Kazakhmys PLC
哈薩克銅業有限公司 *

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

(Stock code: 847)

PUBLICATION OF SHAREHOLDER CIRCULAR RELATING TO THE ENRC TAKEOVER OFFER

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.

Kazakhmys PLC (the "**Company**") has published a Shareholder Circular including Notice of General Meeting (the "**Circular**") relating to, among other things, the proposed disposal of its shares in Eurasian Natural Resources Corporation PLC ("**ENRC**") under the ENRC Takeover Offer. Please see the appended circular for details.

By order of the Board
Kazakhmys PLC
Robert Welch
Company Secretary

12 July 2013, London

The Board of Directors at the time of the announcement are: S J N Heale†; O N Novachuk; E V Ogay; P S Aiken AM†; Lord Renwick of Clifton, KCMG†; C J Dines†; C H E Watson†; M D Lynch Bell†; V S Kim#; D E Yergozhin#.

† *Independent non-executive Director*
# *Non-executive Director*

* *For identification purpose*

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to obtain your own personal financial advice immediately from an independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent professional adviser.

If you sell or have sold or otherwise transferred all of your Kazakhmys Shares, you should send this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

KAZAKHMYS PLC

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

Proposed disposal of 334,824,860 ordinary shares in Eurasian Natural Resources Corporation PLC under the ENRC Takeover Offer, publication of the Kazakhmys Prospectus, repurchase and subsequent cancellation of 77,041,147 ordinary shares in Kazakhmys PLC and Rule 9 Waiver

and

Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Kazakhmys which is set out in Part I of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of Kazakhmys to be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom at 9.00 a.m. (UK time) on 2 August 2013 is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed and, to be valid, should be completed, signed and returned in accordance with the instructions printed thereon and be received by Kazakhmys' registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, United Kingdom or Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, so as to arrive no later than 9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013 (or not less than 48 hours before the time fixed for any adjourned meeting). Kazakhmys Shareholders may, if they so wish, register the appointment of a proxy or proxies electronically by logging on to Kazakhmys' registrars' website at www.investorcentre.co.uk/eproxy where full details of the procedure are given. Electronic proxy appointments must be received by Computershare Investor Services PLC or Computershare Hong Kong Investor Services Limited, so as to arrive no later than 9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013 (or not less than 48 hours before the time fixed for any adjourned meeting). CREST members may appoint a proxy or proxies by completing and transmitting a CREST proxy instruction in accordance with the procedures described in the CREST manual so that it is received by the Company's agent (ID 3RA50) by the latest time for receipt of proxy appointments specified above. Completing and returning of a Form of Proxy or electronic proxy appointment or completing and transmitting a CREST proxy instruction will not prevent members from attending and voting in person should they wish to do so.

A summary of the action to be taken by Kazakhmys Shareholders is set out on page 12 of this document and in the Notice of General Meeting.

For a discussion of certain risk factors which should be taken into account when considering what action you should take in connection with the General Meeting, please see Part II of this document.

Citigroup Global Markets Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Kazakhmys and for no-one else in connection with the contents of this document, the Transaction and the Rule 9 Waiver, and will not be responsible to any person for providing the protections afforded to clients of Citigroup Global Markets Limited nor for providing advice in connection with the contents of this document, the Transaction or the Rule 9 Waiver or any transaction, arrangement or other matter referred to in this document.

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This document is published on 12 July 2013.

INFORMATION REGARDING FORWARD LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, "forward looking statements". These forward looking statements can be identified by the use of forward looking terminology, including the terms "anticipates", "expects", "intends", "may", "will", "believes", "estimates", "plans", "projects" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial position, prospects, growth, strategies and the industry in which it operates. By their nature, forward looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward looking statements are not guarantees of future performance and the actual results of the Group's operations and financial position, and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward looking statements contained in this document.

In addition, even if the results of operations, financial position and the development of the markets and the industry in which the Group operates are consistent with the forward looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors discussed in Part II of this document.

Forward looking statements may, and often do, differ materially from actual results. Any forward looking statements in this document speak only as of their respective dates, reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations and growth strategy. You should specifically consider the factors identified in this document which could cause actual results to differ before making any decision in relation to the Transaction and the Rule 9 Waiver. Subject to the requirements of the FCA, the London Stock Exchange, the Listing Rules and the DTRs (and/or any regulatory requirements) or applicable law, the Company explicitly disclaims any obligation or undertaking publicly to release the result of any revisions to any forward looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this document.

PRESENTATION OF FINANCIAL INFORMATION

References to "£" and "pence" are to the lawful currency of the United Kingdom.

References to "U.S.$" or "U.S. cents" are to the lawful currency of the United States of America.

References to "€" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Percentages in tables may have been rounded and accordingly may not add up to 100 per cent. Certain financial data has been rounded, and as a result of this rounding, the totals of data presented in this Circular may vary slightly from the actual arithmetic totals of such data.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy or electronic proxy appointments or completion and transmission of CREST proxy instructions	9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013
General Meeting	9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 2 August 2013

PART I
LETTER FROM THE CHAIRMAN OF KAZAKHMYS

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

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

12 July 2013

Dear Kazakhmys Shareholder

Proposed disposal of 26 per cent. shareholding in Eurasian Natural Resources Corporation PLC and connected matters

1 Introduction

On 24 June 2013, Eurasian Resources (a company formed at the direction of the ENRC Consortium) announced its intention to make an offer to acquire the entire ordinary share capital of ENRC not already held by Eurasian Resources. The ENRC Takeover Offer proposes to pay U.S.$2.65 in cash plus approximately 0.23 Kazakhmys Shares for each ENRC Share.

Eurasian Resources owns 139,162,843 Kazakhmys Shares (representing approximately 26.6 per cent. of the total voting share capital of Kazakhmys) which it will offer as partial consideration under the ENRC Takeover Offer. Kazakhmys is not issuing any new Kazakhmys Shares in connection with the ENRC Takeover Offer.

The Group currently owns 334,824,860 ENRC Shares (representing approximately 26 per cent. of the issued ordinary share capital of ENRC). Consequently, if the Group accepts the ENRC Takeover Offer, the Group will be entitled to receive approximately U.S.$887 million and 77,041,147 Kazakhmys Shares in return for its ENRC Shares. The Kazakhmys Shares received by the Group will be cancelled and the transaction provides Kazakhmys with an opportunity to become majority free float for the first time.

The ENRC Takeover Offer will require acceptances from ENRC Shareholders which represent, together with the ENRC Shares already held by Eurasian Resources, at least 75 per cent. of the voting rights in ENRC. Eurasian Resources holds approximately 54 per cent. of the issued ordinary share capital of ENRC and therefore, if Kazakhmys accepts the offer, it will become unconditional as to acceptances. The voting decisions of Kazakhmys Shareholders are, therefore, key to the outcome of the ENRC Takeover Offer, and you are encouraged to return your Form of Proxy.

The ENRC Takeover Offer will be subject to antitrust conditions in relation to the COMESA Member States, Kazakhstan, Russia, South Africa, Ukraine and the United States, together with a number of additional market standard conditions commonly included in public mergers and acquisitions transactions.

The purpose of this document is to: (i) explain the background to and reasons for the Transaction and the Rule 9 Waiver and why shareholder approval is required; (ii) explain why the Board considers the Transaction to be in the best interests of Kazakhmys Shareholders as a whole; (iii) explain why the Independent Rule 9 Waiver Directors consider the Rule 9 Waiver Resolution to be in the best interests of the Independent Rule 9 Kazakhmys Shareholders; and (iv) explain why the Directors recommend that you vote in favour of the Resolutions to be proposed at the General Meeting. The details of the proposed Resolutions are set out in paragraph 3 below, including a summary table.

2 Background to and reasons for the Transaction

2.1 Introduction

Since 2008, the Group has held approximately 26 per cent. of ENRC Shares. The Group has been disappointed in the overall performance of its investment in ENRC and has made clear in the past that this interest in ENRC is no longer considered a strategic investment and that the Board would give due consideration to ways in which to maximise the value of its stake and redeploy the proceeds into Kazakhmys' core activities.

Since the announcement on 19 April 2013 of a possible offer by the ENRC Consortium, the Company has sought to engage with the ENRC Consortium and its constituent members and the Independent Committee of ENRC in order to explore the possibility of increasing the value of the offer. These approaches have been unsuccessful and the Board has concluded that there is no prospect of persuading the ENRC Consortium to improve the terms. Whilst the Board believes that the proposed terms of the ENRC Takeover Offer summarised in the ENRC Takeover Offer Announcement may not reflect the full fundamental value of ENRC, the Board has had to consider a number of other factors when considering whether or not to support the ENRC Takeover Offer, which are summarised below.

2.2 **Benefits to Kazakhmys under the Transaction**

Based on the summary terms contained in the ENRC Takeover Offer Announcement, the Group will be entitled to receive approximately U.S.$887 million in cash and 77,041,147 Kazakhmys Shares under the ENRC Takeover Offer.

As at 31 December 2012, the Group had net debt of U.S.$707 million compared to net funds of U.S.$19 million as at 31 December 2011. In line with the capital expenditure profile of the Group's major copper growth projects, Bozshakol and Aktogay, the Group's net debt is expected to rise through the course of 2013 and 2014. In light of the decline in the price of commodities produced by the Group, and the anticipated future spend on the Group's major growth projects, the Group is taking action to cut costs and review discretionary capital expenditure in order to improve the operating cash flow of the business. The Group intends to undertake a review of its operations and costs structure, including a reassessment of the Group's integrated model with a focus on profitable production rather than volume targets. The Satpayev concentrator was suspended in June 2013 and the Zhezkazgan smelter may be suspended later in 2013 which would result in a move from copper cathode to copper concentrate sales. Further actions include the optimisation of mine plans and recovery rates, reducing the cost of materials used in production, reviewing the number of mobile units in operation, potential labour optimisation and a review of non-core assets. As previously disclosed, the Group has held discussions with the Government of Kazakhstan regarding the disposal of its 50 per cent. holding in Ekibastuz GRES-1 and whilst no discussions are currently ongoing, the Group continues to evaluate a disposal of this interest. It is the Board's intention to manage the Group's existing core copper operations to generate sustainable positive cash flow, recognising the potential for short-term cash flow volatility inherent in a business which is operationally geared to movements in the price of its key commodities.

In this context, the Board believes it is in the interests of Kazakhmys Shareholders to support the ENRC Takeover Offer, as the cash proceeds of approximately U.S.$887 million (U.S.$875 million net of expenses) payable to the Group under the Transaction will substantially strengthen the Group's financial position during the development phase of the Group's major copper growth projects, Bozshakol and Aktogay.

In addition to substantially strengthening the Group's financial position, the Transaction: (i) will provide the Group with an opportunity to realise the entirety of its stake in ENRC and end its association with ENRC; and (ii) as a result of the size of the free float in the Company increasing from approximately 37 per cent. (as at the Latest Practicable Date) to up to approximately 58 per cent. of the total voting share capital of the Company (depending on the number of ENRC Shareholders who accept the ENRC Takeover Offer) following the Share Repurchase, should create a majority free float and significantly enhance the liquidity of Kazakhmys Shares.

2.3 **The prospects for ENRC if the ENRC Takeover Offer is unsuccessful**

In assessing the future value of the Group's investment in ENRC, the Board has also taken into account the fact that the ENRC Consortium currently controls approximately 54 per cent. of ENRC, which gives it the ability to set ENRC's strategy and to replace the ENRC board if it so chooses. By contrast, the Group only holds approximately 26 per cent. of ENRC and does not have any board representation. In this context, if the ENRC Takeover Offer is unsuccessful, the Board has the following concerns about any ongoing investment in ENRC:

- The significant issues currently surrounding ENRC including in relation to corporate governance concerns and the ongoing Serious Fraud Office investigation into certain allegations involving ENRC;

- The recent departures of senior executives and independent board members at ENRC, and, in the circumstances surrounding ENRC, the ability of the remaining ENRC leadership team to realise a strong independent future for ENRC;
- ENRC may not be able to meet the new FTSE index free float requirement of 25 per cent. free float by 1 January 2014 required by the FTSE Group of all UK index constituents, meaning that ENRC would no longer be eligible for inclusion in the FTSE UK Index Series. If ENRC is removed from the FTSE UK Index Series this could result in: (i) a reduction in trading liquidity in ENRC Shares over the long-run; (ii) short-term downward pressure on the ENRC Share price caused by the forced selling of ENRC Shares by ENRC Shareholders who track the FTSE UK indices and currently constitute a material part of the ENRC free float shareholder register; and (iii) reduced ENRC equity market access and reduced investor interest following index exclusion;
- Given the corporate governance concerns involving ENRC and the size of the ENRC Consortium's shareholding in ENRC, there is a risk of a breach by ENRC of certain of its continuing obligations. If there is such a breach which is not remedied, or is not capable of remedy given the complicated governance issues and shareholding structure, there are a number of sanctions which ENRC could be the subject of, including the suspension or cancellation of its listing. The Board believes that a suspension and/or cancellation of ENRC's premium listing on the Official List would be damaging for Kazakhmys as well as other ENRC minority shareholders. In addition, irrespective of whether or not ENRC's listing is cancelled, the Board considers there to be a high risk, in the absence of the ENRC Takeover Offer, that the Group's investment in ENRC, as well as the ENRC free float, becomes illiquid, to the detriment of Kazakhmys Shareholders and other ENRC minority shareholders; and
- The potential requirement for ENRC to raise additional funds given mining inflationary pressures, commodity price volatility and ENRC's debt servicing requirements.

As a result, the Board has concluded that the prospects of the full fundamental value of ENRC being realised in the ENRC Share price in the short to medium term are remote and the risks of a further erosion in value are considerable.

2.4 **Conclusion**

The Transaction will raise approximately U.S.$875 million (net of expenses) and will substantially strengthen the Group's overall financial position. Furthermore, the Board believes that, if successful, the Transaction will benefit Kazakhmys Shareholders by increasing the free float in Kazakhmys and ending Kazakhmys' association with ENRC.

In addition, in light of the significant issues currently facing ENRC and the Board's views on the prospects for ENRC if the ENRC Takeover Offer is unsuccessful, the Board believes that the ENRC Takeover Offer will represent the only realistic opportunity to realise value for the Group's investment in ENRC and to avoid a situation in which further value could be destroyed for Kazakhmys and other ENRC minority shareholders.

The ENRC Consortium made it clear to the Company that without an irrevocable undertaking from the Company to accept the ENRC Takeover Offer (if implemented by way of an ENRC Contractual Takeover Offer) or vote in favour of the ENRC Takeover Offer (if implemented by way of an ENRC Takeover Scheme) in respect of the Group's entire shareholding in ENRC, no offer would be forthcoming from the ENRC Consortium. As a result, Kazakhmys has entered into the Irrevocable Undertaking such that if Kazakhmys Shareholders approve the disposal by Kazakhmys of its ENRC Target Shares pursuant to the ENRC Takeover Offer, the Share Repurchase, the publication of the Kazakhmys Prospectus and the Rule 9 Waiver in respect of the Kazakhmys Concert Party, the Group will accept the ENRC Takeover Offer or vote in favour of the ENRC Takeover Scheme, as appropriate, in accordance with the vote of Kazakhmys Shareholders. The terms of the Irrevocable Undertaking also provide that, unless the ENRC Takeover Offer lapses in accordance with its terms, Kazakhmys cannot accept a higher offer for the ENRC Target Shares from a third party. Please see paragraph 3 below for further information on the Resolutions and Part III for further information on the Irrevocable Undertaking.

The consideration under the ENRC Takeover Offer includes Kazakhmys Shares owned by Eurasian Resources and therefore the ENRC Takeover Offer can only be made via an ENRC Contractual

Takeover Offer if a prospectus is published by Kazakhmys in connection with the offer of such Kazakhmys Shares. Although Kazakhmys is not required to prepare such a prospectus, without the help of Kazakhmys the ENRC Consortium would not be able to prepare such a prospectus and the ENRC Takeover Offer (and the Transaction) would not proceed. Therefore, Kazakhmys has agreed with Eurasian Resources in the Implementation Agreement that it will prepare a prospectus for which Kazakhmys and its Directors (and not Eurasian Resources or the ENRC Consortium) are required to take sole responsibility and consequently shall be solely liable. Kazakhmys will incur the costs in connection with the preparation of such prospectus. Furthermore, Kazakhmys has given Eurasian Resources certain representations and warranties in relation to the Kazakhmys Prospectus and the information relating to Kazakhmys in the Eurasian Resources Offer Document. The agreement by Kazakhmys to incur such liabilities is itself a related party transaction and a Class 1 transaction and, consequently, the Kazakhmys Prospectus cannot be published without the approval of Kazakhmys Shareholders. If the Independent Kazakhmys Shareholders approve the Transaction (including the publication of the Kazakhmys Prospectus) but the Transaction does not complete, notwithstanding that no Kazakhmys Shares will be transferred pursuant to the ENRC Takeover Offer, in theory, Kazakhmys may retain some liability to Kazakhmys investors in connection with information in the Kazakhmys Prospectus once it has been made public.

Consequently, the Board recommends that you vote in favour of the Resolutions to be proposed at the General Meeting, as further described in paragraph 9 below.

