



Konkola Copper Mines plc

November 2012



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Konkola Copper Mines – A Leading Copper Company...



Substantial high grade resources and reserves

- 688.9 Mt of copper reserves & resources, 13.6 Mt of contained Cu
- Konkola underground mine grade of 3.55% with 24+ years mine life

Well invested production facilities

- New 300+ktpa Nchanga smelter; New East and West Mill concentrators; Second Cobalt Recovery Furnace
- Konkola Deep Mining Project (“KDMP”) mid-shaft loading commissioned in April 2010 and waste hoisting from bottom-shaft commissioned in October 2012

Substantial production growth and cost reduction

- Growth in copper production from 200 kt production in FY2012, targeting production of 400+ ktpa through brownfield expansion
- Further cost reduction and stabilisation: targeting sustainable cost performance of <\$1.50/lb C1 integrated cash costs

Strong working relationship with Zambian government

- The largest private employer in Zambia in terms of the number of employees and third-party contractors
- Zambian Government remains an important shareholder of KCM

Valued local partner

- Committed to training and developing the local workforce
- Local communities: Numerous health, education and welfare programmes



...in the Heart of the Zambian Copper Belt

\$2.6bn of capital invested to-date, in a stable regulatory and democratic environment

Overview of KCM Assets

Konkola Deeps

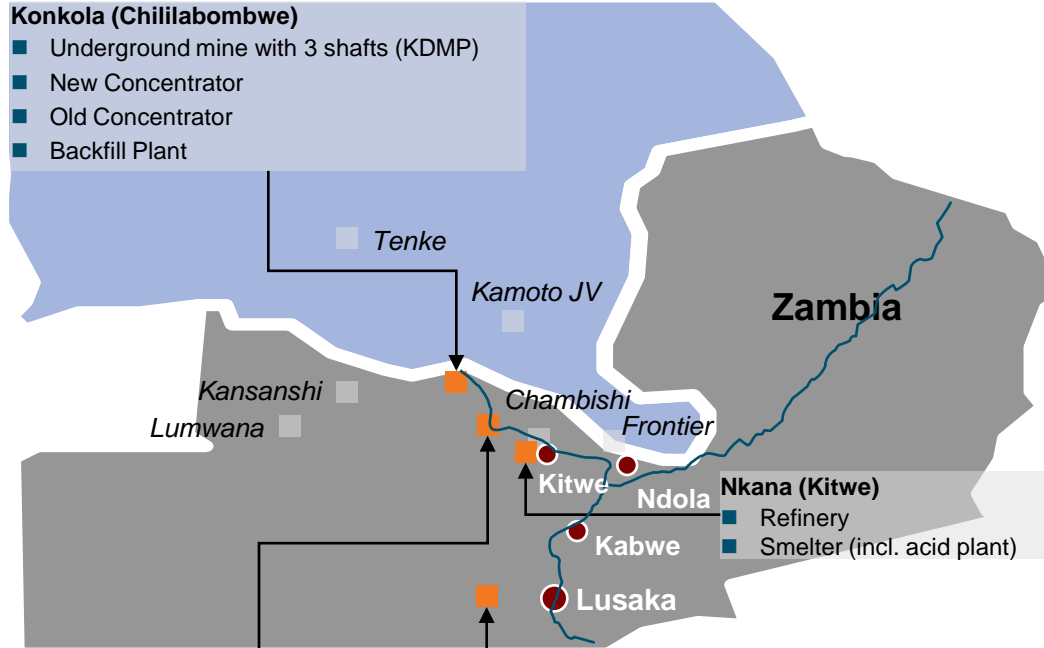


- Konkola (Chililabombwe)**
- Underground mine with 3 shafts (KDMP)
 - New Concentrator
 - Old Concentrator
 - Backfill Plant

Nchanga Open Pits

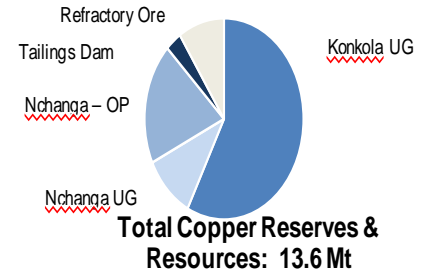


- Nchanga (Chingola)**
- Underground mine with 2 shafts
 - Open pit mines (2 operational)
 - 2 new concentrators (East and West mills)
 - 2 old concentrators
 - Tailings leach plant (incl. SX-EW facilities)
 - Smelter with acid plant
 - Acid plant
 - Refractory ore stockpiles (CRO)



