Projects Update

Bozshakol site visit

1 June 2015

IMPORTANT NOTICE

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AGENDA

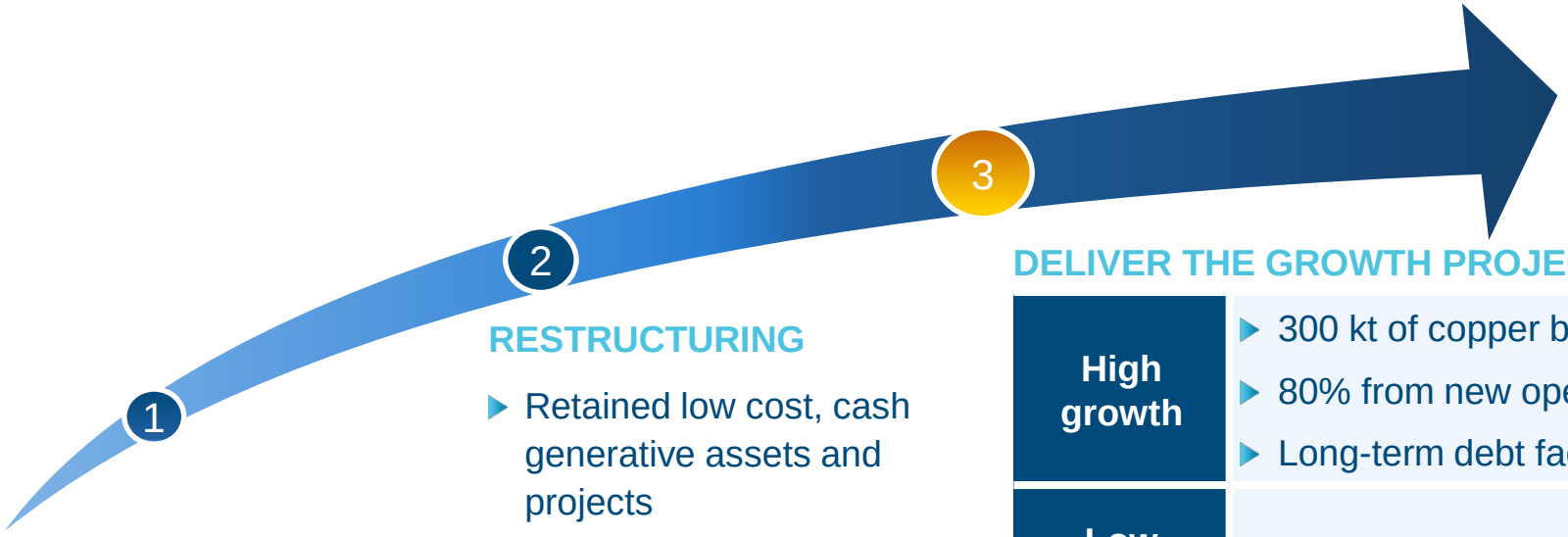
1.	Introduction	Oleg Novachuk *CEO*
2.	Bozshakol Project (a) Construction update	Mian Khalil *Head of Projects (Construction)*
	(b) Operations update	Jeremy Allen *Head of Opencast Operations*
3.	Aktogay Project (a) Construction update (b) Oxide operations update	Mian Khalil Jeremy Allen
4.	Financials	Andrew Southam *CFO*
5.	Delivering growth	Oleg Novachuk *CEO*

1. INTRODUCTION

Oleg Novachuk

CEO

TRANSFORMATIONAL CHANGE



DISPOSAL OF NON-CORE ASSETS

- $2.2bn of cash proceeds
- Majority free float

RESTRUCTURING

- Retained low cost, cash generative assets and projects
- Company renamed ‘KAZ Minerals’

DELIVER THE GROWTH PROJECTS

High growth	▸ 300 kt of copper by 2018 ▸ 80% from new open-pit mines ▸ Long-term debt facilities
Low cost	▸ 1st and 2nd quartile assets
Safe operations	▸ Open-pit mines inherently safer ▸ Major growth projects to lead change

LARGE SCALE, LOW COST OPERATIONS

Bozshakol – 100 kt

- Commissioning Q4 2015
- 100 kt of copper p.a.[1]
- 40 year life
- Capex $2.2bn
- Net cash cost 80-100 USc/lb[2]

Aktogay – 105 kt

- Oxide production Q4 2015, 15 kt of copper p.a.
- Sulphide commissioning 2017, 90 kt of copper p.a.[1]
- 50+ year life
- Capex $2.3bn
- Net cash cost 110-130 USc/lb[3]

Financing secured from China Development Bank

Koksay

- Scoping phase
- 3.1 MT copper deposit with by-products
- Minimal capex until Bozshakol producing

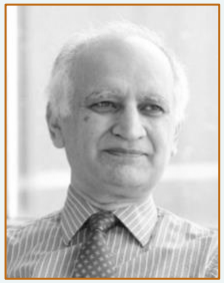
Notes:
1. Copper cathode equivalent for the first 10 years after the concentrator has been commissioned.
2. Estimated net cash cost for copper cathode equivalent sales in 2015 terms for the first 10 years after the concentrator has been commissioned, calculated using a long-term gold price of $1,300 per ounce and a long-term molybdenum price of $20,000 per tonne.
3. Estimated net cash cost for copper cathode equivalent sales in 2015 terms in the first 10 years after the commencement of the sulphide concentrator's operation, calculated using a long-term molybdenum price of $20,000 per tonne.

2 (a) BOZSHAKOL CONSTRUCTION UPDATE

Mian Khalil

Head of Projects (Construction)

BOZSHAKOL CONSTRUCTION MANAGEMENT



Mian Khalil

Head of Projects (Construction)

- 40 years of mining industry experience
- Highly experienced capital projects manager
- Formerly VP BHP Billiton Projects Development Services team
  - Led centres of excellence in Project Management, Resource Management and Metallurgical Engineering
- BHP Billiton 1991-2006, Lonmin 2006-09, Kazakhmys / KAZ Minerals 2009 - present

Andrew Batteson

Bozshakol Project Director

- 25 years of mining industry experience
- Operated at all levels of mining management across BHP Billiton assets in Australia and Chile
  - Former project manager of Escondida oxide leach expansion project
  - Former study manager at Cerro Colorado project
- Portfolio project manager – all assets Anglo American Copper, Chile

