the entire issued and to be issued share capital of KAZ Minerals at approximately £4.1 billion, based on the Dividend Conversion Rate.

The Final Increased Offer Value represents a premium of approximately:

- 35.9 per cent. to the Original Offer Price of 640 pence in cash for each KAZ Minerals Share;
- 11.5 per cent. to the Original Increased Offer Price of 780 pence in cash for each KAZ Minerals Share;
- 69.7 per cent. to the Closing Price of 512.4 pence per KAZ Minerals Share on 2 October 2020 (being the last Business Day prior to agreement in respect of the Original Offer having been reached with the Independent Committee);
- 52.3 per cent. to the Closing Price of 570.8 pence per KAZ Minerals Share on 27 October 2020 (being the last Business Day prior to the date of the 2.7 Announcement);
- 58.3 per cent. to the volume-weighted average price of 549.2 pence per KAZ Minerals Share for the one-month period ended 27 October 2020 (being the last Business Day prior to the date of the 2.7 Announcement); and
- 71.9 per cent. to the volume-weighted average price of 505.8 pence per KAZ Minerals Share for the six-month period ended 27 October 2020 (being the last Business Day prior to the date of the 2.7 Announcement).

The financial terms of the Final Increased Offer are final and will not be increased.

The revised offer document, which contains the full terms and conditions of the Final Increased Offer and the procedures for acceptance of the Final Increased Offer (the "**Final Offer Document**"), has been posted to KAZ Minerals Shareholders today, together with the related Second Form of Acceptance. For information purposes only, the Final Offer Document will also be sent, or made available, to persons with information rights and participants in the KAZ Minerals Share Plans.

The Final Increased Offer will remain open for acceptances until 1.00 p.m. (London time) on 9 April 2021. KAZ Minerals Shareholders are urged to accept the Final Increased Offer as soon as possible and, in any event, by no later than this deadline.

KAZ Minerals Shareholders who have previously validly accepted the Original Increased Offer (and have not validly withdrawn their acceptance) will automatically be deemed to have accepted the terms of the Final Increased Offer by virtue of their prior acceptances, and therefore need not take any further action to accept the Final Increased Offer. Subject to the Final Increased Offer becoming or being declared unconditional in all respects, all KAZ Minerals Shareholders that have validly accepted the Original Increased Offer will receive the Final Increased Offer Price in respect of their KAZ Minerals Shares.

Commenting on the Final Increased Offer, Oleg Novachuk, Chairman of Bidco, said:

*"Bidco is pleased to announce this Final Increased Offer for KAZ Minerals that is recommended by the Independent Committee. Mr. Kim and I are proud of the progress KAZ Minerals has made since its listing in 2005, during which time it has demonstrated strong governance and delivered significant shareholder returns. However, KAZ Minerals must now focus on the execution of a higher risk, capital intensive strategy to*

*deliver the Baimskaya project, the associated implementation risks of which are substantial. In this context, KAZ Minerals' long term interests are best served as a private organisation.*

*We have listened to market constituents and remain committed to offering KAZ Minerals Shareholders the opportunity to realise in cash the value of their investment at an attractive valuation. Copper market dynamics have evolved since the announcement of the Original Offer in October 2020, and the Final Increased Offer fully reflects this change. We remain convinced that the Final Increased Offer represents a highly attractive return for KAZ Minerals Shareholders."*

Commenting on the Final Increased Offer, Michael Lynch-Bell, Chair of the Independent Committee, said:

*"Following improved market conditions in recent months and further negotiations with Bidco, the Independent Committee is pleased to announce a Final Increased Offer together with the Special Dividend worth in total 869 pence per share. The Independent Committee unanimously recommends that KAZ Minerals Shareholders accept this Final Increased Offer as we believe it reflects the long term fair value of KAZ Minerals, and strikes a fair balance between the strength of KAZ Minerals' operating assets and development portfolio and the increased risk profile of the Baimskaya project."*

Unless otherwise stated, the terms used in this announcement have the same meanings as given to them in the Final Offer Document.

### **3. Level of acceptances**

As at 1.00 p.m. (London time) on 25 March 2021, being the last Business Day prior to the date of this announcement, Bidco had received valid acceptances of the Original Increased Offer in respect of 94,119,370 KAZ Minerals Shares representing approximately 19.91 per cent. of the existing issued share capital of KAZ Minerals as at close of business on the Latest Practicable Date, which Bidco may count towards the acceptance condition of the Final Increased Offer.

