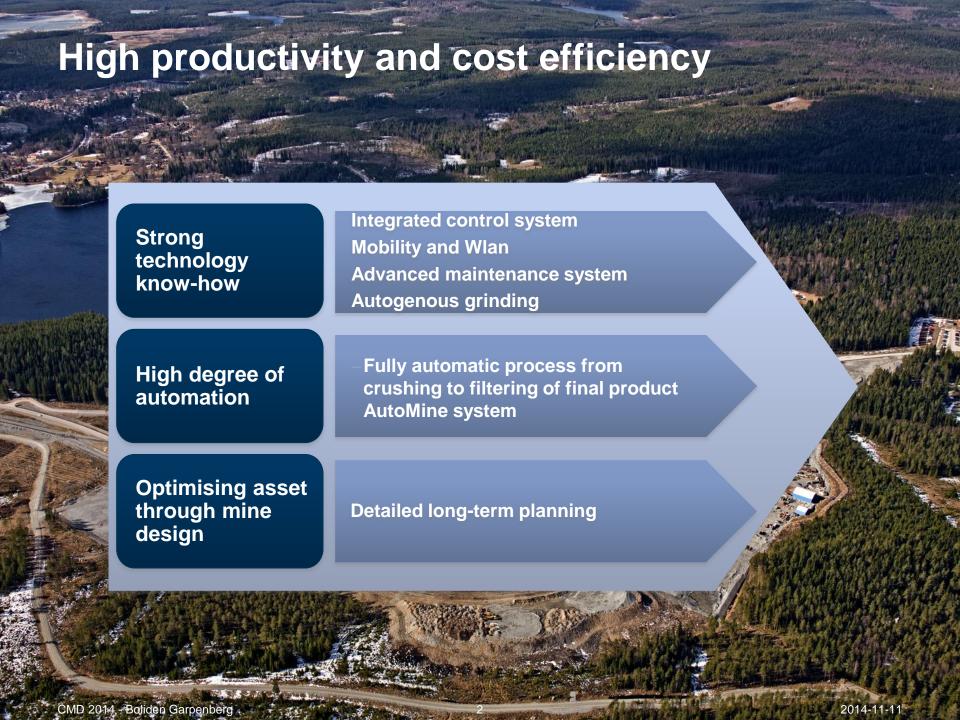


Boliden Garpenberg – High productivity and cost efficiency

Hans Jönsson, General Manager Capital Markets Day 2014 11 November 2014

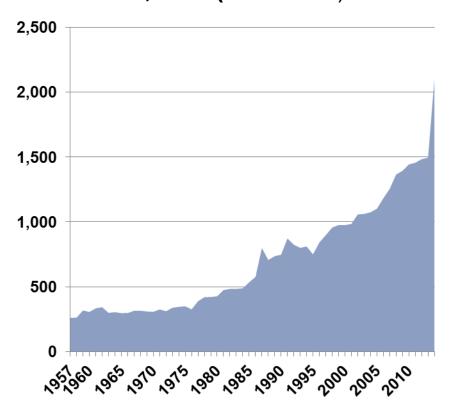




Garpenberg – One of the world's oldest and most modern mine

- Sweden's oldest mining area in operation
- Deposits first mined in the 1200s
- Acquired by Boliden in 1957

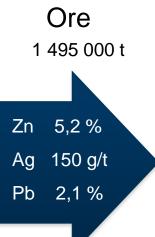
Milled ore, kton (1957-2014)





From ore to metals 2013







Mineral concentrates

166 000 t

Zinc conc.

Lead conc.

Copper conc.