BOZSHAKOL PROGRESS UPDATE

Completed

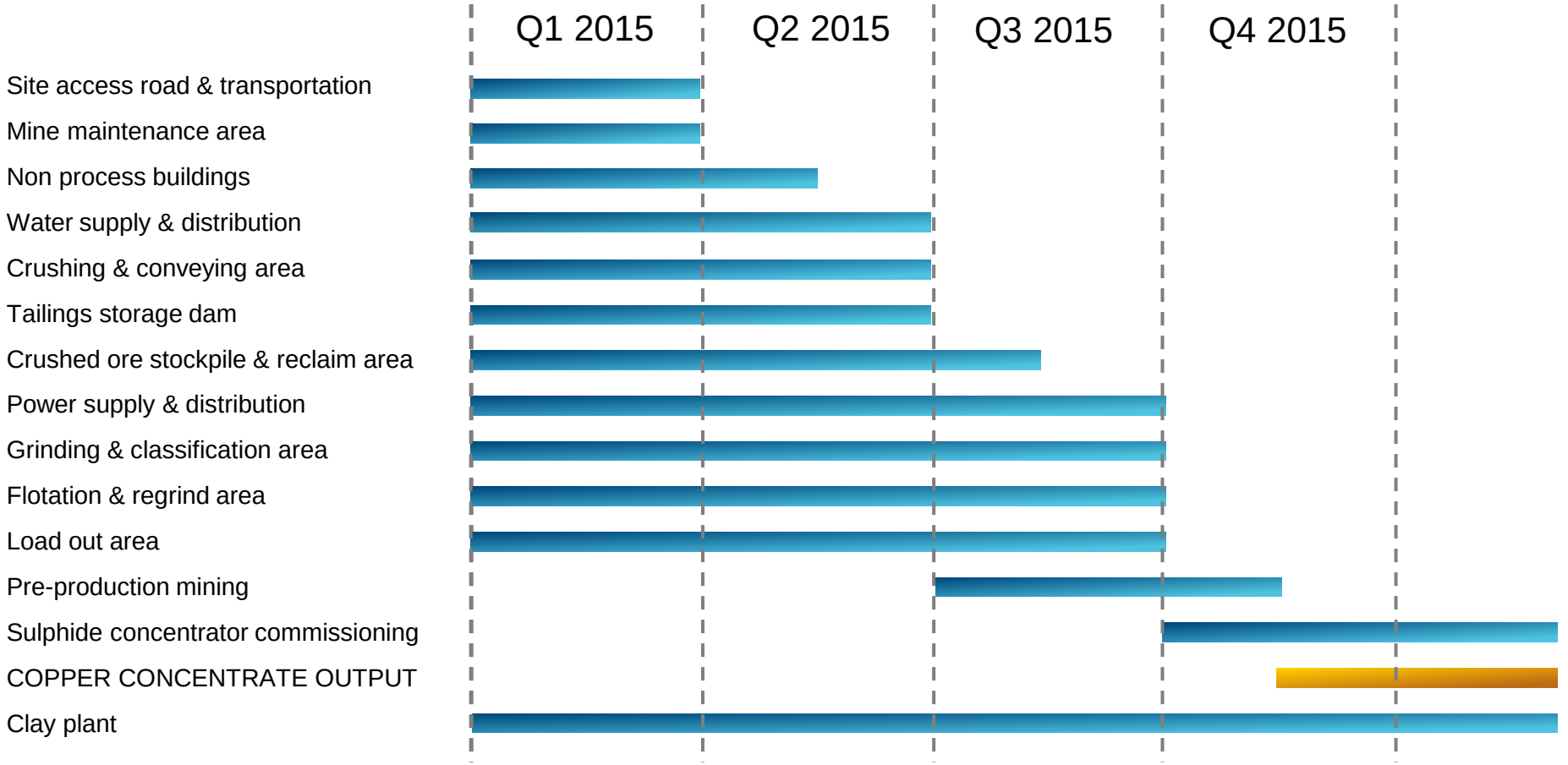
- ☑ All key sulphide concrete and steel works
- ☑ Non-process buildings, permanent camp, main access road and railroad
- ☑ 220 kV power line and substation tie-in
- ☑ Mining equipment including haul trucks, shovels and excavators delivered and assembled
- ☑ All three mills – shells, heads and stators assembled

Ongoing

- Gyratory crusher installation
- Ball mill and SAG mill installation and testing
- Rougher and cleaner flotation cell installation
- Installation of bulk material for underground piping and electrical works
- Clay plant construction

View from primary crusher

BOZSHAKOL FIRST COPPER



SITE VISIT OVERVIEW

1. PERMANENT CAMP

- 3 km away from production facilities
- Camp houses 1,200 workers and contractors (shift work)
- Bozshakol will employ a total of 1,500 personnel when fully ramped up
- Includes operational training centre, catering, entertainment, gym and other leisure facilities
- Complete and fully commissioned
- Occupancy has commenced

Permanent camp buildings

2. PIT PREPARATION

- Mining equipment on site, ready for use
- Electrical power to pit commissioned
- Currently dewatering pit sections where required
- Pre-production mining to commence in summer 2015

Pit preparation

3. PRIMARY CRUSHER

- Processing capacity 25 MT of ore per year
- Manufacturer – FLSmidth, team on site supervising installation
- All major equipment set
- Will commence ore processing to build stockpile ahead of concentrator commissioning

Primary crusher and conveyor

4. EQUIPMENT STORAGE YARD

- Excavators, shovels and trucks all on site and assembled ready for use
- Production teams currently being trained in use of equipment

Caterpillar 785C haul trucks

5. CLAY PLANT

- Separate plant will process 5 MT of additional sulphide ore from clay material, taking total project ore processing capacity from 25 MT to 30 MT
- Produces copper concentrate separately from the sulphide concentrator
- The plant will be converted to process ore from the main sulphide body when clay material is exhausted in 15 years
- Clay plant commissioning will take place during project ramp up in 2016

Clay plant

6. CONVEYOR

- Transfers crushed ore from the primary crusher to concentrator complex
- Final approach to ore stockpile area now complete
- Concrete works, structural steel and mechanical works complete
- Belt installation, mechanical and electrical testing to be completed

Conveyor – approach to stockpile area

7. MAINTENANCE WORKSHOP

- In use for practical equipment and health & safety training
- Installation of Leica automated dispatch system equipment ongoing
  - Hardware already installed in mining equipment
  - On-site testing by Leica team underway
- Establishment of on-site laboratory well advanced

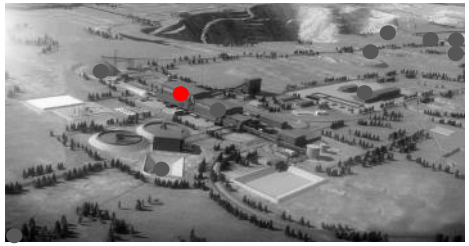
Maintenance workshop

8. STOCKPILE AND RECLAIM AREA

- Heavy apron feeders to receive ore from stockpile now fully installed
- Conveyor link to concentrator building installed
- Stockpile will be built up during pre-production mining

Ore stockpile reclaim conveyor

9. MILL INSTALLATION



- Shell and trunnions for all mills complete
- Gearless mill drive stators all in place
- Ball mill 1 installed
- Ball mill 2 - pole installation and high pot test completed
- SAG mill and ball mill 2 - installation of rotor poles and winding ongoing
- Prior to commissioning - SAG mill and ball mill 1 require installation of permanent lubrication systems, high pot testing and final runout

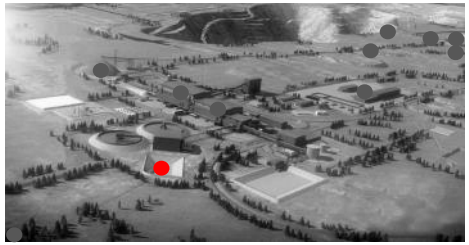
SAG mill with stator

10. FLOTATION AND REGRIND

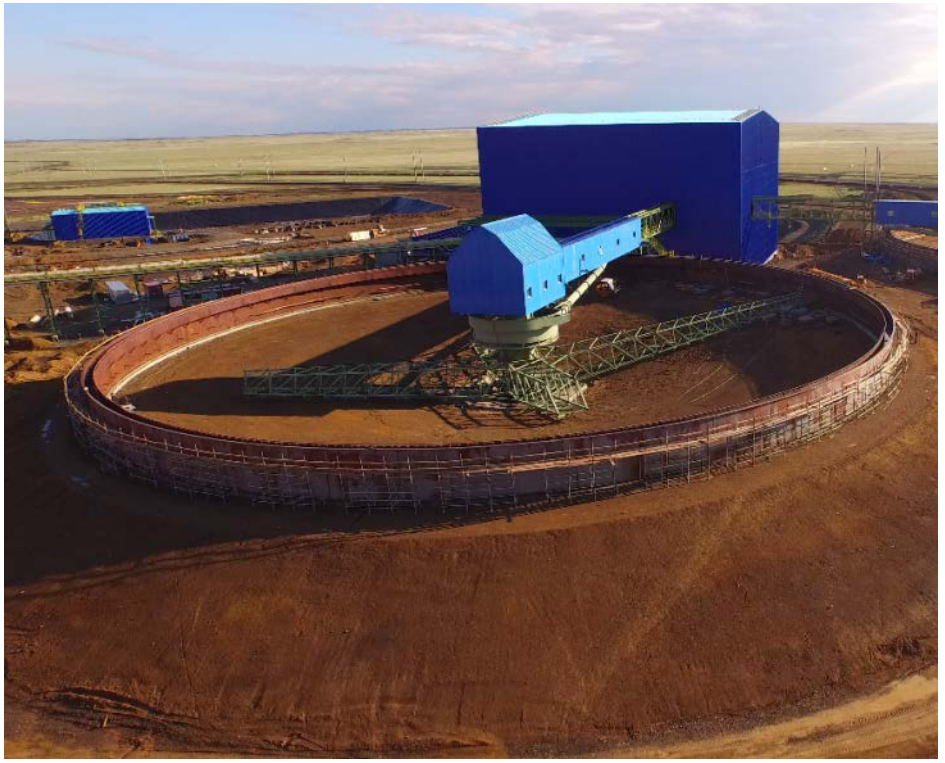
- Copper and molybdenum flotation cells installed
  - Manufactured by FLSmidth
- ‘Tried and tested’ technology
  - Minimises execution risk