The aggregate of those KAZ Minerals Shares in respect of which Bidco has received acceptances (as set out above) and the KAZ Minerals Shares in which the Consortium is already interested represents approximately 59.28 per cent. of the existing issued share capital of KAZ Minerals as at close of business on the Latest Practicable Date.

Of the total number of acceptances set out above, acceptances have been received in respect of a total of 50,233,953 KAZ Minerals Shares, representing in aggregate, approximately 10.63 per cent. of the existing issued share capital of KAZ Minerals, which were subject to irrevocable undertakings given by members of the Independent Committee and other KAZ Minerals Shareholders. Bidco confirms that it has received acceptances in respect of all KAZ Minerals Shares which are subject to an irrevocable undertaking.

The total number of acceptances set out above includes acceptances in respect of 669,129 KAZ Minerals Shares, representing approximately 0.14 per cent. of the existing issued share capital of KAZ Minerals, which were received from persons who

are considered to be acting in concert with members of the Consortium for the purposes of the Takeover Code.

In addition, Bidco has now received non-binding letters of intent from Samson Rock Capital LLP and Alpine Associates Management Inc. to accept, or use best efforts to procure the acceptance of, the Final Increased Offer in respect of a total of 15,002,691 KAZ Minerals Shares, representing approximately 3.17 per cent. of the existing issued share capital of KAZ Minerals as at the close of business on the Latest Practicable Date (the "**Letters of Intent**").

#### 4. **Background to and reasons for the Acquisition**

The Consortium believes that there is a strong rationale for the Acquisition given KAZ Minerals' shift to a capital-intensive strategy. KAZ Minerals is a well-established and efficient copper company focused on open pit mining in the CIS region.

The Consortium recognises that KAZ Minerals' focus on developing and operating large scale, low cost copper mines in Kazakhstan and the CIS region has enabled it to successfully progress a pipeline of growth projects, including its largest assets in Kazakhstan, Aktogay and Bozshakol.

The Consortium also believes that KAZ Minerals' decision to dedicate efforts to a capital intensive strategy focused on long term growth remains the optimal long term strategic path for KAZ Minerals. The Consortium has the appetite for the significantly higher risks involved in this strategy, which demands a number of years of heavy capital investment with curtailed prospects for a reliable dividend stream. The members of the Consortium accept those diminished prospects but recognise this may be misaligned with the preference of many investors in the mining sector who look for a greater proportion of capital to be allocated to dividends rather than focussed on re-investment into long term growth projects.

The Baimskaya project is one of the world's most significant undeveloped copper assets with the potential to deliver a strong return on investment in the future. However, in the announcement made on 28 October 2020, the Bidco Directors and the Independent Committee of KAZ Minerals highlighted that the risks to the Baimskaya project were significant and had increased. These include project delivery risks, demand and supply dynamics for copper, future prevailing prices for copper and gold, and a reliance on Government of the Russian Federation to make the necessary investments in new infrastructure for the project.

Since the announcement of the Original Offer, certain of these risks have begun to crystallise. KAZ Minerals announced in the Baimskaya Project Update on 18 November 2020 that the Ministry of Development of the Russian Far East and Arctic had submitted for approval by the Prime Minister of the Russian Federation a multi-party Complex Development Plan ("**CDP**") for new infrastructure in the Chukotka region, including infrastructure to be used by KAZ Minerals for the Baimskaya project. Under the CDP, additional responsibility was transferred to KAZ Minerals for a portion of these infrastructure capital costs. Together with a revised cost for the tailings storage facility and the impact of an approximate one year delay to the project schedule, the capital construction budget for the Baimskaya project is now estimated to be close to

USD8 billion. The project will also have a peak working capital requirement of USD700 million in nominal terms over the initial years of operation.

In addition to this capital construction and working capital costs, members of the Consortium anticipate that the financial liabilities that KAZ Minerals will have to enter into associated with life-of-mine take-or-pay contracts will be substantial.

