



16 November 2021

**KAZ MINERALS GROUP PRODUCTION AND SALES REPORT
 FOR NINE MONTHS AND THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

		9m 2021	9m 2020	Q3 2021	Q2 2021	Q3 2020
Copper production¹	kt	223.9	230.0	73.6	77.9	76.2
Aktogay	kt	102.3	99.3	32.4	36.0	31.7
Bozshakol	kt	81.6	90.7	27.7	27.6	30.3
East Region & Bozymchak	kt	40.0	40.0	13.5	14.3	14.2
Gold production ²	koz	126.2	160.4	43.3	43.0	50.7
Silver production ²	koz	2,513	2,642	849	901	901
Zinc in concentrate	kt	34.1	39.5	12.3	12.2	15.7
Copper sales³	kt	199.4	228.3	62.4	69.2	81.4
Gold sales ⁴	koz	98.5	159.3	36.0	30.0	60.7
Silver sales ⁴	koz	2,216	2,600	805	770	840
Zinc in concentrate sales	kt	33.2	38.9	11.1	13.8	16.8

¹ Payable metal in concentrate and copper cathode from Aktogay oxide ore

² Payable metal in concentrate

³ Payable metal in concentrate, toll processed metal and copper cathode from Aktogay oxide ore

⁴ Payable metal in concentrate and toll processed metal

● **Production highlights**

- Copper production of 223.9 kt in the nine month period to 30 September 2021 positions the Group to achieve its copper production target set at the start of the year of up to 295 kt. Copper production in the nine months decreased by 3% against the prior year period (9m 2020: 230.0 kt) as a 3% increase in ore processed was offset by lower grades processed.
 - Aktogay copper production increased by 3% to 102.3 kt (9m 2020: 99.3 kt) as sulphide ore processed rose by 6% and the plant achieved an improved recovery rate.
 - Bozshakol copper production fell by 10% to 81.6 kt (9m 2020: 90.7 kt) resulting from lower average grades and associated recovery rates, as expected.
 - East Region & Bozymchak copper production remained at 40.0 kt (9m 2020: 40.0 kt) as higher output from Bozymchak offset slightly lower grades at East Region.
- Q3 2021 copper production decreased by 6% to 73.6 kt (Q2 2021: 77.9 kt) due to extended planned maintenance works at Aktogay and lower volumes of ore processed at East Region & Bozymchak.
- Gold production of 126.2 koz in the year to 30 September fell by 21% (9m 2020: 160.4 koz) due to an expected reduction in grades and associated recovery rates at Bozshakol and East Region. Gold production for the full year is expected to be within the Group's 2021 target of 160-180 koz.

● **Sales summary**

- Group copper sales of 199.4 kt in the first nine months of 2021 were 11% below production as the Group continued to experience restrictions at the Kazakhstan-China border associated with enhanced Covid-19 measures, which has increased finished goods inventories. These restrictions have started to ease during Q4 2021.
- Sales of gold and silver were also below production levels in the period mainly due to border restrictions.
- Sales of zinc in concentrate have remained in line with production in the first nine months of 2021 as a greater proportion of material is sold within Kazakhstan.

Andrew Southam, Chief Executive Officer, said: “KAZ Minerals has delivered strong copper production of 224 kt during the first nine months of 2021. Output was aided by higher throughput and favourable recovery rates at Aktogay which partially offset an expected reduction in grades at Bozshakol. Whilst Covid-19 restrictions at the China border have delayed some export sales, the Group continues to benefit from favourable copper market prices in 2021.”

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NOTES TO EDITORS

KAZ Minerals Limited (“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 Aktogay and Bozshakol open pit copper mines in the East Region and Pavlodar region of Kazakhstan, three underground mines and associated concentrators in the East Region of Kazakhstan and the Bozymchak copper-gold mine in Kyrgyzstan. In 2020, total copper production was 306 kt with by-products of 196 koz of gold, 3,374 koz of silver and 50 kt of zinc in concentrate. The Group acquired the Baimskaya copper project in the Chukotka region of Russia in January 2019, 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 major operations at Aktogay and Bozshakol have delivered industry leading production growth and transformed KAZ Minerals into a company dominated by world class, open pit copper mines. The Aktogay expansion project to double sulphide processing capacity at the mine was officially opened in October 2021, with first shipments to customers expected before the end of the year.

The Group has completed a Bankable Feasibility Study for the Baimskaya copper project and is progressing financing for the greenfield development, which has an expected capital construction cost of \$8.5 billion. The Peschanka deposit within the Baimskaya licence area in Russia has JORC measured, indicated and inferred resources of 9.9 Mt of copper at an average grade of 0.39% and 16.6 Moz of gold at an average grade of 0.21 g/t.

KAZ Minerals employs around 16,000 people across Kazakhstan, Russia and Kyrgyzstan.