Flotation cells

11. TAILING THICKENING AND PUMPING



- Building complete
- All pumps set
- Welding of thickener tank walls nearing completion
- Piping and electrical work near completion
- Tailings line installation commenced
- Tailings dam complete



Tailings thickener

HANDOVER TO OPERATIONS

- Non-process buildings and other facilities have already been handed over to operations team
- Concentrator pre-commissioning is planned for Q4 2015
  - The last stage before handover of the project to the operations team
  - Individual equipment is tested first, followed by full pressurised system test with water where possible

Concentrator water supply equipment

2 (b) BOZSHAKOL OPERATIONS UPDATE

Jeremy Allen

Head of Opencast Operations

BOZSHAKOL OPERATIONS MANAGEMENT TEAM

Jeremy Allen

Head of Opencast Operations

- 35 years of underground and open pit mine management experience (28 years senior management)
- Operated at all levels of mining management in Zambia, Namibia, South Africa, DRC, Indonesia, Zimbabwe, Wales and Kazakhstan
- First Quantum, Leighton Contracting Indonesia, Western Coal

Talgat Akhanov

Executive Director, Bozshakol

- 23 years of underground mine and processing operations management experience in Kazakhstan
- Operated at all levels of mining management across Kazakhmys assets in Zhezkazgan Region, including concentrators and smelter
- Mining engineer, Ph.D. in Engineering Science, MBA

Leonard Wolff

Mine Director

- Over 30 years of open pit management experience (20 years senior management)
- Experience in mine management, including site and corporate, primarily in United States
- Western Nuclear, Getty Petrotomics and 22 years with Rio Tinto

Joseph Skrypniuk

Concentrator Director

- 37 years of experience in processing and smelting operations in Australia, Africa (Zambia, Botswana, Angola and Ghana), Argentina and China
- Chartered Metallurgical Engineer and Fellow of the AusIMM
- Coldcorp Inc/Xstrata (Minera Alumrera) , KCGM (Kalgoorlie), BCL Limited, Sino Gold Mining, Eldorado Gold (Jinfeng project)

Christopher McQuade

HSE Director

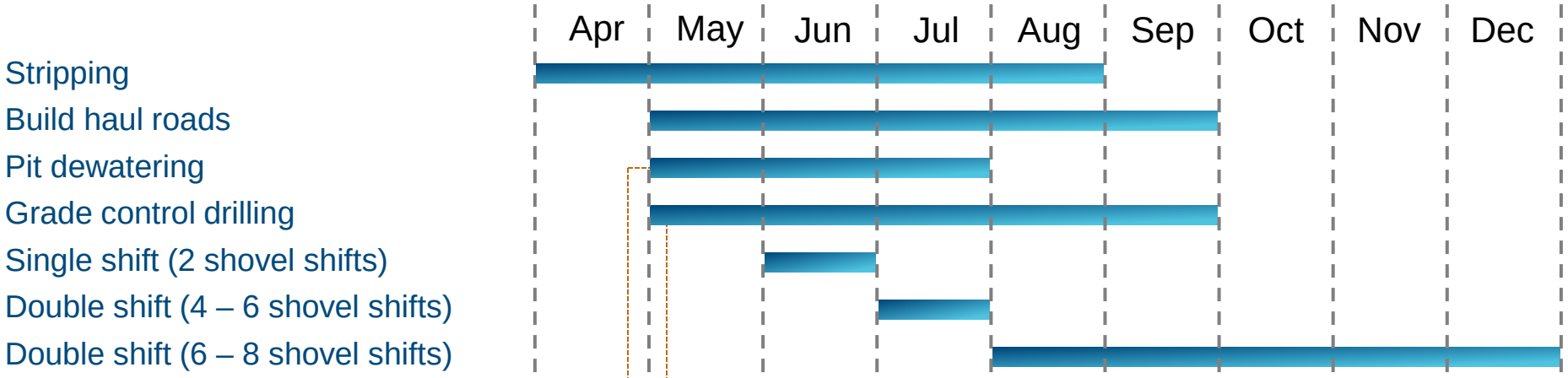
- 35 years in open cast, underground mining and government regulation in Australia and Kazakhstan
- Registered mine manager, leading all areas of business support with specialization in HSE and Risk
- Australian State Government, Ranger Uranium mines, Australian Federal Government, Oakbridge Coal Mining Group, Zinifex, Rio Tinto

RECRUITMENT AND TRAINING

- Recruitment centres in 4 cities in Kazakhstan
- Operational headcount building ahead of mining commencing
- Operator training programme – 3 months
  - Induction, safety, mining 101
  - Simulator, in-the-seat training
- Maintenance training programme – 3 months
  - Induction, safety
  - Classroom with original equipment manufacturer training
  - Hands-on training
- Project will progressively be manned and managed by personnel from Kazakhstan after the ramp-up phase

Bozshakol Cybermine vehicle simulator training facility

2015 PRE-PRODUCTION MINING SCHEDULE

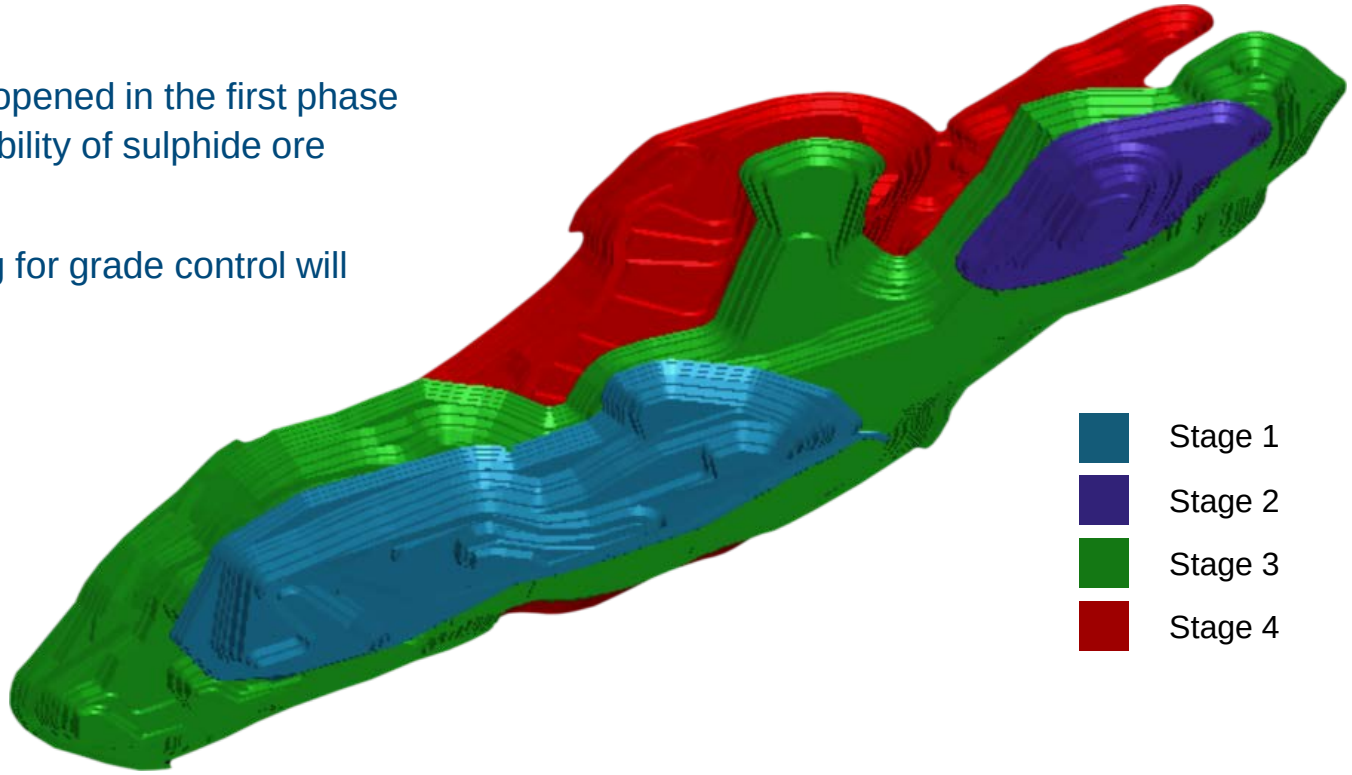


Pit dewatering

Operator training drilling

PIT PLAN

- Higher grade areas mined during first 5 years of project
- An additional face will be opened in the first phase of the pit, to ensure availability of sulphide ore during ramp up
- Reverse circulation drilling for grade control will commence in July 2015



