

KGHMI “Status” Presentation

Purpose: Introduce KGHM International & provide overview of the Victoria Advanced Exploration Project

Expectation: You will have an understanding of the:

- Overall project scope & schedule
- Phases of the project
- Current status of the project

In & Out of Scope

IN	Out
<ul style="list-style-type: none">• Project Phases<ul style="list-style-type: none">○ Advanced Exploration○ Production Expansion• Geoscience & Metallurgy• Stakeholder Status• Advanced Exploration Shaft<ul style="list-style-type: none">○ Project Management○ Milestones	<ul style="list-style-type: none">• Detailed Mine Design• Commercial terms• Processing• Financials



Forward Looking Statement

KGHM International press releases and information on Victoria Project together with supplemental data about our property portfolio and other information, are available on the Company's Web site at www.kghminternational.com.

All Company audio, visual and written presentations normally contain forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect the Company's current expectations regarding future results or events and are based on information currently available to management. Certain material factors and assumptions are applied in providing these forward-looking statements.

Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, management can give no assurance that actual results will be consistent with these forward-looking statements. Statements about potential discoveries or extensions of mineralization and deposits are examples of forward-looking statements. There is no guarantee that any discovery of commercial mineralization will be made on KGHMI properties. The material factors or assumptions that were applied in providing these forward-looking statements are contained in various securities filings, all of which are available on SEDAR at www.sedar.com and the Company's web site.

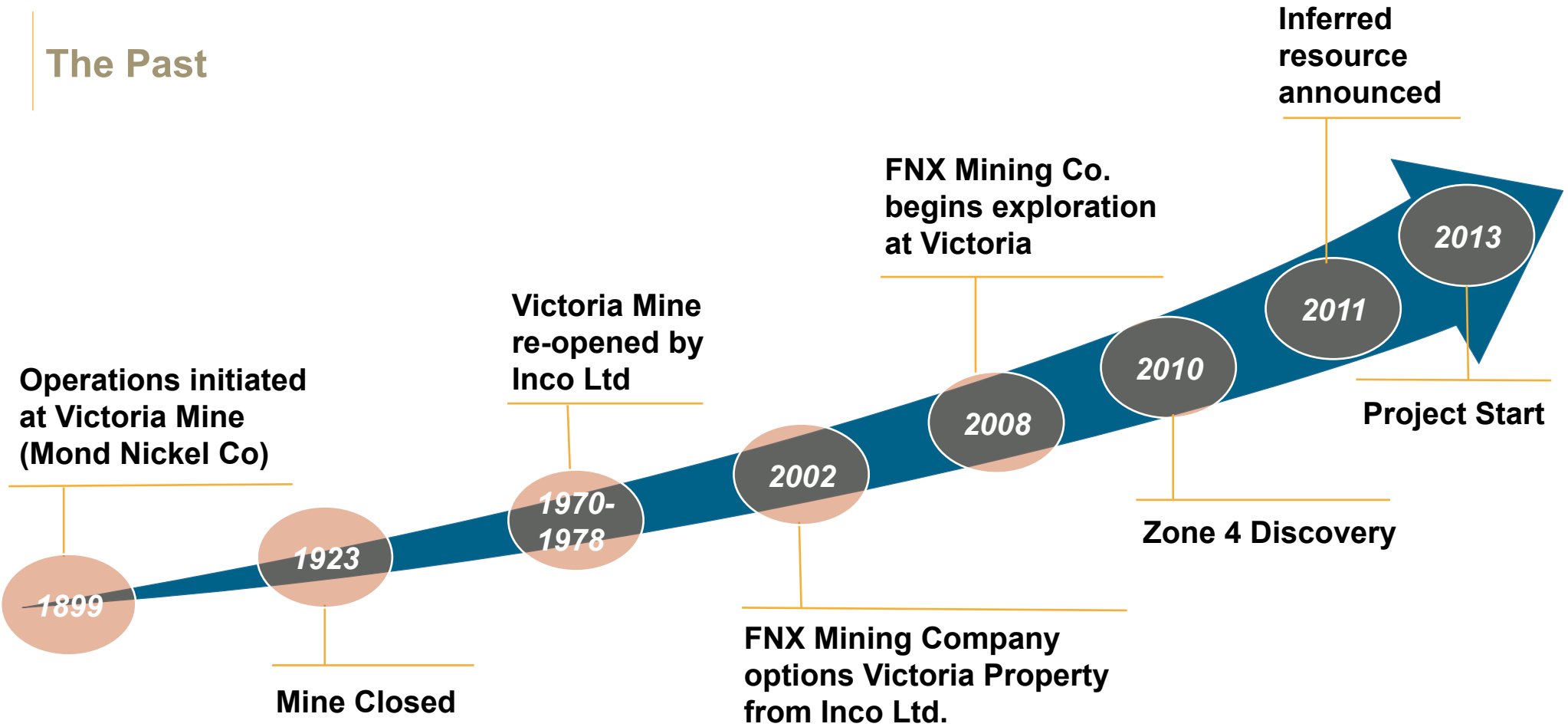
Undue reliance should not place on any of the Company's audio, visual or written forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances, except as may be required under applicable securities law.

KGHMI's qualified persons are responsible for verification and quality assurance of the exploration data and analytical results set forth in this presentation. KGHMI complies with all NI 43-101 rules and regulations.

KGHM International Ltd.