127 000 t

36 000 t

3 000 t





Cu 18%

+Ag +Au







Silver: 160 000 kg Lead: 25 000 t







Gold: 280 kg



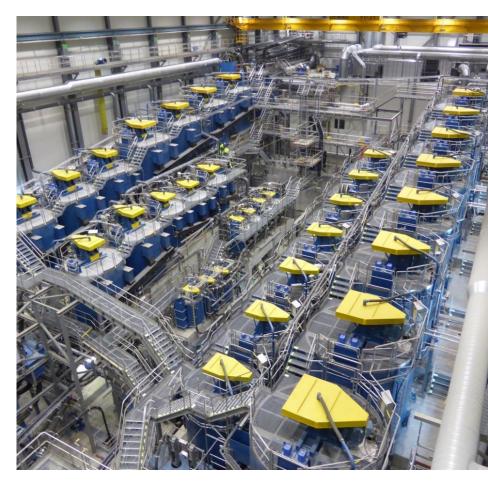


Copper: 520 t



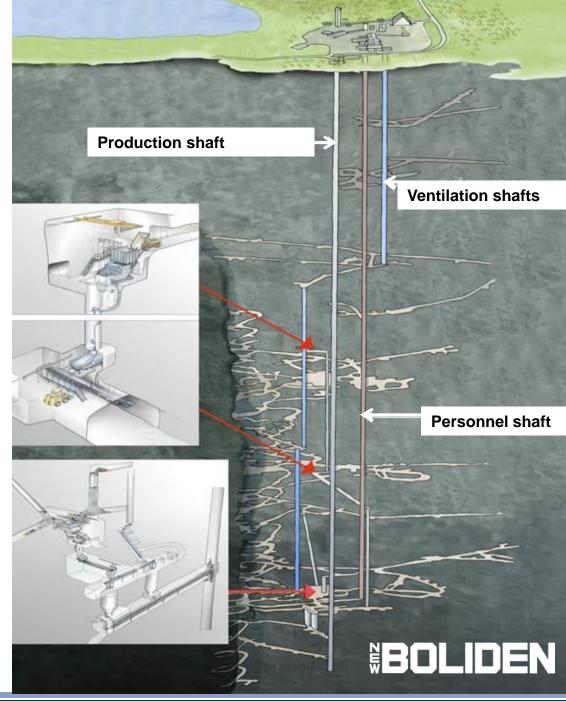
Garpenberg 2.5 expansion

- From 1.4 to 2.5 mt of ore/year
- Production start May
- New industrial area
 - New underground facilities
 - New concentrator
 - New infrastructure
- Capex SEK 3.9 billion
- Boliden's 2nd largest investment
- Reserves 36.3 (25.6) Mton
- Resources 38.1 (44.5) Mton





