Extension of Boliden Tara zinc mine

January 11, 2017
Extension of Tara

**Increased mineral resource**
- New discovery Tara Deep
- 10 Mtonnes inferred mineral resource with good grades
- Track record in converting mineral resources to reserves

**Extending tailings dam**
- Current tailings dam limiting mine life to 2020
- Decision to extend the dam with capacity to 2026
- Calculations based on production through 2023

**Building drift to new mineral resource**
- Enables intensified exploration
- Reduces cost compared to drilling from surface

**Sustaining Boliden’s zinc mine production**
- Tara accounts for almost half of Boliden’s zinc concentrate production
- Tara is one of the largest zinc mines with attractive clean concentrate
Tara development

- 2009 New concentrator plant
- 2014 Improvement plan
  - Flexible organization
  - Headcount reduction, 700 to 570
  - Upgraded and reduced mobile fleet
- 2014-15 Production disturbances
- 2016 Stable operations
  - Improved production
  - Mineralization, 10 Mtonnes, Tara Deep
- 2017 Decision to invest
  - Extended dam
  - Exploration drift
### Tara Deep, increase of mineral resources

New inferred mineral resources of 10.2 Mtonnes (8.5% Zn, 1.8% Pb)

<table>
<thead>
<tr>
<th>Type</th>
<th>ktonnes</th>
<th>Zn, %</th>
<th>Pb, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven</td>
<td>4,200 (4,500)</td>
<td>6.5 (6.5)</td>
<td>1.5 (1.5)</td>
</tr>
<tr>
<td>Probable</td>
<td>12,300 (12,500)</td>
<td>6.2 (6.2)</td>
<td>1.6 (1.5)</td>
</tr>
<tr>
<td><strong>Mineral Reserves, total</strong></td>
<td><strong>16,500 (17,000)</strong></td>
<td><strong>6.3 (6.3)</strong></td>
<td><strong>1.6 (1.5)</strong></td>
</tr>
<tr>
<td>Measured</td>
<td>400 (600)</td>
<td>5.8 (6.1)</td>
<td>2.3 (2.0)</td>
</tr>
<tr>
<td>Indicated</td>
<td>3,800 (3,400)</td>
<td>6.8 (6.5)</td>
<td>1.9 (2.2)</td>
</tr>
<tr>
<td>Inferred</td>
<td>13,600 (4,700)</td>
<td>7.8 (6.2)</td>
<td>1.9 (1.9)</td>
</tr>
<tr>
<td><strong>Mineral Resources, total</strong></td>
<td><strong>17,800 (8,700)</strong></td>
<td><strong>7.5 (6.3)</strong></td>
<td><strong>1.9 (2.0)</strong></td>
</tr>
</tbody>
</table>

Note: As per 31 December 2016, data in brackets as per 31 December 2015

Roundings may occur
Dam extension

- Current dam limiting mine life to 2020
- Reserves in excess of dam capacity
- Extended dam with capacity to 2026
- Capex 33 MEUR
- Construction 2017-2019
- Conditional to permit
  - Permit approved November 2016
  - Appealed
  - Ruling in the end of Q1
Exploration and production drift to Tara Deep
Financials relating to extension of Tara mine

- Extended tailings dam 33 MEUR (capex)
  - Construction 2017-2019

- New drift 11 MEUR (opex and capex)

- Lower annual depreciation from 2017
Extension of Boliden’s Tara zinc mine

Attractive IRR

Sustaining Boliden’s zinc mine production
New drift in Kristineberg mine

- Rävliden deposit important for Kristineberg mine and the Boliden Area
- Decision to build new drift
  - Shorter time to define deposit and possible reserve upgrade
  - Lower cost than exploration from surface
- 130 MSEK (capex and opex), mainly 2017-2018
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Kim wants to win the championship. She couldn’t without metals.