The Consortium believe that the project delivery risks remain elevated; both the project schedule and budget remain subject to change. KAZ Minerals continues to be exposed to unprecedented wider economic instability compounded by a global financial system significantly weakened as a result of the COVID pandemic as well as consistent geopolitical tensions. These factors could reduce the ability of KAZ Minerals to finance the construction of the Baimskaya project from its own cash resources, materially increasing pressure on gearing levels during development of the project. Furthermore, there is increasing risk that KAZ Minerals may need to make material capital investments ahead of definitive commitments from the Russian government in respect of all aspects of infrastructure, whether or not covered by the CDP.

In September 2020, the Russian State Duma approved an increase in mineral extraction tax ("**MET**") for mining companies in Russia; the Consortium believes the revised MET regime has a negative impact on the overall economics of the Baimskaya project.

The Independent Committee has acknowledged the risks surrounding the successful development of the project are significant. The members of the Consortium accept those uncertainties.

Consequently, whilst the Consortium firmly believes that Baimskaya is the right project to underpin the long term transformation of KAZ Minerals and represents an attractive opportunity to deliver value accretive growth from 2027, the members of the Consortium have concluded that KAZ Minerals' long term development of Baimskaya would be best undertaken away from public markets as a private company.

The spot price of copper reached a five year high on 25 February 2021 of US\$9,456/t. The increase in spot copper was seen in the context of rapid depletion of LME and SHFE copper inventories. This trend in depletion of inventories has reversed with March LME and SHFE inventories increasing materially month-on-month. This has coincided with a decline in the spot price of copper which as at the Latest Practicable Date was US\$8,973/t, a reduction of c.5.1 per cent. from the five year high price. Notwithstanding this decline, market consensus estimates on the long-term price of copper remain significantly lower than the spot copper price.

In this context, the Consortium is confident that the Final Increased Offer Price represents compelling value for KAZ Minerals on the basis of consensus long-term estimates for the price of copper. Accordingly, the Consortium is offering KAZ Minerals Shareholders an opportunity to crystallise the value of their investment in KAZ Minerals Shares in cash at a material increase to pre offer announcement trading levels whilst providing certainty, in cash, and insulating them from the risks to KAZ Minerals described above.

The Consortium considers the terms of the Acquisition to be highly attractive for KAZ Minerals Shareholders. The Final Increased Offer Value represents a premium of approximately:

- 35.9 per cent. to the Original Offer Price of 640 pence in cash for each KAZ Minerals Share;
- 11.5 per cent. to the Original Increased Offer Price of 780 pence in cash for each KAZs Minerals Share;
- 69.7 per cent. to the Closing Price of 512.4 pence per KAZ Minerals Share on 2 October 2020 (being the last Business Day prior to agreement having been reached with the Independent Committee); and
- 71.9 per cent. to the volume-weighted average Closing Price of 505.8 pence per KAZ Minerals Share for the six-month period ended on 27 October 2020 (being the last Business Day prior to the date of the 2.7 Announcement).

## 5. **Background to and reasons for the Independent Committee Recommendation**

Subsequent to the announcement of the increased offer price on 4 February 2021 and the publication of the Original Offer Document on 8 February 2021, the spot price of copper on the LME has further increased by 11.5 per cent. and medium-term analyst price expectations for copper have also been revised further upwards, resulting in stronger forecast cash flows for KAZ Minerals.

In light of this, the Independent Committee and its advisers engaged in further extensive discussions with Bidco regarding a further improved offer. Following this engagement, Bidco made a revised proposal to the Independent Committee regarding an improved, final cash offer value of 869 pence per share. This improved, final cash offer value comprises a final cash offer of 850 pence per share and a special dividend of 27 US cents per share (or approximately 19.5 pence per share for KAZ Minerals Shareholders who elect or have elected to receive dividends in pounds sterling), which represents:

- an increase of 229 pence per KAZ Minerals Share (and 35.9 per cent) over the Original Offer Price, and an increase of 89 pence per KAZ Minerals Share (and 11.5 per cent.) over the Original Increased Offer Price;
- a premium of approximately 52.3 per cent. to the Closing Price of 570.8 pence per KAZ Minerals Share on 27 October 2020 (being the last Business Day prior to the date of the 2.7 Announcement); and
- a premium of approximately 71.9 per cent. to the volume-weighted average price of 505.8 pence per KAZ Minerals Share for the six-month period ended 27 October 2020 (being the last Business Day prior to the date of the 2.7 Announcement).

