

Press release

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Boliden invests in the Tara mine

Successful exploration at the Tara zinc mine in Ireland has identified a new mineralisation with an inferred mineral resource of 10 Mtonnes. Boliden has decided to expand the mine's tailings dam and launch a programme to extend the life-of-mine.

Tara, which is one of the larger zinc mines in the world, accounts for half of Boliden's production of zinc concentrate. Successful exploration has resulted in the discovery of a new mineralisation, Tara Deep, and an extension of the capacity of the tailings dam, which currently limits Tara's lifespan, has been decided. The new tailings dam will have sufficient capacity for production at current levels until 2026. The investment totals EUR 33 m and is conditional upon obtaining the necessary official permits. It is based on mining until 2023, but the new mineral resources offer additional potential. The construction of an exploration drift to the new deposit at a cost of EUR 11 m has also been approved.

"Tara's exploration work in the last few years has been successful, and the capacity of the tailings dam is now limiting the life-of-mine to 2020. New exploration successes, increased productivity, and high zinc prices make extending the mine's lifespan a profitable option, so we have decided to expand the tailings dam with a capacity until 2026," says Mikael Staffas, President Boliden Mines.

The new Tara Deep deposit has inferred mineral resources totalling 10 Mtonnes with a zinc grade of 8.5% and a lead grade of 1.8%. The mineralisation resembles Tara's main ore body, but has a more complicated structure and is at a greater depth of between 1,200 and 1,900 m. In addition to identifying the Tara Deep deposit, successful exploration in the existing mine managed to replace virtually the entire year's production in the mineral reserve. For further information, see the table below and www.boliden.com.

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

Note: As of 31 December 2016. Data in parentheses refer to 31 December 2015. Figures may be rounded up or down.

Conference call today, 11 January at 10.00 (CET)

Boliden will hold a conference call on the subject of this new venture today, 11 January at 10.00 (CET). Boliden will be represented by the President & CEO, Lennart Evrell, and Mikael Staffas, President Boliden Mines. The conference call will also be available as an audiocast on www.boliden.com.

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Boliden is a metals company with a focus on sustainable development. Scandinavian roots, global market. Our core competence lies within the fields of exploration, mining, smelting and metal recycling. Boliden has more than 5,500 employees and an annual turnover of SEK 40 billion. The stock is listed in the Large Cap segment on NASDAQ OMX Stockholm.