Vladimir Kim, Oleg Novachuk and Eduard Ogay have each entered into an irrevocable undertaking with Eurasian Resources and Kazakhmys, in respect of their beneficial holdings in Kazakhmys, to vote in favour of the Resolutions at the General Meeting (other than the Rule 9 Waiver Resolution as explained below).

3 General Meeting and Resolutions

Summary of required Kazakhmys Shareholder approvals

The following table summarises the voting eligibility and required thresholds for the three Resolutions to be proposed at the General Meeting. The Resolutions are described in more detail below the table.

Resolution	Parties excluded from voting	Nature of vote (threshold)
Related Party and Class 1 Transaction Resolution (i.e. approval of the transfer of the ENRC Target Shares, the Share Repurchase and the publication of the Kazakhmys Prospectus)	Eurasian Resources and the members of the ENRC Consortium and their respective associates	Ordinary resolution (simple majority)
Share Repurchase Resolution	Eurasian Resources and the members of the ENRC Consortium and their respective associates	Special resolution (75 per cent.)
Rule 9 Waiver Resolution	Eurasian Resources and the members of the ENRC Consortium and their respective concert parties and associates and the Concert Party Kazakhmys Shareholders	Ordinary resolution (simple majority taken on a poll of Independent Rule 9 Kazakhmys Shareholders)

The Transaction and the Rule 9 Waiver are each conditional upon Kazakhmys Shareholders approving all of the Resolutions at the General Meeting. Accordingly, you will find at the end of this document a notice convening a General Meeting to be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom at 9.00 a.m. (UK time) on 2 August 2013 at which the Resolutions will be proposed to approve the Transaction and the Rule 9 Waiver. All Resolutions will be voted on by means of a poll vote at the General Meeting.

Related Party and Class 1 Transaction Approval

Eurasian Resources currently owns 139,162,843 Kazakhmys Shares (representing approximately 26.6 per cent. of the total voting share capital of Kazakhmys). As a result of Eurasian Resources' shareholding in the Company, the Government of Kazakhstan and Eurasian Resources are classified as related parties under the Listing Rules and the following will be related party transactions for the purposes of Listing Rule 11 of the Listing Rules:

(a) the transfer by the Group of the ENRC Target Shares to Eurasian Resources under the terms of the ENRC Takeover Offer;

(b) the publication of the Kazakhmys Prospectus pursuant to the terms of the Implementation Agreement (as described in paragraph 2.4 above); and

(c) the repurchase of 77,041,147 Kazakhmys Shares by the Company from Eurasian Resources pursuant to the Share Repurchase.

Further details of the terms of the Share Repurchase Agreement, the Irrevocable Undertaking and the Implementation Agreement are set out in Part III of this document.

Furthermore, due to the size of the Group's interest in ENRC, the disposal by the Group of its ENRC Shares under the ENRC Takeover Offer will also constitute a Class 1 transaction for the Company under Listing Rule 10 of the Listing Rules. The publication of the Kazakhmys Prospectus is a Class 1 transaction for the reasons described in paragraph 2.4 above.

Under the Listing Rules, both a related party transaction and a Class 1 transaction require the approval of Kazakhmys Shareholders and the Transaction is therefore conditional on the approval of the Related Party and Class 1 Transaction Resolution which will be sought at the General Meeting. The Related Party and Class 1 Transaction Resolution will be proposed as an ordinary resolution requiring a simple majority of votes in favour. Neither Eurasian Resources nor any member of the ENRC Consortium will vote on the Related Party and Class 1 Transaction Resolution and Eurasian Resources has undertaken to take all reasonable steps to ensure that its associates, and any associates of the members of the ENRC Consortium, will not vote on the Related Party and Class 1 Transaction Resolution.

Share Repurchase Approval

Under the Act, a company cannot acquire its own shares for non-cash consideration and therefore the Group cannot directly receive Kazakhmys Shares as partial consideration for the transfer of its ENRC Shares under the ENRC Takeover Offer in the same way as the Relevant ENRC Shareholders. As a result, in order to enable the Group to receive the same economic terms as the Relevant ENRC Shareholders under the ENRC Takeover Offer and to comply with the Act, the Group has the right to receive an additional amount of cash consideration under the ENRC Takeover Offer (instead of the Kazakhmys Shares it would otherwise be entitled to) and has entered into a conditional agreement with Eurasian Resources to use the right to receive part of that additional amount of cash consideration to repurchase 77,041,147 Kazakhmys Shares from Eurasian Resources. The balance of the additional cash consideration, being an amount equal to the stamp duty payable on the 77,041,147 Kazakhmys Shares repurchased, will be paid by Eurasian Resources to Kazakhmys which Kazakhmys will then use to pay the stamp duty on the Share Repurchase (putting Kazakhmys in the same position as the Relevant ENRC Shareholders). The Share Repurchase will be effected immediately following payment of the consideration to the Relevant ENRC Shareholders by Eurasian Resources under the ENRC Takeover Offer. Following the Share Repurchase, the Group will have received U.S.$2.65 in cash and approximately 0.23 Kazakhmys Shares for every ENRC Share it owns.

The terms of the Share Repurchase are set out in the Share Repurchase Agreement, which is further described in Part III of this document. Upon completion of the Share Repurchase, the Kazakhmys Repurchase Shares will be cancelled by the Company.

In accordance with the Act, the Share Repurchase is conditional upon the approval of the Share Repurchase Resolution which will be sought at the General Meeting. The Share Repurchase Resolution will be proposed as a special resolution requiring at least 75 per cent. of votes in favour. Neither Eurasian Resources nor any member of the ENRC Consortium will vote on the

Share Repurchase Resolution and Eurasian Resources has undertaken to take all reasonable steps to ensure that its associates, and any associates of the members of the ENRC Consortium, will not vote on the Share Repurchase Resolution.

The total number of options over Kazakhmys Shares outstanding as at the Latest Practicable Date was 2,451,213 representing approximately 0.47 per cent. of the total voting share capital of the Company. In the event that the Share Repurchase completes, this would represent approximately 0.55 per cent. of the total voting share capital. As at the Latest Practicable Date, the Company held 11,701,830 Kazakhmys Shares in treasury, representing approximately 2.23 per cent. of the total voting share capital, and there were no warrants outstanding.

Rule 9 Waiver Approval

Oleg Novachuk (Chief Executive of the Company), Eduard Ogay (Executive Director of the Company) and Vladimir Kim (Non-executive Director of the Company) are Directors of the Company and are deemed to be acting in concert with each other by the Panel. Together, they are taken to constitute a 'Concert Party' for the purposes of the Takeover Code. As at the Latest Practicable Date, the Kazakhmys Concert Party is interested in 188,064,645 Kazakhmys Shares, representing approximately 35.91 per cent. of the total voting share capital of the Company.

If the Share Repurchase were to proceed, the Kazakhmys Concert Party's proportionate interest in the total voting share capital of the Company would increase beyond its current level of approximately 35.91 per cent. As this level is already above the threshold of 30 per cent. of the total voting share capital of the Company specified in Rule 9 of the Takeover Code, such an increase could result in the Kazakhmys Concert Party being required to make a mandatory offer for the remainder of the issued ordinary share capital of the Company.

The maximum interest in Kazakhmys Shares which the Kazakhmys Concert Party could hold as a result of the Share Repurchase proceeding, assuming the vesting in full of the LTIP Awards (for which existing Rule 9 waivers granted by the Panel and approved by the then independent Kazakhmys Shareholders in 2011, 2012 and 2013 remain in force) and the full use by the Company of the buyback authority approved at the 2013 AGM, is approximately 47.86 per cent. of the total voting share capital of the Company. If the Share Repurchase proceeds and the LTIP Awards vest in full, but the Company makes no use of the buyback authority approved at the 2013 AGM, the maximum interest in Kazakhmys Shares which the Kazakhmys Concert Party could hold would be 42.26 per cent. of the total voting share capital of the Company.

The Board considered that it was appropriate to seek a Rule 9 waiver with regards to the potential increase in the Kazakhmys Concert Party's percentage interest in Kazakhmys Shares resulting from the Share Repurchase and the Kazakhmys Concert Party has been granted the Rule 9 Waiver by the Panel subject to the requisite approval by the Independent Rule 9 Kazakhmys Shareholders at the General Meeting.

The Independent Rule 9 Waiver Directors are therefore asking the Independent Rule 9 Kazakhmys Shareholders to approve at the General Meeting the terms of the Rule 9 Waiver granted by the Panel to the Kazakhmys Concert Party. The Rule 9 Waiver Resolution will be proposed as an ordinary resolution taken on a poll of the Independent Rule 9 Kazakhmys Shareholders.

In accordance with the requirements of the Takeover Code, each Concert Party Kazakhmys Shareholder and Eurasian Resources and persons acting in concert with them are considered to be interested in the outcome of the Rule 9 Waiver Resolution and, accordingly, none of them should vote on this Resolution. Furthermore, no member of the ENRC Consortium will vote on the Rule 9 Waiver Resolution. Eurasian Resources has undertaken to take all reasonable steps to ensure that its associates and concert parties, and any associates and concert parties of the members of the ENRC Consortium, will not vote on the Rule 9 Waiver Resolution. If any votes are cast by any concert parties of any of Eurasian Resources or the members of the ENRC Consortium in relation to the Rule 9 Waiver Resolution, the Takeover Code requires that such votes shall not be taken into account in determining whether the Rule 9 Waiver has been approved at the General Meeting.

Further information in relation to the Rule 9 Waiver is set out in Part V of this document.

Importance of the vote

Each of the ENRC Takeover Offer, the Share Repurchase, the publication of the Kazakhmys Prospectus and the Rule 9 Waiver are connected and, as a result, the Transaction cannot proceed without all of these parts being approved by the relevant Kazakhmys Shareholders. Therefore, each of the Resolutions is conditional upon the other Resolutions being passed. In addition, as the Group owns approximately 26 per cent. of the issued ordinary share capital of ENRC and the ENRC Takeover Offer will require acceptances from ENRC Shareholders which represent, together with the ENRC Shares already held by Eurasian Resources, at least 75 per cent. of the voting rights in ENRC, the ENRC Takeover Offer will not be successful if the Resolutions are not passed by the relevant Kazakhmys Shareholders because the Group will not be permitted to accept the ENRC Takeover Offer.

Furthermore, unless all of the Resolutions are passed by the relevant Kazakhmys Shareholders, the Group will not be permitted to dispose of its interest in the ENRC Target Shares under the ENRC Takeover Offer and effect the Share Repurchase, and will not receive the cash proceeds (following the Share Repurchase) of approximately U.S.$875 million (net of expenses) under the Transaction. In light of the sensitivity of Kazakhmys' profits and cash flows to adverse movements in the price of the Group's key commodities, which include copper, silver, gold and zinc, the Directors believe that, without the proceeds of the Transaction, it is possible that the Group may breach the net debt/EBITDA covenant in certain of the Group's finance facilities when it is tested during the next 12 months. The Group notes that commodity prices have been volatile in recent weeks and, in the case of copper, prices have fallen some 3 per cent. in the last week and some 10 per cent. since the beginning of June 2013. The Group believes that if commodity prices were to remain at the current depressed levels through the next 12 months there would be a realistic possibility of such a breach, due to the combination of reduced profitability and increased net debt which would arise from such a circumstance, although it may be that this could be avoided through the early application of the mitigating actions described below. A breach of any of the Group's covenants could result in events of default which would cause the Group's borrowings to become repayable which may, in turn, result in the Group no longer having funding in place for its committed capital expenditure.

Even without the proceeds of the Transaction, the Group has a range of options and mitigating actions available to deal with a potential covenant breach. Such actions would be likely to include reducing further the Group's cost base, reducing sustaining capital expenditure, conserving cash through stricter working capital management and asset disposals (for instance the ENRC Target Shares and the Group's interest in Ekibastuz GRES-1). In addition, the Group might seek to agree with its current lenders that the relevant covenants be relaxed or that any breach of such covenants be waived.

In this regard, Kazakhmys Shareholders' attention is specifically referred to the statement in paragraph 12 of Part VI of this document that the working capital available to the Continuing Kazakhmys Group is sufficient for its present requirements, that is, for at least the next 12 months from the date of publication of this document, after taking into account such proceeds.

4 Information on ENRC

ENRC is a large diversified natural resources group with integrated mining, processing, energy, and logistical and marketing operations. The majority of its assets were acquired in the privatisation process undertaken in Kazakhstan in the mid-1990s. ENRC was formed as part of a reorganisation in 2006 to simplify the ownership structure of the assets and to consolidate them in a single group of companies. ENRC's main production assets are located in Kazakhstan.

ENRC's operations in Kazakhstan are vertically integrated with the ENRC group comprising six key operating divisions covering ferroalloys, iron ore, alumina and aluminium, energy, logistics and other non-ferrous metals. The other non-ferrous division was added in November 2009 when ENRC completed its acquisition of Central African Mining and Exploration Company PLC (CAMEC). This acquisition added cobalt and copper to its portfolio of products and further expanded ENRC's geographic focus:

- The Ferroalloys Division operates chrome ore and manganese mines along with processing plants, which produce ferroalloys.

- The Iron Ore Division mines and processes iron ore into concentrate and pellets for sale.
- The Alumina and Aluminium Division operates two bauxite mines which feed an alumina refinery and an aluminium smelter which are supported by a captive heat and energy plant.
- The Other Non-ferrous Division includes output from the copper and cobalt ore operations predominately in the Democratic Republic of the Congo and Zambia.
- The Energy Division operates the Vostochny and Shubarkol coal mines and the Aksu coal-fired power station making it a significant producer of electricity and coal in Kazakhstan.
- The Logistics Division provides transportation and logistics services to third parties and to ENRC's operations in Kazakhstan.

In ENRC's audited financial statements for the financial year ended 31 December 2012, ENRC reported net assets of U.S.$10,550 million (2011: U.S.$11,236 million; 2010: U.S.$10,009 million). For the financial year ended 31 December 2012 ENRC also reported gross profit of U.S.$2,597 million (2011: U.S.$4,188 million; 2010: U.S.$3,758 million), an operating loss of U.S.$374 million (2011: operating profit of U.S.$2,876 million; 2010: operating profit of U.S.$2,710 million) and a net loss after taxation of U.S.$852 million (2011: net profit of U.S.$1,986 million; 2010: net profit of U.S.$2,197 million).

As at 10 July 2013, Eurasian Resources held approximately 54 per cent. of the ENRC Shares.

5 Financial effects of the Transaction and use of proceeds

In 2012 the Group received dividends of U.S.$59 million from ENRC, representing the 2011 final dividend and the 2012 interim dividend. ENRC was equity accounted as an associate of Kazakhmys in the Group's audited consolidated financial statements. The dividends received from ENRC of U.S.$59 million during 2012 (2011: U.S.$113 million) were not recognised in the Group's audited consolidated income statement for the year ended 31 December 2012, but were instead netted off against the carrying value of the investment in associate in the Group's audited consolidated balance sheet as at 31 December 2012, in accordance with equity accounting principles. The Group's investment in associate as reported in its audited consolidated balance sheet as at 31 December 2012 was U.S.$2,027 million.

The share of earnings from ENRC recognised in the Group's audited consolidated income statement for the year ended 31 December 2012, net of tax, was a loss of U.S.$258 million based on the unaudited results of ENRC for the year which were published on 20 March 2013. The share of earnings from ENRC fell following lower commodity prices for ENRC's major product lines in the year and impairment charges recognised by ENRC of U.S.$1,216 million to reflect the recoverable amount of certain of their assets. In addition, in 2012, the Group also recognised an impairment charge against the investment in ENRC of U.S.$2,223 million. The share of profits from ENRC recognised in the Group's audited consolidated income statement for the year ended 31 December 2011 was U.S.$466 million and for the year ended 31 December 2010 was U.S.$522 million.

The Transaction is expected to be dilutive to the earnings of the Group in the next full financial year.[1] Kazakhmys Shareholders should read the whole of this document and should not rely solely on the summarised financial information above.

Other than the Group's shareholding in ENRC, there are no material relationships between the Group and ENRC. Following the Transaction, the Group will no longer have an interest in ENRC and ENRC will no longer be treated as an associate of Kazakhmys and equity accounted for in the Group's consolidated financial statements.

A pro forma statement of net assets for the Continuing Kazakhmys Group is provided in Part IV of this document and has been prepared to illustrate the effect of the Transaction on the net assets of the Continuing Kazakhmys Group as if the Transaction had taken place on 31 December 2012. The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not reflect the Group's actual financial position or results.

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[1] This statement is not intended to be a profit forecast nor should it be interpreted to mean that the future earnings per share of Kazakhmys will necessarily match, be lower than or exceed the historical earnings per share of Kazakhmys.

Pursuant to the Transaction, the Group will receive cash proceeds of approximately U.S.$875 million (net of expenses) which the Directors intend to use as follows, in order of priority:

- approximately U.S.$600 million will be used for the repayment of debt and to reduce future borrowing requirements; and
- the balance of approximately U.S.$275 million will be used for general corporate purposes which may include expenditure on discretionary capital projects and supporting the Group's working capital.

6 Terms of the Transaction Agreements

A summary of the Transaction Agreements is set out in Part III of this document.

