



KAZ MINERALS LIMITED
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22 August 2023

**KAZ MINERALS PRODUCTION AND SALES REPORT
FOR SIX MONTHS AND THE SECOND QUARTER ENDED 30 JUNE 2023**

		6m 2023	6m 2022	Q2 2023	Q1 2023	Q2 2022
Copper production¹	kt	199.5	179.9	104.4	95.1	90.0
Aktogay	kt	126.6	104.2	64.7	61.9	53.5
Bozshakol	kt	50.2	51.6	26.5	23.7	24.9
East Region & Bozymchak	kt	22.7	24.1	13.2	9.5	11.6
Gold production ²	koz	77.9	84.5	41.4	36.5	41.8
Silver production ²	koz	1,978	1,732	1,141	837	844
Zinc in concentrate	kt	23.9	19.2	14.8	9.1	8.5
Copper sales³	kt	223.1	187.5	114.8	108.3	96.7
Gold sales ⁴	koz	92.9	99.5	49.9	43.0	49.1
Silver sales ⁴	koz	2,033	1,992	1,059	974	990
Zinc in concentrate sales	kt	29.2	24.1	15.6	13.6	9.1

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

- KAZ Minerals produced 200 kt of copper in H1 2023, an increase of 11% compared with H1 2022 due to the strong performance of the Aktogay sulphide plants which raised ore throughput and copper recoveries.
- Silver production in H1 2023 increased by 14%, benefiting from higher grades. Zinc in concentrate output increased by 24% due to higher grades and an improvement in the recovery rate, while gold output reduced by 8% due to expected lower grades at Bozshakol and Bozymchak.
- The Group has continued to make progress in the sale of its accumulated finished goods inventories, with copper sales in H1 2023 of 223 kt, 23kt above production. Sales volumes of all by-products were also in excess of production. The Group has benefited from improved rail logistics compared with the prior year and strong demand for its products from customers.

Andrew Southam, Chief Executive Officer, said: "KAZ Minerals produced 200 kt of copper in H1 2023, an increase of 11% compared with H1 2022 as Aktogay raised throughput and recoveries, supported by strong operational performances from Bozshakol, East Region and Bozymchak. Whilst the Group is experiencing high cost inflation, it has progressively reduced its finished goods inventories, benefiting from improved rail logistics and strong demand from customers in China."

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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. In 2022, KAZ Minerals’ total copper production was 380 kt with by-products of 171 koz of gold, 3,768 koz of silver and 47 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 around 14,000 people across Kazakhstan and Kyrgyzstan.

		6m 2023	6m 2022	Q2 2023	Q1 2023	Q2 2022
Ore extraction	kt	37,666	33,551	18,674	18,992	16,999
Oxide	kt	9,735	8,747	4,583	5,152	4,842
Sulphide	kt	27,931	24,804	14,091	13,840	12,157
Oxide						
Oxide ore to leach pads	Kt	9,735	8,747	4,583	5,152	4,842
Grade	%	0.33	0.28	0.34	0.31	0.23
Copper cathode	Kt	11.7	11.6	6.5	5.2	6.3
Sulphide						
Sulphide ore processed	kt	26,491	24,089	13,272	13,219	11,415
Sulphide 1	kt	13,575	14,154	6,675	6,900	6,510
Sulphide 2	kt	12,916	9,935	6,597	6,319	4,905
Average grade processed	%	0.52	0.46	0.52	0.52	0.48
Recovery rate	%	87.8	87.1	88.9	86.6	89.4
Copper in concentrate	kt	120.3	96.9	60.9	59.4	49.3
Copper production¹	kt	114.9	92.6	58.2	56.7	47.2
Total copper production²	kt	126.6	104.2	64.7	61.9	53.5
Silver production ¹	koz	588	528	305	283	267
Molybdenum in concentrate production	t	1,746	981	868	878	538

¹ Payable metal in concentrate.

² Payable metal in concentrate and copper cathode from Aktogay oxide ore

In the first half of 2023, ore extraction at Aktogay of 37,666 kt increased by 12% versus the prior year comparative period (H1 2022: 33,551 kt) as additional sulphide ore was mined to support the higher throughput at Sulphide 2.