The Past

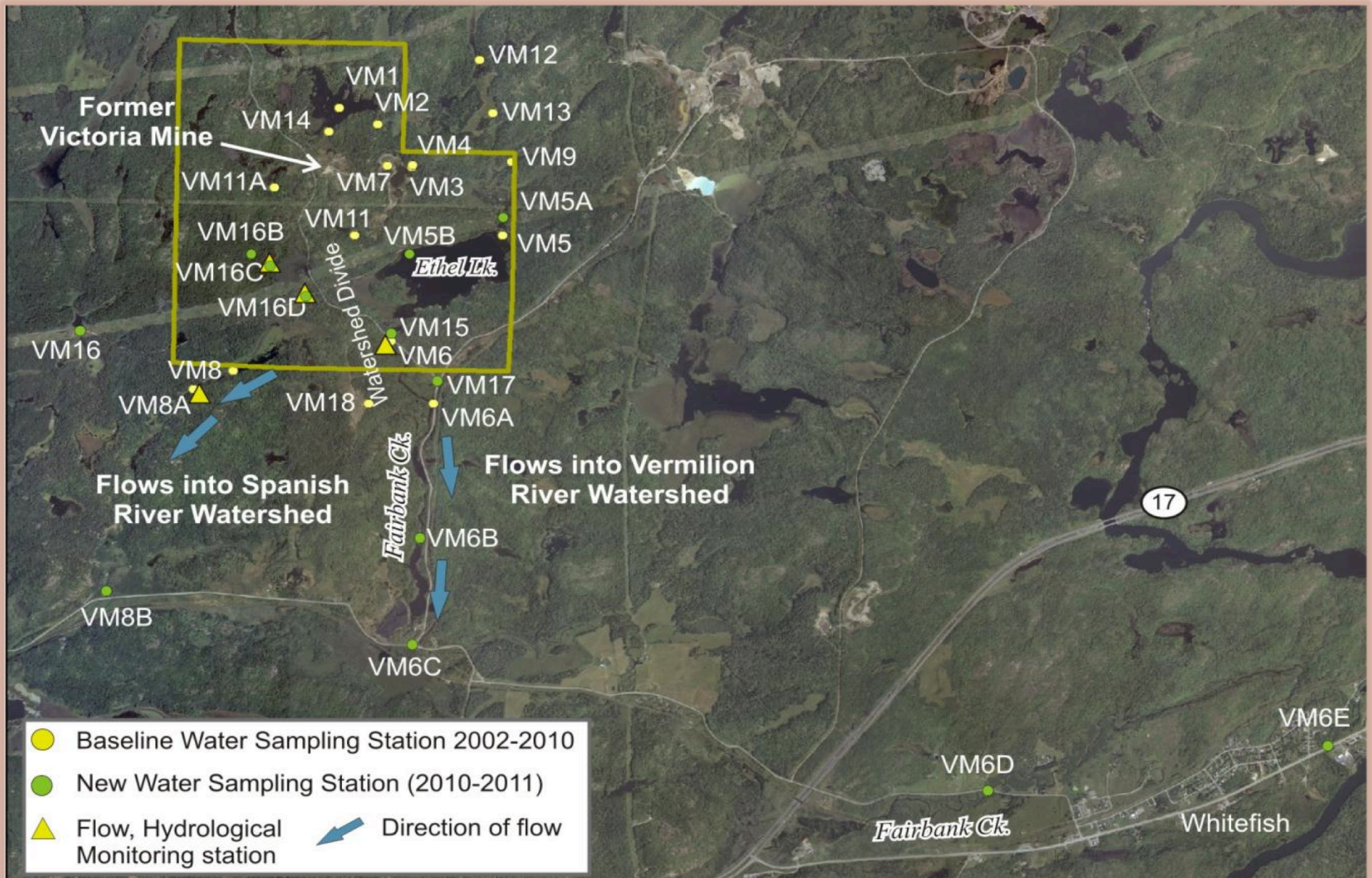


The Start - Environmental Baseline

- Surface water
Volume, flow rate, quality
- Ground water
Depth, flow direction, quality
- Weather
Temperature, precipitation, wind,
- Geochemistry of rock
Drill program & geochemical testing
- Aquatic organism surveys
Benthos, fish, wetland habitat
- Terrestrial organism surveys
Species at Risk, fauna, forest habitat



