

Press Release

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Boliden to acquire Kevitsa mine in Finland

Boliden today announces that it has entered into an agreement with First Quantum to acquire the Kevitsa nickel-copper-gold-PGM mine in Northern Finland. The total consideration on a debt free basis is USD 712 million in cash. The agreement is subject to approval by competition authorities.

“This is an attractive opportunity to acquire a high-quality mine with excellent operational and geographical fit with Boliden. The acquisition of Kevitsa is consistent with Boliden’s growth strategy. Kevitsa started production in the end of 2012 and is an early stage mine, which we believe can provide good synergies with our existing business in mining, concentrating, smelting and regional exploration. It also establishes a nickel feed base load for our Harjavalta smelter”, says Lennart Evrell, President and CEO, Boliden.

“The timing of the acquisition fits us well. Boliden has executed substantial expansion projects in recent years and is ready to take on a new major project. Together with the Kokkola and Harjavalta smelters and the Kylylahti mine, the acquisition of Kevitsa will expand Boliden’s platform in Finland, an attractive geological region”, Lennart Evrell concludes.

The Kevitsa mine is a nickel-copper-gold-Platinum Group Metals (PGM) mine located in northern Finland. In 2015, nickel and copper accounted for roughly 40% each of net revenue, with gold, PGM and cobalt accounting for the remainder. The mine processed 6.7 Mtonnes of ore in 2015. The mine has 380 employees and around 200 contractors.

In 2015, production was 8,805 tonnes of nickel, 17,204 tonnes of copper, 12,847 ounces of gold, 31,899 ounces of platinum and 25,196 ounces of palladium. EBITDA during 2015 amounted to USD 42 million and EBIT was USD -6 million.

The total consideration for the transaction is USD 712 million on a debt free basis, paid in cash, together with adjustments for working capital and net debt at closing. The transaction will be financed with a committed 24 month bank facility provided by Nordea. Boliden will evaluate a range of refinancing options for this bank facility. The transaction is subject to customary approval by competition authorities in Finland, Sweden and Germany.

Goldman Sachs International is acting as sole financial adviser to Boliden in connection with the acquisition.

Boliden is a metals company with a commitment to sustainable development. Our roots are Nordic, but our business is global. The company’s core competence is within the fields of exploration, mining, smelting and metals recycling. Boliden has a total of approximately 4,900 employees and a turnover of SEK 40 billion. Its shares is listed on NASDAQ OMX Stockholm, segment Large Cap.

Conference call today, 10 March at 08.45 (CET)

Boliden will hold a conference call today, 10 March at 08.45 (CET) with President and CEO Lennart Evrell, and President Boliden Mines, Mikael Staffas. The call will also be available as an audiocast on www.boliden.com.

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The information provided comprises information that Boliden is obliged to present pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on 10 March 2016, at 07:30 CET.

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