



24 August 2022

**KAZ MINERALS GROUP PRODUCTION AND SALES REPORT
 FOR SIX MONTHS AND THE SECOND QUARTER ENDED 30 JUNE 2022**

		6m 2022	6m 2021	Q2 2022	Q1 2022	Q2 2021
Copper production¹	kt	179.9	150.3	90.0	89.9	77.9
Aktogay	kt	104.2	69.9	53.5	50.7	36.0
Bozshakol	kt	51.6	53.9	24.9	26.7	27.6
East Region & Bozymchak	kt	24.1	26.5	11.6	12.5	14.3
Gold production ²	koz	84.5	82.9	41.8	42.7	43.0
Silver production ²	koz	1,732	1,664	844	888	901
Zinc in concentrate	kt	19.2	21.8	8.5	10.7	12.2
Copper sales³	kt	187.5	137.0	96.7	90.8	69.2
Gold sales ⁴	koz	99.5	62.5	49.1	50.4	30.0
Silver sales ⁴	koz	1,992	1,411	990	1,002	770
Zinc in concentrate sales	kt	24.1	22.1	9.1	15.0	13.8

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

Highlights

- Copper production¹ of 180 kt in H1 2022 increased by 20% (H1 2021: 150 kt) as the Group continued to benefit from the world class ramp-up of the second sulphide concentrator at Aktogay. Aktogay produced 104 kt of copper, a 49% increase compared with the 70 kt produced in the first half of 2021.
- Management has maintained its focus on maximising ore processed volumes, using a range of optimisation measures including artificial intelligence at the Aktogay and Bozshakol sulphide plants. The first sulphide concentrator at Aktogay achieved record volumes of ore processed in H1 2022 and Bozshakol continued to exceed design capacity at both the sulphide and clay plants.
- Gold production of 85 koz increased by 2% compared with the first six months of 2021 (H1 2021: 83 koz) due to higher output at Bozshakol where throughput and grades processed improved in the period.
- The Group achieved sales in excess of production volumes for all metals. Copper sales of 188 kt were 4% above production as logistics constraints eased and the Group sold inventory brought forward from the prior year. The volume of finished goods inventories is expected to further reduce by the end of 2022, but will only fully unwind in 2023.

Andrew Southam, Chief Executive Officer, said: "KAZ Minerals achieved a 20% increase in copper output in the first half of the year, with the ramp-up of the second sulphide concentrator at Aktogay continuing to surpass expectations. The Group has maintained its focus on optimising operational performance enabling the first concentrator at Aktogay and both Bozshakol plants to raise ore throughput levels further above their design capacity."

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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. It operates the Aktogay and Bozshakol open pit copper mines in the Abay and Pavlodar regions of Kazakhstan, three underground mines and associated concentrators in the East Region of Kazakhstan and the Bozymchak copper-gold mine in Kyrgyzstan. The Group has completed a Bankable Feasibility Study for the greenfield Baimskaya copper project which it acquired in 2018. 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. In 2021, KAZ Minerals’ total copper production was 299 kt with by-products of 167 koz of gold, 3,417 koz of silver and 43 kt of zinc in concentrate.

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 dispatched in December 2021.

KAZ Minerals employs over 14,000 people across Kazakhstan, Russia and Kyrgyzstan.

		6m 2022	6m 2021	Q2 2022	Q1 2022	Q2 2021
Ore extraction	kt	33,551	26,620	16,999	16,552	13,239
Oxide	kt	8,747	11,786	4,842	3,905	6,582
Sulphide	kt	24,804	14,834	12,157	12,647	6,657
Oxide						
Oxide ore to leach pads	kt	8,747	11,786	4,842	3,905	6,582
Grade	%	0.28	0.32	0.23	0.33	0.30
Copper cathode	kt	11.6	10.7	6.3	5.3	7.4
Sulphide						
Sulphide ore processed	kt	24,089	13,142	11,415	12,674	6,398
Sulphide 1	kt	14,154	13,142	6,510	7,644	6,398
Sulphide 2	kt	9,935	-	4,905	5,030	-
Average grade processed	%	0.46	0.55	0.48	0.44	0.55
Recovery rate	%	87.1	86.2	89.4	84.9	85.9
Copper in concentrate	kt	96.9	62.0	49.3	47.6	30.0
Copper production¹	kt	92.6	59.2	47.2	45.4	28.6
Total copper production	kt	104.2	69.9	53.5	50.7	36.0
Silver production ¹	koz	528	287	267	261	141
Molybdenum in concentrate production	t	981	224	538	443	129

¹ Payable metal in concentrate.

Ore extraction at Aktogay in H1 2022 of 33,551 kt increased by 26% compared with the prior year comparative period (H1 2021: 26,620 kt) as additional ore was mined to support the ramp-up of Sulphide 2.