Surface Water Monitoring

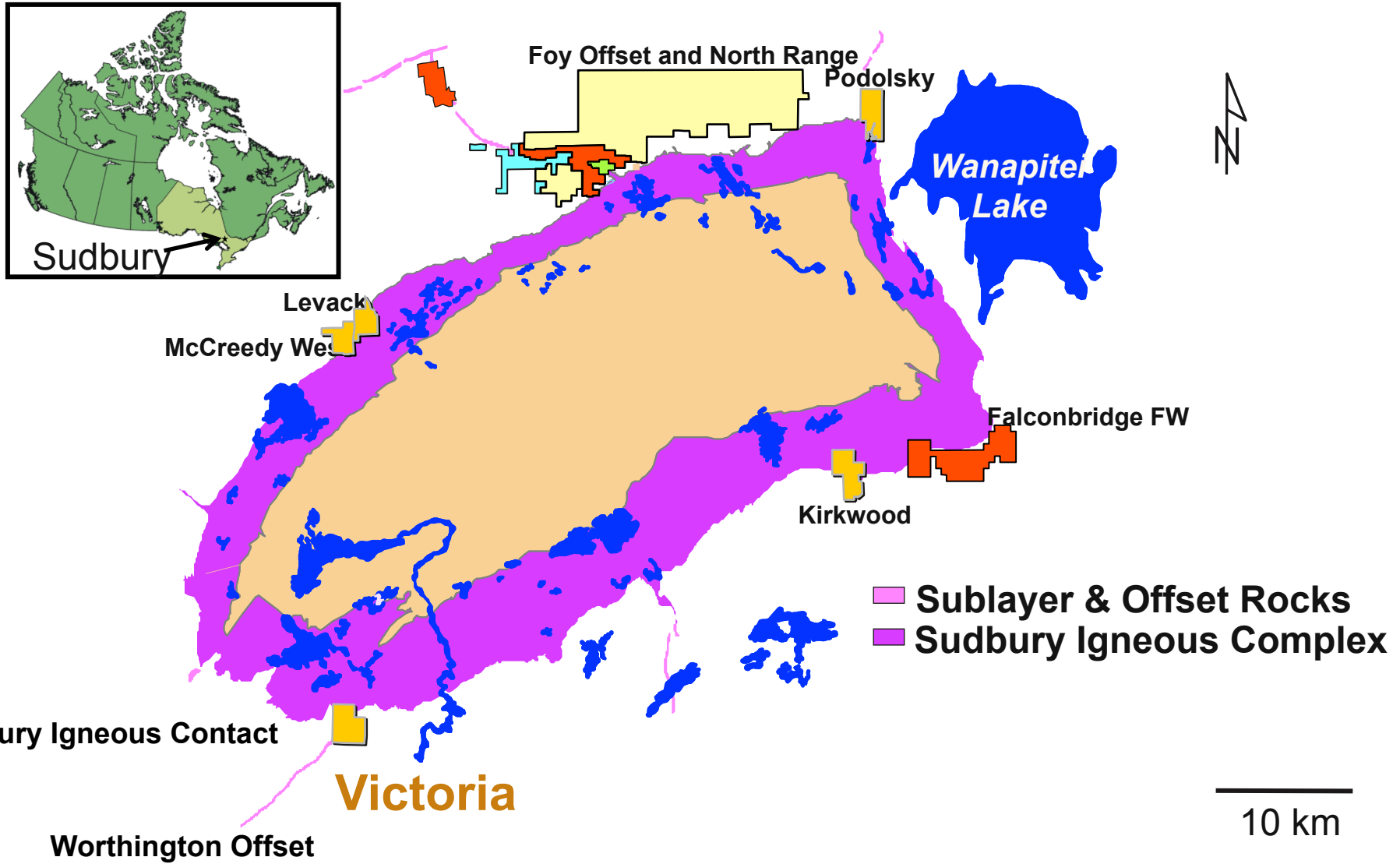


The Reason

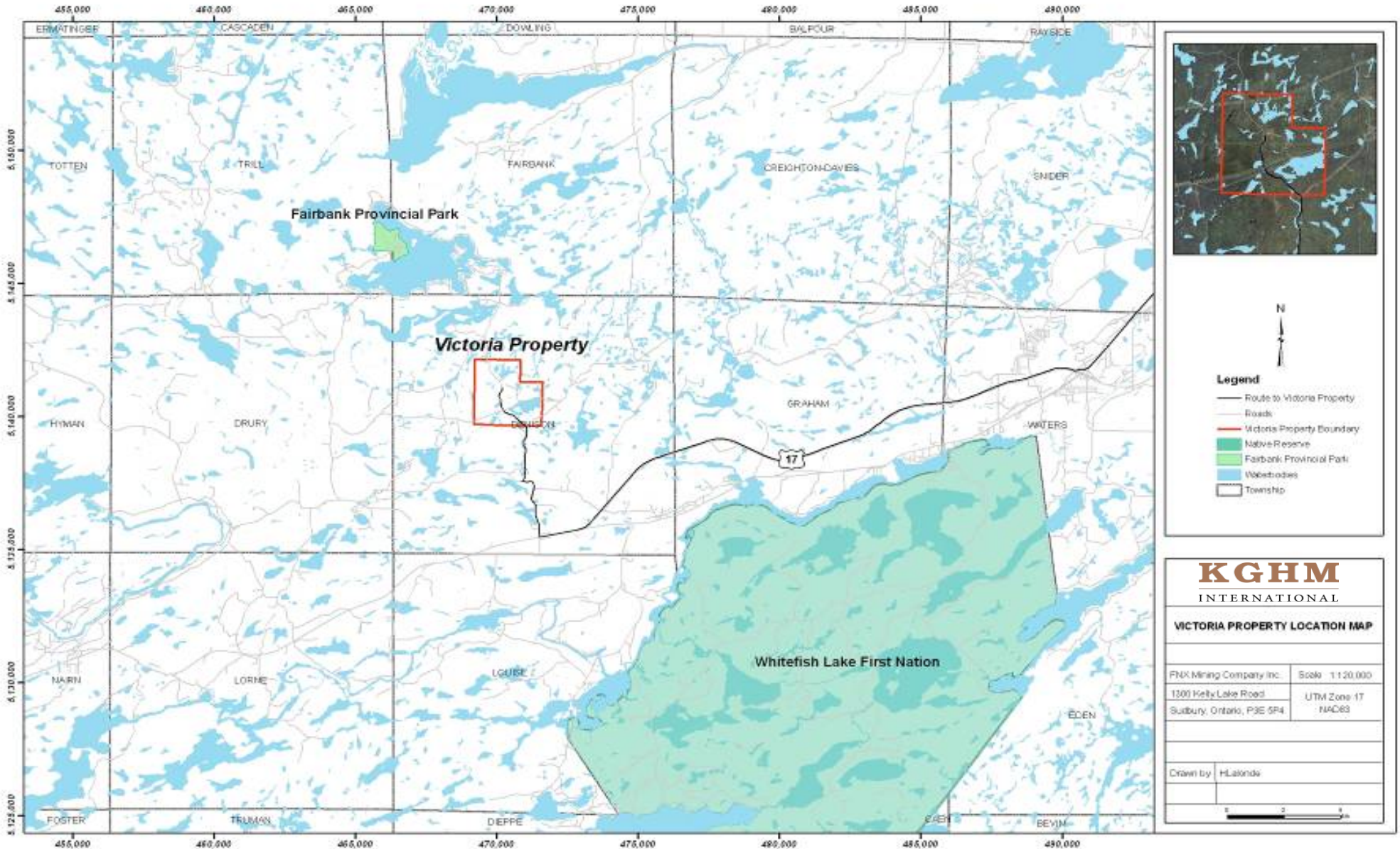
- 14.2 M tonnes of Inferred Resource in a Ni-Cu-PGE Deposit
- 2.5% Cu, 2.5% Ni, 0.23 oz/ton TPM
- 700 M lbs Cu, 700 M lbs Ni, 3.6 M oz TPM (Contained)



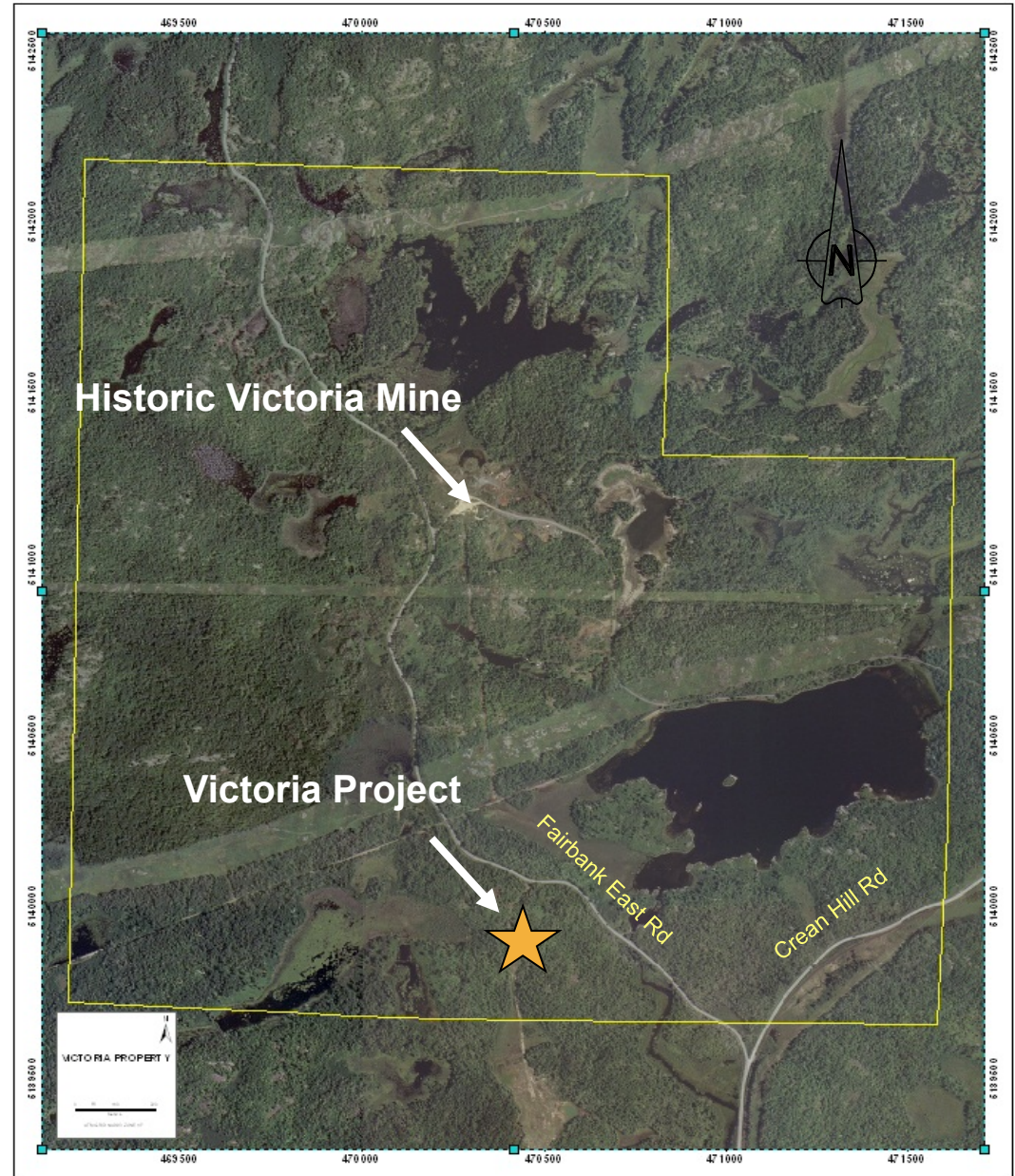
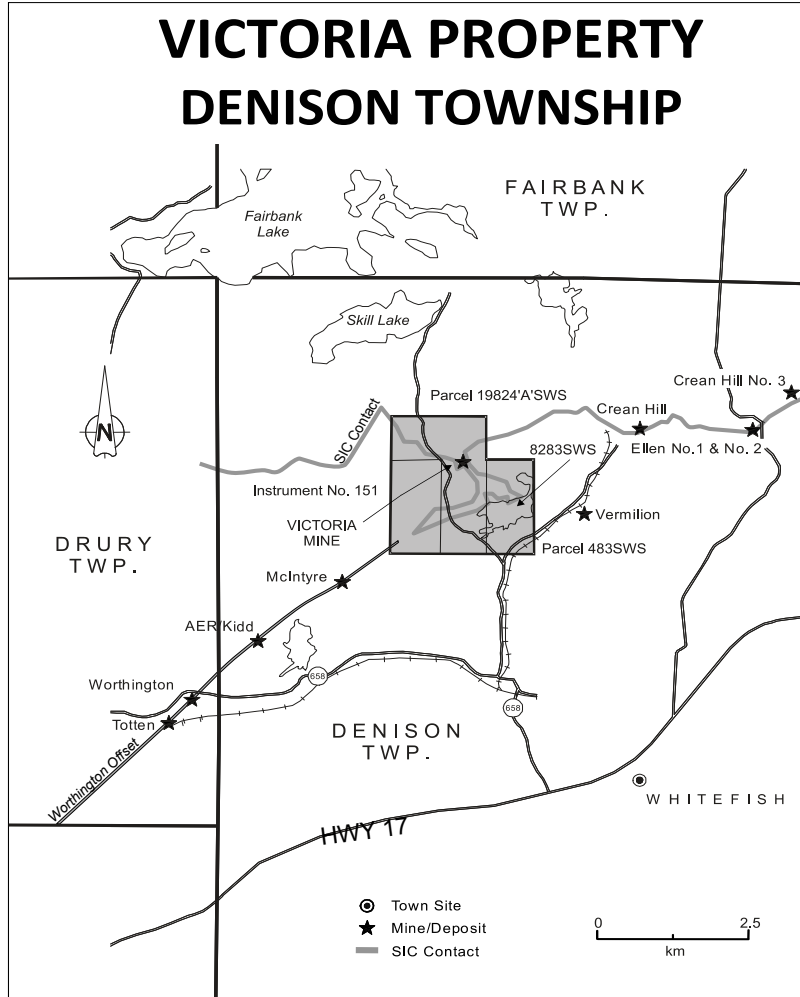
The Location