7 Action to be Taken

You will find enclosed a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it so as to be received by Kazakhmys' registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, United Kingdom or Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, so as to arrive no later than 9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013 (or not less than 48 hours before the time fixed for any adjourned meeting). Kazakhmys Shareholders may, if they so wish, register the appointment of a proxy or proxies electronically by logging on to the Company's registrars' website at www.investorcentre.co.uk/eproxy where full details of the procedure are given. Electronic proxy appointments must be received by Computershare Investor Services PLC or Computershare Hong Kong Investor Services Limited, so as to arrive no later than 9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013 (or not less than 48 hours before the time fixed for any adjourned meeting). CREST members may appoint a proxy or proxies by completing and transmitting a CREST proxy instruction in accordance with the procedures described in the CREST manual so that it is received by the Company's agent (ID 3RA50) by the latest time for receipt of proxy appointments specified above.

Completing and returning of a Form of Proxy or electronic proxy appointment or completing and transmitting a CREST proxy instruction will not prevent you from attending the meeting and voting in person if you wish.

If you require assistance or have any questions about procedures for voting at the General Meeting, please contact Boudicca Proxy Consultants, the Information Agent for the General Meeting, on 0808 189 1184 (UK freephone) or +44 (0) 207 183 8215 (from overseas). The helpline will be available between 9.00 a.m. and 5.00 p.m. (UK times) Monday to Friday. Alternatively, you may email your enquiries to info@boudiccaproxy.com. Please note that the Information Agent cannot provide any financial, legal or tax advice or advice on the merits of the Resolutions proposed at the General Meeting.

8 Further information

Your attention is drawn to the further information contained in Parts II to VII of this document and, in particular, to the Risk Factors in Part II.

9 Recommendation

The Board, which has been so advised by Citigroup Global Markets Limited and J.P. Morgan Limited, considers the terms of the Transaction to be fair and reasonable and in the best interests of Kazakhmys Shareholders. In providing financial advice to the Board, Citigroup Global Markets Limited and J.P. Morgan Limited have taken into account the Board's commercial assessments.

In addition, the Board considers the Transaction to be in the best interests of Kazakhmys Shareholders as a whole. Accordingly the Board recommends that the Independent Kazakhmys Shareholders vote in favour of the Related Party and Class 1 Transaction Resolution and the Share

Repurchase Resolution to be proposed at the General Meeting, as they intend to do so on such Resolutions in respect of their aggregate beneficial shareholdings of 188,091,269 Kazakhmys Shares, representing approximately 35.91 per cent. of the Company's existing total voting share capital. Daulet Yergozhin, who is a minister for the Government of Kazakhstan, and is therefore considered to be interested in the outcome of the Transaction, has not taken part in the Board's consideration of the Transaction.

The Independent Rule 9 Waiver Directors, having been so advised by Citigroup Global Markets Limited and J.P. Morgan Limited, consider the Rule 9 Waiver Resolution to be fair and reasonable and in the best interests of the Independent Rule 9 Kazakhmys Shareholders. In providing financial advice to the Independent Rule 9 Waiver Directors, Citigroup Global Markets Limited and J.P. Morgan Limited have taken into account the Independent Rule 9 Waiver Directors' commercial assessments.

In addition, the Independent Rule 9 Waiver Directors consider the Rule 9 Waiver Resolution to be in the best interests of the Company as a whole. Accordingly, the Independent Rule 9 Waiver Directors unanimously recommend that the Independent Rule 9 Kazakhmys Shareholders vote in favour of the Rule 9 Waiver Resolution to be proposed at the General Meeting, as they intend to do in respect of their aggregate beneficial shareholdings of 26,624 Kazakhmys Shares, representing less than 0.01 per cent. of the Company's existing total voting share capital. None of Vladimir Kim, Oleg Novachuk, Eduard Ogay and Daulet Yergozhin have taken part in the Board's consideration of the Rule 9 Waiver Resolution.

Yours faithfully

Simon Heale

Chairman

PART II
RISK FACTORS

Prior to making any decision to vote in favour of the Resolutions, Kazakhmys Shareholders should carefully consider all the information contained in this document and the documents incorporated by reference herein, including, in particular, the specific risks and uncertainties described below. The risks and uncertainties set out below are those which the Directors believe are the material risks relating to the Transaction and the Rule 9 Waiver, material new risks to the Continuing Kazakhmys Group as a result of the Transaction and the Rule 9 Waiver or existing material risks to the Group which will be impacted by the Transaction and the Rule 9 Waiver. If any, or a combination of, these risks actually materialise, the business operations, financial conditions and prospects of the Group and the Continuing Kazakhmys Group, as appropriate, could be materially and adversely affected. The risks and uncertainties described below are not intended to be exhaustive and are not the only ones that face the Group or the Continuing Kazakhmys Group. The information given is as at the date of this document and, except as required by the FCA, the London Stock Exchange, the Listing Rules and DTRs (and/or any regulatory requirements) or applicable law, will not be updated. Additional risks and uncertainties not currently known to the Directors or that they currently deem immaterial, may also have an adverse effect on the business, financial condition, results of operations and prospects of the Group and the Continuing Kazakhmys Group. If this occurs, the price of the Kazakhmys Shares may decline and Kazakhmys Shareholders could lose all or part of their investment.

Risks Relating to the Group's Operations

The Group's financial performance is highly dependent upon the price of copper, and also dependent on the price of silver, gold and zinc.

The Group's financial performance is highly dependent on the market price of copper (which accounted for 68 per cent. of its revenue from continuing operations in 2012) and, to a lesser extent, silver (which accounted for 12 per cent. of its revenue from continuing operations in 2012), gold (which accounted for 10 per cent. of its revenue from continuing operations in 2012) and zinc (which accounted for 5 per cent. of its revenue from continuing operations in 2012). These prices have historically been subject to wide fluctuations and are affected by numerous factors beyond the Group's control, including international economic and political conditions, levels of supply and demand, the availability and costs of substitutes, inventory levels maintained by producers and others, and actions of participants in the commodities markets. To a lesser extent, the market prices of copper, silver, gold and zinc are also subject to the effects of inventory carrying costs and currency exchange rates. The average LME copper price as reported by Bloomberg was U.S.$/t 7,647 in the first five months of 2013, U.S.$/t 7,949 in 2012, U.S.$/t 8,811 in 2011 and U.S.$/t 7,539 in 2010. The average LBMA silver price as reported by Bloomberg was U.S.$/oz 27.69 in the first five months of 2013, U.S.$/oz 31.15 in 2012, U.S.$/oz 35.15 in 2011 and U.S.$/oz 20.14 in 2010. The average LBMA gold price as reported by Bloomberg was U.S.$/oz 1,558 in the first five months of 2013, U.S.$/oz 1,669 in 2012, U.S.$/oz 1,571 in 2011 and U.S.$/oz 1,224 in 2010. The average LME zinc price as reported by Bloomberg was U.S.$/t 1,955 in the first five months of 2013, U.S.$/t 1,946 in 2012, U.S.$/t 2,191 in 2011 and U.S.$/t 2,159 in 2010.

In addition, the market prices of copper, silver, gold or zinc have been subject to rapid short-term changes. For example, the high LME copper spot price (LMCADY) as reported by Bloomberg in 2012 was U.S.$/t 8,738, whereas the low LME copper spot price (LMCADY) as reported by Bloomberg in 2012 was U.S.$/t 7,283.

Even in the event that copper prices were to increase sharply, there is a risk that consumers will reduce their volume of consumption and/or seek alternative products or commodities to use as a substitute for copper. Any reduced consumption or request for alternative products by the Group's customers could adversely affect the Group's business, financial condition and results of operations.

Indirectly, if the Transaction does not complete, the Group's financial performance is also dependent on the price of alumina, aluminium, iron ore, ferrochrome and other ferroalloys, which are also subject to price fluctuations, as a consequence of the Group's shareholding in

ENRC. If the Transaction completes, the Continuing Kazakhmys Group's business will be less diversified and its financial performance will depend to a greater extent on the market prices of copper, silver, gold and zinc.

The Group's business requires substantial capital expenditure, the Group may be unable to adequately fund expansion plans or complete the relevant projects on schedule and within budget and the Group's plans or projects may not achieve the intended economic results or commercial viability.

The Group's mining, smelting and refining operations are capital-intensive and the development and exploitation of copper reserves and the acquisition of machinery and equipment require substantial capital expenditure. The Group must continue to invest capital to maintain or to increase the amount of reserves that it exploits and the amount of metal that it produces. The Group has a number of short- to medium-term mining projects, as well as plans for its existing operations, which involve significant capital expenditure. The Group has funding in place for its committed capital expenditure for the next 12 months, including capital expenditure on the major growth projects. For example, Bozshakol, one of the Group's major growth projects, has a capital cost of U.S.$1.9 billion, which is being funded from a U.S.$2.7 billion facility provided by CDB and Samruk-Kazyna. Aktogay, the other major growth project, has a capital cost of U.S.$2 billion, which is being primarily funded from a U.S.$1.5 billion financing facility from CDB, with the balance being funded by cash available to the Group. International credit markets have experienced, and may continue to experience, high volatility and severe liquidity disruptions stemming from the follow-on effects of the economic slowdown. These and other related events have had a significant impact on the global capital markets, and the reduced liquidity in the global capital markets could limit the Group's ability to obtain adequate funding in the future. In addition, if the Transaction does not complete, the Group will not receive the cash proceeds due to it for the disposal of the ENRC Target Shares which the Group intends to use partly for the repayment of debt and the Group may have difficulty realising the entirety of its stake in ENRC in the near future on the same or better terms as those offered pursuant to the ENRC Takeover Offer. Accordingly, the Group may be unable to satisfactorily fund the in-progress or deferred investments from its operations or external financing sources beyond its current committed capital expenditure for the next 12 months, in which case the Group may not be able to complete its growth projects.

In light of the sensitivity of Kazakhmys' profits and cash flows to adverse movements in the price of the Group's key commodities, which include copper, silver, gold and zinc, without the proceeds of the Transaction, it is possible that the Group may breach the net debt/EBITDA covenant in certain of the Group's finance facilities when it is tested during the next 12 months. A breach of any of the Group's covenants could result in events of default which would cause the Group's borrowings to become repayable which may, in turn, result in the Group no longer having funding in place for its committed capital expenditure. The Group notes that commodity prices have been volatile in recent weeks and, in the case of copper, prices have fallen some 3 per cent. in the last week and some 10 per cent. since the beginning of June 2013. The Group believes that if commodity prices were to remain at the current depressed levels through the next 12 months there would be a realistic possibility of such a breach, due to the combination of reduced profitability and increased net debt which would arise from such a circumstance, although it may be that this could be avoided through the early application of certain mitigating actions by the Group. Even without the proceeds of the Transaction, the Group has a range of such options and mitigating actions available to deal with a potential covenant breach. Such actions would be likely to include reducing further the Group's cost base, reducing sustaining capital expenditure, conserving cash through stricter working capital management and asset disposals (for instance the ENRC Target Shares and the Group's interest in Ekibastuz GRES-1). In addition, the Group might seek to agree with its current lenders that the relevant covenants be relaxed or that any breach of such covenants be waived.

Furthermore, the Group's growth projects may require greater investment than currently expected or suffer delays or interruptions, which could cause cost overruns. Any such delay, interruption or cost overruns in implementing the Group's planned capital investments could result in the Group failing to complete the projects and a reduction in future production volumes, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, projects may not prove to be commercially viable upon completion. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, commodity prices and government regulation. The Group's current intention to develop mines is based on economic, geological, engineering, environmental and mine planning evaluations. If the Group is unable to develop its growth projects into commercial working mines, its business, financial condition and results of operations will be materially and adversely affected.

The Group is exposed to liquidity risks.

The Group is exposed to liquidity risks, including the risk that borrowing facilities may not be available to meet cash requirements, and the risk that financial assets may not readily be converted into cash without the loss of value, and the risk that U.S. LIBOR rates rise, raising the interest cost on the Group's borrowings. The Group uses liquid cash investments of varying maturities, credit facilities and longer-term debt instruments. In the event that bank term deposits in Kazakhstan need to be liquidated at short notice in advance of their contracted maturity date (with the exception of liquidation fund deposits held for mine restoration purposes in accordance with sub-soil agreements), the terms of these investments permit their immediate conversion into cash and, in some instances, the forfeiture of interest accrued to the date of liquidation. As at 31 May 2013, the Group had U.S.$750 million of undrawn finance under the U.S.$1.0 billion pre-export finance facility and U.S.$100 million of undrawn revolving credit facilities available. As at 31 May 2013, the Group had gross borrowings of U.S.$2,943 million, principally under the CDB and Samruk-Kazyna financing line and pre-export finance facility, the interest payable on which are determined as U.S. LIBOR plus a margin.

In light of the sensitivity of Kazakhmys' profits and cash flows to adverse movements in the price of the Group's key commodities, which include copper, silver, gold and zinc, without the proceeds of the Transaction, it is possible that the Group may breach the net debt/EBITDA covenant in certain of the Group's finance facilities when it is tested during the next 12 months. The Group notes that commodity prices have been volatile in recent weeks and, in the case of copper, prices have fallen some 3 per cent. in the last week and some 10 per cent. since the beginning of June 2013. The Group believes that if commodity prices were to remain at the current depressed levels through the next 12 months there would be a realistic possibility of such a breach, due to the combination of reduced profitability and increased net debt which would arise from such a circumstance, although it may be that this could be avoided through the early application of certain mitigating actions by the Group. Even without the proceeds of the Transaction, the Group has a range of such options and mitigating actions available to deal with a potential covenant breach. Such actions would be likely to include reducing further the Group's cost base, reducing sustaining capital expenditure, conserving cash through stricter working capital management and asset disposals (for instance the ENRC Target Shares and the Group's interest in Ekibastuz GRES-1). In addition, the Group might seek to agree with its current lenders that the relevant covenants be relaxed or that any breach of such covenants be waived.

Failure to manage financing risks could have a material impact on the Group's cash flows, earnings and financial position as well as reducing the funds available to the Group for working capital, capital expenditure, acquisitions, dividends and other general corporate purposes.

If the Transaction completes then the Group will receive cash proceeds of U.S.$875 million (net of expenses) which will strengthen the Group's financial position. If the Transaction does not complete, the Group will not receive the cash proceeds due to it for the disposal of the ENRC Target Shares and may have difficulty realising the entirety of its stake in ENRC in the near future on the same or better terms as those offered pursuant to the ENRC Takeover Offer. Accordingly, the Group's business, financial condition and results of operations may be materially and adversely affected.

Risks Relating to the Group's Structure

Certain Kazakhmys Shareholders exercise significant influence over the Group, and as a result investors may not be able to influence the outcome of important decisions in the future.

The Kazakhmys Concert Party beneficially owns approximately 35.91 per cent. of the total voting share capital of the Company. As a result, the Kazakhmys Concert Party is able to exercise significant influence over all matters requiring shareholder approval, including the election of Directors and significant corporate transactions. Should the Transaction complete, the Kazakhmys Shares vest to the maximum possible extent under the LTIP Awards to the LTIP Participants and the Company use its buyback authority granted at the 2013 AGM in full, the Kazakhmys Concert Party could increase its holding from approximately 35.91 per cent. to approximately 47.86 per cent. of the total voting share capital of the Company, further increasing its ability to exercise significant influence over such matters. The Company has a Relationship Agreement with Cuprum Holding Limited and its principal beneficial owner, Vladimir Kim, who is a Director, to ensure that the Group is capable of carrying on its business independently, and to ensure that transactions and relationships between the Group and Vladimir Kim are at arm's length and on normal commercial terms and that control is not abused. The Relationship Agreement continues so long as Kazakhmys Shares are listed on the Official List of the Financial Conduct Authority and traded on the London Stock Exchange. The Relationship Agreement will terminate if Cuprum Holding Limited or Vladimir Kim ceases to control at least a shareholding of 10 per cent. in the Company. Oleg Novachuk, who was originally party to the Relationship Agreement, ceased to be bound by the terms of the Relationship Agreement on 2 April 2007 when his shareholding in the Company fell below 10 per cent. Eduard Ogay's shareholding in the Company has always been below 10 per cent. and therefore he has never been subject to the Relationship Agreement.

The concentration of ownership may also have the effect of delaying or deterring a change in control of the Continuing Kazakhmys Group, could deprive Kazakhmys Shareholders of an opportunity to receive a premium for their Kazakhmys Shares as part of a sale of the Continuing Kazakhmys Group and might affect the market price and liquidity of the Kazakhmys Shares.

Eurasian Resources is a significant Kazakhmys Shareholder, whose interests may differ from those of other Kazakhmys Shareholders.

Eurasian Resources currently owns approximately 26.6 per cent. of the total voting share capital of the Company and the Government of Kazakhstan has had a representative on the Board since November 2008. If the Transaction completes, Eurasian Resources' interest in the total voting share capital of the Company will be reduced (substantially or completely, depending on the number of ENRC Shareholders who accept the ENRC Takeover Offer), and it is expected that the Government of Kazakhstan will no longer have a representative on the Board.

However, if the Transaction is unsuccessful, Eurasian Resources or the Government of Kazakhstan, as the case may be, being a significant shareholder in the Group, may, through its voting power at Kazakhmys Shareholders' meetings and through the Government of Kazakhstan's representative on the Board, be able to exercise its influence over the Group's operations and business strategy, such as matters related to the composition of the Board, amount and timing of dividends and other distributions, its overall strategic and investment decisions, issuance of securities and adjustment to the Group's capital structure, and other corporate actions requiring approval of Kazakhmys Shareholders, including any merger, consolidation or sale of assets of the Group, or any other change of control event that may benefit or affect other Kazakhmys Shareholders generally.