MINING FLEET AND ITS OPERATION

- Sandvik
  - SP55 blasthole drills

- Hitachi
  - 3600 EX shovel
  - 870 excavator

- Caterpillar
  - 785 C haul trucks

  - 777 D haul trucks
  - 777 D water trucks

  - Dozers 10T, 9R 834K

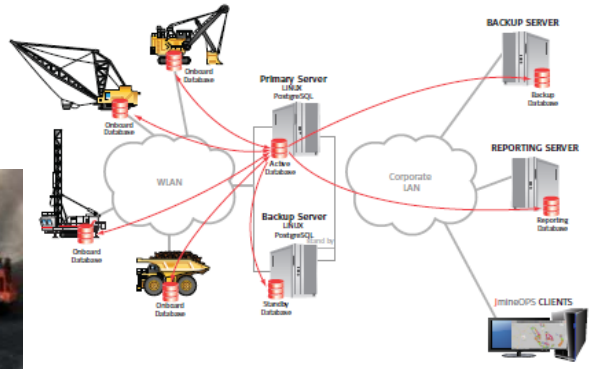
  - 78C compactor

  - 16M grader

  - 740D cable reel truck

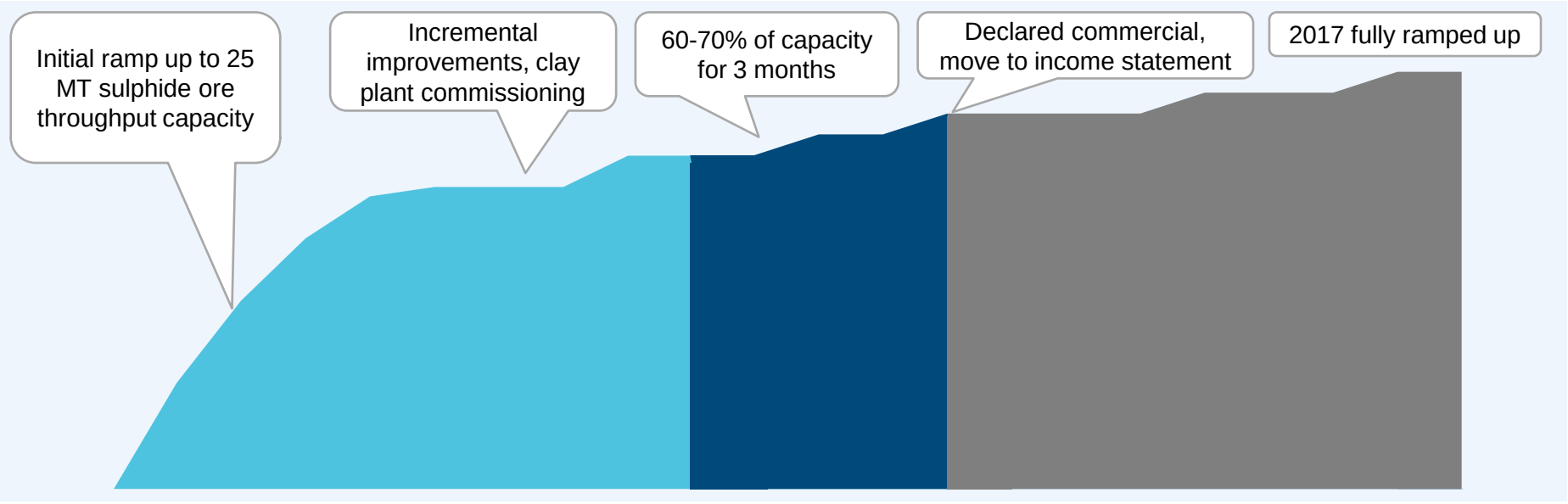
  - 993 K front end loader

- Bozshakol will deploy the Leica Geosystems automated dispatch reporting and production optimisation system
- Fleet management software
  - Tracks material handling from loading to dumping
  - Truck cycle data recorded and analysed
- Enables real-time optimisation and reporting of operational performance



CONCENTRATOR RAMP UP PROFILE

- Ore throughput should ramp up to 25 MT capacity quickly
- Following this, incremental gains to recovery rate will be made as concentrator processes are fine tuned
- Once the project has operated at 60-70% of expected capacity for three months it will be declared commercial at which point revenue and costs will be taken through the income statement

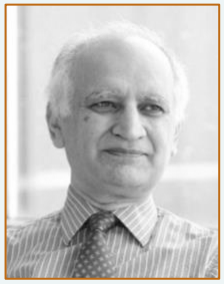


3 (a) AKTOGAY CONSTRUCTION UPDATE

Mian Khalil

Head of Projects (Construction)

AKTOGAY CONSTRUCTION MANAGEMENT



Mian Khalil

Head of Projects (Construction)

Brian Tomlinson

Aktogay Project Director

- 42 years of mining, oil & gas and infrastructure industry experience
- Formerly project director of Oyu Tolgoi
- Executive project director at Fluor
- Southern Peru Copper, Boddington gold mine expansion project, Cartagena refinery
- Operations project management in USA (Alaska), Venezuela

AKTOGAY PROGRESS UPDATE

Completed

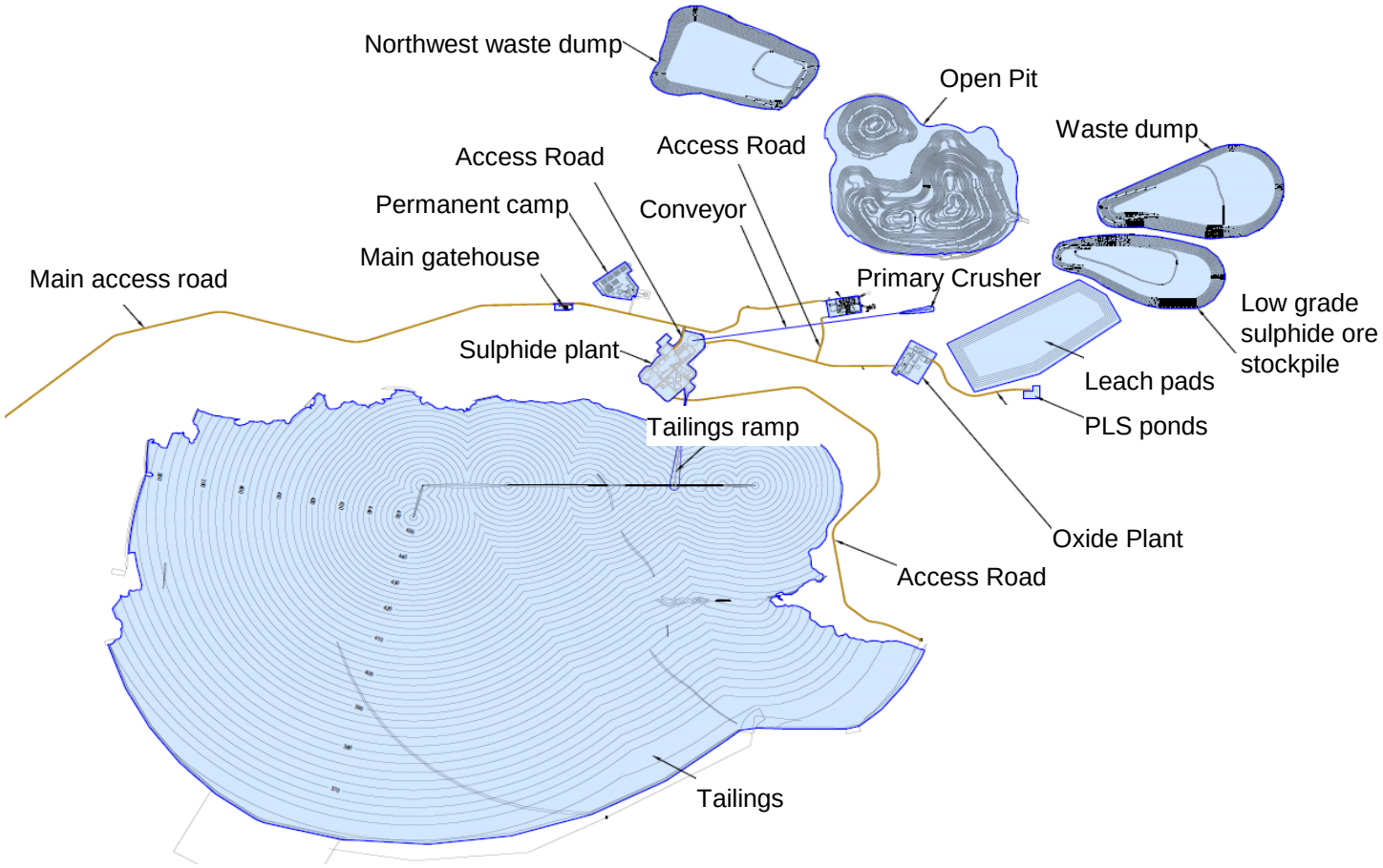
- ☑ Oxide heap leach cells 101 and 102 ready to receive ore
- ☑ Acid storage and PLS pump house
- ☑ Sulphide plant foundations