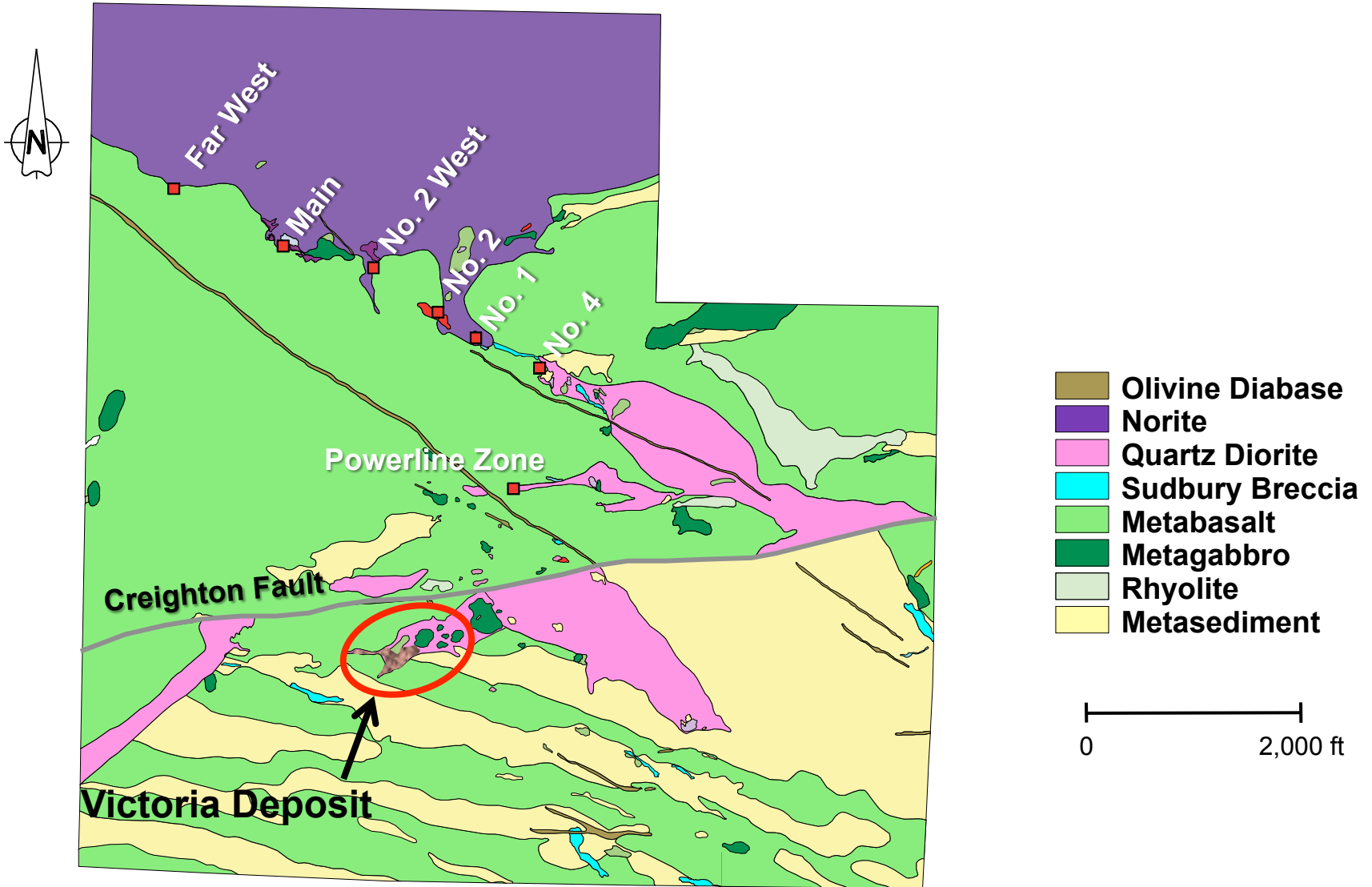
The Neighbours



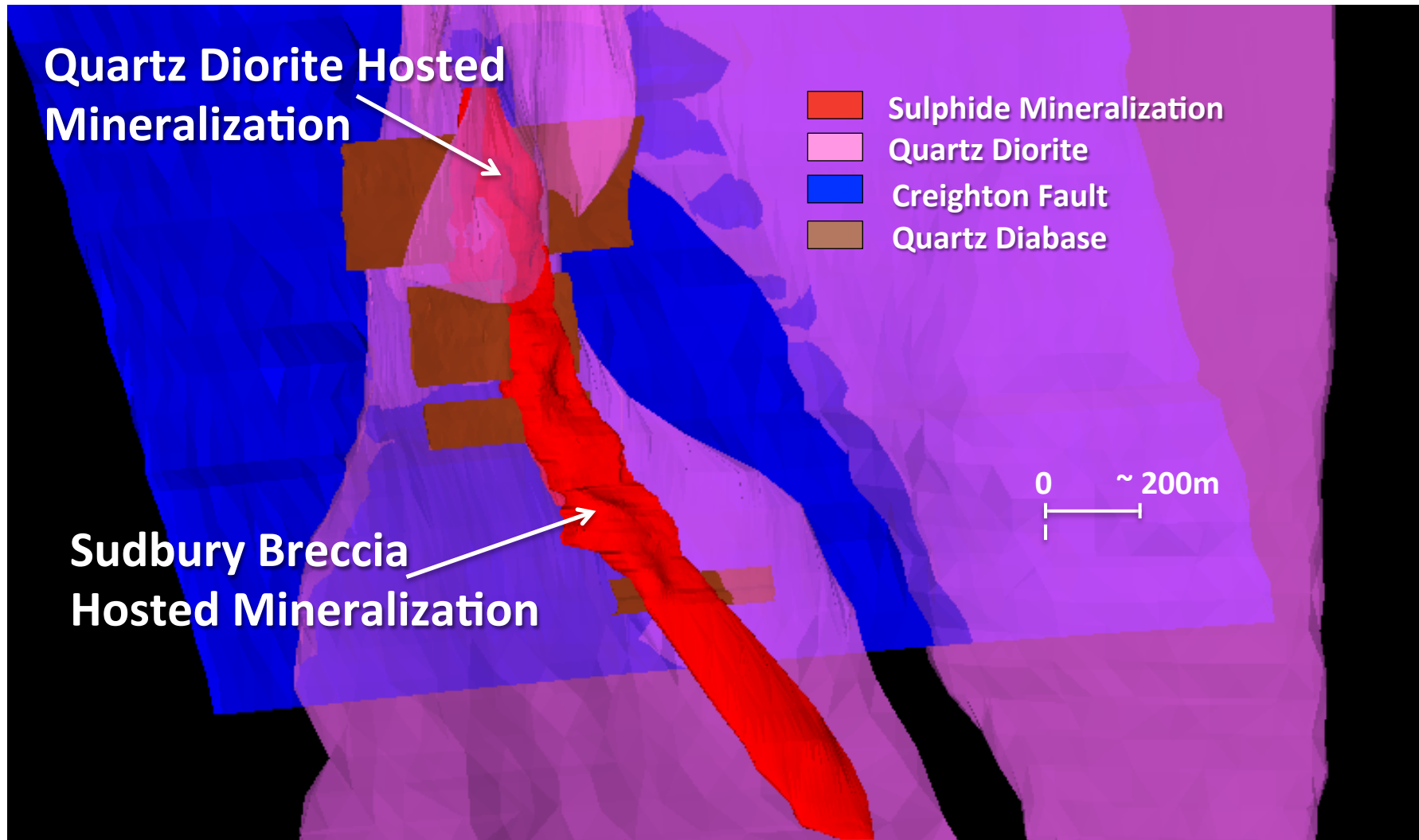
The Property



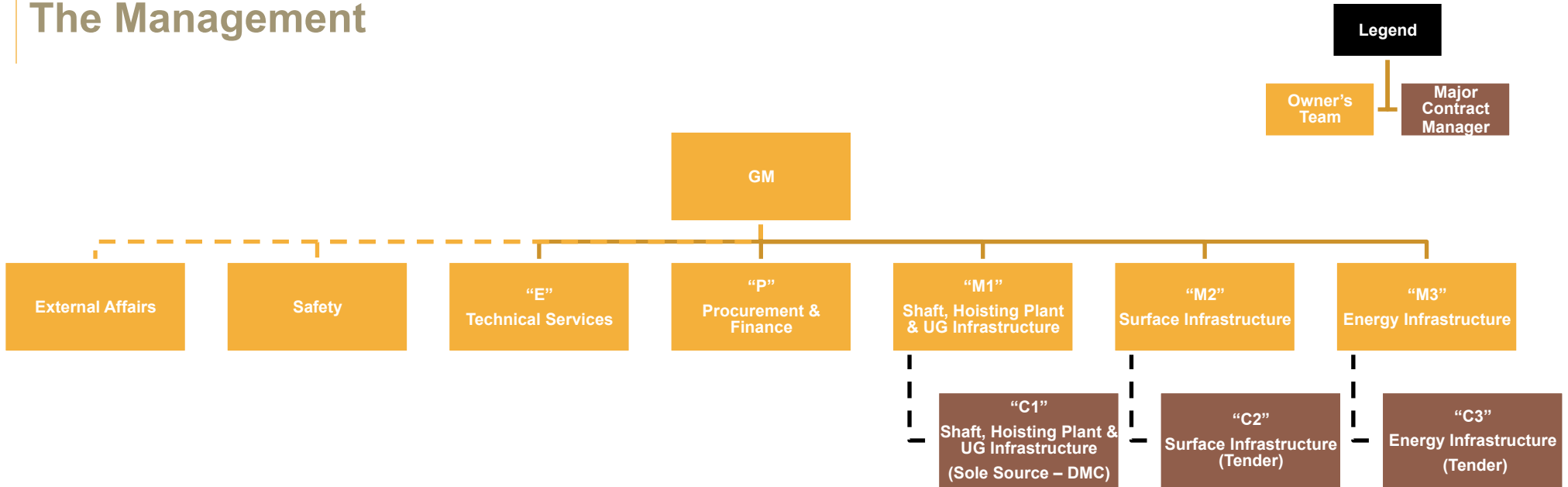
The Geology



The Deposit



The Management



EPCM

- Safety & External Affairs led by UG Operations Management
- KGHMI “E” Manager keeper of baselines, project controls
- KGHMI “P” Manager controls finance & purchase of assets
- KGHMI “M” Managers direct contact for the “C” Contractors
- “C” Contracts (3) – Design / Build

The Status

Project Team

- Established organization structure
- 9 critical hires, 27 secondary hires, total project team = 42
- Established integration with Operations

Permitting

- MNR – Timbering & SAR permits in hand
- MOE – PTTW & ECA's in review, anticipate issuance Nov./13
- MNDM – Closure Plan submitted, anticipate approval Oct. 20/13

Project Controls

- Project Charter approved
