

Press release

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Stockholm31st March 2006**Boliden postpones Åkulla expansion**

As a consequence of the Environmental Court's rejection of Boliden's application for building a new tailings pond in the Boliden area Boliden has decided to postpone the expansion at its Åkulla mineralisation in the area. As a consequence of the ruling Boliden will be forced to give 51 employees in the mining area notice of redundancy.

The Environmental Court's negative ruling on 24th March concerning a new, expanded tailings pond is not compatible with future production at current levels in the Boliden area. As of the first quarter of 2007, production in the mining area is therefore expected to decline by about 10 per cent compared with current production levels. Altogether, the forecast cutback is expected to lead to a decrease in Boliden's planned mining production of copper and zinc by around 1 and 2 per cent respectively. It will be possible to compensate, at least in part, for this decline in production in the event of a positive ruling by the Environmental Court of Appeal.

"We had planned to have the new tailings pond – the Hötjärn tailings pond – operational in 2008. The negative ruling by the Environmental Court means that a future tailings pond cannot become operational until 2009 at the earliest. We are now lodging an appeal against the ruling, although the legal proceedings are expected to take so long that measures have to be implemented immediately," says Jan Moström, President – Business Area Mines.

In consultation with trade union organisations, among others, Boliden plans to seek solutions that will minimise redundancies.

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Boliden is one of the world's leading mining and smelting companies with operating facilities in Sweden, Finland, Norway and Ireland. Boliden mainly produces copper, zinc and lead, as well as gold and silver. Other important operations include mineral exploration and metal recycling. The company has around 4,500 employees and net sales of almost SEK 20 billion. Its shares are listed on Stockholmsbörsen's O-list and on the Toronto Stock Exchange in Canada.

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