		9m 2021	9m 2020	Q3 2021	Q2 2021	Q3 2020
Ore extraction	kt	40,199	28,733	13,579	13,239	9,059
Oxide	kt	17,463	5,031	5,677	6,582	1,360
Sulphide	kt	22,736	23,702	7,902	6,657	7,699
Oxide						
Oxide ore to leach pads	kt	17,463	5,150	5,677	6,582	1,360
Grade	%	0.32	0.29	0.32	0.30	0.32
Copper cathode	kt	18.3	16.7	7.6	7.4	5.2
Sulphide						
Sulphide ore processed	kt	19,131	18,081	5,989	6,398	5,737
Average grade processed	%	0.53	0.56	0.50	0.55	0.56
Recovery rate	%	86.4	85.2	86.9	85.9	86.1
Copper in concentrate	kt	87.9	86.5	25.9	30.0	27.8
Copper production¹	kt	84.0	82.6	24.8	28.6	26.5
Total copper production	kt	102.3	99.3	32.4	36.0	31.7
Gold production ^{1, 2}	koz	-	0.6	-	-	-
Silver production ¹	koz	411	358	124	141	112

¹ Payable metal in concentrate.

² Minimal volume recovered from Aktogay material.

Ore extraction at Aktogay in Q3 2021 of 13,579 kt was consistent with the previous quarter (Q2 2021: 13,239 kt). Oxide ore mined in the first nine months of 2021 of 17,463 kt was significantly higher than the prior year (9m 2020: 5,031 kt) as oxide material has been continually mined to supply the heap leach pads, whilst in 2020 oxide ore mining was temporarily suspended as production focused on the re-irrigation of previously extracted material. Sulphide ore mined in Q3 2021 increased to 7,902 kt (Q2 2021: 6,657 kt), exceeding throughput at the sulphide concentrator, with approximately 3.5 Mt of lower grade ore being stockpiled during the year for future processing. Sulphide ore extraction in the first nine months of 2021 totalled 22,736 kt and was 4% lower than in the prior year comparative period (9m 2020: 23,702 kt) mainly due to reduced stripping of lower grade ore.

Sulphide ore processing volumes in Q3 2021 of 5,989 kt decreased by 6% from the previous quarter (Q2 2021: 6,398 kt) following extended planned maintenance works at the SAG mill. Nonetheless, sulphide ore throughput in the year to 30 September of 19,131 kt was 6% above the prior year comparative period (9m 2020: 18,081 kt) and the plant has been running ahead of design capacity in the year to date.

Copper production from sulphide ore in Q3 2021 of 24.8 kt reduced by 13% compared with the previous quarter (Q2 2021: 28.6 kt) due to the lower ore throughput combined with lower grade in the ore feed. In the nine months to 30 September 2021, copper production from sulphide ore was 84.0 kt, representing a 2% increase versus the prior year comparative period (9m 2020: 82.6 kt) due to higher throughput and an improved recovery rate.

Copper cathode production from oxide ore rose to 18.3 kt in the first nine months of 2021 (9m 2020: 16.7 kt) due to improved copper leaching rates and increased volumes of ore under irrigation.

Total copper production in Q3 2021 of 32.4 kt was 10% lower than the previous quarter (Q2 2021: 36.0 kt) as the decrease in production from sulphide ore more than offset the increase in production from oxide ore. In the nine months to 30 September 2021, total copper production of 102.3 kt was 3% higher than the equivalent period in 2020 (9m 2020: 99.3 kt), with higher output from both the sulphide and oxide operations.

		9m 2021	9m 2020	Q3 2021	Q2 2021	Q3 2020
Ore extraction	kt	21,999	22,257	5,581	7,188	7,995
Sulphide	kt	18,834	19,732	5,383	6,169	6,486
Clay	kt	3,165	2,525	198	1,019	1,509
Ore processed	kt	23,929	23,751	8,125	8,088	8,116
Copper						
Average copper grade processed	%	0.47	0.50	0.49	0.47	0.49
Copper recovery rate	%	75.4	79.8	72.6	76.9	79.0
Copper in concentrate	kt	85.5	95.0	29.0	29.0	31.7
Copper production¹	kt	81.6	90.7	27.7	27.6	30.3
Gold						
Average gold grade processed	g/t	0.21	0.27	0.22	0.21	0.25
Gold recovery rate	%	54.9	61.5	55.0	54.6	60.5
Gold in concentrate	koz	90.7	128.7	32.2	30.5	39.6
Gold production¹	koz	84.8	120.3	30.1	28.5	37.0
Silver production¹	koz	554	700	175	193	235

¹ Payable metal in concentrate.

Ore mined in Q3 2021 of 5,581 kt decreased by 22% compared with the previous quarter (Q2 2021: 7,188 kt), as material which was stockpiled previously, in particular clay ore, was processed. Ore extraction of 21,999 kt in the first nine months of 2021 was consistent with the prior year comparative period (9m 2020: 22,257 kt), with lower sulphide ore mined and higher clay material extracted.

Ore processed in Q3 2021 of 8,125 kt was in line with the previous quarter (Q2 2021: 8,088 kt) and the prior year comparative period (Q3 2020: 8,116 kt). Ore processed in first nine months of 2021 of 23,929 kt was in line with the prior year comparative period of 23,751 kt and during the year to date, Bozshakol has been operating above its combined sulphide and clay ore design capacity of 30 Mtpa.