- Project Management Plan (PMI) in developed
- WBS & Chart of Accounts established
- Project budget established

Community Stakeholders

- Vale Agreement complete
- Road Upgrade Agreement with City of Greater Sudbury for approval
- First Nations
 - MOU's in hand
 - Exchanging IBA drafts



The Contracts

Site Preparation

- E – Earthworks at IFT (90%)
- P – Earthworks tender in October
- C – Timbering initiated, complete end of October
- M – Scope, schedule & cost defined

Shaft Sinking & Hoist Plant (DMC)

- E – GA's complete (30%), detailed engineering progressing
- P – Sinking hoists ordered
- C – Mobilize Apr./14
- M – Developing construction contract

Surface Infrastructure

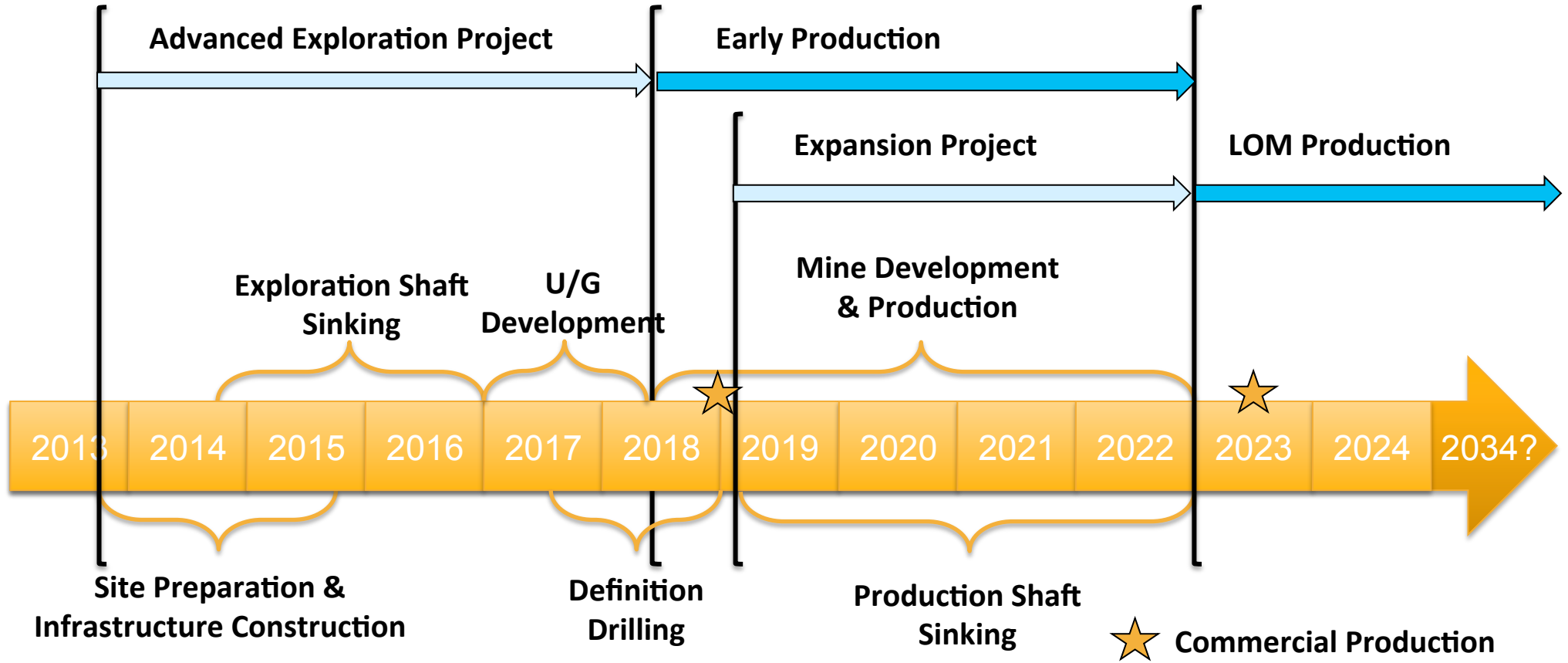
- E – Site GA's complete (30%), detailed engineering progressing
- P – WWTP equipment being fabricated
- C – Mobilize Apr./14
- M – Developing tendering packages

