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KAZ Minerals PLC

哈薩克礦業有限公司 *

(incorporated and registered in England and Wales under the Companies Act 1985 with registered number 05180783)

(Stock code: 847)

REFINANCING OF PRE-EXPORT FINANCE DEBT FACILITY AND INCREASE TO \$600 MILLION AND RESUMPTION OF TRADING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance.

KAZ Minerals PLC (the 'Company') has released a Refinancing of Pre-export Finance Debt Facility and Increase to \$600 million announcement. Please see the attached announcement for more details.

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited ('Stock Exchange') was halted with effect from 1:00 p.m. on 9 June 2017 pending the release of a Refinancing of Pre-export Finance Debt Facility and Increase to \$600 million announcement, which constitutes inside information. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 12 June 2017.

By order of the Board
KAZ Minerals PLC
Susanna Freeman
Company Secretary

9 June 2017, Hong Kong

The Board of Directors at the time of the announcement are: S J N Heale[†]; O N Novachuk; A Southam; C H E Watson[†]; M D Lynch-Bell[†]; L A Armstrong OBE[†]; J F MacKenzie[†]; V S Kim[#].

[†] *Independent non-executive Director*

[#] *Non-executive Director*

^{*} *For identification purpose*

REFINANCING OF PRE-EXPORT FINANCE DEBT FACILITY AND INCREASE TO \$600 MILLION

KAZ Minerals PLC (“KAZ Minerals” or “the Group”) announces that it has completed an amendment and extension of its pre-export finance loan facility which includes an increase in the facility commitments to \$600 million (the “new PXF”).

The new PXF extends the maturity profile of the existing facility by 2.5 years from December 2018 until June 2021. Under the revised repayment profile, principal repayments will commence in July 2018 and then continue in equal monthly instalments over a three-year period until final maturity in June 2021.

The facility amount has been increased to \$600 million reflecting strong support from the market during syndication. The balance of the \$600 million commitments over the \$224 million outstanding under the existing facility as at 31 May 2017 will be available for drawing over a six month availability period until December 2017.

The interest basis of the new PXF is substantially the same as the existing facility, with a variable margin of between 3.0% and 4.5% above US\$ LIBOR, dependent on the ratio of net debt to EBITDA¹ which will be tested semi-annually.

Financial covenants have been revised in the new PXF to increase headroom as the Group’s new mines at Bozshakol and Aktogay continue to ramp up production. The Group remains subject to temporary restrictions relating to the Group’s total debt, dividends, acquisitions and capital expenditure outside the scope of existing operating mines and major growth projects for as long as net debt to EBITDA¹ is above 3.5:1.

The refinancing was coordinated by Deutsche Bank AG, ING Bank and Société Générale Corporate and Investment Banking acting as Coordinating Mandated Lead Arrangers and Bookrunners. Other lenders in the facility are ABN AMRO Bank NV, Bank of China Limited, Citibank N.A., Crédit Agricole Corporate and Investment Bank, ICBC London, JP Morgan Chase Bank N.A., Natixis, Rabobank London and UniCredit S.p.A. Deutsche Bank AG continues as the agent bank and ING Bank is the security trustee.

Andrew Southam, Chief Financial Officer, said: “We are pleased to announce the signing of the amendment and extension of the PXF facility with an enlarged syndicate of 12 banks participating. The amended facility demonstrates continuing support for the Group from its lenders, with all existing banks maintaining or increasing their participation and four new banks joining the syndicate. The new PXF will enhance our financial flexibility as we complete the ramp up of output from our new mines at Bozshakol and Aktogay.”

¹ EBITDA is calculated on broadly the same basis as “Gross EBITDA” as defined in the KAZ Minerals PLC Annual Report 2016.

For further information please contact:

KAZ Minerals PLC

Chris Bucknall	Investor Relations, London	Tel: +44 20 7901 7882
Anna Mallere	Investor Relations, London	Tel: +44 20 7901 7814
Maksut Zhapabayev	Corporate Communications, Almaty	Tel: +7 727 244 03 53

Instinctif Partners

David Simonson	Tel: +44 20 7457 2020
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REGISTERED OFFICE

6th Floor, Cardinal Place, 100 Victoria Street, London SW1E 5JL, United Kingdom.

NOTES TO EDITORS

KAZ Minerals PLC (“KAZ Minerals” or “the Group”) is a high growth copper company focused on large scale, low cost, open pit mining in Kazakhstan. It operates three mines and three concentrators in the East Region of Kazakhstan, the Bozymchak copper-gold mine in Kyrgyzstan, the Bozshakol open pit copper mine in the Pavlodar region of Kazakhstan and the Aktogay open pit copper mine in the East Region of Kazakhstan. In 2016, total copper cathode equivalent output was 140 kt with by-products of 75 kt of zinc in concentrate, 120 koz of gold bar equivalent and 3,103 koz of silver bar equivalent.

The Group’s major growth projects at Bozshakol and Aktogay are expected to deliver one of the highest growth rates in the industry and transform KAZ Minerals into a company dominated by world class, open pit copper mines.

Bozshakol is a first quartile asset on the global cost curve and will have an annual ore processing capacity of 30 million tonnes when fully ramped up, with a mine life of 40 years at a copper grade of 0.36%. The mine and processing facilities will produce 100 kt of copper cathode equivalent and 120 koz of gold in concentrate per year over the first 10 years of operations.

Aktogay is a large scale, open pit mine similar to Bozshakol, with a mine life of more than 50 years and average copper grades of 0.37% (oxide) and 0.33% (sulphide). Aktogay commenced production of copper cathode from oxide ore in December 2015 and copper in concentrate production from sulphide ore commenced in February 2017. The sulphide concentrator will have an annual ore processing capacity of 25 million tonnes when fully ramped up. Aktogay is competitively positioned on the global cost curve and will produce an average of 90 kt of copper cathode equivalent from sulphide ore and c.20 kt of copper cathode from oxide ore per year over the first 10 years of operations.

KAZ Minerals is listed on the London Stock Exchange, the Kazakhstan Stock Exchange and the Hong Kong Stock Exchange and employs around 13,000 people, principally in Kazakhstan.

This announcement contains inside information.