The Independent Committee is recommending the Final Increased Offer to KAZ Minerals Shareholders as it believes the Final Increased Offer Value:

- fairly compensates KAZ Minerals Shareholders for the increased cash flows generated since 27 October 2020 and the current improved prospects for the KAZ Minerals Group resulting from the increase in the spot copper price and in the medium-term analyst consensus price expectations for copper;
- represents a fair value for KAZ Minerals' operating assets and development portfolio, on a fundamental basis using KAZ Minerals' internal model, whilst reflecting the risks in the development of the Baimskaya project, including its significant estimated capital construction budget of close to USD8 billion and the progress still required to secure the external project infrastructure, principally the power, port and a section of the road; and
- ensures that an offer is put to KAZ Minerals Shareholders at a price significantly greater than 780 pence per KAZ Minerals Share and provides KAZ Minerals Shareholders with the opportunity to realise their investments in KAZ Minerals at a premium in cash.

In coming to its recommendation, the Independent Committee's view on the fundamental valuation of KAZ Minerals has taken account of the benefits of increased market consensus copper prices over the short and medium term. It has also taken account of the current market consensus on the long-term price of copper that, whilst higher than at the date of the Original Offer Document, is lower than the current spot price, which has fluctuated significantly. Given the impact of commodity prices, the Independent Committee notes that, if a KAZ Minerals Shareholder has a materially different view of long-term commodity prices than the current market consensus, the Final Increased Offer Value may be viewed differently by that shareholder.

The Independent Committee, which has been so advised by Citigroup and UBS as to the financial terms of the Final Increased Offer, considers the terms of the Final Increased Offer to be fair and reasonable. In providing their advice to the Independent Committee, Citigroup and UBS have taken into account the commercial assessments of the Independent Committee.

Accordingly, the Independent Committee, having carefully considered the Final Increased Offer and engaged with a number of KAZ Minerals Shareholders, has concluded that it unanimously recommends the Final Increased Offer to KAZ Minerals Shareholders.

## 6. **Action to be taken**

The Final Increased Offer, which remains subject to the terms and Conditions set out in the Original Offer Document (as amended and/or supplemented by the Final Offer Document) and, in respect of KAZ Minerals Shares in certificated form, the Forms of Acceptance, will remain open for acceptances until 1.00 p.m. (London time) on 9 April 2021.

KAZ Minerals Shareholders who have not yet accepted the Final Increased Offer and who wish to do so, are urged to do so as soon as possible and by the following deadlines:



- if you hold your KAZ Minerals Shares, or any of them, in certificated form (that is, not in CREST), you should complete, sign and return a Form of Acceptance (witnessed, where relevant) (together with your share certificate(s) and/or other document(s) of title) by post as soon as possible and in any event so as to be received by the Receiving Agent, Computershare, **by no later than 1.00 p.m. (London time) on 9 April 2021**; or
- if you hold your KAZ Minerals Shares, or any of them, in uncertificated form (that is, in CREST) you should NOT complete, sign and return any Form of Acceptance but instead follow the procedure for Electronic Acceptance through CREST so that the TTE instruction settles as soon as possible and in any event **by no later than 1.00 p.m. (London time) on 9 April 2021**. If you hold your KAZ Minerals Shares as a CREST sponsored member, acceptance of the Final Increased Offer should be referred to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE instruction to Euroclear.

Full details of the procedure to accept the Final Increased Offer are set out in paragraph 14 of Part 2 of the Final Offer Document and, in respect of certificated KAZ Minerals Shares, in either of the Forms of Acceptance.

The default currency for receipt of dividends declared by KAZ Minerals is USD, although KAZ Minerals Shareholders can elect to receive their dividends in pounds sterling. For those KAZ Minerals Shareholders who wish to receive the Special Dividend in pounds sterling, currency election forms or a CREST message should be sent to the KAZ Minerals' registrar, Computershare Investor Services PLC, so as to arrive no later than 6.00 p.m. on 9 April 2021. The relevant currency election form can be found on the website of KAZ Minerals' registrar, Computershare, at <https://www-uk.computershare.com/Investor/FormsCatalogue.asp>. The relevant Company Code is KZK.

For those KAZ Minerals Shareholders who now make, or have previously made, a valid dividend currency election, the Special Dividend will be paid in pounds sterling, with the currency conversion rate to convert the Special Dividend denominated in USD into pounds sterling being £0.72068 per US dollar (the “**Dividend Conversion Rate**”). The Dividend Conversion Rate is based on the average exchange rate for the five business days ending two business days before the date of this announcement.