- KCM Group operations
- Other operators
- Main Highway Routes in Zambia

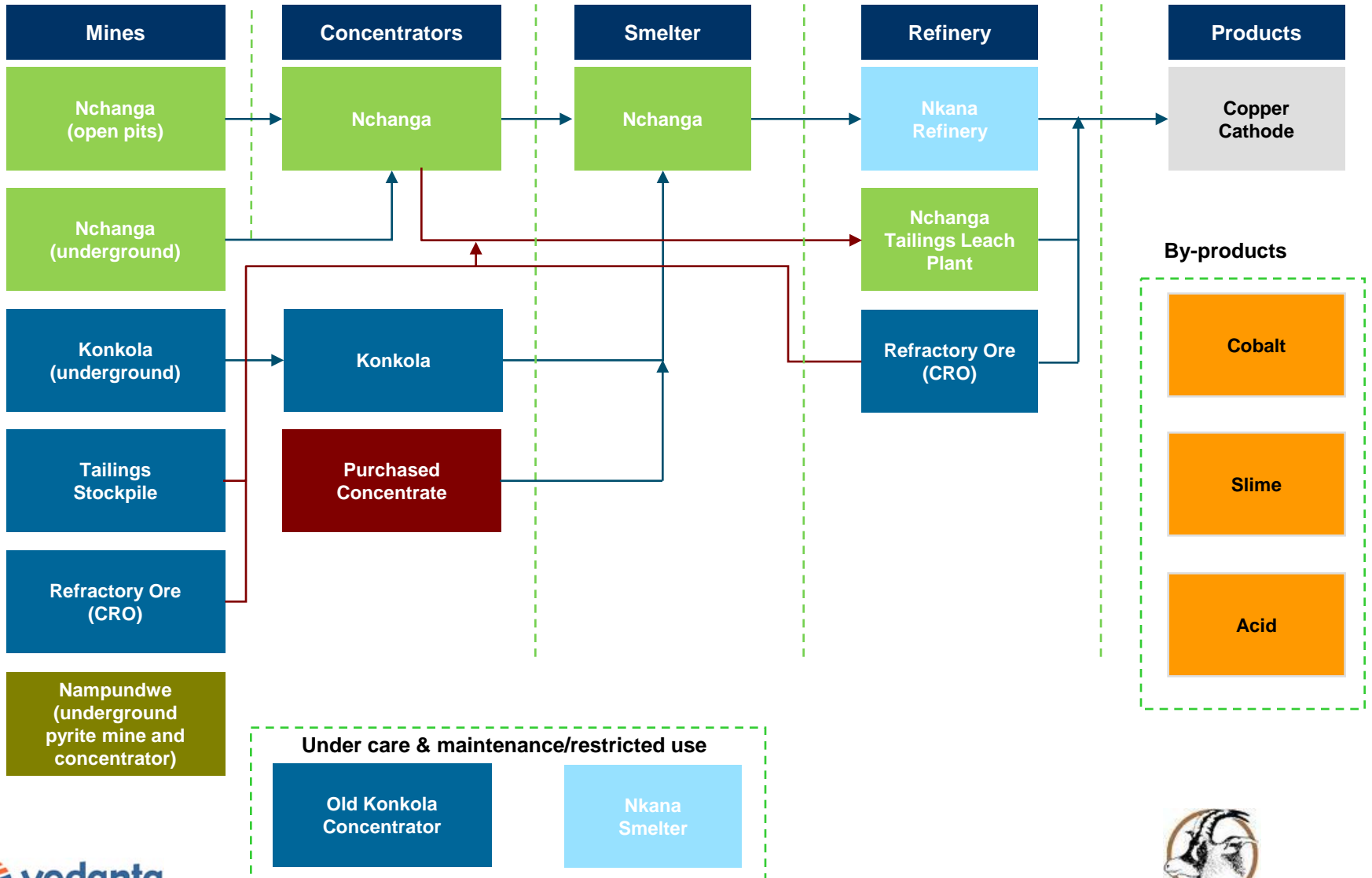
Copper R&R by Asset





Integrated, Well Invested Asset Base

Fully integrated operations in mining, concentrating, smelting and refining





Investment Cornerstones

Project		Description	Capacity	Status
1	New Konkola Concentrator	<ul style="list-style-type: none"> ■ Caters to enhanced mining out put ■ Improved recovery ■ Improved Concentrate grade 	6 mtpa processing capacity	Commissioned in 2007
2	New Nchanga Smelter	<ul style="list-style-type: none"> ■ State-of-the-art technology ■ Benchmark Sulphur Capture 	311+ ktpa	Commissioned in 2008
3	Konkola Deep Mining Project	<ul style="list-style-type: none"> ■ Enhanced mining up to 1,500 M depth ■ Mine life extension to 30 years 	7.5 mtpa at 3%+ Cu	Bottom Shaft waste hoisting commissioned in 2012
4	Tailings Leach Plant Expansion	<ul style="list-style-type: none"> ■ Increase capacity at current facility from 42ktpd to 47ktpd & finally 55ktpd 	75 Ktpa	Commissioned in 2012