Underground facilities

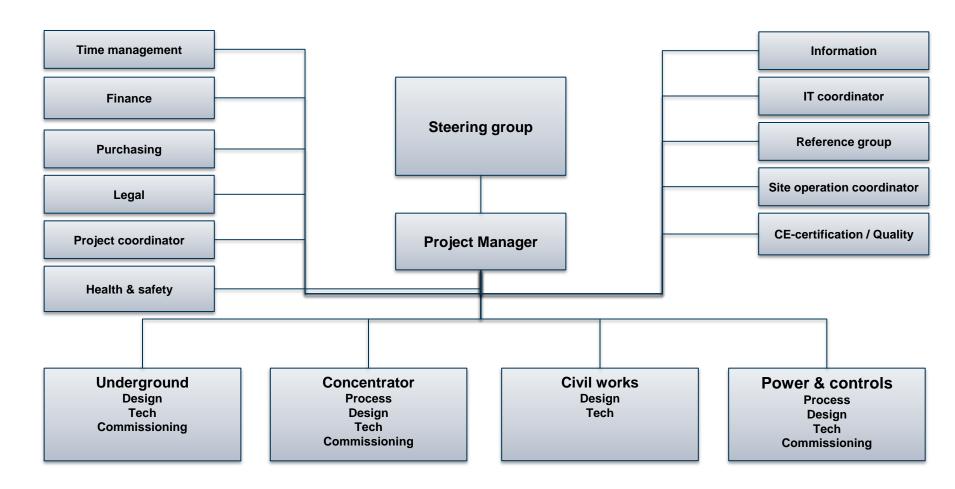




Inauguration of Garpenberg – 26 August 2014



In-house project management key factor to deliver on time and budget

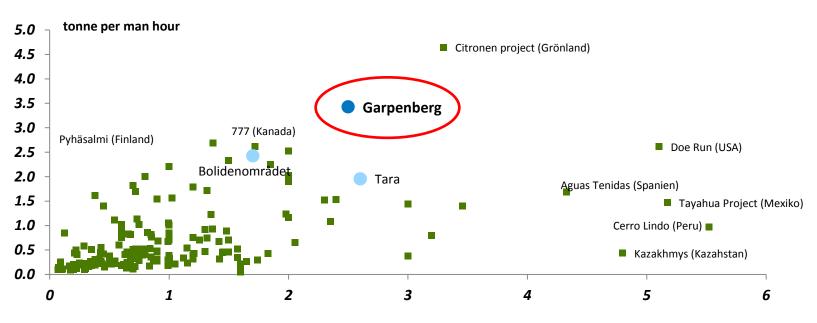


9



High level of productivity

Zinc - underground mines 2016



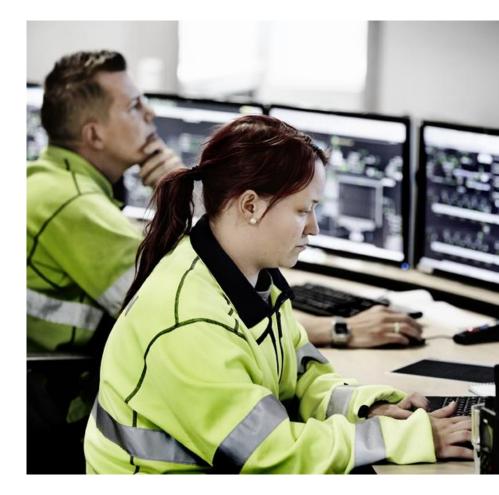
Million tonne ore production per year



Source: Wood Mackenzie

Integrated control system drives efficiency

- One of the first mine with an integrated control system for mine and mill
- Improved control
 - General overview
 - Sequence start and stop
 - Mobile control room
 - 130 HD cameras
- Increased process efficiency
 - Analysing production disturbances with alarm lists and event log
 - On-stream analysis system,
 24 different samples
- Lower costs for maintenance
 - Integrated with maintenance system





Mobile control room increases flexibility



Advanced maintenance system for high availability

- Monitors critical machines to minimise breakdowns
 - Online vibration measurements
- Integrated with control system
 - Improved surveillance
 - Easier access to maintenance system
 - Easier to make a work order
 - Easier to get access to drawings and other documents
 - Easier to make notice of error
 - Diary improves visibility over time





WLAN enables high degree of automation and access of information

- Implemented in vital parts of mine
- Condition for autonomous loaders
- Plans for status control and operational guidance





Autogenous grinding – lower costs

- Ore grinds itself
- Lower costs
 - No external grinding media added
 - Less mill liner wear
- Grinding technology in all Boliden mines





Higher productivity through autonomous loaders – AutoMine system

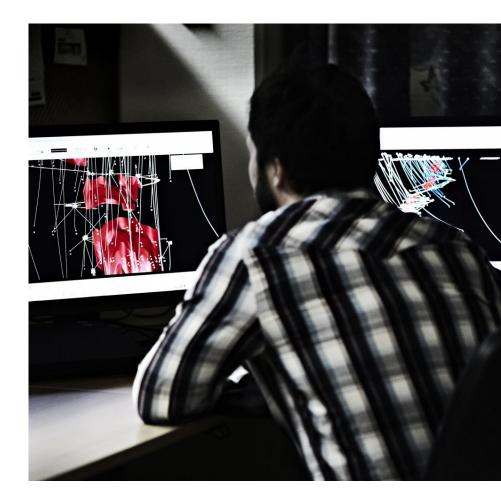
- Loading and hauling the ore after blasting
- Controlled remotely via WLAN
 - Operator can be in a control room
 - Loading and unloading by remote control by operator
 - Transporting between loading and unloading autonomous
- Ability to operate during blasting
- Improved safety