The payment of the Special Dividend to each KAZ Minerals Shareholder who is on the register of members of KAZ Minerals at 6.00 p.m. (London time) on the day that the Final Increased Offer becomes or is declared unconditional in all respects (or to the first-named shareholder in the case of joint holders) shall be effected by the issue of cheques, or BACS payments in the case of those KAZ Minerals Shareholders that have provided a valid bank mandate to KAZ Minerals, whether the relevant KAZ Minerals Shares are held in uncertificated form (i.e. in CREST) or in certificated form.

KAZ Minerals Shareholders who have previously validly accepted the Original Increased Offer (and have not validly withdrawn their acceptance) will automatically be deemed to have accepted the terms of the Final Increased Offer by virtue of their prior acceptances, and therefore need not take any further action to accept the Final Increased Offer. Subject to the Final Increased Offer becoming or being declared unconditional in all respects, all KAZ Minerals Shareholders that have validly accepted

the Original Increased Offer will receive the Final Increased Offer Price in respect of their KAZ Minerals Shares.

Subject to the Final Increased Offer becoming or being declared unconditional in all respects, KAZ Minerals Shareholders who have previously made a valid currency election to receive their dividends in pounds sterling will automatically receive their Special Dividend in pounds sterling, and do not need to submit a further currency election form or CREST message.

KAZ Minerals Shareholders with any questions relating to the completion and return of any Form of Acceptance or the making of an Electronic Acceptance (as the case may be) should contact the Receiving Agent, Computershare, between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on (0) 370 707 1100 (if calling from within the UK) or +44 (0) 370 707 1100 (if calling from outside the UK). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Final Increased Offer nor give any financial, legal or tax advice.

#### 7. **Conditions to the Acquisition**

As announced on 24 March 2021, all of the Regulatory Conditions have now been satisfied. The Final Increased Offer remains conditional on, among other things, receipt of sufficient acceptances of the Final Increased Offer to fulfil the acceptance condition set out in paragraph 1(a) of Part A of Appendix I of the Original Offer Document (as amended by Appendix I to the Final Offer Document). The terms and Conditions of the Final Increased Offer are set out in full in Appendix I to the Original Offer Document (as amended by Appendix I to the Final Offer Document).

#### 8. **Interests in relevant securities of KAZ Minerals**

The interests, rights to subscribe and short positions in respect of relevant securities of KAZ Minerals held by members of the Consortium, Bidco, each of their close relatives and related trusts and companies, and persons acting in concert with Bidco, as at the close of business on the Latest Practicable Date, are set out below.

Neither Bidco, nor any person acting in concert with Bidco, has borrowed or lent any KAZ Minerals relevant securities (including any financial collateral arrangements), save for any borrowed shares which have been either on-lent or sold.

#### ***Members of the Consortium***

<b><i>Name</i></b>	<b><i>Number of KAZ Minerals Shares</i></b>	<b><i>% of KAZ Minerals existing share capital (excluding treasury shares)</i></b>	<b><i>Nature of interest</i></b>
Oleg Novachuk	1,848,991	0.39	Legal and beneficial interest

<i>Name</i>	<i>Number of KAZ Minerals Shares</i>	<i>% of KAZ Minerals existing share capital (excluding treasury shares)</i>	<i>Nature of interest</i>
Harper Finance Limited <sup>(1)</sup>	29,706,901	6.28	Registered holder
Kinton Trade Ltd <sup>(1)</sup>	5,216,522	1.10	Registered holder
Cuprum Holding Limited <sup>(2)</sup>	135,944,325	28.76	Registered holder
Perry Partners S.A. <sup>(2)</sup>	13,362,470	2.83	Registered holder

<sup>(1)</sup> Company wholly owned directly by Oleg Novachuk

<sup>(2)</sup> Company indirectly wholly owned by Vladimir Kim via Folin Universal Trust reg, a company (registered trust company) incorporated under the laws of the Principality of Liechtenstein, registered with the Commercial Register Division of Liechtenstein under number: FL-0001.524.688-8

As announced previously, Oleg Novachuk has waived his vested options to acquire 186,884 KAZ Minerals Shares through his participation in the Long Term Incentive Plan 2007, and unvested options to acquire 629,927 KAZ Minerals Shares through his participation in the 2017 Long Term Incentive Plan, subject to the Final Increased Offer becoming, or being declared, unconditional in all respects.

