

OCTOBER 2017
FACT SHEET

CREATING A WORLD-CLASS SOUTHERN AFRICAN ZINC COMPLEX

Vedanta Zinc International (VZI) – headquartered in Johannesburg, South Africa – is a grouping of zinc assets located in South Africa, Namibia and Ireland, owned by India-based Vedanta Limited, a listed subsidiary of Vedanta Resources plc.



OPERATIONS



Operations:

- Black Mountain Mining (BMM) and the associated flagship Gamsberg Project in South Africa's Northern Cape province;
- Skorpion Zinc Mine and refinery in the //Karas region of Namibia.

Mining and milling at the Lisheen Mine in Ireland was concluded in December 2015 after 17 years of operation and the mine is currently in an active closure mode.

VZI's vision is to create an integrated world-class regional zinc complex comprising the Black Mountain (including Gamsberg) and the Skorpion Zinc mining and refining operations. Our values of trust, entrepreneurship, innovation, excellence, integrity, respect and care form the core of our business.

OVERVIEW OF OPERATIONS

BLACK MOUNTAIN MINING

BMM comprises the Deeps and Swartberg shafts, and the Gamsberg project:

- **Deeps:** produces copper, lead and zinc, with silver as a by-product.
- **Swartberg:** produces primarily copper and lead, with silver as a by-product.

Between them, they give BMM an overall output of 1.7Mt of ore a year, and have a production capacity of 90,000tpa metal-in-concentrate.

Gamsberg

Discovered over 40 years ago, Gamsberg is VZI's South African flagship – and will exploit one of the largest known undeveloped zinc ore bodies in the world. A \$400 million investment in its development is well timed to feed into a global supply-demand gap and is part of Vedanta's commitment to the development of the region.

Gamsberg has a large reserve and resource of 214Mt, with an average grade of between 6 and 6.5%, and an estimated life-of-mine (LOM) of 30 years. In Phase 1, which has a LOM of 13 years, 4Mtpa of ore will be produced from Gamsberg's open pit and 250,000tpa of zinc-in-concentrate from its concentrator plant. First production is expected by mid-2018, with full production reached in nine to 12 months.

From the first blast for Phase 1 in July 2015, pre-start mining advanced according to schedule. Completion in April 2017 of an access ramp – essential for waste pre-stripping to access the ore body for bulk mining – was a significant milestone.

By June 2017, full waste pre-stripping of 3.5Mtpm had been achieved and is expected to continue at this rate until the start of ore production in mid-2018. In the course of prestart mining and pre-stripping, more than 25Mt of waste has been moved; by the start of production, the total will be 65-70Mt.

Construction of the concentrator plant and vital infrastructure for the overall project – including a power line, water pipeline and a high density polyethylene (HDPE)-lined tailings dam – has begun and is expected to peak in the last quarter of 2017.



SKORPION ZINC

The Skorpion Zinc complex is located in the //Karas Region of southern Namibia and comprises an open-pit mine and a refinery.

Currently, Skorpion produces around 1.5Mtpa of oxide ore, and has a nameplate capacity of 150,000tpa of refined zinc. While the remaining reserve and resource of 5Mt is expected to be exhausted by FY2020, Skorpion's ore body is open at depth and an extensive drilling programme is underway with a view to deepening the pit to access more mineable ore.

The next phase in the life extension of the mine is the expansion of Pit 112, which has become possible through the engagement of professional mining operator Basil Read Namibia, who will provide the specialist expertise and the urgently required bigger fleet of heavy mining equipment. This work is already well underway.



LISHEEN

Mining activity at the Lisheen Mine in Ireland was concluded in November 2015, with milling ceasing in December 2015 after 17 years of operation.

Focusing on physical closure of the mine and aftercare of the site, a best practice mine closure plan has been implemented to fully address regulatory authority permit requirements.

The cessation of mining at Lisheen was not the end of the story as far as VZI is concerned, as the mine is now in an 'active closure' phase. The closure programme is among the world's finest examples of environmentally sensitive mine closure and rehabilitation.



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