The interests of Eurasian Resources or the Government of Kazakhstan, as the case may be, may conflict with the interests of the Group and the interests of its public shareholders, and Eurasian Resources may take actions, including exercising its influence over the Group as a significant shareholder, that favour itself instead of the interests of the Group or its public shareholders. If this occurs, it may have an adverse effect on the Group's operations and profitability and/or the interests of its public shareholders.

The Group does not have operational or managerial control over ENRC, which represents a significant proportion of the Group's market capitalisation.

The Group holds approximately 26 per cent. of the issued ordinary share capital of ENRC, which represents approximately 53.1 per cent. of the Company's market capitalisation as at the Latest Practicable Date. As such, ENRC is equity accounted as an associate of Kazakhmys in the consolidated historical financial information and therefore ENRC contributes significantly, and may continue to contribute in the future if the Transaction is unsuccessful, to the profits of Kazakhmys and towards Kazakhmys' market capitalisation. Similarly, if the Transaction completes, the Group will no longer hold an interest in ENRC and the Continuing Kazakhmys Group's profits and market capitalisation may be significantly reduced in the absence of the contributions derived from its shareholding in ENRC.

Kazakhmys does not have any directors on the board of ENRC. Although the Group is able to exert significant influence over ENRC through a degree of negative control which allows it to block certain decisions by the board of ENRC, the Directors believe that the Group's interest in the share capital and the absence of any directors on ENRC's board does not provide the Group with the ability to control actions that require a majority shareholder approval. Furthermore, if the Transaction is unsuccessful and Kazakhmys retains its investment in ENRC, Kazakhmys may not have the ability to prevent ENRC from engaging in activities or pursuing strategic objectives that may conflict with the interests or overall strategic objectives of the Group and decisions made by the board of ENRC could have a material impact on the reported earnings of Kazakhmys. Moreover, changes in market or macroeconomic conditions could impact the cash flows and the valuation of the Group's investment in ENRC.

Risks Relating to the Transaction

Completion of the Transaction is subject to a number of conditions.

Completion of the Transaction is subject to the satisfaction (or waiver, where applicable) of a number of conditions, including approval of the Resolutions by the relevant Kazakhmys Shareholders at the General Meeting and antitrust and regulatory clearances in respect of the ENRC Takeover Offer.

There is no guarantee that these (or any other) conditions will be satisfied (or waived, if applicable). In the event that any condition is not satisfied or waived, the Transaction will not proceed.

The Group may not realise the perceived benefits of the Transaction if it does not complete.

The Board is of the opinion that the Transaction is in the best interests of Kazakhmys Shareholders as a whole and that it currently provides the best opportunity to realise value for the ENRC Target Shares. If the Transaction does not complete, the Group will not receive the cash proceeds due to it for the disposal of the ENRC Target Shares and may have difficulty realising the entirety of its stake in ENRC in the near future on the same or better terms as those offered pursuant to the ENRC Takeover Offer. In addition, if the Transaction does not complete, the Group will not realise the anticipated benefits set out in paragraph 2 of Part I of this document.

Potential further reduction in the value of the ENRC Target Shares.

If the ENRC Takeover Offer is unsuccessful, there may be disruption to ENRC, including its management and employees, which may have a negative effect on the performance of ENRC. In addition there may be continued negative publicity relating to ENRC. If either of these circumstances materialise, and the Transaction does not complete, there may be a further reduction in the market value of the ENRC Target Shares and/or reduced contributions to the Kazakhmys Group's profits and market capitalisation derived from its shareholding in ENRC.

Potential increase in the value of the ENRC Target Shares following completion of the Transaction.

The Board believes that the terms of the ENRC Takeover Offer, as summarised in the ENRC Takeover Offer Announcement, may not reflect the full fundamental value of the ENRC Target Shares and that, if the Transaction completes, the value of the ENRC Shares disposed of by the Group pursuant to the ENRC Takeover Offer may rise above the approximated price ascribed to each ENRC Share under the terms of the ENRC Takeover Offer. Therefore, in accepting the ENRC Takeover Offer, there is a risk that the Group may not be realising the maximum possible value for the ENRC Target Shares.

The Group may be unable to accept any higher competing offer for the ENRC Target Shares.

If the Resolutions are passed at the General Meeting, then unless the Irrevocable Undertaking lapses in accordance with its terms, in the event that a higher competing offer is made by a third party for the ENRC Target Shares, the Group would be unable to accept any such higher competing offer and therefore in such circumstances the Group may not realise a higher value for the ENRC Target Shares. The obligations of the Company under the Irrevocable Undertaking shall lapse if the Eurasian Resources Offer Document is not sent to ENRC Shareholders within 28 days after the ENRC Takeover Offer Announcement (or such later date as the Panel may agree), the Resolutions are not passed at the General Meeting, the ENRC Takeover Offer lapses or is withdrawn in accordance with its terms or the ENRC Takeover Offer has not become effective or been declared unconditional in all respects by 6.00 p.m. on 31 December 2013.

PART III

SUMMARY OF THE TRANSACTION AGREEMENTS

The following is a summary of the principal terms of the Transaction Agreements. The Transaction Agreements are available for inspection as described in Part VI of this document.

1 Share Repurchase Agreement

On 24 June 2013, for the reasons explained in paragraph 3 of Part I of this document, the Company and Eurasian Resources entered into the Share Repurchase Agreement in relation to the repurchase by the Company of 77,041,147 Kazakhmys Shares from Eurasian Resources.

Under the ENRC Takeover Offer, Eurasian Resources has offered the Group the right to receive additional cash consideration of £207,548,850 in aggregate (based on the closing price of Kazakhmys Shares of 269.4 pence on 21 June 2013 (being the latest practicable dealing date prior to the date of the ENRC Takeover Offer Announcement)). This right of Kazakhmys to receive additional cash consideration is instead of the 77,041,147 Kazakhmys Shares to which the Group would otherwise be entitled under the ENRC Takeover Offer.

Under the Share Repurchase Agreement the Group has agreed to repurchase 77,041,147 Kazakhmys Shares from Eurasian Resources for £206,516,265 in aggregate. The repurchase of the Kazakhmys Repurchase Shares will complete immediately following the payment of the consideration to ENRC Shareholders pursuant to the ENRC Takeover Offer. The consideration payable by the Company for the Share Repurchase shall be settled by way of net settlement against the right to part of the additional cash consideration payable to the Group under the ENRC Takeover Offer. The balance of the additional cash consideration, being an amount equal to the stamp duty payable on the 77,041,147 Kazakhmys Shares repurchased, will be paid by Eurasian Resources to Kazakhmys which Kazakhmys will then use to pay the stamp duty on the Share Repurchase (putting Kazakhmys in the same position as the Relevant ENRC Shareholders).

The agreement to repurchase the Kazakhmys Repurchase Shares is conditional upon the approval of the Resolutions at the General Meeting, the acceptance by the Group of the ENRC Takeover Offer and the ENRC Takeover Offer becoming unconditional in all respects (in the case of an ENRC Contractual Takeover Offer) or effective (in the case of an ENRC Takeover Scheme).

The Share Repurchase Agreement shall terminate if the Eurasian Resources Offer Document is not sent to ENRC Shareholders within 28 days after the ENRC Takeover Offer Announcement (or such later date as the Panel may agree), the Resolutions are not passed at the General Meeting, the ENRC Takeover Offer lapses or is withdrawn in accordance with its terms or the ENRC Takeover Offer has not become effective or been declared unconditional in all respects by 6.00 p.m. on 31 December 2013.

2 Irrevocable Undertaking

On 23 June 2013, the Company and Eurasian Resources entered into an irrevocable undertaking under which the Company agreed that the Group will accept the ENRC Takeover Offer (if implemented by way of an ENRC Contractual Takeover Offer) or vote in favour of the ENRC Takeover Offer (if implemented by way of an ENRC Takeover Scheme). The Company has also agreed that the Group will not sell any of its interest in ENRC Shares for a period of six months from the date of the Irrevocable Undertaking and not to accept or otherwise agree to any takeover offer or scheme of arrangement for ENRC by any person other than Eurasian Resources. This restriction shall lapse upon the Irrevocable Undertaking lapsing as further described below.

The obligations of the Group to accept the ENRC Contractual Takeover Offer or vote in favour of the ENRC Takeover Scheme are conditional on the approval of the Resolutions at the General Meeting.

The obligations of the Company under the Irrevocable Undertaking shall lapse if the Eurasian Resources Offer Document is not sent to ENRC Shareholders within 28 days after the ENRC Takeover Offer Announcement (or such later date as the Panel may agree), the Resolutions are not passed at the General Meeting, the ENRC Takeover Offer lapses or is withdrawn in accordance with its terms or the ENRC Takeover Offer has not become effective or been declared unconditional in all respects by 6.00 p.m. on 31 December 2013.

3 Implementation Agreement

On 24 June 2013, the Company and Eurasian Resources entered into an Implementation Agreement in relation to the ENRC Takeover Offer. The Implementation Agreement sets out the actions to be taken by the Company in order that Kazakhmys Shares can be offered as consideration under the ENRC Takeover Offer and to facilitate the ENRC Takeover Offer.

The Company has agreed in the Implementation Agreement to prepare, publish and circulate this document, convene the General Meeting and propose the Resolutions.

The Company has also agreed in the Implementation Agreement to publish the Kazakhmys Prospectus. The consideration under the ENRC Takeover Offer includes Kazakhmys Shares owned by Eurasian Resources, and therefore the ENRC Takeover Offer can only be made via an ENRC Contractual Takeover Offer if a prospectus is published in connection with the offer of such Kazakhmys Shares. Although Kazakhmys is not required to prepare such a prospectus, without the help of Kazakhmys the ENRC Consortium would not be able to prepare such a prospectus and the ENRC Takeover Offer (and the Transaction) would not proceed. Therefore, Kazakhmys has agreed with Eurasian Resources that it will prepare the Kazakhmys Prospectus for which Kazakhmys and its Directors (and not Eurasian Resources or the ENRC Consortium) are required to take sole responsibility and consequently shall be solely liable. Kazakhmys will incur the costs in connection with the preparation of the Kazakhmys Prospectus. If Kazakhmys Shareholders do approve the Transaction (including the publication of the Kazakhmys Prospectus) but the Transaction does not complete, notwithstanding that no Kazakhmys Shares will be transferred pursuant to the ENRC Takeover Offer, in theory, Kazakhmys may retain some liability to Kazakhmys investors in connection with information in the Kazakhmys Prospectus once it has been made public. Furthermore, the Company has agreed to maintain its listing of Kazakhmys Shares on the Official List and admission to trading on the London Stock Exchange and provide to Eurasian Resources such information it requires in relation to Kazakhmys for the Eurasian Resources Offer Document. The obligations on the Company to publish the Kazakhmys Prospectus and maintain its listing of Kazakhmys Shares are conditional on the approval of the Resolutions at the General Meeting.

The Company has also agreed that it will not withdraw, modify or qualify the recommendations of the Board and the Independent Rule 9 Waiver Directors set out in paragraph 9 of Part I of this document unless such Directors determine, in good faith, that such recommendations should not be given or should be withdrawn, modified or qualified (and if necessary that the General Meeting should be adjourned or cancelled) in order to comply with the relevant Kazakhmys Directors' duties under applicable law or regulation.

The Company has also given Eurasian Resources certain representations and warranties in relation to the Kazakhmys Prospectus and the information relating to Kazakhmys in the Eurasian Resources Offer Document. The representations and warranties relating to the Kazakhmys Prospectus are conditional upon the approval of the Resolutions at the General Meeting.

Under the Implementation Agreement, Eurasian Resources has agreed that neither it nor any member of the ENRC Consortium shall vote on the Resolutions and it shall take all reasonable steps to ensure that its associates, and any associates of the members of the ENRC Consortium shall not vote on the Resolutions, and that Eurasian Resources' concert parties and any concert parties of the ENRC Consortium shall not vote on the Rule 9 Waiver Resolution.

The Implementation Agreement shall terminate if the Directors withdraw or adversely modify or qualify their recommendation contained in this document to vote in favour of the Resolutions (such termination at Eurasian Resources' sole discretion), the Eurasian Resources Offer Document is not sent to ENRC Shareholders within 28 days after the ENRC Takeover Offer Announcement (or such later date as the Panel may agree), the Resolutions are not passed at the General Meeting, the ENRC Takeover Offer lapses or is withdrawn in accordance with its terms or the ENRC Takeover Offer has not become effective or been declared unconditional in all respects by 6.00 p.m. on 31 December 2013.

PART IV

PRO FORMA STATEMENT OF NET ASSETS FOR THE CONTINUING KAZAKHMYS GROUP

Section A: Unaudited Pro Forma Financial Information

The unaudited pro forma statement of net assets of the Continuing Kazakhmys Group has been based on the net assets of the Group as at 31 December 2012 and prepared on the basis of, and should be read in conjunction with, the notes set out below. The unaudited pro forma statement of net assets has been prepared to illustrate the effect of the Transaction on the net assets of the Continuing Kazakhmys Group as if the Transaction had taken place on 31 December 2012.

The unaudited pro forma statement of net assets has been prepared in a manner consistent with the accounting policies adopted by the Group in preparing the audited financial statements for the year ended 31 December 2012.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not reflect the Group's actual financial position or results and should not be construed as indicative of the Group's future financial position or results. Future results or operations may differ materially from those presented below due to various factors.

U.S.$ million	Actual 2012(1)	Net cash receipt(2)	ENRC investment(3)	Loss on disposal(4)	Cost of Share Repurchase(5)	Reserves reclassification(6)	Unaudited pro forma adjusted 2012(7)
		ADJUSTMENTS					
Non-current assets							
Intangible assets	**64**						**64**
Property, plant and equipment	**2,448**						**2,448**
Mining assets	**614**						**614**
Investment in joint venture	**927**						**927**
Investment in associate	**2,027**		**(2,027)**				**—**
Other non-current assets	**532**						**532**
Deferred tax asset	**87**						**87**
	6,699	**—**	**(2,027)**	**—**	**—**	**—**	**4,672**
Current assets							
Inventories	**750**						**750**
Prepayments and other current assets	**380**						**380**
Income taxes receivable	**30**						**30**
Trade and other receivables	**122**						**122**
Investments	**515**						**515**
Cash and cash equivalents	**1,246**	**875**					**2,121**
	3,043	**875**	**—**	**—**	**—**	**—**	**3,918**
Assets classified as held for sale	**251**						**251**
	3,294	**875**	**—**	**—**	**—**	**—**	**4,169**
Total assets	**9,993**	**875**	**(2,027)**	**—**	**—**	**—**	**8,841**
Share capital	**200**						**200**
Share premium	**2,650**						**2,650**
Capital reserves	**(932)**					**436**	**(496)**
Retained earnings	**4,341**			**(833)**	**(319)**	**(436)**	**2,753**
Attributable to equity holders of the Company	**6,259**	**—**	**—**	**(833)**	**(319)**	**—**	**5,107**
Non-controlling interests	**6**						**6**
Total equity	**6,265**	**—**	**—**	**(833)**	**(319)**	**—**	**5,113**

PART IV—PRO FORMA STATEMENT OF NET ASSETS FOR THE CONTINUING KAZAKHMYS GROUP

		ADJUSTMENTS					
U.S.$ million	Actual 2012[(1)]	Net cash receipt[(2)]	ENRC investment[(3)]	Loss on disposal[(4)]	Cost of Share Repurchase[(5)]	Reserves reclassification[(6)]	Unaudited pro forma adjusted 2012[(7)]
Non-current liabilities							
Borrowings	**2,439**						**2,439**
Deferred tax liability	**1**						**1**
Employee benefits	**330**						**330**
Provisions	**100**						**100**
	2,870	—	—	—	—	—	**2,870**
Current liabilities							
Trade and other payables	**622**						**622**
Borrowings	**29**						**29**
Income taxes payable	**1**						**1**
Employee benefits	**43**						**43**
Provisions	**5**						**5**
	700	—	—	—	—	—	**700**
Liabilities directly associated with assets classified as held for sale	**158**						**158**
	858	—	—	—	—	—	**858**
Total liabilities	**3,728**	—	—	—	—	—	**3,728**
Net assets	**6,265**	**875**	**(2,027)**	—	—	—	**5,113**
Total equity and liabilities	**9,993**	—	—	**(833)**	**(319)**	—	**8,841**

Notes:

(1) The net assets of the Group have been sourced without adjustment from the Group's audited consolidated financial statements for the year ended 31 December 2012.

(2) Represents the cash to be received by Kazakhmys under the Transaction, calculated as the cash offer price per ENRC Share of U.S.$2.65 multiplied by 334,824,860 (the number of ENRC Target Shares) = U.S.$887,285,879, net of expected transaction expenses of approximately U.S.$12 million.

(3) Following the disposal of the ENRC Target Shares, the investment in the ENRC Target Shares is no longer held in the Group's balance sheet.

(4) As the total consideration, comprising the cash and Kazakhmys Shares received under the Transaction, is lower than the Group's balance sheet value for the ENRC Target Shares, a loss on disposal will be recognised in the Group's income statement.