Sulphide ore processed in the first half of 2022 of 24,089 kt was 83% higher than the prior year comparative period (H1 2021: 13,142 kt) as Sulphide 2 processed 9,935 kt of ore (H1 2021: nil) following its commissioning in October 2021. The ramp-up of Sulphide 2 has exceeded expectations, achieving its throughput design parameters for extended periods. The 2% fall in ore processed in Q2 2022 to 4,905 kt (Q1 2022: 5,030 kt) reflects planned maintenance during its start-up period.

Sulphide 1 also outperformed in H1 2022 compared with the prior year comparative period, with ore processed increasing by 8% to 14,154 kt (H1 2021: 13,142 kt) benefiting from continued process optimisation. This includes the positive impact from the adoption of artificial intelligence at Sulphide 1 which has resulted in both higher throughput and improved recoveries. Planned maintenance at Sulphide 1 in Q2 2022 contributed to a 15% reduction in throughput compared with previous quarter to 6,510 kt (Q1 2022: 7,644 kt).

Copper production from sulphide ore of 92.6 kt in H1 2022 increased by 56% versus the prior year comparative period (H1 2021: 59.2 kt), with Sulphide 2 contributing 39.0 kt of output. Sulphide 1 copper production in the period reduced by 9% to 53.6 kt, reflecting a reduction in average grades processed as the mine matures. In the medium term, grades processed at Aktogay will trend towards the life of mine average of 0.34%.

Q2 2022 copper production from Sulphide 1 of 26.2 kt was 4% lower than the previous quarter (Q1 2022: 27.4 kt) due to lower throughput. Sulphide 2 copper output in Q2 of 21.0 kt represented a 17% increase on the previous quarter (Q1 2022: 18 kt) as the concentrator benefited from improved grades processed. Recoveries also rose compared with the previous quarter as the plant continues its ramp-up.

Copper cathode production from oxide ore of 11.6 kt in H1 2022 increased by 8% from the prior year comparative period (H1 2021: 10.7 kt) when production was impacted by maintenance at the beginning of the year. Output from the oxide plant in Q2 2022 increased by 19% compared with the previous quarter to 6.3 kt (Q1 2022: 5.3 kt) as more ore was placed on the leach pads and higher volumes of copper were recovered from the circuit, with the additional benefit of warmer ambient temperatures.

Total copper production in H1 2022 of 104.2 kt was 49% higher than the prior year comparative period (H1 2021: 69.9 kt), benefiting from higher output at Sulphide 2 and the oxide plant.

Silver production in H1 2022 of 528 koz was an 84% increase on the prior year comparative period (H1 2021: 287 koz) due to increased output from Sulphide 2 and higher throughput and silver recoveries at Sulphide 1.

Molybdenum in concentrate production in H1 2022 of 981 t increased by 338% from the prior year comparative period (H1 2021: 224 t). Recoveries improved significantly at Sulphide 1 as the usage of reagents was optimised throughout the circuit to maximise molybdenum output, while the commissioning of the molybdenum circuit at Sulphide 2 contributed incremental production from the end of February 2022.

		6m 2022	6m 2021	Q2 2022	Q1 2022	Q2 2021
Ore extraction	kt	12,773	16,418	6,562	6,211	7,188
Sulphide	kt	12,081	13,451	6,075	6,006	6,169
Clay	kt	692	2,967	487	205	1,019
Ore processed	kt	16,521	15,804	8,298	8,223	8,088
Copper						
Average copper grade processed	%	0.44	0.47	0.42	0.46	0.47
Copper recovery rate	%	74.6	76.9	75.2	74.0	76.9
Copper in concentrate	kt	54.0	56.5	26.0	28.0	29.0
Copper production¹	kt	51.6	53.9	24.9	26.7	27.6
Gold						
Average gold grade processed	g/t	0.22	0.21	0.22	0.22	0.21
Gold recovery rate	%	54.6	54.8	54.7	54.4	54.6
Gold in concentrate	koz	64.8	58.5	32.7	32.1	30.5
Gold production¹	koz	60.6	54.7	30.6	30.0	28.5
Silver production ¹	koz	347	379	182	165	193
Molybdenum in concentrate production	t	84	44	15	69	14

¹ Payable metal in concentrate.

Ore extraction in H1 2022 of 12,773 kt was 22% lower than the prior year comparative period (H1 2021: 16,418 kt), as stockpiled ore was processed at both the clay and sulphide concentrators. The mining fleet carried out stripping works to expose ore for future extraction.

Ore processed volumes in H1 2022 increased by 5% to 16,521 kt (H1 2021: 15,804 kt) benefiting from higher throughput at both sulphide and clay plants. Management has been targeting increased up-time and throughput at Bozshakol and both concentrators operated above design capacity in the period. Although planned maintenance works were performed in the second quarter, throughput increased slightly compared with Q1 2022.

