



Capital Markets Day

November 2008

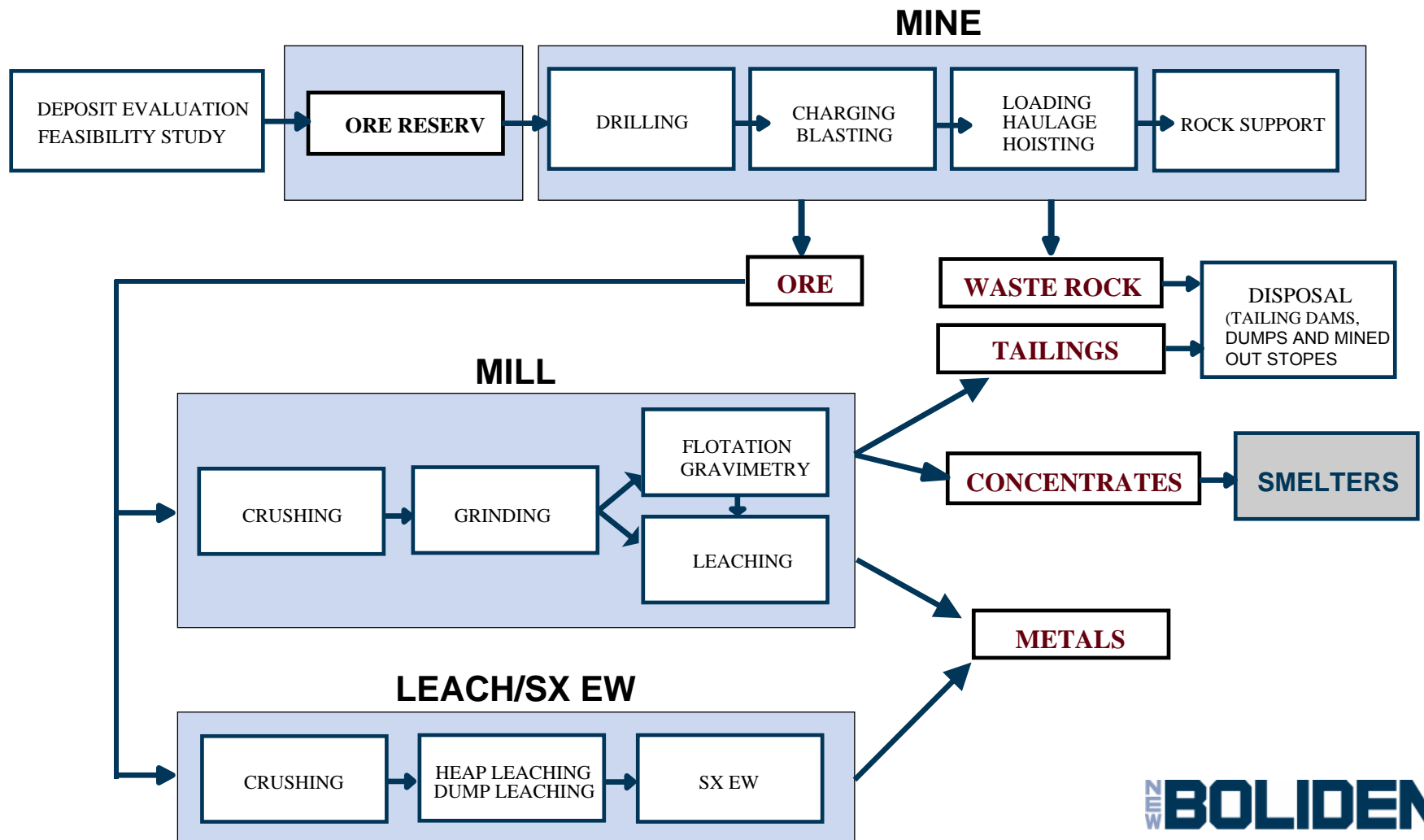
Ore reserves

Jan Moström

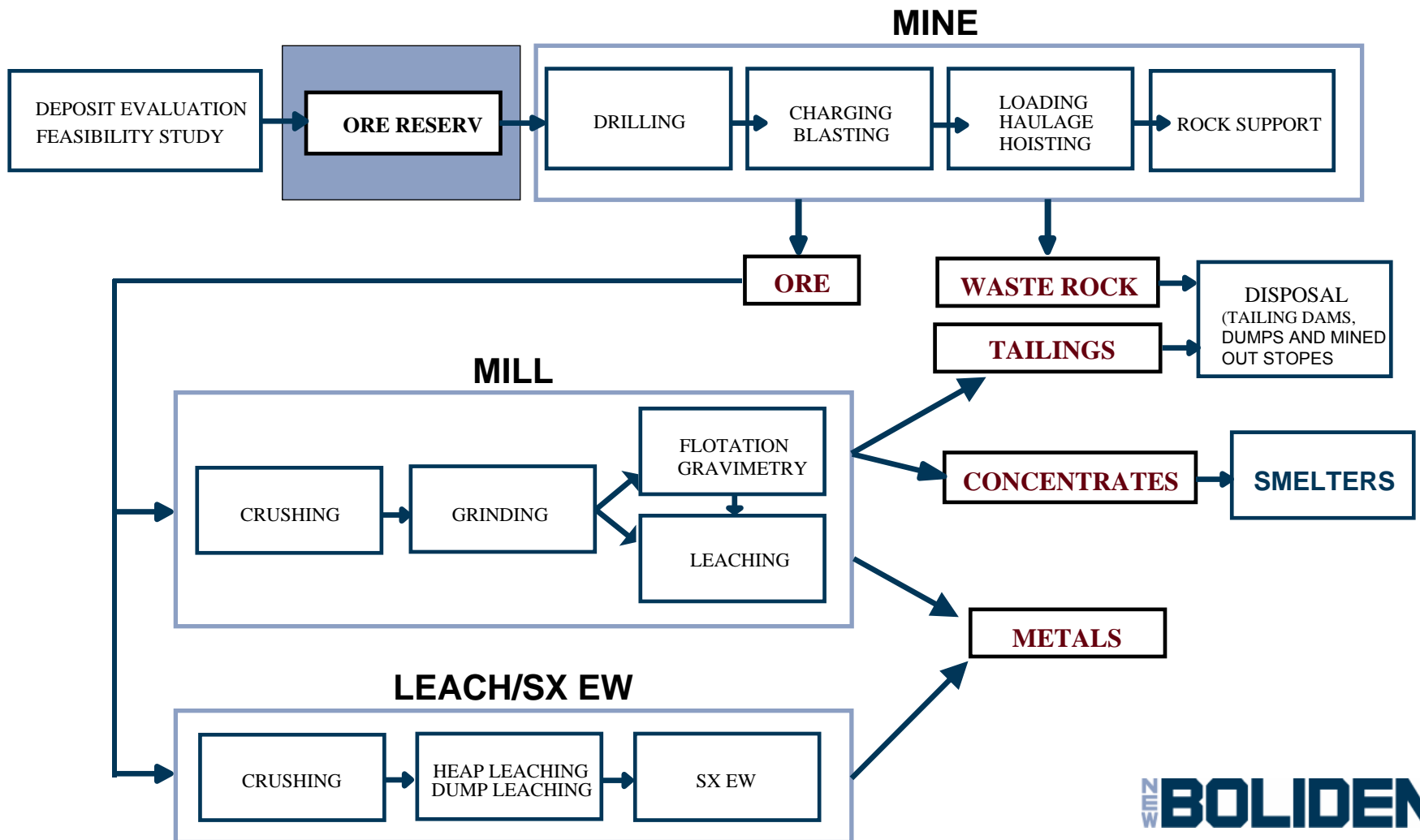