(5) The price for the Share Repurchase is £206,516,265 (equivalent to approximately U.S.$319,342,296) which will be settled by way of net settlement (i.e. the Share Repurchase price will be netted against an equivalent amount of the additional cash consideration the Group is entitled to under the ENRC Takeover Offer, so no cash is paid in respect of these payment obligations). The Group's retained earnings are reduced by this amount. Eurasian Resources shall pay £1,032,585 to Kazakhmys in order to fund the stamp duty of £1,032,585 payable on the Share Repurchase. No further cash is paid or received as a result of the Share Repurchase.

(6) The Group's share of ENRC's capital reserves carried in the Group's balance sheet is transferred from capital reserves to retained earnings when the ENRC Target Shares are disposed of.

(7) No account has been taken of any trading or results of the Group since 31 December 2012.

Section B: Accountant's Report on the Unaudited Pro Forma Financial Information

The Directors
Kazakhmys PLC
6th Floor, Cardinal Place
100 Victoria Street
London
SW1E 5JL

12 July 2013

Dear Sirs

Kazakhmys PLC

We report on the pro forma financial information (the "Pro forma financial information") set out in Part IV of the shareholder circular dated 12 July 2013 (the "Shareholder Circular") to be issued in connection with the proposed disposal of 334,824,860 ordinary shares in Eurasian Natural Resources Corporation PLC under the ENRC Takeover Offer and repurchase and subsequent cancellation of 77,041,147 ordinary shares in Kazakhmys PLC ("the Transaction"). The Pro forma financial information has been prepared on the basis described in the Shareholder Circular, for illustrative purposes only, to provide information about how the transaction might have affected the financial information presented on the basis of the accounting policies adopted by Kazakhmys PLC in preparing the financial statements for the period ended 31 December 2012. This report is required by paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

It is the responsibility of the directors of Kazakhmys PLC to prepare the Pro forma financial information in accordance with paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Kazakhmys Shareholders (as defined in the Shareholder Circular) as a result of the inclusion of this report in the Shareholder Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Shareholder Circular.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Kazakhmys PLC.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Kazakhmys PLC.

KPMG Audit Plc
12 July 2013

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Kazakhmys PLC.

Yours faithfully

KPMG Audit Plc

PART V
FURTHER BACKGROUND TO THE RULE 9 WAIVER

1 Background and Reasons for the Rule 9 Waiver

Rule 9 Mandatory Offer Obligation

Under Rule 9 of the Takeover Code, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, a general offer will normally be required if any further interests in shares are acquired by any such person or persons which increase the percentage of shares carrying voting rights in which such person or persons is or are interested. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the company during the 12 months prior to the announcement of the offer.

Under Rule 37.1 of the Takeover Code, when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a shareholder and any persons acting in concert with him are interested will normally be treated as an acquisition for the purpose of Rule 9 of the Takeover Code. In addition, Note 10 on Rule 9 of the Takeover Code provides that the exercise of share options will be considered to be an acquisition of an interest in shares for the purpose of Rule 9.

The Kazakhmys Concert Party is interested in 188,064,645 Kazakhmys Shares, representing approximately 35.91 per cent. of the total voting share capital of the Company as at the Latest Practicable Date. Accordingly, were the Share Repurchase to proceed, the Kazakhmys Concert Party's percentage interest in the total voting share capital of the Company would increase beyond its current level and the Kazakhmys Concert Party could be required under Rule 9 of the Takeover Code to make a mandatory offer for the remainder of the share capital of the Company, but for the Rule 9 Waiver by the Panel.

As a result, the Independent Rule 9 Waiver Directors consulted with the Panel which agreed, subject to a poll vote of the Independent Rule 9 Kazakhmys Shareholders on the Rule 9 Waiver Resolution at the General Meeting, that it would waive any obligation that would otherwise arise under Rule 9 as a result of the Share Repurchase.

The maximum interest in Kazakhmys Shares which the Kazakhmys Concert Party could hold as a result of the Share Repurchase proceeding, assuming the vesting in full of the LTIP Awards (for which existing Rule 9 waivers granted by the Panel and approved by the then independent Kazakhmys Shareholders in 2011, 2012 and 2013 remain in force) and the full use by the Company of the buyback authority approved at the 2013 AGM, is approximately 47.86 per cent. of the total voting share capital of the Company (please see further details set out in section 2 of this Part V). If the Share Repurchase proceeds and the LTIP Awards vest in full, but the Company makes no use of the buyback authority approved at the 2013 AGM, the maximum interest in Kazakhmys Shares which the Kazakhmys Concert Party could hold would be 42.26 per cent. of the total voting share capital of the Company.

Following the Share Repurchase, the members of the Kazakhmys Concert Party will between them be interested in Kazakhmys Shares carrying 30 per cent. or more of the Company's total voting share capital but will not hold Kazakhmys Shares carrying more than 50 per cent. of such voting rights and (for so long as they continue to be treated as acting in concert) any further increase in that aggregate interest in Kazakhmys Shares will be subject to the provisions of Rule 9.

LTIP Awards and 2013 AGM Buyback Authority

In the event that the Rule 9 Waiver Resolution is not approved at the General Meeting or the Transaction does not complete, the existing Rule 9 waivers in respect of the vesting of Kazakhmys Shares under the LTIP Awards which were previously granted by the Panel and approved by the then independent Kazakhmys Shareholders in 2011, 2012 and 2013, will remain in force.

In the notice of the 2013 AGM the Board confirmed that if it decided to purchase the Company's shares under the general buyback authority granted at the 2013 AGM, such share purchase would not proceed unless arrangements can be put in place to ensure that the Kazakhmys

Concert Party's percentage interest in Kazakhmys Shares will not increase as a result of any such purchases by the Company of its own shares or a waiver is sought from the Panel in respect of such increases (and independent Kazakhmys Shareholder approval is granted), since, based on the total issued share capital (excluding treasury shares) of the Company and the Kazakhmys Concert Party's percentage interest in the Kazakhmys Shares, any purchases by the Company of its own shares under the general buyback authority granted at the 2013 AGM could result in the Kazakhmys Concert Party having to make a mandatory offer to all Kazakhmys Shareholders under Rule 9 of the Takeover Code.

In such circumstances where the Share Repurchase does not proceed, but the LTIP Awards vest to the maximum possible extent and the Company makes full use of the general buyback authority granted at the 2013 AGM, the maximum interest in the Kazakhmys Shares which the Kazakhmys Concert Party could hold would be approximately 40.06 per cent. of the total voting share capital of the Company.

2 Maximum potential holding

Pursuant to the Takeover Code, it is necessary to provide an illustration of the Kazakhmys Concert Party's, and each Concert Party Kazakhmys Shareholder's, maximum potential interest in the total voting share capital of the Company if the Rule 9 Waiver is approved, based on the following assumptions. The current interest in the total voting share capital of the Company is as at the Latest Practicable Date.

Assumption A

Assuming: (i) the Share Repurchase proceeding; (ii) no use by the Company of the buyback authority approved at the 2013 AGM; (iii) no vesting of Kazakhmys Shares under the LTIP Awards; (iv) no pro rata participation or other sales of interests in Kazakhmys Shares by any Concert Party Kazakhmys Shareholder in connection with any share buybacks or otherwise; and (v) no other person exercising any options or any other rights to subscribe for Kazakhmys Shares, the Kazakhmys Concert Party's and each Concert Party Kazakhmys Shareholder's maximum potential interest in the total voting share capital of the Company if the Rule 9 Waiver is approved would be as set out at Assumption A in the table below.

Assumption B

Assuming: (i) the Share Repurchase proceeding; (ii) full use by the Company of the buyback authority approved at the 2013 AGM; (iii) no vesting of Kazakhmys Shares under the LTIP Awards; (iv) no pro rata participation or other sales of interests in Kazakhmys Shares by any Concert Party Kazakhmys Shareholder in connection with any share buybacks or otherwise; and (v) no other person exercising any options or any other rights to subscribe for Kazakhmys Shares, the Kazakhmys Concert Party's and each Concert Party Kazakhmys Shareholder's maximum potential interest in the total voting share capital of the Company if the Rule 9 Waiver is approved would be as set out at Assumption B in the table below.

Assumption C

Assuming: (i) the Share Repurchase proceeding; (ii) no use by the Company of the buyback authority approved at the 2013 AGM; (iii) vesting of Kazakhmys Shares to the maximum extent possible under the LTIP Awards by means of the issue of new Kazakhmys Shares or treasury shares; (iv) no pro rata participation or other sales of interests in Kazakhmys Shares by any Concert Party Kazakhmys Shareholder in connection with any share buybacks or otherwise; and (v) no other person exercising any options or any other rights to subscribe for Kazakhmys Shares, the Kazakhmys Concert Party's and each Concert Party Kazakhmys Shareholder's maximum potential interest in the total voting share capital of the Company if the Rule 9 Waiver is approved would be as set out at Assumption C in the table below.

Assumption D

Assuming: (i) the Share Repurchase proceeding; (ii) full use by the Company of the buyback authority approved at the 2013 AGM; (iii) vesting of Kazakhmys Shares to the maximum extent possible under the LTIP Awards by means of the issue of new Kazakhmys Shares or treasury shares; (iv) no pro rata participation or other sales of interests in Kazakhmys Shares by any Concert Party Kazakhmys Shareholder in connection with any share buybacks or otherwise; and (v) no other person exercising any options or any other rights to subscribe for Kazakhmys Shares, the Kazakhmys Concert Party's and each Concert Party Kazakhmys Shareholder's maximum potential interest in the total voting share capital of the Company if the Rule 9 Waiver is approved would be as set out at Assumption D in the table below.

Concert Party Kazakhmys Shareholder	Concert Party Kazakhmys Shareholder's current interest in total voting share capital		Concert Party Kazakhmys Shareholder's maximum potential interest in total voting share capital							
			Assumption A		Assumption B		Assumption C		Assumption D	
	No.	*%*	*No.*	*%*	*No.*	*%*	*No.*	*%*	*No.*	*%*
Vladimir Kim	149,306,795	28.51	149,306,795	33.42	149,306,795	37.87	149,306,795	33.33	149,306,795	37.75
Oleg Novachuk	34,923,423	6.67	34,923,423	7.82	34,923,423	8.86	35,684,786	7.97	35,684,786	9.02
Eduard Ogay	3,834,427	0.73	3,834,427	0.86	3,834,427	0.97	4,299,270	0.96	4,299,270	1.09
Kazakhmys Concert Party	188,064,645	35.91	188,064,645	42.10	188,064,645	47.70	189,290,851	42.26	189,290,851	47.86

3 Independent Advice

Citigroup Global Markets Limited and J.P. Morgan Limited have provided advice to the Independent Rule 9 Waiver Directors, in accordance with the requirements of paragraph 4(a) of Appendix 1 to the Takeover Code, in relation to the granting of the Rule 9 Waiver by the Panel.

This advice was provided by Citigroup Global Markets Limited and J.P. Morgan Limited to the Independent Rule 9 Waiver Directors only and in providing such advice Citigroup Global Markets Limited and J.P. Morgan Limited have taken into account the Independent Rule 9 Waiver Directors' commercial assessments as well as the confirmations of the future intentions of each of Vladimir Kim, Oleg Novachuk and Eduard Ogay that each has provided to the Company as set out in section 5 of this Part V.

Lord Renwick of Clifton, KCMG, who is an independent non-executive Director of the Company and independent of the Kazakhmys Concert Party, is vice chairman, Investment Banking of J.P. Morgan Europe and vice chairman of J.P. Morgan Cazenove.

4 Poll vote of the Independent Rule 9 Kazakhmys Shareholders

As required by the Takeover Code, voting on the Rule 9 Waiver Resolution at the General Meeting will be by means of an ordinary resolution taken on a poll of Independent Rule 9 Kazakhmys Shareholders.

5 The Kazakhmys Concert Party's intentions

Vladimir Kim, Oleg Novachuk and Eduard Ogay have confirmed to the Company that they (and their respective concert parties) are not proposing, as a result of any increase in his percentage interest in Kazakhmys Shares following the Share Repurchase and any subsequent vesting of Kazakhmys Shares pursuant to the LTIP Awards or any of them or any exercise by the Company of the general buyback authority approved at the 2013 AGM, to seek any change in the composition of the Board or to the general nature or any other aspect of the Company's business.

As required by the Takeover Code, Vladimir Kim, Oleg Novachuk and Eduard Ogay have also confirmed their intentions regarding: (i) the future of the Company's (and its subsidiaries') businesses, (ii) the locations of the Company's (and its subsidiaries') places of business, (iii) the continued employment of their employees and management, including any material change in conditions of employment, (iv) employer contributions into the Company's pension scheme, the accrual of benefits for existing members and the admission of new members, and (v) the maintenance of its existing trading facilities (its listing on the Official List and admission to trading on the London Stock Exchange, on the Hong Kong Stock Exchange and Kazakh Stock Exchange) will not be altered as a result of the proposals set out in this section of the document, nor will there be any redeployment of the fixed assets of the Company (or any of its subsidiaries) as a result of such proposals.

Vladimir Kim, Oleg Novachuk and Eduard Ogay have not taken part in any decision of the Independent Rule 9 Waiver Directors relating to the Rule 9 Waiver, since each of him has an interest in Kazakhmys Shares which is the subject of the Rule 9 Waiver. Each of Vladimir Kim, Oleg Novachuk and Eduard Ogay has confirmed he will not vote (and will procure that their concert parties and the corporate vehicles through which the Kazakhmys Shares in which they are interested are held will not vote) on the Rule 9 Waiver Resolution.

PART VI
ADDITIONAL INFORMATION

1 Responsibility

The Company and the Directors, whose names are set out in paragraph 4 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 Financial and other information on the Company

Kazakhmys was incorporated and registered in England and Wales as a public limited company under the name KCC International PLC on 15 July 2004 and with registered number 05180783. Pursuant to a special resolution dated 23 September 2005, the name of the Company was changed from KCC International PLC to Kazakhmys PLC on 26 September 2005.

The Company's registered office is at 6th Floor, Cardinal Place, 100 Victoria Street, London SW1E 5JL, United Kingdom, telephone number +44(0)20 7901 7800.

The Company is a leading natural resources group with its main operations in Kazakhstan and the surrounding countries of Central Asia. Its primary operations are in copper, with significant interests in zinc, silver, gold and power generation. For the year ended 31 December 2012, the Group delivered EBITDA (excluding special items) of U.S.$1,912 million and earnings per share of U.S.$0.94 based on Underlying Profit of U.S.$492 million.

As set out in Part VII, this document incorporates by reference the audited consolidated financial statements of the Group, and the related independent auditor's reports thereon, for the years ended 31 December 2011 and 2012. Please refer to Part VII for a list of cross references to the relevant sections of these reports and accounts, and for instructions on how to access this information.

For the three years ended 31 December 2010, 31 December 2011 and 31 December 2012, the Company reported the following dividend per share information:

	Dividend	Dividend per share	Basic earnings per share
	(U.S.$ million)	*(U.S. cents)*	*(U.S. cents)*
2010	80	15.0	271
2011	129	24.0	175
2012	121	23.0	(433)

There are no current public ratings or outlook accorded to the Company by ratings agencies.

The Company has identified the following significant recent trends affecting the Group and the industries in which it operates.

Operations

Kazakhmys Mining's copper cathode and by-product production volumes at the end of May 2013 remained in line to meet guidance provided for 2013. Copper cathode and rod sales volumes were broadly in line with production volumes over the same period.

Commodities

The pricing environment for copper, zinc and silver products, for which demand is linked to industrial usage, was weaker in 2012 than in 2011. In 2012, the average LME cash price for copper was 10 per cent. lower than in the prior year, despite the continued tight supply and demand fundamentals for the metal. The average price for silver on the LBMA exchange in 2012 was 11 per cent. below the prior year, and the average zinc price fell by the same margin.

The decline in pricing levels for these products reflected the slowdown in economic growth rates in China, the United States and Europe during 2012. Global industrial production growth has reduced to 2.8 per cent., down from 4.7 per cent. in 2011. Negative market sentiment around European sovereign debt levels, the potential for spending cuts and tax rises in the United States have come into force from the start of 2013, and the extent of the economic slowdown in China also weighed on industrial metal prices during 2012.

Gold prices benefited from public and private investment demand supported by the monetary easing and looser fiscal policies adopted by a number of major economies in 2012 with the average LBMA exchange price rising by 6 per cent.

The prices for copper, zinc, gold and silver started 2013 strongly, before declining in March and during the second quarter of 2013. The fall in prices for the four metals has been driven by a number of macroeconomic factors, including lower than expected economic growth expectations for China and the United States. The copper price has also been impacted by a trend of rising copper exchange inventories and the expectation of growing supply.

Power

Demand: Kazakhstan's economy grew in 2012, supported by the strength of oil and other commodity prices, particularly in the first half of the year. Gross domestic product increased by around 5 per cent. in 2012, resulting in further demand for power. Domestic power consumption is estimated to have been 91,444 GWh in 2012, 4 per cent. higher than the prior year. In the first five months of 2013, demand for electricity in Kazakhstan has been below levels seen in the comparative period in the prior year, driven by lower levels of commercial demand.

Supply: Generation volumes in Kazakhstan grew by 5 per cent. to 90,247 GWh in 2012 to meet the higher electricity demand from the domestic market. The incremental supply came from existing producers. The shortfall between domestic electricity generation and consumption volumes in Kazakhstan was mainly satisfied by additional output from the hydro power stations in Kyrgyzstan, which usually supply power to the south of Kazakhstan from March to September, depending upon the extent of the flood season. No major additional generation capacity is expected to be available in Kazakhstan in 2013. Consistent with the lower levels of commercial demand, generation volumes in the first five months of 2013 in Kazakhstan were below the comparative period in the prior year.