Copper production in H1 2022 of 51.6 kt was 4% lower than the prior year comparative period (H1 2021: 53.9 kt) reflecting an expected decrease in the average grade processed to 0.44% (H1 2021: 0.47%), as well as a lower recovery rate at the clay plant, where more highly oxidised stockpiled material was processed. Q2 2022 copper output of 24.9 kt was 7% lower than the previous quarter (Q1 2022: 26.7 kt) as lower grade ore was processed, more than offsetting the improvements in recovery rates achieved in the quarter.

Gold production in H1 2022 increased to 60.6 koz (H1 2021: 54.7 koz) benefiting from higher throughput and an increase in the average grades in ore processed to 0.22 g/t (H1 2021: 0.21 g/t).

Silver production of 347 koz decreased by 8% in the period (H1 2021: 379 koz) following an expected reduction in processed ore grades. Molybdenum in concentrate production continued to be insignificant, due to low molybdenum grades in the ore processed during Q2 2022.

		6m 2022	6m 2021	Q2 2022	Q1 2022	Q2 2021
Ore extraction	kt	1,841	1,912	799	1,042	936
Ore processed	kt	1,793	1,852	872	921	1,000
Copper						
Average grade processed	%	1.57	1.67	1.55	1.59	1.67
East Region	%	1.97	2.09	1.97	1.97	2.04
Bozymchak	%	0.66	0.72	0.66	0.66	0.74
Average recovery rate	%	90.0	90.1	89.8	90.2	90.0
East Region	%	90.3	90.4	90.1	90.4	90.3
Bozymchak	%	88.2	87.7	87.8	88.7	88.1
Copper in concentrate	kt	25.4	27.9	12.2	13.2	15.0
East Region	kt	22.2	24.3	10.6	11.6	13.1
Bozymchak	kt	3.2	3.6	1.6	1.6	1.9
Copper production¹	kt	24.1	26.5	11.6	12.5	14.3
East Region	kt	21.1	23.1	10.1	11.0	12.5
Bozymchak	kt	3.0	3.4	1.5	1.5	1.8
Gold production ¹	koz	23.9	28.2	11.1	12.7	14.5
Silver production ¹	koz	857	998	395	462	567
Zinc in concentrate	kt	19.2	21.8	8.5	10.7	12.2

¹ Payable metal in concentrate

Ore extraction in H1 2022 of 1,841 kt was 4% lower than the prior year comparative period (H1 2021: 1,912 kt) mainly due to reduced ore extracted at Bozymchak following a localised landslip in April. Additional volumes are expected to be mined in H2 2022, with no impact on full year ore extraction. The update to the mining plan also led to a reduction in ore extraction in Q2 2022 to 799 kt, 23% below the previous quarter (Q1 2022: 1,042 kt).

Ore processed in H1 2022 of 1,793 kt was 3% lower than the prior year comparative period (H1 2021: 1,852 kt). Q2 ore processed of 872 kt decreased by 5% compared with the previous quarter (Q1 2022: 921 kt), primarily due to lower throughput at Nikolayevsky, where ore was accumulated to optimise output in the second half of the year. Stockpiled ore was processed at Bozymchak to offset the impact of the reduction in ore mined, enabling the site to maintain throughput levels above design capacity during the first half of the year.

Copper production decreased by 9% to 24.1 kt in H1 2022 (H1 2021: 26.5 kt) following an expected reduction in the grades in ore processed at both East Region and Bozymchak, as well as the reduction in throughput. Copper production in Q2 2022 decreased compared with the previous quarter to 11.6 kt (Q1 2022: 12.5 kt) driven by lower throughput at the East Region concentrators.

Gold production of 23.8 koz in H1 2022 decreased by 16% compared with the first half of 2021 (H1 2021: 28.2 koz) as gold grades processed at Bozymchak reduced from 1.55 g/t in H1 2021 to 1.30 g/t in H1 2022. Lower grades processed also resulted in lower gold output in Q2 2022 of 11.1 koz (Q1 2022: 12.7 koz).

Silver production reduced to 857 koz in H1 2022 (H1 2021: 998 koz) driven by decreased throughput, lower recovery rates at East Region and a fall in average grades in ore processed at Bozymchak. Q2 2022 silver production of 395 koz reduced by 15% compared with first quarter output of 462 koz as lower processing volumes and grades at East Region more than offset higher output from Bozymchak.

Zinc in concentrate output of 19.2 kt in H1 2022 was 12% below the prior year comparative period (H1 2021: 21.8 kt) following a reduction in average grades processed and lower recovery rates at the Orlovsky concentrator. Production in Q2 2022 decreased by 21% to 8.5 kt (Q1 2022: 10.7 kt), following lower throughput, average grades processed and recoveries at both East Region plants.