

## **Press release**

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**Stockholm**

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# **Boliden expands in Garpenberg**

**Boliden is to invest SEK 3.9 billion in an expansion of the Garpenberg mine in Dalarna. The expansion will result in an increase in ore production from 1.4 million tonnes to 2.5 million tonnes annually.**

**A conference for analysts and media representatives will be held on Tuesday, 18<sup>th</sup> January at 10 am.**

**Location:** World Trade Center, Room: New York

**Link to web cast:** [www.boliden.com](http://www.boliden.com)

**Telephone conference:** (SE): 08-505 598 53  
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The market conditions for Garpenberg's metals – zinc, silver and lead – are deemed to be good for the upcoming years. SEK 3.9 billion will be invested in a new concentrator, new shafts and underground facilities as well as infrastructure. Garpenberg's current capacity is 1.4 million tonnes of ore annually. When the new facilities become operational in 2014, ore production will gradually increase from 2 million tonnes to 2.5 million tonnes by the end of 2015. At the same time, the production cost per tonne of ore will decrease by around 25 per cent.

"Garpenberg is a very competitive mine. The mine has reported strong growth over the past few years – both financially and in terms of ore reserves," says Boliden's President Lennart Evrell. "The investment is profitable, and will strengthen Boliden's growth over the coming years. The expansion will cut unit costs and thereby increase the possibility of utilising the area's geological potential."

Benefits of the expansion include an enhanced infrastructure which will give rise to more efficient transports and lower noise levels. The use of recycled water in the production process will also increase and water treatment will be improved. An application for a new environmental permit will be submitted to the Environmental Court in February 2011.

"Boliden expanded the Aitik copper mine in Gällivare in 2010, and will be expanding the capacity for recycling electronic scrap at the Rönnskär copper smelter in 2011. Now the step is being taken to expand the mine in Garpenberg, for which most of the investment capital expenditure will be made in 2012 and 2013," explains Boliden's President Lennart Evrell.

Garpenberg is one of the Boliden Group's four mining areas. The deposits in Garpenberg were first mined back in the 1200s, which makes Garpenberg Sweden's oldest mine in operation. Polymetallic ores containing zinc, silver, lead and smaller volumes of copper and gold are mined at Garpenberg. In 2009, Garpenberg posted an operating profit (EBIT) of SEK 793 million. The production of metals in concentrates was 90,000 tonnes of zinc, 30,000 tonnes of lead and 140 tonnes of silver. Garpenberg's ore reserves for 2009 were 25,800. Since 2004 the ore reserves have increased by 700 per cent.

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*Boliden is a leading European metals company whose core competence is in the fields of exploration, mining, smelting and recycling. Boliden's main metals are zinc and copper. Other important metals extracted and refined include lead, gold and silver. The operations are conducted in two Business Areas: Mines and Smelters. The number of employees is approximately 4 400 and the turnover amounts to approximately SEK 28 billion annually. Its shares are listed on NASDAQ OMX Stockholm, segment Large Cap and on the Toronto Stock Exchange in Canada.*

[www.boliden.com](http://www.boliden.com)