#### ***Persons acting in concert with Bidco***

<i>Name</i>	<i>Number of KAZ Minerals Shares</i>	<i>% of KAZ Minerals existing share capital (excluding treasury shares)</i>	<i>Nature of interest</i>
Lynchwood Nominees Limited*	669,129	0.14	Registered holder

\* Beneficially owned by Stansbury International Ltd., a company limited by shares and incorporated under the laws of the British Virgin Islands, registered with company number 689940 ("**Stansbury**"). As set out in the Original Offer Document, Stansbury is owned by a family member of Eduard Ogay, who is considered to be acting in concert with Vladimir Kim for the purposes of the Takeover Code. Bidco has received valid acceptances in respect of all of these shares, as noted in paragraph 0 above.

## **9. Financing**

The Final Increased Offer Price payable to KAZ Minerals Shareholders by Bidco pursuant to the terms of the Acquisition will be financed with the proceeds of the VTB Facility Agreement, as further amended and restated pursuant to an amendment and restatement agreement dated 25 March 2021 between, amongst others, Bidco, Holdco and VTB Bank (the "**VTB Second Amendment and Restatement Agreement**"), to reflect the Final Increased Offer Price. Further details in respect of the VTB Second Amendment and Restatement Agreement are set out in the Final Offer Document.

VTB Capital is satisfied that sufficient resources are available to Bidco to satisfy in full the consideration payable to KAZ Minerals Shareholders under the terms of the Acquisition. This cash confirmation does not apply to the Special Dividend, which is payable by KAZ Minerals.

#### 10. **General**

This announcement should be read in conjunction with the Original Offer Document and the Final Offer Document.

Each of VTB Capital, Citigroup and UBS has given and not withdrawn its consent to the publication of this announcement with the inclusion herein of the references to its name in the form and context in which they appear. VTB Capital is acting as financial adviser to Bidco for the purposes of the Acquisition.

The Appendix to this announcement contains the sources and bases of certain information contained in this announcement.

#### 11. **Documents available on website**

Copies of the following additional documents are available, or will be made available promptly and by no later than 12 noon (London time) on the Business Day following this announcement, on both Bidco's website at <http://www.novaresourcesbv.com/Announcements.html> and on KAZ Minerals' website at <https://www.kazminerals.com/investors/announcement/details/>, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, until the end of the Acquisition:

- (a) this announcement;
- (b) the Final Offer Document;
- (c) the Second Form of Acceptance;
- (d) the VTB Second Amendment and Restatement Agreement;
- (e) the 2020 KAZ Minerals Annual Report;
- (f) a copy of the written consent letters from each of Citigroup, UBS and VTB Capital referred to in paragraph 5 of Appendix V to the Final Offer Document; and
- (g) the Letters of Intent.

For the avoidance of doubt, the contents of the websites referred to in this announcement are not incorporated into and do not form part of this announcement.

#### **Enquiries**

Bidco / VTB Capital (Financial adviser to Bidco)  
Alexander Metherell  
Giles Coffey

+44 (0) 20 3334 8000

Elena Loseva

Hudson Sandler (Financial PR adviser to Bidco)

Charlie Jack

+44 (0) 20 7796 4133

Katerina Parker

Elfie Kent

KAZ Minerals

Ed Jack, Senior Investor Relations Advisor

+44 (0) 20 7901 7882

Susanna Freeman, Company Secretary

+44 (0) 20 7901 7826

Brunswick Group (Financial PR adviser to KAZ Minerals)

Carole Cable

+44 (0) 20 7404 5959

Charles Pretzlik

Citigroup Global Markets Limited (Financial adviser and corporate broker to KAZ Minerals)

Robert Way

+44 (0) 20 7986 4000

Tom Reid

David Fudge

UBS AG London Branch (Financial adviser and corporate broker to KAZ Minerals)

Ian Hart

+44 (0) 20 7567 8000

Jason Hutchings

David Roberts

Clifford Chance LLP is acting as legal adviser to Holdco and Bidco.

Linklaters LLP is acting as legal adviser to KAZ Minerals.