5	New East & West Nchanga Concentrators	<ul style="list-style-type: none"> ■ Caters to enhanced mining out put ■ Improved recovery and concentrate grade 	10.5 mtpa processing capacity	Both commissioned in 2012
6	Second Cobalt Recovery furnace	<ul style="list-style-type: none"> ■ Increase cobalt recovery from 37% to 70% 	1,350-1,400t of cobalt	Commissioned in 2012
7	Upper Ore Body Project	<ul style="list-style-type: none"> ■ Increase Nchanga Under Ground life by 22 years 	Sustain NUG at 2.5 Mtpa	Project development underway
8	Chingola Refractory Ore Project	<ul style="list-style-type: none"> ■ Harnesses 150mt Refractory ore stock pile ■ Uses entire acid from Nchanga Smelter 	50 Ktpa	Under review

Investments - The New Nchanga Smelter





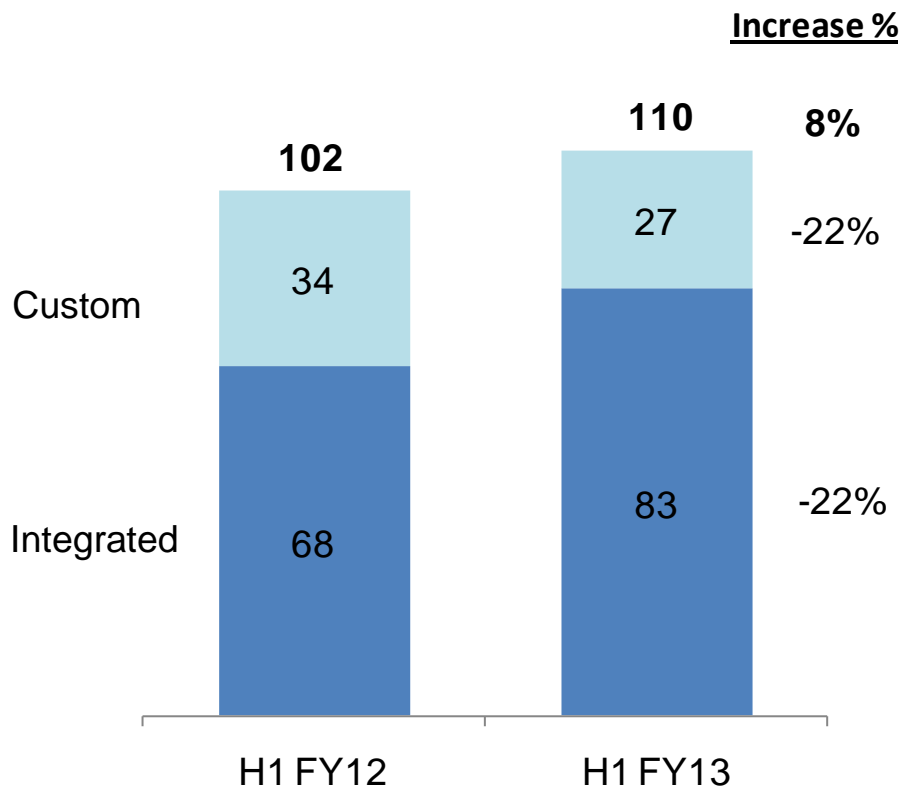
Investments – Konkola Deep Mining Project





FY2013 Interim Update

Finished Production (ktpa)