Copper production in Q3 2021 of 27.7 kt was consistent with the previous quarter (Q2 2021: 27.6 kt). In the first nine months of 2021, copper production decreased by 10% to 81.6 kt (9m 2020: 90.7 kt) due to an expected lower average grade and the processing of more oxidised material in the quarter from stockpiles, which contributed to a reduction in the recovery rate.

Gold production in Q3 2021 increased to 30.1 koz which was 6% higher than the previous quarter (Q2 2021: 28.5 koz) due to the higher grade processed and an increase in the recovery rate. Gold output of 84.8 koz in the nine months to 30 September 2021 was 30% below the prior year comparative period (9m 2020: 120.3 koz) due to an expected reduction in the average grade and recovery rate.

Silver production in Q3 2021 of 175 koz was 9% lower than the previous quarter (Q2 2021: 193 koz) resulting from the decreased grade and recovery rate at the sulphide plant. Silver production in first nine months fell by 14% to 554 koz (9m 2020: 700 koz) following a decline in silver grades, as expected.

EAST REGION & BOZYMCHAK

		9m 2021	9m 2020	Q3 2021	Q2 2021	Q3 2020
Ore extraction	kt	2,867	3,063	955	936	997
Ore processed	kt	2,803	2,761	951	1,000	976
Copper						
Average grade processed	%	1.68	1.71	1.68	1.67	1.73
East Region	%	2.09	2.08	2.09	2.04	2.09
Bozymchak	%	0.72	0.75	0.72	0.74	0.75
Average recovery rate	%	89.6	89.7	88.8	90.0	89.1
East Region	%	89.9	89.9	88.9	90.3	89.4
Bozymchak	%	87.8	87.8	87.9	88.1	87.4
Copper in concentrate	kt	42.1	42.3	14.2	15.0	15.1
East Region	kt	36.7	37.2	12.4	13.1	13.3
Bozymchak	kt	5.4	5.1	1.8	1.9	1.8
Copper production¹	kt	40.0	40.0	13.5	14.3	14.2
East Region	kt	34.9	35.2	11.8	12.5	12.6
Bozymchak	kt	5.1	4.8	1.7	1.8	1.6
Gold production¹	koz	41.4	39.5	13.2	14.5	13.7
Silver production¹	koz	1,548	1,584	550	567	554
Zinc in concentrate	kt	34.1	39.5	12.3	12.2	15.7

¹ Payable metal in concentrate.

Ore mined in Q3 2021 of 955 kt was consistent with the previous quarter (Q2 2021: 936 kt) while in the first nine months of 2021, ore extraction of 2,867 kt was 6% lower than the prior year comparative period (9m 2020: 3,063 kt) as ore was stockpiled at Bozymchak.

Ore processed in Q3 2021 of 951 kt decreased by 5% compared with the previous quarter (Q2 2021: 1,000 kt), with the reduction mainly attributable to the Nikolayevsky concentrator in the East Region, where test work was performed to optimise the blend of ore from the Artemyevsky and Irtyshtsky mines. In the first nine months of the year, ore processed totalled 2,803 kt, which was 2% higher than the first nine months of 2020 (9m 2020: 2,761 kt). Increased throughput at Bozymchak more than offset lower ore processed at the East Region concentrators in the first nine months of 2021.

Copper production in Q3 2021 fell by 6% to 13.5 kt (Q2 2021: 14.3 kt) driven by lower throughput and decreased average recovery rates in the East Region combined with a reduction in average grades at Bozymchak. Copper production of 40 kt in the first nine months of 2021 was unchanged from the prior year. Higher output from Bozymchak, which has operated above design capacity in 2021, fully offset lower output from the East Region.

Gold production in Q3 2021 of 13.2 koz represented a reduction of 9% (Q2 2021: 14.5 koz) due to a decrease in throughput and recovery rates, and lower grades processed at Bozymchak. In the nine months to 30 September 2021, gold production of 41.4 koz increased by 5% compared with the prior year comparative period (9m 2020: 39.5 koz) due to higher processing throughput and strong recoveries at Bozymchak, which more than offset lower output at the East Region, as expected.

Silver production in Q3 2021 of 550 koz was 3% below the previous quarter (Q2 2021: 567 koz) due to a fall in grades at Bozymchak and decreased recoveries at the East Region, as well as a reduction in total processing volumes. Silver output totalled 1,548 koz in the year to 30 September and was 2% lower than the prior year comparative period (9m 2020: 1,584 koz).

Zinc in concentrate output of 12.3 kt in Q3 2021 was in line with the previous quarter (Q2 2021: 12.2 kt). Zinc in concentrate production of 34.1 kt in the first nine months of 2021 was 14% below the prior year comparative period (9m 2020: 39.5 kt) due to a reduction in the average grades processed and decreased recovery rates at the Nikolayevsky concentrator. However, the reduction in grades has been lower than planned and full year zinc in concentrate production from the East Region is expected to be slightly ahead of the Group's 2021 target.