Sulphide ore processed at Aktogay in H1 2023 of 26,491 kt was 2,402 kt higher than the prior year comparative period (H1 2022: 24,089 kt), driven by Sulphide 2 where throughput rose by 30% to 12,916 kt (H1 2022: 9,935 kt). The ramp-up of Sulphide 2, which was in progress in the first half of 2022, is now complete, and the plant has regularly outperformed design capacity during H1 2023. Management is continuing to implement measures aimed at further enhancing throughput in the medium-term. The 4% increase in ore processed at Sulphide 2 in Q2 2023 to 6,597 kt (Q1 2023: 6,319 kt) arose as maintenance works were performed in the first quarter. Ore processed at Sulphide 1 in H1 2023 of 13,575 kt was 4% lower than the prior year comparative period (H1 2022: 14,154 kt) due to scheduled relining of the ball mills and other planned maintenance works performed in Q2. Accordingly, throughput in Q2 2023 reduced by 3% to 6,675 kt compared with the previous quarter (Q1 2023: 6,900 kt).

Copper production from sulphide ore of 114.9 kt in H1 2023 increased by 24% compared with the equivalent period in the prior year (H1 2022: 92.6 kt), benefiting from an increase in the average copper grade in ore processed to 0.52% (H1 2022: 0.46%) and higher throughput at Sulphide 2. Copper output from sulphide ore in Q2 2023 of 58.2 kt rose by 3% compared with the previous quarter (Q1 2023: 56.7 kt) benefiting from increased recovery rates, whilst throughput and processed grades were broadly unchanged.

Copper cathode production from the oxide plant of 11.7 kt was in line with the prior year comparative period output (H1 2022: 11.6 kt). Q2 2023 cathode output of 6.5 kt represented a 25% uplift compared with the previous quarter (Q1 2023: 5.2 kt) as warmer ambient temperatures improved copper recovery from the circuit.

Total copper production in H1 2023 of 126.6 kt exceeded the prior period comparative period by 21% (H1 2022: 104.2 kt) as Aktogay recorded improvements in total sulphide ore throughput, grades processed and copper recovery rates.

Silver production in H1 2023 of 588 koz increased by 11% compared with the first half of 2022 (H1 2022: 528 koz) due to higher throughput at Sulphide 2 and higher silver grades processed at both plants. Molybdenum in concentrate production in H1 2023 of 1,746 t represented an increase of 78% compared with the prior year period (H1 2022: 981 t). Aktogay management has achieved notable improvements in the recovery rate, with molybdenum production also benefiting from higher output from the circuit at Sulphide 2 which was commissioned in February 2022.

		6m 2023	6m 2022	Q2 2023	Q1 2023	Q2 2022
Ore extraction	kt	17,147	12,773	8,720	8,427	6,562
Sulphide	kt	13,425	12,081	6,999	6,426	6,075
Clay	kt	3,722	692	1,721	2,001	487
Ore processed	kt	16,240	16,521	8,353	7,887	8,298
Copper						
Average copper grade processed	%	0.41	0.44	0.42	0.41	0.42
Copper recovery rate	%	78.5	74.6	80.0	76.8	75.2
Copper in concentrate	kt	52.6	54.0	27.8	24.8	26.0
Copper production¹	kt	50.2	51.6	26.5	23.7	24.9
Gold						
Average gold grade processed	g/t	0.21	0.22	0.21	0.20	0.22
Gold recovery rate	%	54.6	54.6	55.5	53.5	54.7
Gold in concentrate	koz	58.8	64.8	31.7	27.1	32.7
Gold production¹	koz	55.0	60.6	29.7	25.3	30.6
Silver production¹	koz	405	347	223	182	182

¹ Payable metal in concentrate.

Ore extraction in H1 2023 of 17,147 kt was 34% higher than the prior year comparative period (H1 2022: 12,773 kt) as additional volumes of sulphide and clay ore were mined to fulfil the requirements of the concentrators, while in H1 2022 the clay plant processed more stockpiled material.

Bozshakol processed 16,240 kt of ore in H1 2023, 2% lower than the prior year comparative period (H1 2022: 16,521 kt), due to reduced throughput at the sulphide plant, reflecting the timing of maintenance. The clay plant achieved a 1% increase in throughput compared with H1 2022 and continued to operate above design capacity in the period.