Konkola

- Shaft 4 equipping complete
- Waste hoisting from bottom shaft has commenced
- High speed tramming at 2900 ft level complete
- Dewatering secure with power backup generation
- Primary development has picked up pace with induction of new partners
- Concentrator already commissioned

Nchanga

- New East Mill concentrator fully stabilized
- New West Mill concentrator fully commissioned and flotation circuit fully stabilized
- Second CRF commissioned and cobalt recovery has increased
- UOB development on track

Organisational Initiatives

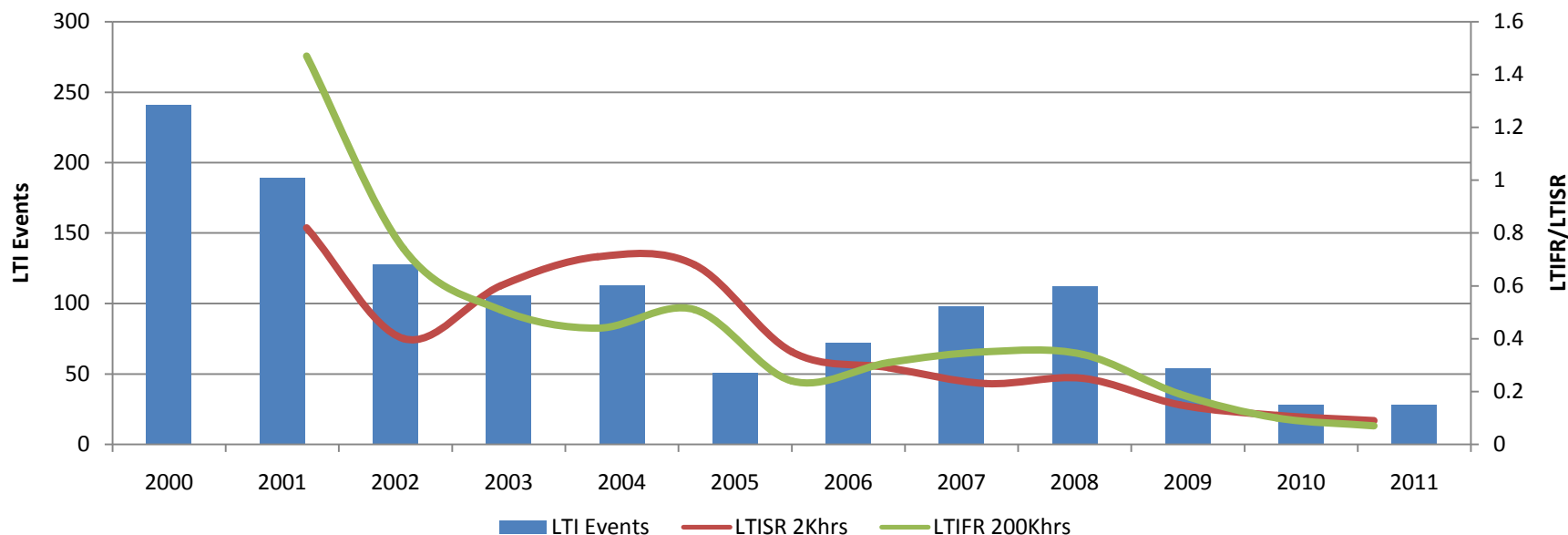
- Induction of diverse new talent
- Formation of Growth/strategic planning cell to drive key growth initiatives
- Increased deployment of technology and TQM methodology across the organization



Focus on Safety

- Safety, Health, Environment and Quality policies regularly monitored and reviewed
 - Significantly reduced LTIs between 2000 – 2011
- Received internationally recognised occupational health and safety certification:
 - International Golden Peacock Award for occupational health and safety
 - British Safety Council Award in April 2009 and April 2010
 - Zambia Federation of Employer's award for best safety and occupational health policy in 2009

KCM Lost Time Injury (“LTI”) Track Record¹



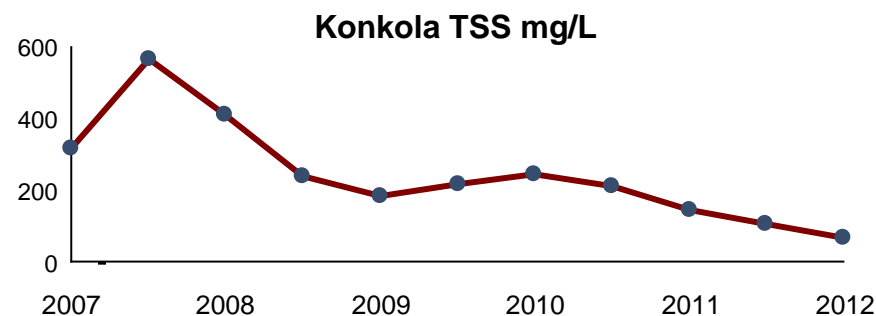
Source: Company

(1) Full year data for the calendar year ending December.