Ongoing

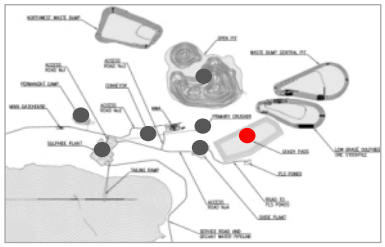
- Oxide plant buildings and processing facilities
- Heap leach cells 103-109
- Permanent camp construction
- 110 kV power line (close to completion)
- Concrete works for grinding and concentrator building foundations
- Primary crusher and conveyor site preparation

Aktogay project overhead view

PROJECT PLAN



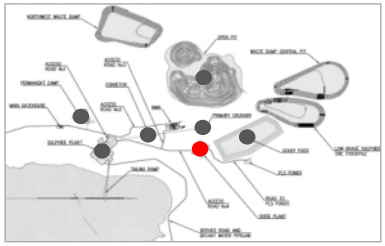
OXIDE LEACH CELLS



- Cells 101 & 102 – completed
- Cells 103 & 104 – placement of geo-membrane, collection piping and overliner materials ongoing
- Cell 105 – geomembrane placed, laying of collection piping and overliner materials ongoing
- Cell 106 – subgrade installation in progress prior to geomembrane placement

Heap leach cells 101-109 (right to left)

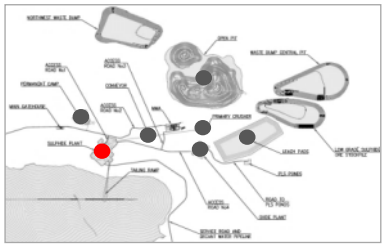
OXIDE PROCESSING PLANT



- Acid unloading – tanks ready for hydrotesting, installation of rail unloading arms commenced
- Acid storage – ready for hydrotest, acid pipeline near completion
- SX 1 – concrete floor poured, erection of structural steel supporting tanks completed
- SX 2 – foundations and structural steel in progress
- EW – structural steel complete, installation of sandwich panel is ongoing
- All major equipment is on site, ready for installation
- 35 kV substation – E-room installed

SX/EW processing buildings

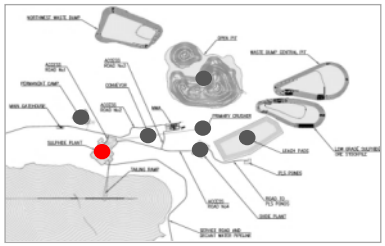
SULPHIDE PROCESSING – CONCENTRATOR



- SAG mill pedestals concrete works – 3 of 6 sections complete
- Ball mill pedestals concrete works – 2 of 4 sections complete
- Concentrator building shell structural steel commenced
- Concrete retaining wall construction ongoing
- 26,000 m^3 out of 92,400 m^3 of concrete has been poured as of 18 May 2015

Sulphide concentrator

SULPHIDE PROCESSING – POWER AND ANNEX



- 2x electrical rooms now installed
- High voltage cable installed to support contract mining infrastructure for first copper from oxide, Q4 2015
- Raw and potable water tanks preparing for hydrotest
- Annex building structural steel erection substantially complete
- Pipe-rack installation ongoing
- Fire water, gland and potable water pumps placed on foundations
- Piping installation ongoing

Sulphide concentrator annex

Aktogay primary crusher site May 2015

Work in progress
March 2014

Bozshakol comparison
Sep 2014

3 (b) AKTOGAY OPERATIONS UPDATE

Jeremy Allen

Head of Opencast Operations

AKTOGAY OPERATIONS MANAGEMENT TEAM

Jeremy Allen

Head of Opencast Operations

Talgat Akhanov

Executive Director

- 23 years of underground mine and processing operations management experience in Kazakhstan
- Operated at all levels of mining management across Kazakhmys assets in Zhezkazgan Region, including concentrators and smelter
- Mining engineer, Ph.D. in Engineering Science, MBA

Martin Knauth

Mine Director

- Over 25 years of underground and open pit mining and projects, operated at all levels of mining management
- Aktogay is his 6th greenfield mine / project start-up
- First Quantum, Vale INCO, Sherritt International, AngloGold Ashanti, WMC Resources Ltd

Nicholas Riches

Concentrator Director

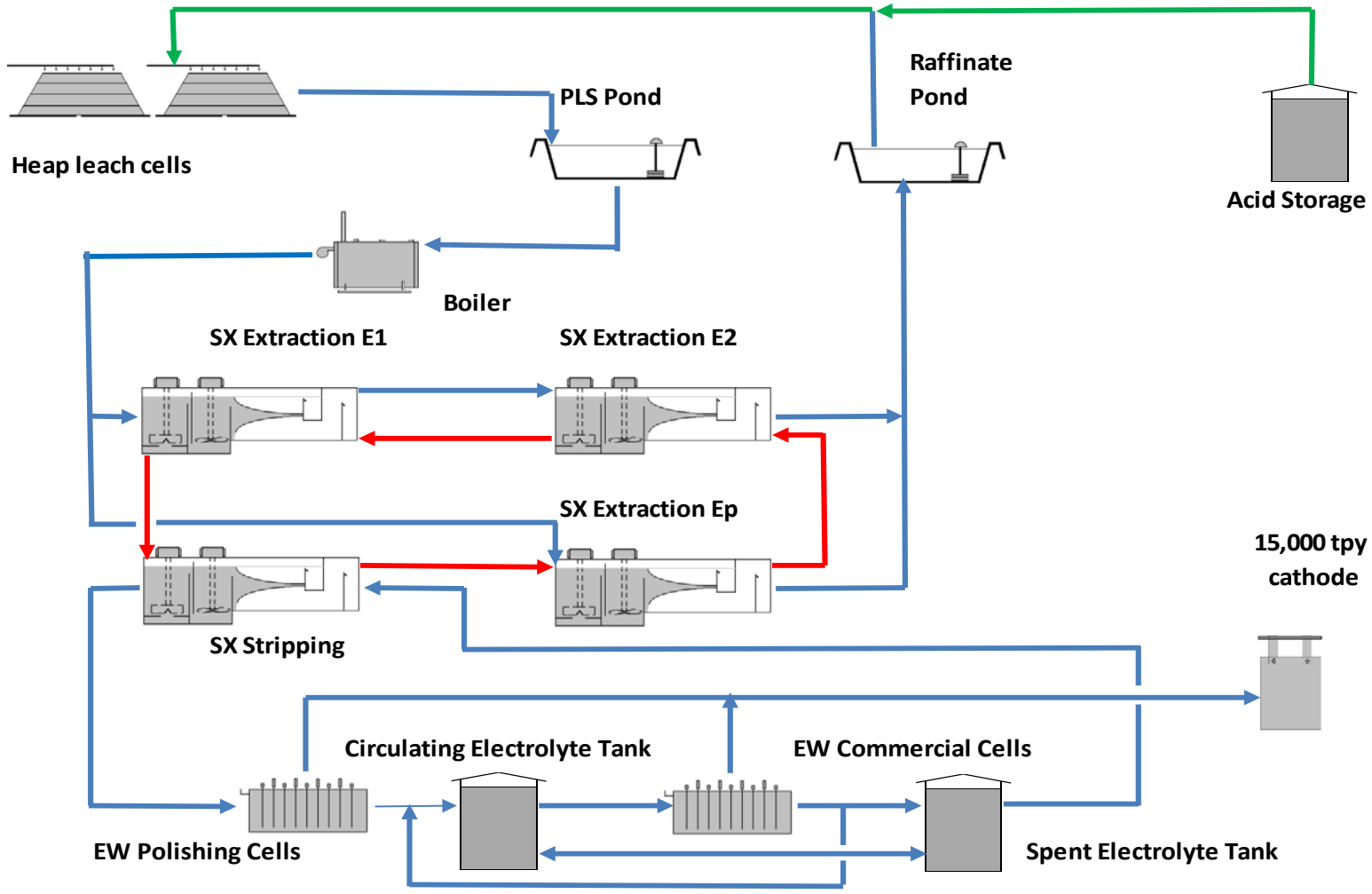
- Over 25 years in mining industry
- Commissioning and management of greenfield processing operations in Australia and Africa
- Perseus Mining, BHP, Anvil Mining, MIM