Energy Infrastructure

- E – GA's complete, 230kV & 69kV engineering progressing
- P – 69kV transformers & switch gear in hand
- C – Mobilize Jan./14
- M - Developing tendering packages



The Timeline



The Phases

CAPITAL PROJECTS

Advanced Exploration (2013-18)

- Site preparation
- Construction of surface infrastructure
- Sinking of exploration shaft
- UG definition drilling & bulk sample
- Construction of UG infrastructure
- Production Expansion Decision Study

Production Expansion (2019-22)

- Additional surface infrastructure
- Sinking of production shaft
- Construction of UG infrastructure

OPERATIONS

Early Production (2019-22)

- Ramp connection between 18L, 16L and 14L
- Develop sublevel accesses & ventilation
- Production from Blocks 2, 3 and 4

LOM Production (2023 – 34?)

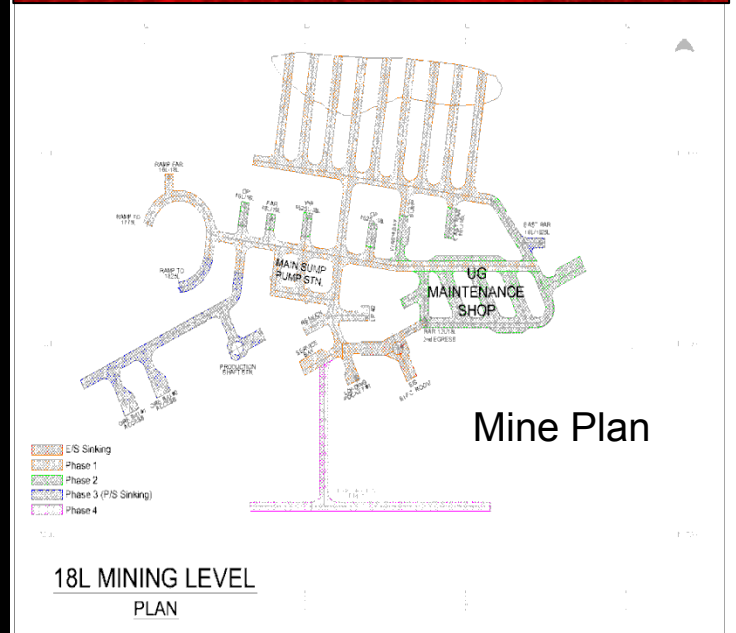
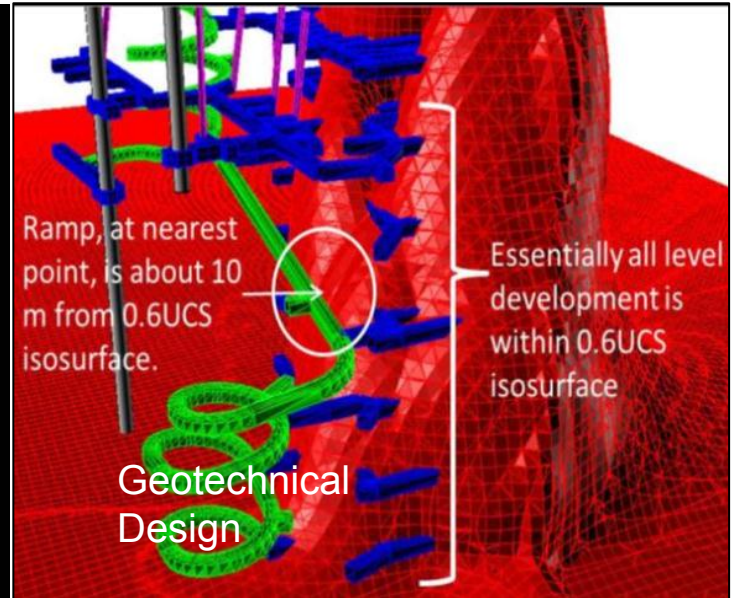
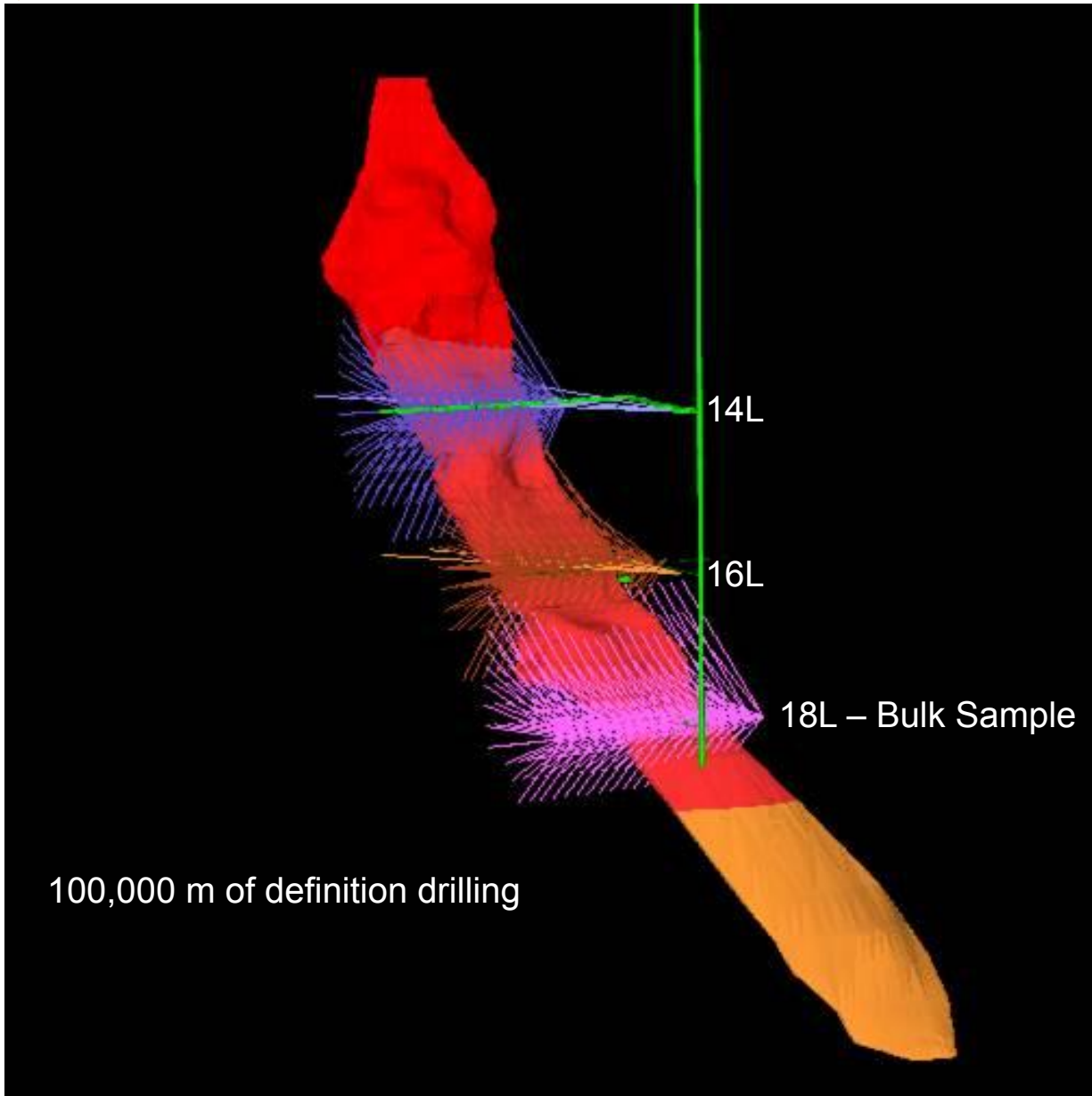
- Operations