Environmental Stewardship

- KCM seeks out and invests in new technologies and operational improvements to prevent or minimise the negative impact of its operations on the biophysical and social environment
 - KCM's new smelter complex in Nchanga achieve sulphur recovery factor exceeding 97.5% and eliminates >99% of sulphur emissions
- Governed by principles of sustainable development
 - Achievement of the British Standards Institution's International Standards Organisations ("ISO") 14001 certification for Konkola and Nampundwe mines
 - Investments in programmes to promote reforestation and better agricultural practices. Current project include an initiative to reduce indigenous timber consumption through use of plantation timber
- At Konkola operations, significant success has been achieved in bringing down total suspended solids (TSS) in discharged water from an yearly average of 200mg/L in 2009 to below 70mg/L in 2012.
 - Current performance is well within statutory limits
 - Lower TSS has improved pump and power efficiencies



Community Welfare: Education, Sports and Recreation



Education

- Runs two trust schools – provide primary and secondary education to over 1,800 children of mine employees and related communities
- Provide computer equipment and computer laboratories in government high schools in local communities
- Provide training for teachers in IT skills
- Committed to provide several years of computer maintenance support to schools
- Maintains scholarship programmes
 - Scholastic Excellence Award to top performers
- Constructed early childhood care and development centres in Chililabombwe and Chingola for Marketeers' children



Sports and Recreation

- Zambia's biggest private supporter of sport
 - Sponsor of 2011 and 2012 Zambia Open golf championships
 - National soccer league (KCM-FAZ league) from 2005-2010
 - Four KCM national football clubs
 - Sports infrastructure support
 - District school football tournaments



Local Economic Development and Healthcare Initiatives



Local Economic Development

- Sustainable Livelihood Programmes:
 - Promote income generation among vulnerable groups
 - Cattle distribution to women
- Goat rearing for small-scale farmers
- Widows Tailoring Project
 - Supported the development of two widows tailoring and designing co-operatives
 - Industrial garments were made by women to sell to KCM
 - Supported small-scale agricultural activities
- Child-aid partnership with DAPP (NGO)
 - Improve living conditions for up to 15,000 households in Chingola and Nampundwe
- Infrastructure Support projects
 - Sinking 2 boreholes for rural communities in Chingola to provide potable water
 - Development of water and sanitation facilities at Nyimba's Kenneth Kaunda Children of Africa Foundation
 - Spent over \$5m on road and street lighting repairs



Healthcare Initiatives

- KCM runs 2 hospitals - the Nchanga South Hospital and Konkola Mines Hospital
 - Rank among the best in the Southern African region
 - Run by highly-qualified and experienced consultants covering medicine, surgery, paediatrics, urology, orthopaedics, obstetrics, gynaecology and anaesthesia
- KCM also runs 5 satellite clinics around its operational areas
 - The "Rollback" Malaria Control Programme started in 2000 has been recognised as one of the most successful malaria eradication initiatives
 - Successfully reduced the prevalence of the disease in and around its operations by over 80%
 - No malaria death recorded at any of the KCM Group's health facilities since 2002
- 2012: Launched a major eye-care initiative to screen and treat members of society for diabetes-related eye conditions in and around the areas of KCM operations
- 2009/10: The "Moneni2" Project
 - Distribution of 23,000 pairs of eye glasses to school-going children and adults of over 40 years of age suffering from short or long-sightedness
- 2008: The "Moneni" Eye Cataract Project
 - Helped to restore the sight to 171 elderly people during a campaign in which over 3,000 people were screened and treated free-of-charge for various eye conditions
- 2007: Door-to-door family health check programme
 - Provide basic health information, counselling & general health checks to mitigate impacts of HIV/AIDS
- 2006: Provided artificial limbs to people in Zambia



Summary