Christopher McQuade

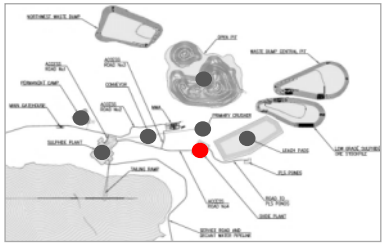
HSE Director

- 35 years in opencast and underground mining and government regulation experience (20 years senior management)
- Operating as registered mine manager and leading all areas of business support with specialization in HSE and Risk
- Managing operations in Australia and Kazakhstan
- Australian State Government, Ranger Uranium mines, Australian Federal Government, Oakbridge Coal Mining Group, Zinifex, Rio Tinto

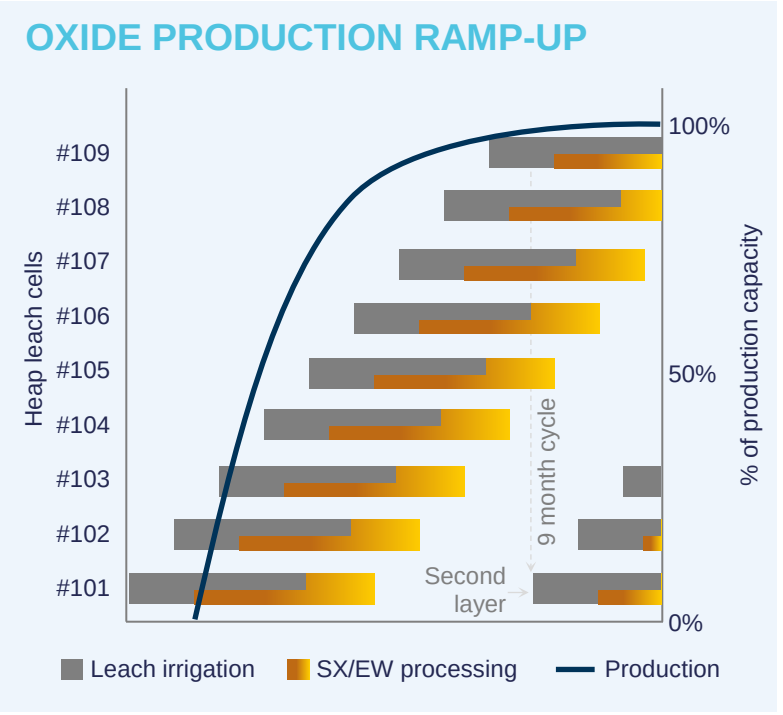
AKTOGAY SX/EW FLOWSHEET



AKTOGAY SX/EW RAMP UP



- Ore mining and associated activities commence June 2015
- First oxide ore to be placed on leach pad in June 2015
- Dump irrigation to commence Aug/Sep 2015
- SX/EW operations commence 2 months after start of dump irrigation
- Limited initial copper cathode production expected in 2015
- Ramp up to full production capacity expected within 6 months
- Minimal seasonal variation - winter production rate c.70% of design, based on similar operations in the region



4. FINANCIALS

Andrew Southam

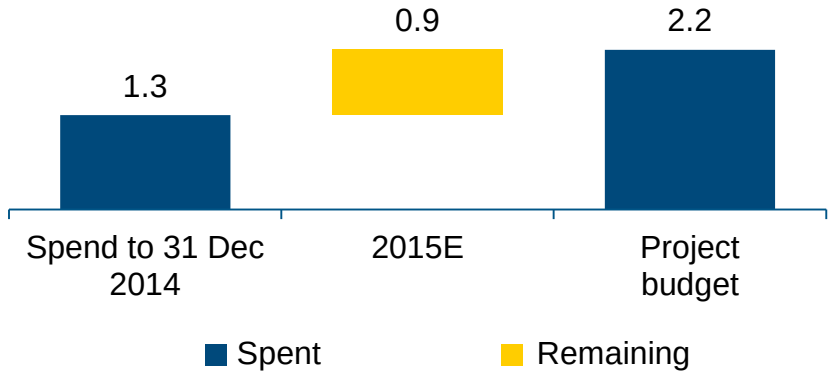
CFO

CAPEX UPDATE

Bozshakol

- Q1 2015 winter period capex $120 million
- Back-end weighted
  - Payment schedule runs behind physical progress
  - Contractual retentions
- Some payments may fall into 2016, e.g. clay plant completion

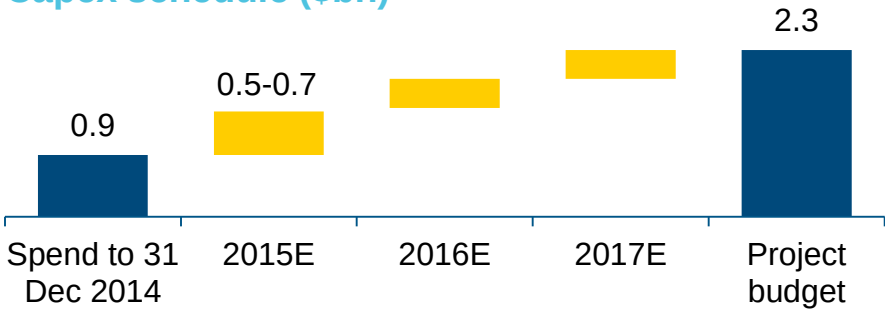
Capex schedule ($bn)



Aktogay

- Q1 2015 capex $136 million

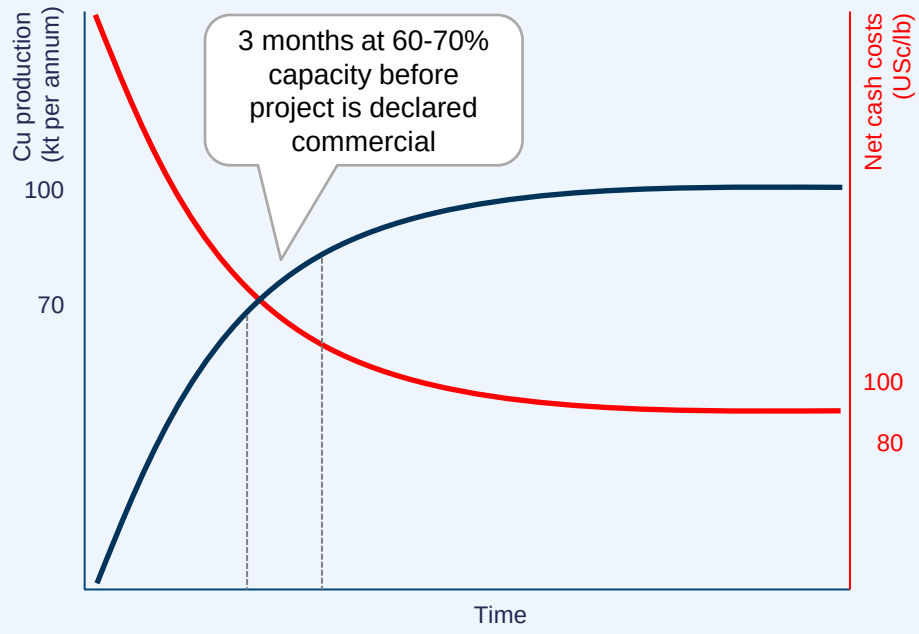
Capex schedule ($bn)



BOZSHAKOL CASH COST PROFILE

- Unit costs fall towards target level during capitalisation period, as production ramps up
- Higher copper grade at start of project will assist achievement of cost guidance