The Site Plan – Advanced Exploration

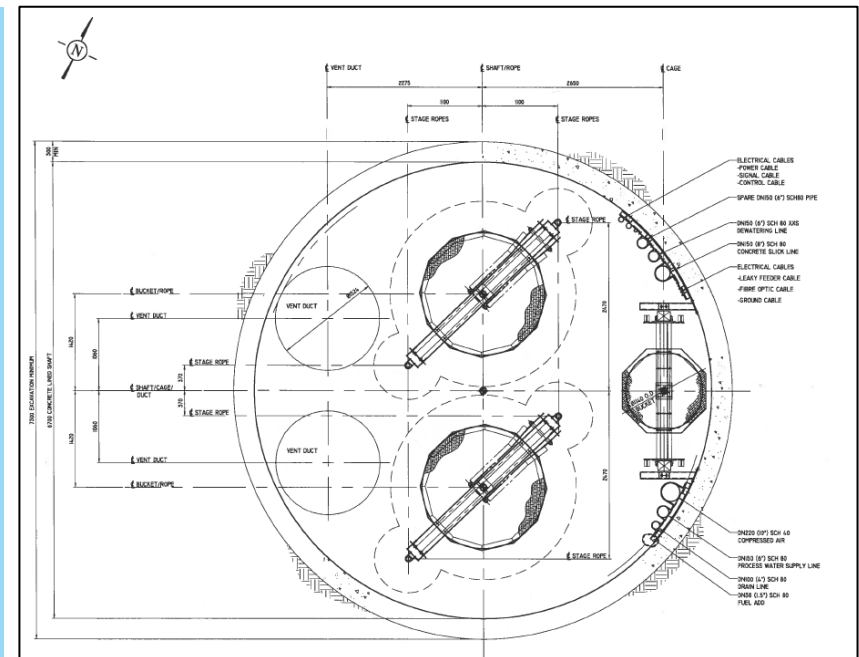
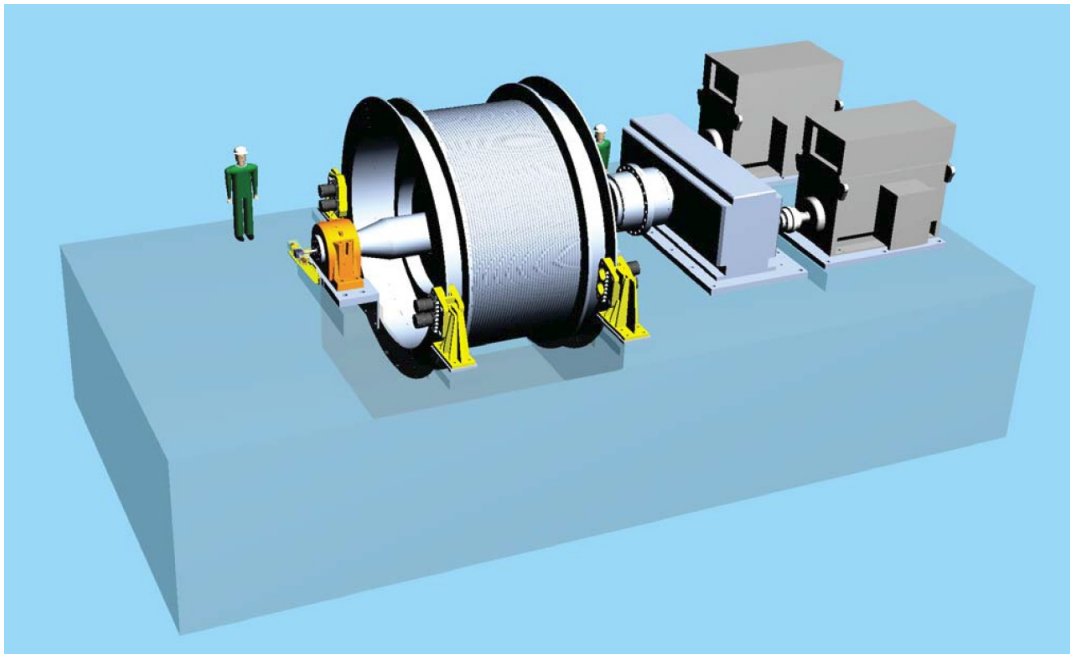