President BA Mines



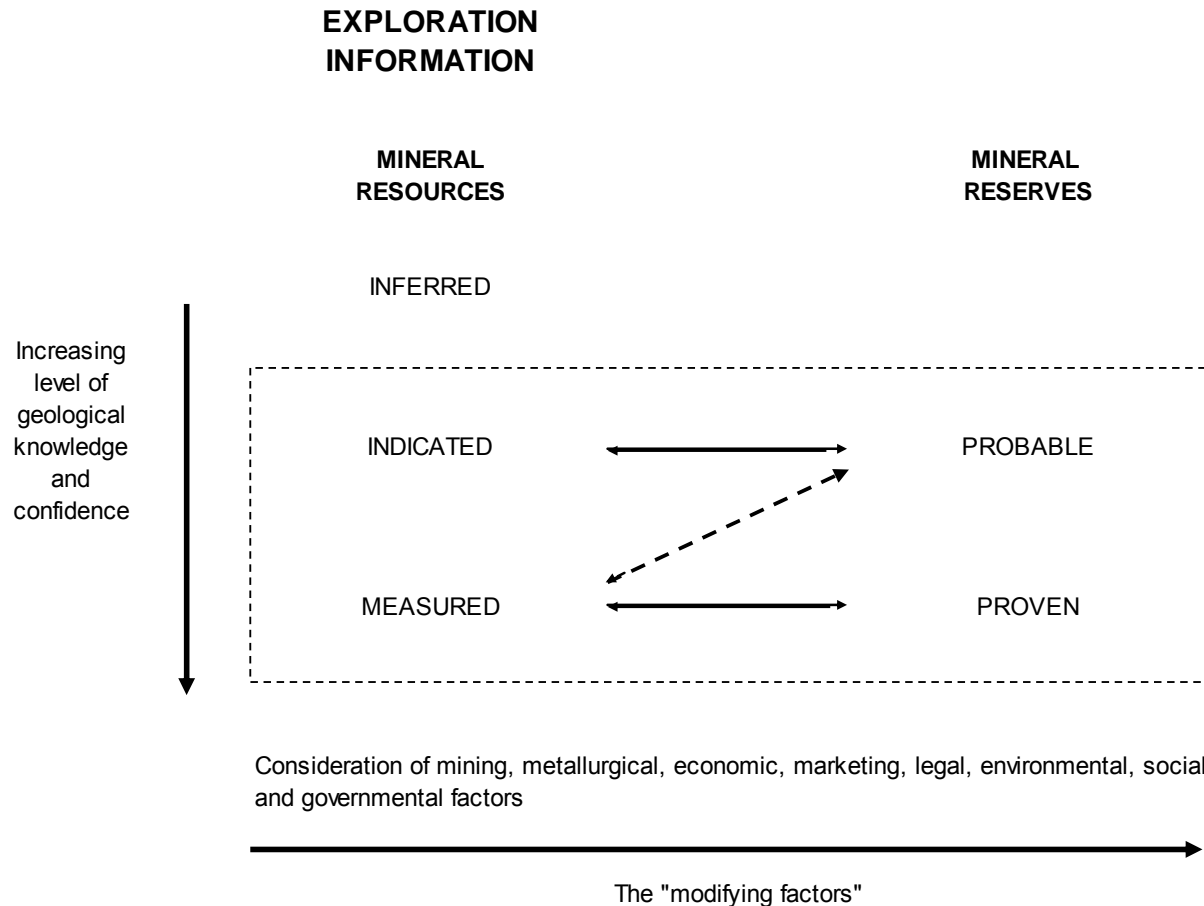
Base metal and gold and mining phases



Ore reserve



Mineral resources and ore reserves



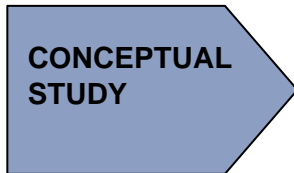
Mineral resource

A concentration of minerals in the bedrock that may become commercially extractable.