Copper production in H1 2023 of 50.2 kt was 3% lower than the first half of 2022 (H1 2022: 51.6 kt) due to reduced throughput and an expected fall in grades processed from 0.44% to 0.41%. Despite the lower grades processed, the average recovery rate increased to 78.5% (H1 2022: 74.6%), reflecting a number of measures successfully taken by the Bozshakol management team to improve recoveries at the site. Clay recoveries benefitted from processing a greater proportion of fresh ore from the pit. Copper output of 26.5 kt in Q2 2023 represented a 12% increase from the previous quarter (Q1 2023: 23.7 kt) as the site achieved an improvement in throughput, grades processed and the recovery rate.

Gold production in the first half of 2023 decreased by 9% to 55.0 koz (H1 2022: 60.6 koz) reflecting the reduction in throughput and gold grades in the ore processed. Silver production in H1 2023 increased by 17% to 405 koz (H1 2022: 347 koz) driven by higher silver grades in the ore processed at both plants.

		6m 2023	6m 2022	Q2 2023	Q1 2023	Q2 2022
Ore extraction	kt	1,251	1,841	652	599	799
Ore processed	kt	1,768	1,793	986	782	872
Copper						
Average grade processed	%	1.52	1.57	1.60	1.43	1.55
East Region	%	1.96	1.97	2.01	1.89	1.97
Bozymchak	%	0.61	0.66	0.60	0.61	0.66
Average recovery rate	%	88.9	90.0	88.6	89.5	89.8
East Region	%	89.1	90.3	88.7	89.8	90.1
Bozymchak	%	87.7	88.2	87.6	87.9	87.8
Copper in concentrate	kt	23.9	25.4	13.9	10.0	12.2
East Region	kt	20.9	22.2	12.4	8.5	10.6
Bozymchak	kt	3.0	3.2	1.5	1.5	1.6
Copper production¹	kt	22.7	24.1	13.2	9.5	11.6
East Region	kt	19.8	21.1	11.8	8.0	10.1
Bozymchak	kt	2.9	3.0	1.4	1.5	1.5
Gold production ¹	koz	22.9	23.9	11.7	11.2	11.2
Silver production ¹	koz	985	857	613	372	395
Zinc in concentrate	kt	23.9	19.2	14.8	9.1	8.5

¹ Payable metal in concentrate

Ore extraction in H1 2023 of 1,251 kt was 32% lower than the prior year comparative period (H1 2022: 1,841 kt) mainly due to the processing of stockpiled material at the Bozymchak open pit, where work in the first half of the year was focused on stripping works to support the development of the underground mine.

Ore processed in H1 2023 of 1,768 kt was 1% lower than the prior year comparative period (H1 2022: 1,793 kt). Ore processed in Q2 2023 of 986 kt increased by 26% compared with the first quarter (Q1 2023: 782 kt), following the planned shutdown of the Nikolayevsky concentrator in January to increase utilisation in the second half of the year. Bozymchak throughput in Q2 remained above design capacity as stockpiled ore was processed.

Copper production decreased by 6% to 22.7 kt (H1 2022: 24.1 kt) following an expected reduction in the grades in ore processed and recovery rates at both East Region and Bozymchak. Copper production in Q2 2023 increased compared to the previous quarter to 13.2 kt (Q1 2023: 9.5 kt), driven by higher throughput at all plants, in particular Nikolayevsky, partially offset by lower copper grades processed at Bozymchak.

Gold production in the first half of the year reduced by 4% to 22.9 koz (H1 2022: 23.9 koz), mainly due to the expected reduction in gold grades processed at Bozymchak. In Q2 2023, gold output from the East Region increased compared with the previous quarter, benefiting from higher throughput and improved grades, partially offset by lower output at Bozymchak following the reduction in grades processed.

Silver production in H1 2023 of 985 koz was 15% higher than the prior year comparative period (H1 2022: 857 koz), as higher silver grades and recoveries were achieved at the East Region concentrators. Q2 2023 silver production of 613 koz exceeded silver output in the previous quarter by 65% (Q1 2023: 372 koz), benefiting from better throughput and grades at East Region.

Zinc in concentrate production of 23.9 kt in H1 2023 was 24% higher than the output of 19.2 kt in H1 2022, as both East Region concentrators benefited from extraction at higher zinc grade zones with a corresponding benefit to recoveries. Zinc in concentrate output in Q2 2023 of 14.8 kt was 63% higher than the previous quarter (Q1 2023: 9.1 kt), resulting from higher throughput and improved grades from the Artemyevsky mine.