Tariffs: To encourage investment in the power sector, the Government of Kazakhstan introduced a tariff regime in 2009 under which a ceiling tariff was set for each group of generators from 2009 to 2015, subject to minimum levels of capital investment being met. The ceiling tariff approved by the Ministry of Industry and New Technologies for Ekibastuz GRES-1 rose to 7.30 KZT/kWh from 1 January 2013.

3 Middle market quotations

Set out below are the middle market quotations for a Kazakhmys Share, as derived from the Daily Official List of the London Stock Exchange, for the first business day of each of the six months set out below, for the last business day prior to the commencement of the offer period for the ENRC Takeover Offer and for the Latest Practicable Date:

Date	Price per Kazakhmys Share
	(pence)
1 February 2013	754.0
1 March 2013	590.0
2 April 2013	369.5
18 April 2013	310.1
1 May 2013	334.3
3 June 2013	329.8
1 July 2013	280.0
Latest Practicable Date	250.5

4 Directors and registered office

The names and principal functions of the Directors and the Company's senior management are as follows:

Directors	
Simon Heale	Non-executive Chairman
Oleg Novachuk	Chief Executive
Eduard Ogay	Executive Director
Philip Aiken AM	Non-executive Director and Senior Independent Director
Clinton Dines	Non-executive Director
Vladimir Kim	Non-executive Director
Michael Lynch-Bell	Non-executive Director
Lord Renwick of Clifton, KCMG	Non-executive Director
Charles Watson	Non-executive Director
Daulet Yergozhin	Non-executive Director

Senior Manager	
Andrew Southam	Chief Financial Officer

5 Interests and dealings

5.1 As at the Latest Practicable Date the interests (all of which are beneficial unless otherwise stated) of the Directors or senior management, their immediate families and (so far as is known to them or could with reasonable diligence be ascertained by them) persons connected (within the meaning of Section 252 of the Act) with the Directors or senior management in the issued ordinary share capital of the Company, including: (i) those arising pursuant to transactions notified to the Company pursuant to DTR3.1.2R; and (ii) those of persons connected with the Directors or senior management, which would, if such connected person were a Director or senior management, be required to be disclosed under (i) above, are set out in the following table:

	As at the Latest Practicable Date	
Name	Number of Kazakhmys Shares	Percentage of Issued Ordinary Share Capital
Vladimir Kim(1)	149,306,795	27.89
Oleg Novachuk(2)	34,923,423	6.52
Eduard Ogay(3)	3,834,427	0.72
Michael Lynch-Bell	7,000	<0.01
Simon Heale	5,000	<0.01
Lord Renwick of Clifton, KCMG	4,000	<0.01
Philip Aiken AM	4,000	<0.01
Charles Watson	3,624	<0.01
Clinton Dines	3,000	<0.01
Daulet Yergozhin	—	—
Andrew Southam(4)	271	<0.01
Total	188,091,540	35.13

Note:

(1) Vladimir Kim has pledged 90,805,063 Kazakhmys Shares (out of the total of 149,306,795 Kazakhmys Shares) but has retained the voting rights in respect of such pledged Kazakhmys Shares.

(2) Oleg Novachuk has pledged 34,923,423 Kazakhmys Shares but has retained the voting rights in respect of such pledged Kazakhmys Shares.

(3) Eduard Ogay has pledged 3,834,427 Kazakhmys Shares but has retained the voting rights in respect of such pledged Kazakhmys Shares.

(4) Kazakhmys Shares acquired due to participation in the UK Share Incentive Plan 2010.

5.2 The interests of Directors and the senior management of the Company in options over Kazakhmys Shares under the LTIP as at the Latest Practicable Date are set out in the following table:

Name	Date of grant	Number of Kazakhmys Shares subject to the options	Kazakhmys Share price at date of grant	Current exercise price	Vesting period
			(£)		
Oleg Novachuk	6 April 2011	117,006	14.14	Nil	38 months
Oleg Novachuk	4 April 2012	188,359	9.09	Nil	38 months
Oleg Novachuk	5 April 2013	455,998	3.75	Nil	38 months
Eduard Ogay	6 April 2011	73,623	14.14	Nil	38 months
Eduard Ogay	4 April 2012	110,841	9.09	Nil	38 months
Eduard Ogay	5 April 2013	280,379	3.75	Nil	38 months
Andrew Southam	6 April 2011	7,587	14.14	Nil	38 months
Andrew Southam	4 April 2012	17,878	9.09	Nil	38 months
Andrew Southam	5 April 2013	85,333	3.75	Nil	38 months

5.3 The interests of Directors and the senior management of the Company in options over Kazakhmys Shares under the Deferred Share Bonus Plan 2007 as at the Latest Practicable Date are set out in the following table:

Name	Date of grant	Number of Kazakhmys Shares subject to the options	Kazakhmys Share price at date of grant	Current exercise price	Vesting period
			(£)		
Andrew Southam	6 April 2011	1,751	14.14	Nil	2 years
Andrew Southam	4 April 2012	2,886	9.09	Nil	1 year
Andrew Southam	4 April 2012	2,886	9.09	Nil	2 years

5.4 The interests of Directors and the senior management of the Company in options over Kazakhmys Shares under the UK Sharesave Plan 2010 as at the Latest Practicable Date are set out in the following table:

Name	Date of grant	Number of Kazakhmys Shares subject to the option	Exercise price	Vesting Period
			(£)	
Andrew Southam	21 September 2012	1,818	4.95	3 years

5.5 As at the close of business on the Latest Practicable Date, none of the Directors, their immediate families, persons connected with them (within the meaning of Part 22 of the Act) or any person acting in concert with them had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in any relevant Kazakhmys securities, save as otherwise disclosed in this paragraph 5.

5.6 As at the close of business on the Latest Practicable Date, none of the Concert Party Kazakhmys Shareholders, the immediate family of Vladimir Kim, Oleg Novachuk or Eduard Ogay or persons connected to Vladimir Kim, Oleg Novachuk or Eduard Ogay (within the meaning of Part 22 of the Act) had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in any relevant Kazakhmys securities, save as otherwise disclosed in this paragraph 5.

5.7 As at the close of business on the Latest Practicable Date, none of the Concert Party Kazakhmys Shareholders, the immediate family of Vladimir Kim, Oleg Novachuk or Eduard Ogay or persons connected with Vladimir Kim, Oleg Novachuk or Eduard Ogay (within the meaning of Part 22 of the Act) had any dealings in relevant Kazakhmys securities which took place during the period beginning 12 months preceding the date of this document and ending on the Latest Practicable Date, save that Vladimir Kim pledged 79,404,593 Kazakhmys Shares on 30 October 2012 and save as otherwise disclosed in this paragraph 5.

5.8 As at the close of business on the Latest Practicable Date, no relevant Kazakhmys securities had been borrowed or lent by Vladimir Kim, Oleg Novachuk or Eduard Ogay or by the Directors or any persons acting in concert with the Company, save for 90,805,063 Kazakhmys Shares pledged by Vladimir Kim, 34,923,423 Kazakhmys Shares pledged by Oleg Novachuk and 3,834,427 Kazakhmys Shares pledged by Eduard Ogay. In the case of each of these pledges, the voting rights in respect of the Kazakhmys Shares in question are retained by Vladimir Kim, Oleg Novachuk or Eduard Ogay (as relevant).

5.9 As at the close of business on the Latest Practicable Date:

5.9.1 The Kazakhmys Employee Benefit Trust held 733,343 Kazakhmys Shares;

5.9.2 save as set out in paragraph 5.9.1 above, no employee benefit trust of the Company had any interests, rights to subscribe or short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in relevant Kazakhmys securities;

5.9.3 no employee benefit trust of the Company had any dealings (including borrowing or lending) in relevant Kazakhmys securities which took place during the period beginning 12 months preceding the date of this document and ending on the Latest Practicable Date, save that 30,451 Kazakhmys Shares were transferred out of the Kazakhmys Employee Benefit Trust to satisfy the exercise of awards granted under the Kazakhmys Deferred Share Bonus Plan 2007 and the LTIP; and

5.9.4 neither Citigroup Global Markets Limited nor J.P. Morgan Limited, nor any other connected adviser of the Company (including any person controlling, controlled by or under the same control as it, except in the capacity of an exempt fund manager or an exempt principal trader), had any interests, rights to subscribe or short positions in relevant Kazakhmys securities. As previously disclosed in paragraph 5 above, Lord Renwick of Clifton, KCMG, who is an independent non-executive Director of the Company and vice chairman, Investment Banking of J.P. Morgan Europe and vice chairman of J.P. Morgan Cazenove, is interested in 4,000 Kazakhmys Shares.

6 Arrangements in connection with the proposals

6.1 No Concert Party Kazakhmys Shareholder has entered into any agreement, arrangement or understanding (i) with any of the Non-Concert Party Directors (or their close relatives and related trusts) which has any connection with or dependence upon the proposals set out in this document; or (ii) for the transfer of any Kazakhmys Shares acquired by the Kazakhmys Concert Party or any Concert Party Kazakhmys Shareholder.

6.2 The Directors named in the table below have irrevocably undertaken to Eurasian Resources and the Company to vote in favour of each of the Resolutions (other than the Rule 9 Waiver Resolution) at the General Meeting in respect of their entire beneficial shareholdings. Those holdings amount to, in aggregate, 188,064,645 Kazakhmys Shares, representing, in aggregate, approximately 35.91 per cent. of the total voting share capital of the Company. The following table shows the number of Kazakhmys Shares in which each of the relevant Directors had an interest on the date of the irrevocable undertaking given by him, and in respect of which an irrevocable undertaking was given:

Name of Director	Number of Kazakhmys Shares
Vladimir Kim	149,306,795
Oleg Novachuk	34,923,423
Eduard Ogay	3,834,427

6.3 Save as disclosed in paragraph 6.2 above, there is no agreement, arrangement or understanding having any connection with or dependence upon the proposals set out in this section of the document between any Concert Party Kazakhmys Shareholder and any person interested or recently interested in Kazakhmys Shares, any other recent director of the Company or Citigroup Global Markets Limited or J.P. Morgan Limited (or any person who is, or is presumed to be, acting in concert with Citigroup Global Markets Limited or J.P. Morgan Limited).

7 Directors' service contracts

Save for the service contracts described below, there are no existing or proposed service contracts between any Director or proposed director of the Company and the Company and its subsidiary undertakings.

7.1 The Company's policy is that executive Directors will be employed on a contract that can be terminated by the Company on giving no more than one year's notice, with the executive Director required to give up to six months' notice of termination.

7.2 Oleg Novachuk's contract entered into on 26 September 2005 is terminable by either the Company or the executive on three months' notice. The Company retains the right to terminate this contract immediately, in accordance with the terms of his service agreement, on payment of a sum equal to the contractual notice entitlement of three months. The Company reserves the right on termination to make phased payments which are paid in monthly instalments and subject to mitigation through a legal obligation on the part of the outgoing executive Director to seek new employment.

7.3 As Eduard Ogay's operational duties lie in Kazakhstan, he has a Kazakhstan-based contract of employment granted on 23 January 2012 by Kazakhmys Corporation LLC, which entitles him to six months' notice of termination from that company or three months' notice of termination from him. Kazakhmys Corporation LLC retains the right to terminate his contact immediately, in accordance with the terms of the contract of employment, on payment of a sum equal to six months' salary. He also has a letter of appointment with the Company dated 22 March 2012 in respect of his appointment as an executive Director of the Company which is coterminous with his Kazakhstan contract, but also capable of termination in its own right without compensation.

7.4 Following his stepping down as Chairman of the Company on 17 May 2013, Vladimir Kim remains on the Board as a non-executive Director and has a letter of appointment with the Company dated 17 May 2013. This letter of appointment cancels and is in substitution for Vladimir Kim's service contract with the Company dated 26 September 2005. In addition to his non-executive Director base fee of £84,000 per annum, he is paid a salary of £780,000 per annum and is entitled to a discretionary annual cash bonus award of up to 120 per cent. of salary as executive chairman of Kazakhmys Corporation LLC.

7.5 Non-executive Directors do not have service contracts, but each has a letter of appointment with the Company. Each letter of appointment provides for a one month notice period, save for Simon Heale's letter of appointment which provides for a three month notice period. Non-executive Directors are normally appointed for two consecutive three-year terms, with any third term of three years being subject to rigorous review and taking into account the need progressively to refresh the Board. For each non-executive Director who served during 2012, the effective date of their letter of appointment is shown in the table below:

Name	Position	Effective date	Notice period (months)
Non-Executive Directors			
Philip Aiken AM	Non-Executive Director and Senior Independent Director	1 November 2006	One
Clinton Dines	Non-Executive Director	1 October 2009	One
Simon Heale(1)	Non-Executive Chairman	27 February 2013	Three
Lord Renwick of Clifton, KCMG	Non-Executive Director	1 December 2005	One
Charles Watson	Non-Executive Director	24 August 2011	One
Daulet Yergozhin	Non-Executive Director	19 November 2008	One

Notes:

(1) Prior to his appointment as non-executive Chairman of the Company, Simon Heale had a letter of appointment with the Company with an effective date of 1 January 2007. Simon Heale became non-executive Deputy Chairman on 27 February 2013 and non-executive Chairman on 17 May 2013.

No service contract or letter of appointment was entered into or amended within the last six months other than those described above and save that Michael Lynch-Bell entered into a letter of appointment on 27 February 2013 with an effective date of the same date.

7.6 The aggregate emoluments, excluding pensions, of the Directors for the year ended 31 December 2012, are set out below:

Director	Base salary or non-executive Directors' fees	Benefits	Bonus	2012 Total Remuneration
	£000	£000	£000	£000
Executive				
Vladimir Kim	1,062	105	509	1,676
Oleg Novachuk	856	37	685	1,578
Eduard Ogay	532	nil	255	787
Non-executive				
Philip Aiken AM	126	nil	nil	126
Clinton Dines	105	nil	nil	105
Simon Heale	108	nil	nil	108
Lord Renwick of Clifton, KCMG	96	nil	nil	96
Charles Watson	108	nil	nil	108
Daulet Yergozhin(1)	84	nil	nil	84

Notes:

(1) As a minister of the Government of Kazakhstan, Daulet Yergozhin is not permitted to receive fees personally and his fees were paid to SABY Charitable Foundation, a children's charity based in Kazakhstan.

8 Major Kazakhmys Shareholders

Other than the interests of Directors and senior management disclosed in paragraph 5 above, so far as it has been made known to the Company, the following persons held, directly or indirectly, 3 per cent. or more of the Company's voting rights as at the Latest Practicable Date:

	As at the Latest Practicable Date	
Kazakhmys Shareholder	**Number of Kazakhmys Shares**	**Percentage of voting rights**
Eurasian Resources Group B.V.	139,162,843	26.57
Cuprum Holding Limited(1)	135,944,325	25.96
Harper Finance Limited(2)	29,706,901	5.67
UBS AG London Branch	15,736,408	3.01
Total	320,550,477	61.21

Notes:

(1) Vladimir Kim holds a 100 per cent. interest in Cuprum Holding Limited and this is included in the disclosure at paragraph 5.1.

(2) Oleg Novachuk holds a 100 per cent. interest in Harper Finance Limited and this is included in the disclosure at paragraph 5.1.

9 Related party transactions

Details of related party transactions entered into by the Company during the period covered by the historical financial information are set out in: (i) Note 35 to the audited financial statements for the financial year ended 31 December 2012 contained in the Annual Report and Accounts 2012; and (ii) Note 38 to the audited financial statements for the financial year ended 31 December 2011 contained in the Annual Report and Accounts 2011, each of which is incorporated by reference as described in the section headed "Information incorporated by reference" in Part VII of this document. Save for those transactions, the Share Repurchase Agreement, the Irrevocable Undertaking and the Implementation Agreement (which are in part conditional upon the approval of the Resolutions at the General Meeting) and the Kazakhmys Concert Party Irrevocable Undertakings, the Company has not entered into any related party transactions during the period covered by the historical financial information and up to the date of this document.

10 Material contracts

10.1 The Continuing Kazakhmys Group

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Continuing Kazakhmys Group either (i) within the two years immediately preceding the date of this document which are or may be, material or (ii) which contain any provision under which any member of the Continuing Kazakhmys Group has any obligation or entitlement which is material to the Continuing Kazakhmys Group as at the date of this document:

10.1.1 Pre-export finance facility – 2012

On 20 December 2012, Kazakhmys Finance, a wholly-owned subsidiary of the Company, signed a five year pre-export finance facility for U.S.$1.0 billion with a syndicate of banks to be used for general corporate purposes. The funds are available for drawing at any time within a year from the date of the agreement and once drawn will attract interest at U.S.$ LIBOR plus 2.80 per cent.. The facility has a final maturity date of December 2017 and monthly loan repayments of principal will commence in January 2015. Kazakhmys PLC, Kazakhmys Corporation LLC and Kazakhmys Sales Limited act as guarantors of the loan. Kazakhmys Finance made the first draw down under this facility in March 2013.