UNIT COSTS vs PRODUCTION

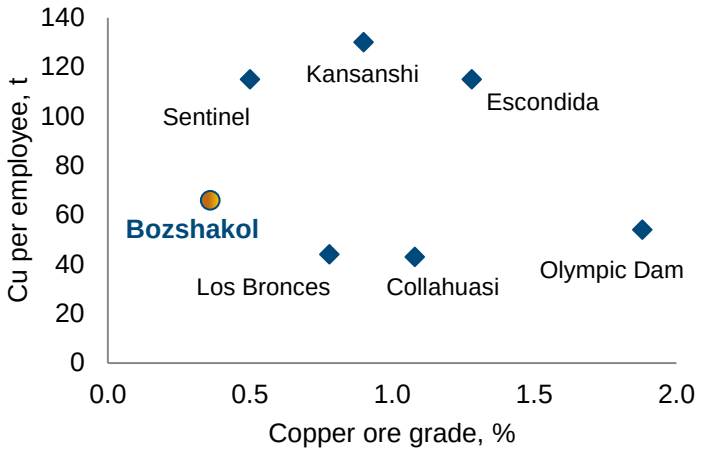


Illustrative

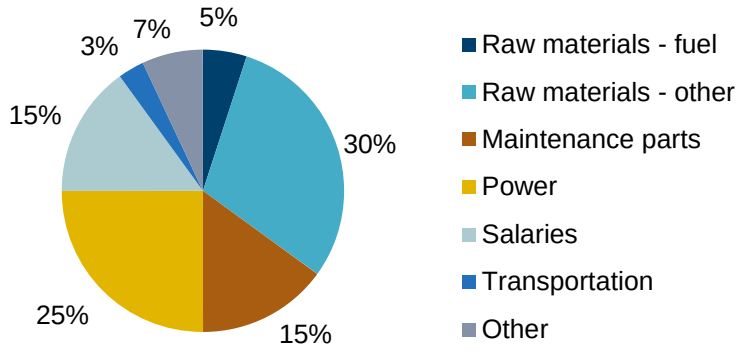
BOZSHAKOL OPERATING COSTS

- Low stripping ratio, 0.7:1
- Efficient ore extraction – broad mineralisation enables low cost drilling, blasting and loading
- Economies of scale – 30 MT ore processed per annum
- Automation and mechanisation leads to high labour productivity
- Globally competitive power costs
- On site processing reduces ore transport costs
- Rail link to export market, bagging plant loads rail cars directly
- Availability of fresh water
- Strong gold by-product (120 koz p.a.[3])

LABOUR PRODUCTIVITY vs GRADE[1]



BOZSHAKOL OPERATING COST BREAKDOWN[2]

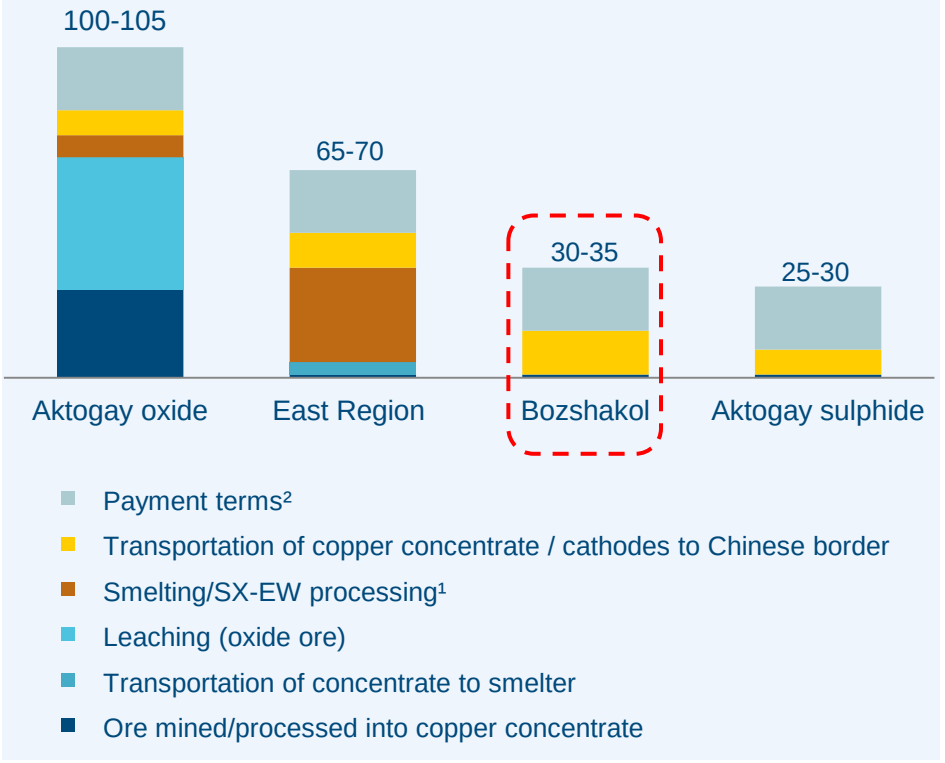


Notes:
1. Source – annual Reports and company presentations.
2. Excludes smelting and refining charges associated with the sale of copper in concentrate.
3. For the first 10 years after the concentrator has been commissioned.

BOZSHAKOL WORKING CAPITAL & SUSTAINING CAPEX

- "First fill" operational requirements included in the project capital budget
- Additional funding required dependent on speed of ramp-up
  - Estimated in the region of $50m
  - Working capital requirements limited as operations on a single site and selling concentrate
    - 90% paid on provisional invoice
- Average annual sustaining capex estimated at $30m

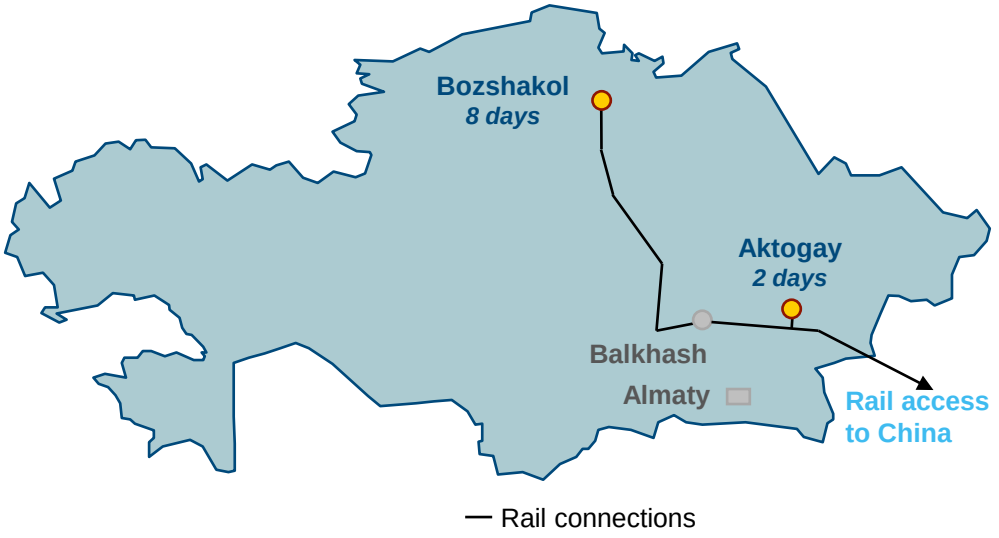
NUMBER OF DAYS FROM ORE MINED TO PAYMENT



Notes:
1. Reflects processing into copper cathodes, precious metals take 50 days.
2. For copper concentrate, 90% of provisional value is payable, with 10% retained subject to confirmation of final metal content (2-3 months).