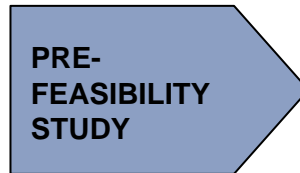
Ore reserves

Parts of a mineral resource that can be mined and processed in accordance with demands of profitability

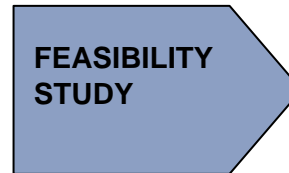
Study categories



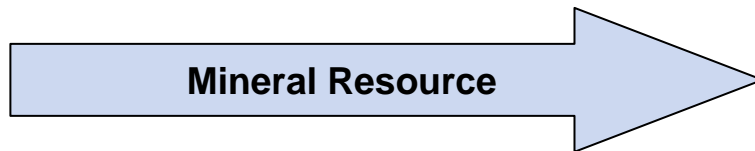
Guide for exploration and further studies.



- Based on at least indicated resource.
- Several operational alternatives investigated.



- Alternative of choice, design, construction and plans for operating the mine.
- Permits.
- Complete work for investment decision.

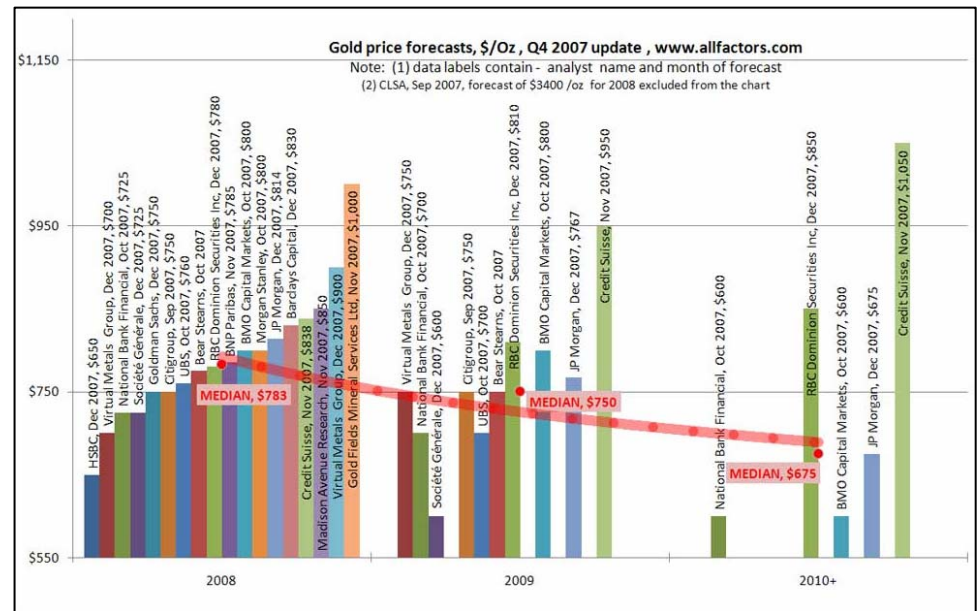


Ore reserves, mineral resources and metal prices

- Evaluation of mineral resources and ore reserves according to standards of JORC code and modified NI 43-101 (Canadian legislation)

Metal prices used:

- Company long term price forecast
- International institutes' estimates
- In USA – average prices prevailing in the last three years



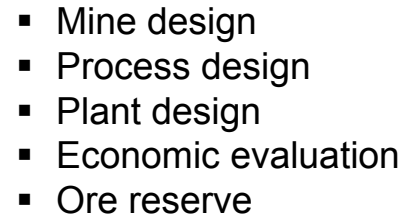
Pre-feasibility study



PRE-FEASIBILITY STUDY

- Late stage in an exploration project
- Based on indicated resource
- Alternative solutions studied (≤ 3 alternatives)
- Accuracy +/- 20-25%

Output

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- Mine design
 - Process design
 - Plant design
 - Economic evaluation
 - Ore reserve

Feasibility study



FEASIBILITY STUDY

- Final stage before construction
- Based on measured/indicated resource
- One alternative studied
- Production plan
- Sensitivity and risk analysis
- Implementation plan
- Accuracy +/- 10-15%

Output

- Mine design
- Process design
- Economic evaluation
- Ore reserve
- Detailed equipment list
- Lay out drawings
- Implementation plan
- Sensitivity analysis
- Permits

Mine construction



Mine production



BOLIDEN