10.1.2 CDB and Samruk-Kazyna financing line

On 30 December 2009, Kazakhmys announced that it had secured a U.S.$2.7 billion financing line with CDB and Samruk-Kazyna, allocated from a U.S.$3.0 billion financing line agreed between CDB and Samruk-Kazyna. Of the U.S.$2.7 billion secured for the Group, facility agreements were signed for U.S.$2.1 billion on 30 December 2009, and for a further U.S.$200 million on 12 January 2010, for the development of the Group's projects at Bozshakol and Bozymchak and other development projects, and two facility agreements for U.S.$200 million each, allocated to the Akbastau-Kosmurun and Zhomart projects, were signed on 11 June 2012. Samruk-Kazyna has separately signed an agreement for U.S.$300 million of the U.S.$3.0 billion to be used elsewhere and not for the benefit of the Group, which was subsequently repaid by Samruk-Kazyna in January 2013. As part of this financing package, the Company, along with a subsidiary of Samruk-Kazyna, provided a guarantee in favour of CDB in respect of Samruk-Kazyna's obligations under the U.S.$3.0 billion financing line, including 85 per cent. of the U.S.$300 million which was not on-lent for the benefit of the Group. The funds, which were fully drawn down in January 2013, attract interest semi-annually at an annualised rate of U.S.$ LIBOR plus 4.8 per cent.. The loans have a final maturity falling between January 2022 and August 2025 with first repayments commencing in January 2013. As at 31 December 2012, U.S.$2.5 billion (2011: U.S.$1.3 billion) was drawn under the facility agreements. Arrangement fees with an amortised cost as at 31 December 2012 of U.S.$32 million (2011: U.S.$19 million), (gross cost before amortisation of U.S.$40 million (2011: U.S.$22 million)), have been netted off against these borrowings in accordance with International Accounting Standard 39.

10.1.3 CDB Aktogay finance facility

On 16 December 2011, the Group signed a U.S.$1.5 billion loan facility with CDB, to be used for the development of the major copper growth project at Aktogay. The loan facility consists of two separate agreements with similar terms and conditions. The first agreement is for up to U.S.$1.3 billion and the second agreement for up to RMB1.0 billion (U.S.$159 million equivalent at 31 December 2012 RMB/U.S.$ exchange rate). The U.S. dollar agreement attracts interest at U.S.$ LIBOR plus 4.2 per cent. and the RMB agreement attracts interest at the applicable benchmark lending rate published by the People's Bank of China. The funds are available to draw down over a three year period commencing from 31 December 2012 and mature 15 years from the date of first draw down. As at 31 May 2013, U.S.$56 million of this facility was drawn down. Kazakhmys PLC acts as guarantor of the loan.

10.1.4 Revolving credit facility

The Group has a U.S.$100 million revolving credit facility entered into by Kazakhmys Finance with the Bank of China Limited for general corporate purposes and to provide standby liquidity. The facility, which is presently undrawn, has a final maturity in March 2015.

10.1.5 Relationship Agreement

The Relationship Agreement, originally entered into in September 2005, is between the Company, Cuprum Holding Limited and its principal beneficial owner, Vladimir Kim, who is a Director. The Relationship Agreement ensures that the Group is capable of carrying on business independently and to ensure that transactions with Vladimir Kim are at arm's length, on commercial terms and that control of the Company is not abused. Under the Relationship Agreement, inter alia, there must be a majority of independent Directors on the Board and on all its standing committees, and no material transaction may be entered into without approval of the independent Directors. The Relationship Agreement will continue as long as the

Kazakhmys Shares are listed on the Official List and traded on the London Stock Exchange and will terminate should Cuprum Holding Limited or Vladimir Kim cease to control a shareholding of 10 per cent. or more of Kazakhmys Shares.

10.1.6 Implementation Agreement

Please see Part III of this document.

10.1.7 Irrevocable Undertaking

Please see Part III of this document.

10.1.8 Share Repurchase Agreement

Please see Part III of this document.

10.1.9 Kazakhmys Concert Party Irrevocable Undertakings

On 23 June 2013, each of Vladimir Kim, Oleg Novachuk and Eduard Ogay provided an irrevocable undertaking to the Company and Eurasian Resources under which each irrevocably undertook to each of the Company and Eurasian Resources that he will vote in respect of his beneficial shareholding in favour of the Resolutions (other than the Rule 9 Waiver Resolution, on which he is not entitled to vote) at the General Meeting. Each Concert Party Kazakhmys Shareholder also agreed not to acquire or deal in any Kazakhmys Shares, or fetter the voting rights attached thereto, in certain ways which may prejudice the success of the Transaction.

The obligations of Vladimir Kim, Oleg Novachuk and Eduard Ogay under their undertakings shall lapse if, the Eurasian Resources Offer Document is not sent to ENRC Shareholders within 28 days after the ENRC Takeover Offer Announcement (or such later date as the Panel may agree), the Resolutions are not passed at the General Meeting, the ENRC Takeover Offer lapses or is withdrawn in accordance with its terms or the ENRC Takeover Offer has not become effective or been declared unconditional in all respects by 6.00 p.m. on 31 December 2013.

Save as disclosed in paragraph 10.1, there are no contracts (other than contracts entered into in the ordinary course of business) which have been entered into by members of the Continuing Kazakhmys Group either (i) within the two years immediately preceding the date of this document which are or may be, material or (ii) which contain any provision under which any member of the Continuing Kazakhmys Group has any obligation or entitlement which is material to the Continuing Kazakhmys Group as at the date of this document.

10.2 **The ENRC Target Shares**

Save as disclosed in paragraph 10.1, there are no contracts (other than any contracts entered into in the ordinary course of business) which have been entered into by the Group in respect of the ENRC Target Shares within the two years immediately preceding the date of this document which are, or may be, material to the Continuing Kazakhmys Group as at the date of this document.

11 Litigation

11.1 **The Continuing Kazakhmys Group**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the year preceding the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the Continuing Kazakhmys Group.

11.2 **The ENRC Target Shares**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in respect of the ENRC Target Shares during the year preceding the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the ENRC Target Shares.

12 Working capital

The Company is of the opinion that, after taking into account the net proceeds receivable by the Company pursuant to the Transaction, existing available facilities and existing cash resources, the working capital available to the Continuing Kazakhmys Group is sufficient for its present requirements, that is, for at least the next 12 months from the date of publication of this document.

13 Significant changes

13.1 **The Continuing Kazakhmys Group**

Save as set out in paragraphs 13.1.1 to 13.1.6 below, there has been no significant change in the financial or trading position of the Continuing Kazakhmys Group since 31 December 2012, the date to which the last published audited financial statements were prepared.

13.1.1 Commodity prices and review of operations

As highlighted in Part II of this document, the Group's financial performance is highly dependent upon the price of copper, and also dependent on the price of silver, gold and zinc. The prices for copper, zinc, gold and silver started 2013 strongly, before declining in March and during the second quarter of 2013. The LME copper price was U.S.$/t 6,981 as at 1 July 2013 compared to U.S.$/t 7,907 as at 31 December 2012. In light of the decline in the price of commodities produced by the Group, and the anticipated future spend on the Group's major growth projects, the Group is taking action to cut costs and review discretionary capital expenditure in order to improve the operating cash flow of the business. The Group intends to undertake a review of its operations and costs structure, including a reassessment of the Group's integrated model with a focus on profitable production rather than volume targets. The Satpayev concentrator was suspended in June 2013 and the Zhezkazgan smelter may be suspended later in 2013 which would result in a move from copper cathode to copper concentrate sales. Further actions include the optimisation of mine plans and recovery rates, reducing the cost of materials used in production, reviewing the number of mobile units in operation, potential labour optimisation and a review of non-core assets. As previously disclosed, the Group has held discussions with the Government of Kazakhstan regarding the disposal of its 50 per cent. holding in Ekibastuz GRES-1 and whilst no discussions are currently ongoing, the Group continues to evaluate a disposal of this interest. It is the Board's intention to manage the Group's existing core copper operations to generate sustainable positive cash flow, recognising the potential for short-term cash flow volatility inherent in a business which is operationally geared to movements in the price of its key commodities. Whilst these plans are yet to be finalised and their impact fully quantified, ongoing operating costs are expected to be reduced. The suspension of operations would also result in limited upfront costs and in impairment charges. In the event of the Zhezkazgan smelter being suspended, copper concentrate output from the region will be sold as concentrate into China with a limited volume processed at the Balkhash smelter, utilising spare capacity.

13.1.2 Disability benefits obligation

Under the relevant Kazakh legislation, the Group has a disability benefits obligation to current and former employees who suffered workplace injuries with the level of payments indexed to current pay rates within the Group. As at 31 December 2012, the Group's employee benefits obligation was approximately U.S.$373 million, the most significant of which was the long-term disability benefits obligation. The disability benefits obligation is currently being reassessed following the assumption by the Group of previously insured liabilities arising from the financial difficulties of the entities providing the insurance. This reassessment may result in an additional charge to the Group's income statement and an increase in the employee benefits obligation recognised on the Group's balance sheet. The charge may be significant to the Group's results for the year but is unlikely to have a material impact on the Group's total equity. The additional charge would be treated as a special item as it is considered to be outside of the Group's normal trading performance.

13.1.3 Net debt for continuing subsidiary businesses

Net debt for the Group's continuing subsidiary businesses increased to U.S.$1,158 million as at 31 May 2013 from U.S.$707 million as at 31 December 2012 as the Group continued to develop the Aktogay and Bozshakol projects. Operating cash flows during the period included a VAT refund of U.S.$87 million related to 2012, offset by income tax and mineral extraction tax payments of U.S.$156 million, the 2012 final dividend payment of U.S.$42 million and the bi-annual interest payment of U.S.$61 million under the U.S.$2.7 billion facility obtained from CDB and Samruk-Kazyna.

As at 31 May 2013, gross debt was U.S.$2,943 million, an increase of U.S.$475 million from the position as at 31 December 2012, following an additional U.S.$200 million to fully draw down the U.S.$2.7 billion CDB/Samruk-Kazyna finance facility, a U.S.$250 million draw down under the Group's pre-export finance facility for U.S.$1.0 billion signed in December 2012 and the first U.S.$56 million draw down under the U.S.$1.5 billion CDB facility for the Aktogay project.

In January 2013, the Group made the first principal repayment, amounting to U.S.$14 million, of the CDB/Samruk-Kazyna finance facility. Of the outstanding gross debt balance as at 31 May 2013, U.S.$2,654 million related to the CDB/Samruk-Kazyna finance facility, U.S.$56 million related to the CDB facility for the Aktogay project and U.S.$233 million to the pre-export finance facility.

Total cash and cash equivalents and current investments for the Group rose from U.S.$1,761 million as at 31 December 2012 to U.S.$1,785 million as at 31 May 2013, mainly due to the draw down of the Group's debt facilities and the receipt of the proceeds from the sale of MKM, partially offset by the funding of the Group's major projects through the development stage. Of these total funds, U.S.$1,493 million is reserved for the development of the Group's projects under the relevant finance facilities.

13.1.4 Net debt/funds of Ekibastuz GRES-1

The net debt of the Group's subsidiaries excludes the net debt/funds of the equity accounted joint venture investment in Ekibastuz GRES-1. Ekibastuz GRES-1 moved from a net funds position, on a 100 per cent. basis as at 31 December 2012, of U.S.$10 million to a net debt position of U.S.$36 million as at 31 May 2013. Strong operating cash flows were offset by capital expenditure on the power plant's ongoing rehabilitation programme, in particular the refurbishment of Units 1 and 2.

13.1.5 Disposal of MKM

On 28 May 2013, the Group sold MKM for €42 million to a European family office. Cash consideration of €30 million has been received and the remaining €12 million is receivable on a deferred basis. MKM was sold with net debt of €128 million. The Group also received a dividend of €10 million in April 2013.

13.1.6 Holding in ENRC

The Group's holding of 334,824,860 ENRC Shares had a market value of U.S.$1,218 million, based on a share price of 240 pence as at 31 May 2013, and a market value of U.S.$1,038 million, based on a share price of 208 pence as at the Latest Practicable Date, compared to a market value of U.S.$1,546 million as at 31 December 2012 when the ENRC share price was 284 pence.

13.2 The ENRC Target Shares

Save as set out in paragraph 13.1.6 above, there has been no significant change in the financial or trading position of the ENRC Target Shares since 31 December 2012, the date to which the last published audited financial statements were prepared.

14 Consents

14.1 Citigroup Global Markets Limited has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.

14.2 J.P. Morgan Limited has given and not withdrawn its written consent to the inclusion of its name in this document in the form and context in which it is included.

14.3 KPMG Audit Plc has given and has not withdrawn its written consent to the inclusion in Part IV of this document of its report in the form and context in which it is included.

15 Documents available for inspection

Copies of the following documents may be inspected at the registered office of the Company at 6th Floor, Cardinal Place, 100 Victoria Street, London SW1E 5JL, United Kingdom and at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) up to and including the date of the General Meeting. In addition, copies of this document and documents (a), (b), (d) and (i) below and those documents incorporated by reference and listed in Part VII will be available at the Company's website, www.kazakhmys.com and requests for hard copies can be made as set out in Part VII of this document:

(a) the Memorandum and Articles of Association of the Company;

(b) the consent letters referred to in paragraph 14 above;

(c) the report of KPMG Audit Plc set out in Part IV of this document;

(d) the Transaction Agreements;

(e) the Annual Report and Accounts 2012;

(f) the Annual Report and Accounts 2011;

(g) the Production Report for the First Quarter Ended 31 March 2013 and Interim Management Statement;

(h) this document and the Form of Proxy; and

(i) the Kazakhmys Concert Party Irrevocable Undertakings.

Part VII

Information incorporated by reference

The table below sets out the various sections of those documents which are incorporated by reference into this document, so as to provide the information required pursuant to the Takeover Code. These documents will also be available at the Company's website, www.kazakhmys.com under the section titled 'Investors & Media', from the date of this document and available for inspection as set out in paragraph 15 of Part VI of this document.

Document	Section	Page number(s) in such document
Annual Report and Accounts 2012	Consolidated income statement	92
	Consolidated balance sheet	94
	Consolidated statement of cash flows	95
	Consolidated statement of changes in equity	96
	Notes to the consolidated financial statements	97 to 154
	Independent auditor's report	89
Annual Report and Accounts 2011	Consolidated income statement	126
	Consolidated balance sheet	128
	Company balance sheet	129
	Consolidated statement of cash flows	130
	Company statement of cash flows	131
	Consolidated statement of changes in equity	132
	Company statement of changes in equity	133
	Notes to the consolidated financial statements	134 to 194
	Independent auditor's report	125
Production Report for the First Quarter Ended 31 March 2013 and Interim Management Statement	Kazakhmys Mining Production	3 to 7
	Kazakhmys Power Production	8 and 9
	Financial Performance	10 and 11
	Financial Position	12

Any Kazakhmys Shareholder, person with information rights or other person to whom this document is sent may request a copy of this document and each of the documents set out above in hard copy form. Hard copies will only be sent where valid requests are received from such persons. Requests for hard copies are to be submitted to Computershare Investor Services PLC (The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, United Kingdom, tel: +44 (0)870 707 1100) or Computershare Hong Kong Investor Services Limited (17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, tel: +852 2862 8555). All valid requests will be dealt with as soon as possible and hard copies mailed no later than two business days following such request.

The documents incorporated by reference into this document have been incorporated in compliance with Rule 24.15 of the Takeover Code. Except as set forth above, no other portion of these documents is incorporated by reference into this document.

DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

2013 AGM	the Annual General Meeting of the Company held on 17 May 2013
Act	the Companies Act 2006, as such act may be amended, modified or re-enacted from time to time
Board	the board of Directors of Kazakhmys
CDB	China Development Bank Corporation
COMESA Member States	the member states of the Common Market for Eastern and Southern Africa, being Burundi, Comoros, the Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Seychelles, Swaziland, Madagascar, Malawi, Mauritius, Rwanda, Sudan, Uganda, Zambia and Zimbabwe
Company or Kazakhmys	Kazakhmys PLC
Concert Party Kazakhmys Shareholder	each of Vladimir Kim, Oleg Novachuk and Eduard Ogay (and their respective concert parties)
Continuing Kazakhmys Group	the Group following completion of the Transaction
control	an interest or interests, in shares carrying an aggregate 30 per cent. or more of the voting rights (as defined in the Takeover Code) irrespective of whether the holding or aggregate holding gives de facto control
dealing or dealt	in the context of relevant Kazakhmys securities includes the following: (i) the acquisition or disposal of relevant Kazakhmys securities, or the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attached to relevant Kazakhmys securities, or of general control of relevant Kazakhmys securities; (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant Kazakhmys securities; (iii) subscribing or agreeing to subscribe for relevant Kazakhmys securities; (iv) the exercise or conversion of any relevant Kazakhmys securities carrying conversion or subscription rights; (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant Kazakhmys securities; (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant Kazakhmys securities; and

	(vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant Kazakhmys securities in which a person is interested or in respect of which he has a short position.
Deferred Share Bonus Plan 2007	the Company's deferred share bonus plan
derivative	includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security but which does not include the possibility of delivery of such an underlying security
Directors	the directors of Kazakhmys
DTR	the Disclosure and Transparency Rules made by the FCA pursuant to Part 6 of FSMA
EBITDA	earnings before interest, taxation, the non-cash component of the disability benefits obligation, depreciation, depletion, amortisation (including negative goodwill), the Mineral Extraction Tax and adjusted to add back special items
ENRC	Eurasian Natural Resources Corporation PLC, a public company incorporated in England and Wales
ENRC Consortium	Alexander Machkevitch, Alijan Ibragimov, Patokh Chodiev and the Government of Kazakhstan
ENRC Contractual Takeover Offer	the contractual takeover offer which Eurasian Resources may elect to make for all the issued and to be issued ENRC Shares not already owned by Eurasian Resources on the terms and conditions summarised in the ENRC Takeover Offer Announcement and set out in the Eurasian Resources Offer Document and including, where the context permits, any subsequent revision, variation, extension or renewal of such offer
ENRC Founding Shareholders	Alexander Machkevitch, Alijan Ibragimov and Patokh Chodiev
ENRC Shareholders	the holders of ENRC Shares from time to time
ENRC Shares	the existing unconditionally allotted or issued and fully paid (or credited as fully paid) ordinary shares of 20 U.S. cents each in the capital of ENRC and any further such shares which are unconditionally allotted or issued and fully paid (or credited as fully paid) before the ENRC Takeover Offer closes (or before such earlier date as the ENRC Consortium, subject to the Takeover Code, may determine)
ENRC Takeover Offer	the offer to be made by Eurasian Resources to acquire all the issued and to be issued ENRC Shares not already owned by Eurasian Resources (by means of the ENRC Contractual Takeover Offer or, should Eurasian Resources so elect with the consent of the Takeover Panel, the ENRC Takeover Scheme)

ENRC Takeover Offer Announcement	the announcement by Eurasian Resources dated 24 June 2013 of its firm intention to make an offer to acquire all the issued and to be issued ENRC Shares not already owned by Eurasian Resources and which announcement contains the key terms and conditions of the ENRC Takeover Offer
ENRC Takeover Scheme	the scheme of arrangement under Part 26 of the Act which may be proposed by ENRC in connection with the takeover offer which Eurasian Resources may elect to make for all the issued and to be issued ENRC Shares not already owned by Eurasian Resources on the terms and conditions summarised in the ENRC Takeover Offer Announcement and set out in the Eurasian Resources Offer Document and including, where the context permits, any subsequent revision, variation, extension or renewal of such scheme of arrangement
ENRC Target Shares	the 334,824,860 ENRC Shares held by the Group, representing approximately 26 per cent. of ENRC Shares
Eurasian Resources	Eurasian Resources Group B.V. (formerly named Eleanor Investments B.V.) (of the World Trade Center Amsterdam, Strawinskylaan 629, 1077 XX, Amsterdam, the Netherlands), a company incorporated in connection with the ENRC Takeover Offer and beneficially owned by the ENRC Consortium
Eurasian Resources Offer Document	the document to be dispatched to ENRC Shareholders by which any ENRC Takeover Offer would be made (whether by means of the ENRC Contractual Takeover Offer or the ENRC Takeover Scheme)
FCA	the Financial Conduct Authority
Form of Proxy	the form of proxy accompanying this document for use by Kazakhmys Shareholders in connection with the General Meeting
FSMA	Financial Services and Markets Act 2000
General Meeting	the general meeting of the Company to be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom at 9.00 a.m. (UK time) on 2 August 2013, notice of which is set out at the end of this document, or any reconvened meeting following any adjournment thereof
Government of Kazakhstan	the Government of the Republic of Kazakhstan, including acting through The State Property and Privatisation Committee of the Ministry of Finance of the Republic of Kazakhstan
Group	the Company and its subsidiary undertakings
GWh	gigawatt hours
Independent Committee of ENRC	the independent committee of the board of directors of ENRC

Implementation Agreement	the implementation agreement dated 24 June 2013 between the Company and Eurasian Resources regarding certain aspects of the Transaction and the Rule 9 Waiver
Independent Kazakhmys Shareholders	Kazakhmys Shareholders other than Eurasian Resources, any member of the ENRC Consortium, Eurasian Resources' associates and any associates of the members of the ENRC Consortium
Independent Rule 9 Kazakhmys Shareholders	Kazakhmys Shareholders other than the Kazakhmys Concert Party and Eurasian Resources, any member of the ENRC Consortium, Eurasian Resources' associates and concert parties and any associates and concert parties of the members of the ENRC Consortium
Independent Rule 9 Waiver Directors	the Directors other than Vladimir Kim, Oleg Novachuk, Eduard Ogay (each of whom are members of the Kazakhmys Concert Party) and Daulet Yergozhin (a Director nominated by the Government of Kazakhstan)
Interested	in the context of being interested in relevant Kazakhmys securities includes where a person: (i) owns relevant Kazakhmys securities; (ii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant Kazakhmys securities or has general control of them; (iii) by virtue of any agreement to purchase, option or derivative, (a) has the right or option to acquire relevant Kazakhmys securities or call for their delivery or (b) is under an obligation to take delivery of them, in either case whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or (iv) is party to any derivative whose value is determined by reference to its price and which results, or may result, in his having a long position in it.
Irrevocable Undertaking	the irrevocable undertaking by the Company and Kazakhmys Eurasia B.V. to Eurasian Resources dated 23 June 2013 to accept the terms of the ENRC Contractual Takeover Offer or vote in favour of the ENRC Takeover Scheme (as relevant) in respect of the ENRC Target Shares
Kazakhmys Concert Party	Vladimir Kim, Oleg Novachuk and Eduard Ogay of 6th Floor, Cardinal Place, 100 Victoria Street, London SW1E 5JL, United Kingdom (and their respective concert parties)

Kazakhmys Concert Party Irrevocable Undertakings	the irrevocable undertakings dated 23 June 2013 provided by each Concert Party Kazakhmys Shareholder to Eurasian Resources and the Company to vote in favour of the Related Party and Class 1 Transaction Resolution and the Share Repurchase Resolution at the General Meeting
Kazakhmys Finance	Kazakhmys Finance PLC, a member of the Group incorporated in England and Wales
Kazakhmys Prospectus	the prospectus to be prepared by the Company in accordance with the Prospectus Rules and in relation to the Kazakhmys Shares to be offered to ENRC Shareholders (other than Eurasian Resources) pursuant to the ENRC Takeover Offer and including any supplement to such prospectus
Kazakhmys Repurchase Shares	the 77,041,147 Kazakhmys Shares to be repurchased by Kazakhmys from Eurasian Resources under the Share Repurchase
Kazakhmys Shareholders	the holders of Kazakhmys Shares
Kazakhmys Shares	the ordinary shares of 20 pence each in the capital of Kazakhmys
Latest Practicable Date	10 July 2013, being the latest practicable date prior to the publication of this document for the purposes of ascertaining certain information contained in this document
LBMA	the London Bullion Market Association
Listing Rules	the Listing Rules issued and maintained by the FCA under Part VI of FSMA
LME	London Metal Exchange
LTIP	the Company's long term incentive plan
LTIP Awards	conditional nil-cost awards of Kazakhmys Shares under the LTIP granted to the LTIP Participants made on 6 April 2011, 4 April 2012 and 5 April 2013
LTIP Participants	Oleg Novachuk and Eduard Ogay
MKM	MKM Mansfielder Kupfer und Messing GmbH and/or all or any of its subsidiaries
Non-Concert Party Directors	the Directors other than Vladimir Kim, Oleg Novachuk and Eduard Ogay
Official List	the Official List maintained by the UK Listing Authority
Panel	The UK Panel on Takeovers and Mergers
Prospectus Rules	the Prospectus Rules of the FCA made under Section 73A of FSMA
Related Party and Class 1 Transaction Resolution	Resolution 1 to approve the Transaction in accordance with Listing Rule 10 and Listing Rule 11 of the Listing Rules, as set out in the Notice of General Meeting

Relationship Agreement	The agreement between Cuprum Holding Limited, Vladimir Kim and the Company, described in paragraph 10.1.5 of Part VI of this document
Relevant ENRC Shareholders	the ENRC Shareholders other than Eurasian Resources and Kazakhmys
relevant Kazakhmys securities	Kazakhmys Shares (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof
Remuneration Committee	the remuneration committee of the Board
Resolutions	the resolutions as set out in the Notice of General Meeting at the end of this document
Rule 9 Waiver	the waiver granted by the Panel of the obligation which may otherwise arise under Rule 9 of the Takeover Code requiring the Kazakhmys Concert Party (or any entity through which the Kazakhmys Concert Party may hold Kazakhmys Shares) to make an offer for the issued ordinary share capital of the Company as a result of the Share Repurchase, which together with any subsequent vesting of Kazakhmys Shares to any or both of the LTIP Participants pursuant to the LTIP Awards and the full use by the Company of the buyback authority approved at the 2013 AGM, could potentially increase the Kazakhmys Concert Party's interest in Kazakhmys Shares from approximately 35.91 per cent. of the total voting share capital of the Company to a maximum of approximately 47.86 per cent. of the total voting share capital of the Company, as at the Latest Practicable Date
Rule 9 Waiver Resolution	Resolution 3 to approve the Rule 9 Waiver set out in the Notice of General Meeting
Samruk-Kazyna	the Joint Stock Company National Welfare Fund "Samruk-Kazyna", an entity owned and controlled by the Government of Kazakhstan
SFO Investigation	the ongoing criminal investigation of the Serious Fraud Office in relation to ENRC
Share Repurchase	the proposed repurchase by Kazakhmys of the Kazakhmys Repurchase Shares from Eurasian Resources pursuant to the Share Repurchase Agreement
Share Repurchase Agreement	the conditional share repurchase agreement entered into by Kazakhmys and Eurasian Resources dated 24 June 2013 in relation to the Share Repurchase
Share Repurchase Resolution	Resolution 2 to approve the Share Repurchase set out in the Notice of General Meeting
short position	any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery

Takeover Code	the City Code on Takeovers and Mergers
Transaction	the proposed disposal of the ENRC Target Shares by the Company pursuant to the ENRC Takeover Offer, the publication of the Kazakhmys Prospectus and the Share Repurchase
Transaction Agreements	the Share Repurchase Agreement, the Irrevocable Undertaking and the Implementation Agreement described in Part III of this document
UK Listing Authority	the FCA under Part VI of the FSMA
UK Share Incentive Plan 2010	the Company's share incentive plan for UK employees
UK Sharesave Plan 2010	the Company's sharesave plan for UK employees

Kazakhmys PLC

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

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Kazakhmys PLC will be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom at 9.00 a.m. (UK time) on 2 August 2013 to consider and, if thought fit, pass the following resolutions of which Resolutions 1 and 3 will be proposed as ordinary resolutions and Resolution 2 will be proposed as a special resolution. Capitalised terms not defined below are references to those terms as defined in the circular to Kazakhmys Shareholders dated 12 July 2013.

1 That, subject to the passing of Resolutions 2 and 3, (1) the disposal of the ENRC Target Shares to Eurasian Resources pursuant to the ENRC Takeover Offer, (2) the acquisition under the Share Repurchase from Eurasian Resources of the Kazakhmys Repurchase Shares pursuant to the Share Repurchase Agreement, and (3) the publication by the Company of the Kazakhmys Prospectus, be and are hereby approved, and the Directors (or a committee of the Directors) be and are hereby authorised to waive, amend, vary or extend any of the terms of the Transaction Agreements (provided that any such waivers, amendments, variations or extensions are not of a material nature) and to do all things as they may consider to be necessary or desirable to implement and give effect to, or otherwise in connection with, the Transaction and the publication of the Kazakhmys Prospectus and any matters incidental to the Transaction and the publication of the Kazakhmys Prospectus.

2 That, subject to the passing of Resolutions 1 and 3, the terms of the repurchase by the Company of the Kazakhmys Repurchase Shares in accordance with the Share Repurchase Agreement dated 24 June 2013 between (1) Eurasian Resources and (2) the Company (which has been made available to Kazakhmys Shareholders at the Company's registered office for not less than 15 days prior to the date of this General Meeting and which is also available at this General Meeting), be and are hereby approved and authorised for the purposes of Section 694 of the Act and otherwise but so that such approval and authority shall expire two years after the date on which this resolution is passed.

3 That, subject to the passing of Resolutions 1 and 2, the Rule 9 Waiver granted by the Panel of the obligation which may otherwise arise under Rule 9 of the Takeover Code requiring the Kazakhmys Concert Party (or any entity through which the Kazakhmys Concert Party may hold Kazakhmys Shares) to make an offer for the issued ordinary share capital of the Company as a result of the Share Repurchase, which together with any subsequent vesting of Kazakhmys Shares to any or both of the LTIP Participants pursuant to the LTIP Awards and the full use by the Company of the buyback authority approved at the 2013 AGM, could potentially increase the Kazakhmys Concert Party's interest in Kazakhmys Shares from approximately 35.91 per cent. of the total voting share capital of the Company to a maximum of approximately 47.86 per cent. of the total voting share capital of the Company be and is hereby approved.

By order of the Board

Robert Welch

Company Secretary

12 July 2013

Registered office:

Kazakhmys PLC
6th Floor
Cardinal Place
100 Victoria Street
London SW1E 5JL
United Kingdom

Notes:

(a) A Kazakhmys Shareholder is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, speak and vote at the General Meeting. A proxy need not be a Kazakhmys Shareholder of the Company. A Kazakhmys Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Kazakhmys Shareholder.

(b) A Form of Proxy is provided with this Notice of General Meeting. Completion and return of such a Form of Proxy will not prevent a Kazakhmys Shareholder from attending the General Meeting and voting in person. In the case of joint holders, any one holder may vote. If more than one holder is present at the meeting, only the vote of the senior will be accepted, seniority being determined by the order in which names appear on the register.

(c) To be effective a duly completed Form of Proxy, together with any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority), must be deposited with the Company's registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, United Kingdom or Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, so as to arrive no later than 9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013 (or not less than 48 hours before the time fixed for any adjourned meeting).

(d) The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Act ("nominated persons"). Nominated persons may have a right under an agreement with the member who holds shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Electronic proxy appointments

(e) Kazakhmys Shareholders may, if they so wish, register the appointment of a proxy or proxies electronically by logging on to the Company's registrars' website at www.investorcentre.co.uk/eproxy where full details of the procedure are given. Kazakhmys Shareholders are advised to read the terms and conditions relating to the use of this facility before appointing a proxy; these may be viewed on the website. Electronic proxy appointments must be received by Computershare UK or Computershare Hong Kong, so as to arrive no later than 9.00 a.m. UK time (4.00 p.m. Hong Kong time) on 31 July 2013 (or not less than 48 hours before the time fixed for any adjourned meeting). A Form of Proxy lodged electronically will be invalid unless it is lodged at the address specified on either Computershare UK's or Computershare Hong Kong's website.

(f) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment(s) thereof) by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (and those CREST members who have appointed a voting service provider(s)) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

(g) In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message.

(h) CREST members (and, where applicable, their CREST sponsors or voting service provider(s)) should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service provider(s)) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Attendance and voting

(j) Entitlement to attend and vote at the General Meeting, and the number of votes which may be cast at the General Meeting, will be determined by reference to the Company's register of members at 6.00 p.m. UK time (4.30 p.m. Hong Kong time) on 31 July 2013 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.

(k) Voting at the General Meeting will be conducted by way of a poll. A poll vote reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. In respect of the Rule 9 Waiver Resolution, only the Independent Rule 9 Kazakhmys Shareholders will be entitled to vote. On arrival at the General Meeting, all those entitled to vote will be required to register and collect a poll card. In order to facilitate these arrangements, it would be helpful if you would arrive at the General Meeting in good time and bring with you your attendance card which is attached to the Form of Proxy. You will be given instructions on how to fill in your poll card at the meeting.

(l) As at 10 July 2013 (being the Latest Practicable Date) the Company's issued ordinary share capital consists of 535,420,180 Kazakhmys Shares. The Company currently holds 11,701,830 Kazakhmys Shares in treasury and the issued ordinary share capital that carries voting rights of one vote per share comprises 523,718,350 Kazakhmys Shares (excluding treasury shares). Therefore, the total voting rights in the Company as at 10 July 2013, (being the Latest Practicable Date), are 523,718,350.

(m) Any Kazakhmys Shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or good order of the General Meeting that the question be answered.

(n) Any Kazakhmys Shareholder with special needs wishing to attend the General Meeting should contact the Company Secretary's department at the Company's registered office so that appropriate arrangements can be made (telephone: +44 (0)20 7901 7800).

(o) Persons who are not Kazakhmys Shareholders of the Company will not be admitted to the General Meeting unless prior arrangements have been made with the Company.

(p) We ask all those present at the General Meeting to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

(q) Kazakhmys Shareholders should note that doors to the General Meeting will open at 8.45 a.m.

(r) Please note that, for security reasons, all hand luggage may be subject to examination prior to entry to the General Meeting. Cameras, tape recorders, laptop computers and similar equipment may not be taken into the General Meeting.

(s) A copy of this Notice of General Meeting and other information required by Section 311A of the Act can be found at www.kazakhmys.com.

Further assistance

(t) If you require assistance or have any questions about procedures for voting at the General Meeting, please contact Boudicca Proxy Consultants, the Information Agent for the General Meeting, on 0808 189 1184 (UK freephone) or +44 (0) 207 183 8215 (from overseas). The helpline will be available between 9.00 a.m. and 5.00 p.m. (UK times) Monday to Friday. Alternatively, you may email your enquiries to info@boudiccaproxy.com. Please note that the Information Agent cannot provide any financial, legal or tax advice or advice on the merits of the Resolutions proposed at the General Meeting.

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