### **Important notices**

*VTB Capital, which is authorised by the PRA and regulated by the PRA and the FCA in the United Kingdom, is acting exclusively for Bidco and no one else in connection with the Acquisition and will not be responsible to anyone other than Bidco for providing the protections afforded to clients of VTB Capital nor for giving advice in relation to the Acquisition or any matter or arrangement referred to in this announcement.*

*Citigroup, which is authorised by the PRA and regulated in the UK by the FCA and the PRA, is acting as financial adviser for KAZ Minerals and for no one else in connection with the Acquisition and other matters described in this announcement, and will not be responsible to anyone other than KAZ Minerals for providing the protections afforded to clients of Citigroup nor for providing advice in connection with the Acquisition or any other matters referred to in this announcement. Neither Citigroup nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citigroup in connection with this announcement, any statement contained herein, the Acquisition or otherwise.*

*UBS is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom. UBS provided financial and corporate broking advice to KAZ Minerals and no one else in connection with the contents of this announcement. In connection with such matters, UBS will not regard any other person as its client, nor will it be responsible to any other person for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement or any other matter referred to herein.*

*This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer to sell or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition is being made solely through the Final Offer Document, which together with the associated Second Form of Acceptance contains the full terms and conditions of the Acquisition, including details of how to accept the Acquisition. Any acceptance or other response to the Acquisition should be made only on the basis of the information in the Final Offer Document.*

*This announcement does not constitute a prospectus or prospectus equivalent document.*

### **Overseas Shareholders**

*This announcement has been prepared in accordance with English law, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.*

*The Acquisition will be subject to the applicable rules and regulations of the FCA, the London Stock Exchange and the Takeover Code.*

*The availability of the Acquisition to KAZ Minerals Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders are contained in the Final Offer Document.*

*Unless otherwise determined by Bidco or required by the Takeover Code (and permitted by applicable law and regulation), the Acquisition is not being communicated, and will not be communicated, directly or indirectly, in or into, or by use of mails of or any means or instrumentality (including, but not limited to, by mail, telephonically or electronically by way of internet or otherwise) of interstate or foreign commerce of, or by any facilities of a national, state or securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within such Restricted Jurisdiction. Accordingly, unless otherwise determined by Bidco or required by the Takeover Code and permitted by applicable law and regulation, copies of this announcement and any Form of Acceptance are not being, and must not be, directly or indirectly mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Accordingly, any person (including, without limitation, any custodian, nominee or trustee) who*

would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement to any jurisdiction outside the United Kingdom, should inform themselves of, and observe, these restrictions and must not, directly or indirectly, mail, send or otherwise forward or distribute them in, into or from any Restricted Jurisdiction. Doing so may render any purported acceptance of the Final Increased Offer invalid.

### **Notice to US investors in KAZ Minerals**

*The Acquisition relates to the shares of an English company and is being made by means of a contractual takeover offer under the Takeover Code and under the laws of England and Wales. The Final Increased Offer will be made in the United States pursuant to all applicable laws and regulations, including, to the extent applicable, Section 14(e) and Regulation 14E under the US Securities and Exchange Act of 1934 (the "US Exchange Act") and otherwise in accordance with the requirements of the Takeover Code. Accordingly, the Acquisition will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law. The Takeover Offer is being made in the United States by Bidco and no one else.*

*Furthermore, the payment and settlement procedure with respect to the Final Increased Offer will comply with the relevant United Kingdom rules, which differ from US payment and settlement procedures, particularly with regard to the date of payment of consideration.*

*In accordance with, and to the extent permitted by, the Takeover Code and normal UK market practice, VTB Capital and their respective affiliates may continue to act as exempt principal traders or exempt market makers in KAZ Minerals Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, as permitted by Rule 14e-5(b)(9) under the US Exchange Act.*

*In addition, Bidco, its affiliates, their advisors, and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in KAZ Minerals outside the Acquisition, such as in open market purchases or privately negotiated purchases, during the period in which the Acquisition remains open for acceptance. If such purchases or arrangements to purchase were to be made, they would be made outside the US and would comply with applicable law, including United Kingdom laws and the US Exchange Act. Any such purchases by Bidco or its affiliates will not be made at prices higher than the price of the Acquisition provided in this announcement unless the price of the Acquisition is increased accordingly. Any information about such purchases or arrangements to purchase shall be disclosed as required under United Kingdom laws and will be available to all investors (including US investors) via the Regulatory Information Service on [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.*