BOZSHAKOL CONCENTRATE SALES

- Identified Chinese customers for Bozshakol concentrate
- Bozshakol copper concentrate is attractive to Chinese smelters
  - High sulphur and iron content beneficial for smelting technology employed
  - Clean concentrate with low/no deleterious content (arsenic, iridium) and low silver content
- TC/RCs will be calculated by reference to annual benchmarks set by CSPT and Japanese smelters
  - 22% copper concentrate grade is below 30% benchmark, but similar to many other concentrates currently sold into China



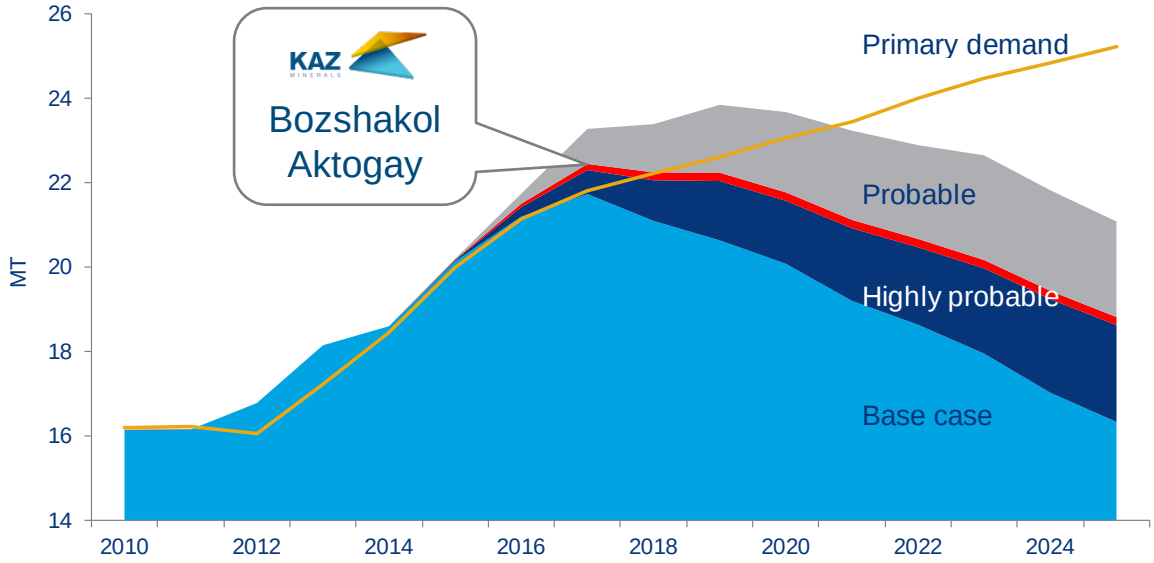
5. DELIVERING GROWTH

Oleg Novachuk

CEO

COPPER DEFICIT FORECAST

- Supply deficit forecast to emerge from 2017
- Balancing the market requires ‘probable’ and ‘highly probable’ projects to deliver an additional 1.1 MT in 2018 and 3.0 MT in 2020

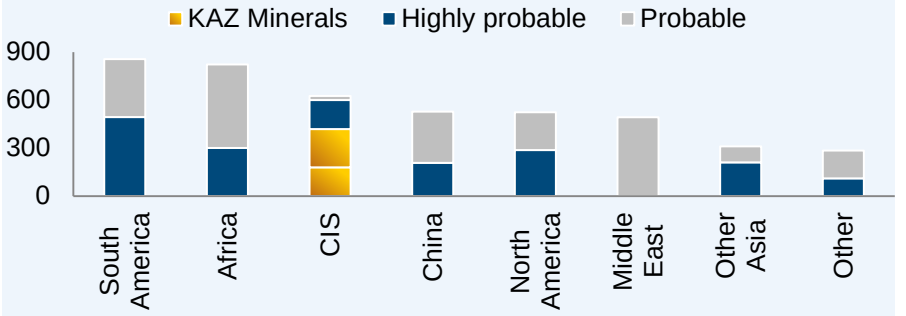


Source: Wood Mackenzie
Bozshakol & Aktogay are classified as ‘highly probable’ projects

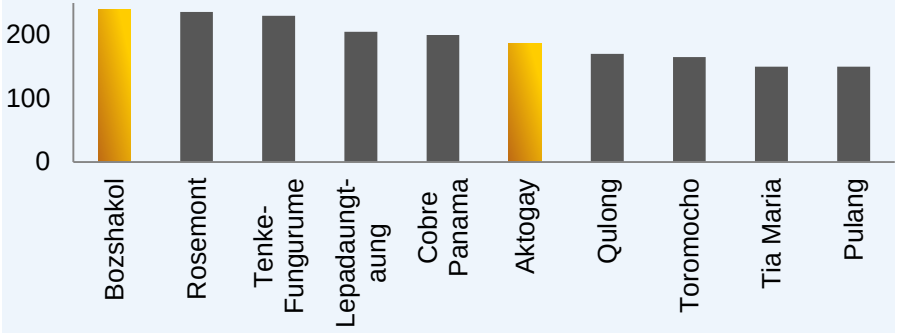
GLOBALLY SIGNIFICANT PROJECTS

- KAZ Minerals' major growth projects account for a significant proportion of global copper supply expansion from 2015-2018
- Production from Bozshakol and Aktogay is forecast to be:
  - **11%** of probable and highly probable expansion globally
  - **23%** of highly probable expansion globally
  - **68%** of probable and highly probable expansion in the CIS

2015 – 2018 COPPER OUTPUT FROM NEW PROJECTS BY REGION (KT)[1]



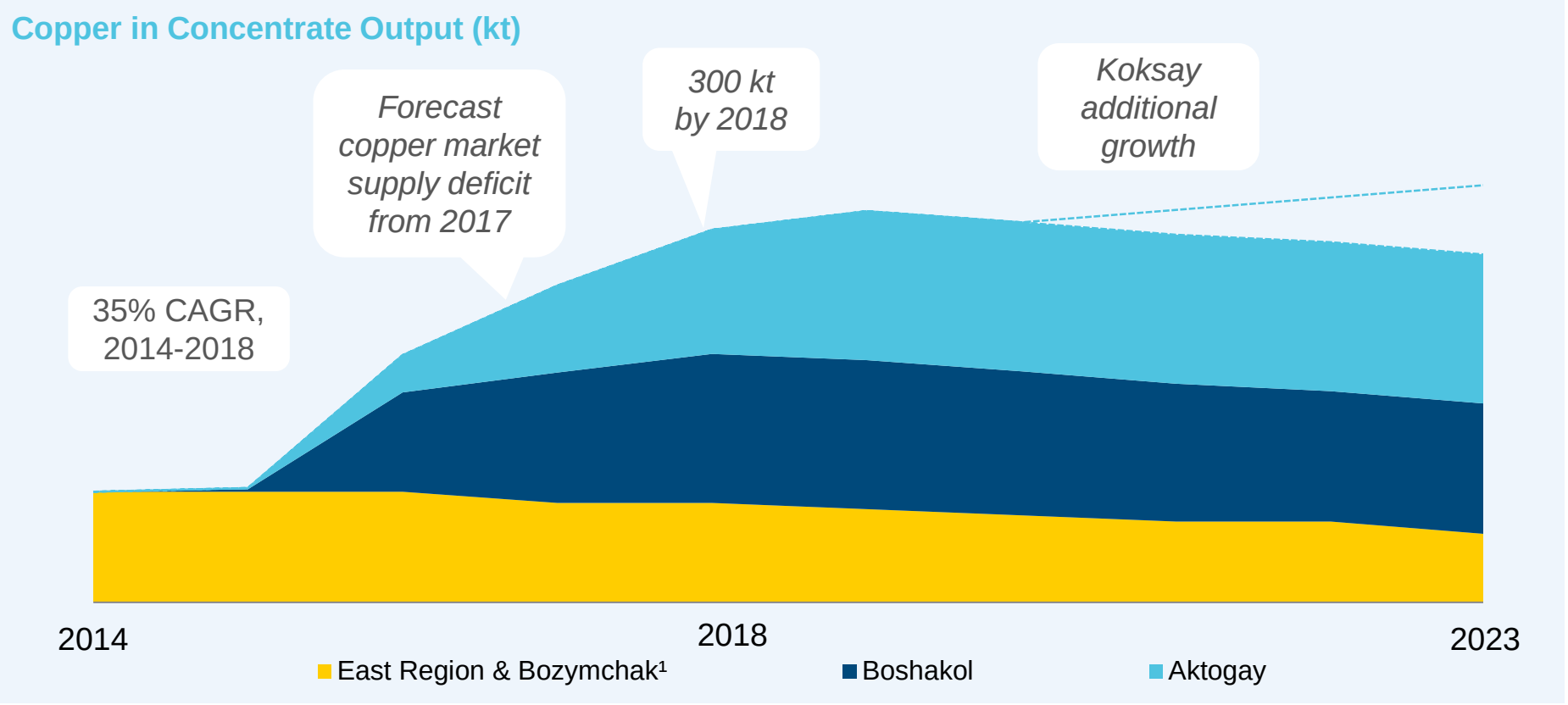
TOP TEN LARGEST COPPER PROJECTS 2015 – 2018 PRODUCTION (KT)[2]



Note:

1. Wood Mackenzie Global Copper Long Term Outlook Q1 2015. Includes greenfield and brownfield expansion projects. KAZ Minerals output as presented by Wood Mackenzie.
2. Top ten largest copper projects based on highly probable and probable projects as classified by Wood Mackenzie.

DELIVERING GROWTH



Notes
1. Includes Artemyevsky mine extension.

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