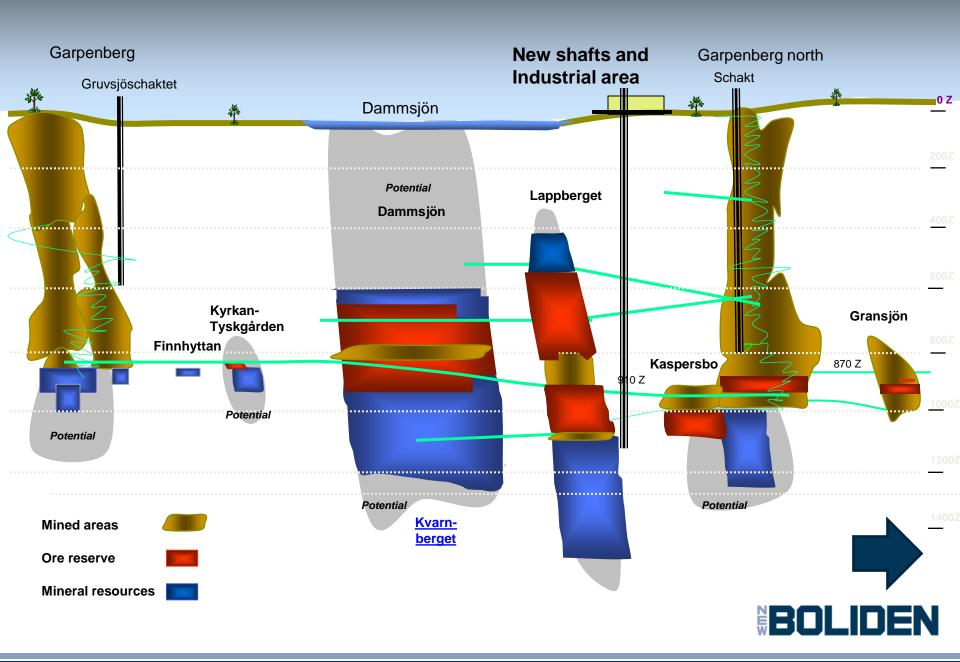
Mine design

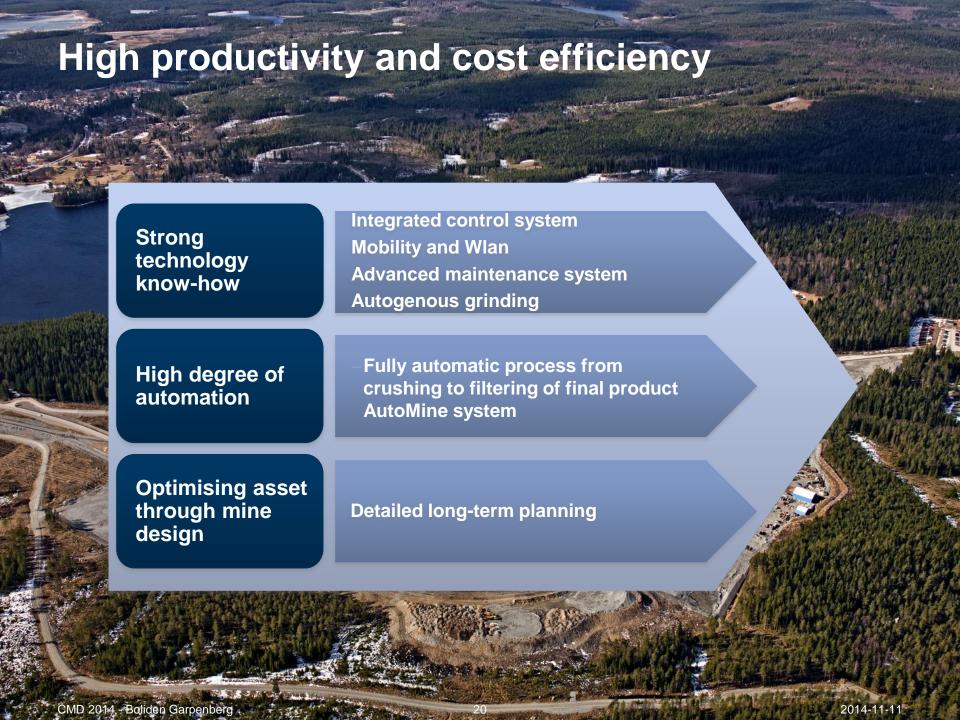
- Designing for life of mine
 - Capex planning
 - Production planning
- Optimizing the NPV of the ore body
- Minimize lead time between work processes at faces/stopes/ benches
- Mining is a huge construction project











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