



Tenke Fungurume Mining, S.A.R.L. Second Quarter Results 2014

Lubumbashi, August 5, 2014: Tenke Fungurume Mining (TFM) is pleased to announce that during the 2nd quarter of 2014 TFM produced approximately 51,869 tonnes of copper cathode and 3,418 tonnes of cobalt metal contained in the form of cobalt hydroxide.

During the 2nd quarter of 2014, the company paid a net amount of approximately \$60 million in taxes and related payments to the Public Treasury and other public administration services of the Democratic Republic of Congo (DRC). All payments comply with the laws of the DRC. Since the project's inception in 2006, these payments have totaled approximately \$991 million, including:

- o \$230 million in payroll tax and related social obligations; including \$9 million paid in 2Q 2014
- o \$305 million in customs and related taxes, including \$14 million paid in 2Q 2014
- o \$421 million in royalties and other tax obligations, including \$36 million in 2Q 2014
- o \$35 million in work permits, visas and related payments, including \$0.5 million in 2Q 2014

TFM's cumulative investment in the project is approximately \$3 billion and is the largest private investment in the country's history. During 2013, TFM completed its Phase II Expansion, which included optimizing the current plant and increasing mine, mill and processing capacity. The expanded mill facility is performing well, with second-quarter 2014 average throughput rates of 15,200 metric tons per day.

The current operation provides employment to approximately 3,500 full time operational workers and 4,200 contractors. Approximately 98% of the operational employees and 91% of the contract work force are DRC citizens.

TFM continues to engage in drilling activities, exploration analyses and metallurgical testing to evaluate the potential of the highly prospective district at Tenke Fungurume. These analyses are being incorporated within future plans to evaluate expansion opportunities. TFM expects production volumes from the project will continue to expand significantly over time.

The company has also made significant investments in community development. Since 2006, TFM has funded a total of \$84 million in community development projects, including \$3 million in the 2nd quarter 2014 which includes program staff and administrative costs. Additionally, since the commencement of commercial production, TFM has set aside 0.3% of net metal sales revenue to fund the TFM Social Community Fund. Since the commencement of production, contributions committed to the Fund have totaled \$17.7 million. The TFM Social Community Fund is directed by representatives from the Tenke and Fungurume communities, the Province of Katanga, and TFM, who manage the funds for local community development projects.

In aggregate, the tax payments, transfer bonuses, asset payments, community development spending, and the Fund contributions represent a sum of more than \$1 billion in TFM financial and community development contributions to the DRC. Pursuant to the fiscal terms of its mining convention, TFM estimates more than half the economic benefits from the project will ultimately remain in the DRC in the form of taxes, royalties and duties, and that when economic benefits from the provision of local services (e.g., power purchases from SNEL) are included, more than two-thirds of the project's benefits remain in the country. As one of the largest copper producers in the DRC, and with prospects for continued growth and success, TFM is proud to be a contributor to this vibrant, growing nation.