*The financial statements, and all financial information included in this announcement or that may be included in the Final Offer Document, have been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial statements and information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US ("US GAAP"). US GAAP differs in certain significant respects from accounting standards*

*applicable in the United Kingdom. None of the financial information in this announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).*

*Neither the Acquisition nor this announcement have been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this announcement or the merits of this Final Increased Offer. Any representation to the contrary is a criminal offence in the US.*

*The receipt of cash by a US holder as consideration for the transfer of its KAZ Minerals Shares pursuant to the Acquisition will likely be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each US holder of KAZ Minerals Shares is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him or her.*

### **Forward looking statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Bidco and KAZ Minerals contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and KAZ Minerals about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.*

*The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Bidco and KAZ Minerals (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Bidco and KAZ Minerals believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and KAZ Minerals can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.*

*These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; future market conditions, changes in general economic and business conditions, the behaviour of other market participants; the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Bidco and KAZ Minerals operate; weak, volatile or illiquid capital and/or credit markets; changes in tax rates; interest rate and currency value fluctuations; the degree of competition in the geographic and business areas in*



*which Bidco and KAZ Minerals operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor KAZ Minerals, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither Bidco nor KAZ Minerals is under any obligation, and Bidco and KAZ Minerals expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

### **Dealing and Opening Position Disclosure requirements**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror 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 any securities exchange offeror is first identified. 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 each of (i) the offeree company and (ii) any securities exchange offeror(s). 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 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange 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 of (i) the offeree company and (ii) any securities exchange offeror(s), 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 securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies 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 [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Publication on a website**

*This announcement and the documents required to be published pursuant to Rule 26.1 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Bidco's website at <http://www.novaresourcesbv.com/Announcements.html> and on KAZ Minerals' website at <https://www.kazminerals.com/investors/announcement/details/> by no later than 12 noon (London time) on the Business Day following the date of this announcement. The content of the websites referred to in this announcement is not incorporated into and does not form part of this announcement.*

### **No profit forecasts, estimates or quantified benefits statements**

*Nothing in this announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for KAZ Minerals for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for KAZ Minerals.*

### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, KAZ Minerals Shareholders, persons with information rights and participants in the KAZ Minerals Share Plans may request a hard copy of this announcement by contacting KAZ Minerals' registrars, Computershare Investor Services PLC, during business hours on +44 (0) 370 707 1100 or at [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk). For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

### **Electronic communications**

*Please be aware that addresses, electronic addresses and certain other information provided by KAZ Minerals Shareholders, persons with information rights and other relevant persons for the receipt of communications from KAZ Minerals may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c).*

### **Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary*

*slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

**APPENDIX**  
**SOURCES OF INFORMATION AND BASES OF CALCULATION**

Unless otherwise stated in this announcement:

1. as at the close of business on the Latest Practicable Date there were 472,663,927 KAZ Minerals Shares in issue (excluding 8,060,050 shares held in treasury); all references in this announcement to KAZ Mineral Shares in issue are based upon this figure and exclude shares held in treasury;
2. the value placed by the terms of the Final Increased Offer, when taken together with the Special Dividend, on the existing issued and to be issued share capital of KAZ Minerals is based upon:
  - 2.1 the 472,663,927 KAZ Minerals Shares referred to in paragraph 1 above;
  - 2.2 further KAZ Minerals Shares which may be issued on the Latest Practicable Date on the exercise of options or vesting of awards granted under the KAZ Minerals Share Plans, amounting in aggregate to 1,170,173 KAZ Minerals Shares as at close of business on the Latest Practicable Date; and
  - 2.3 the conversion of the US dollar amount of the Special Dividend into pounds sterling at the Dividend Conversion Rate;
3. information relating to Bidco and Holdco has been provided by persons duly authorised or appointed by the board of directors of Bidco and Holdco, respectively;
4. information relating to the Consortium members has been provided by persons duly authorised or appointed by the relevant Consortium member;
5. unless otherwise stated, the financial information relating to KAZ Minerals is extracted from the 2020 KAZ Minerals Annual Report; and
6. unless otherwise stated, all prices for KAZ Minerals Shares have been derived from Bloomberg and represent Closing Prices on the relevant date(s).