The Deliverables

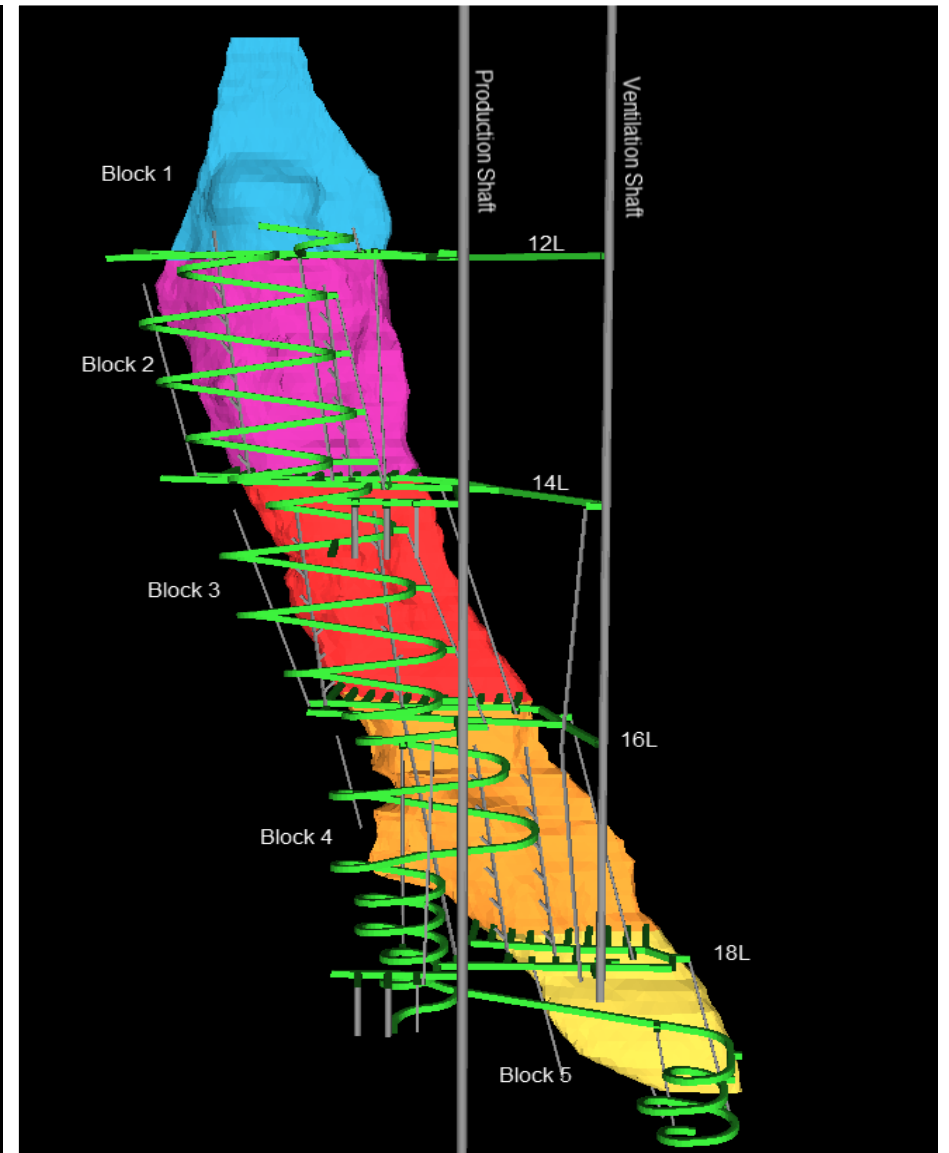
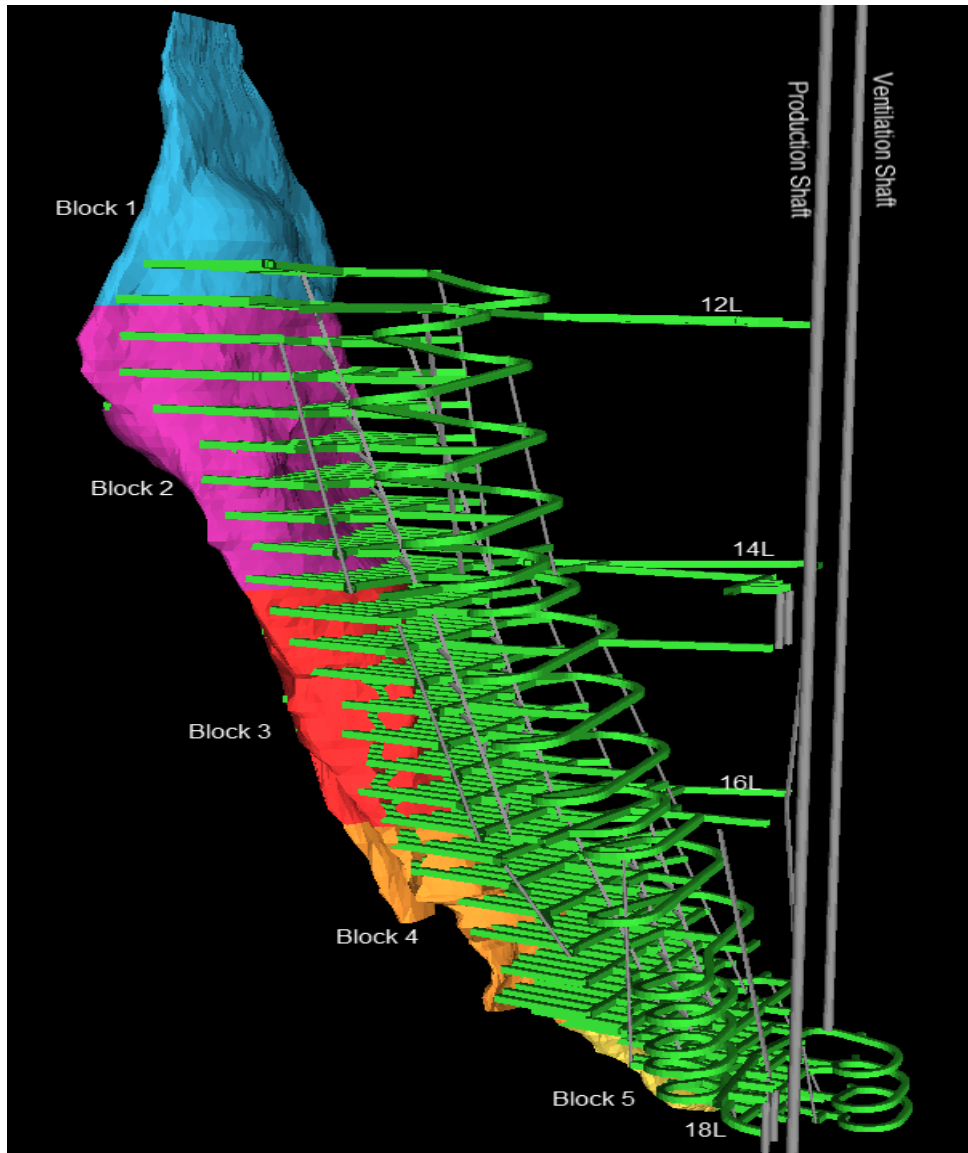


The Procurement

- Site **Timbering**
- Tendering **Overburden Stripping & Rockworks**
- Sinking & Auxiliary **Hoists** ordered
- Sinking **Winches** – order being finalized
- 69kV **Power** substations partially refurbished
- **Communication** fiber optics to site work package being finalized
- **Natural gas** to site being engineered by Union Gas

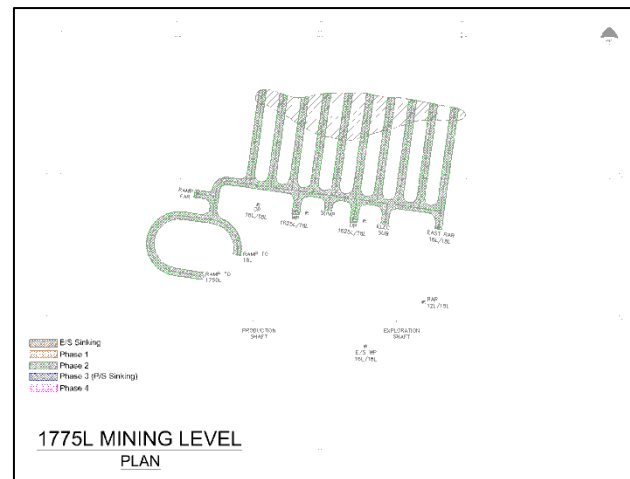
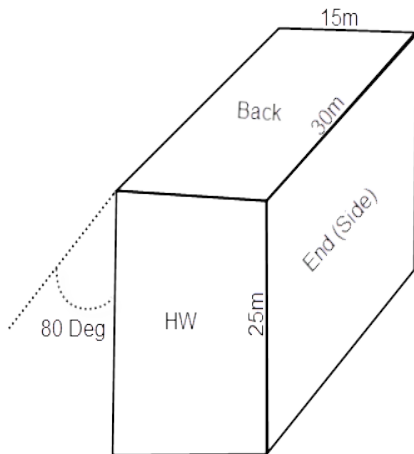
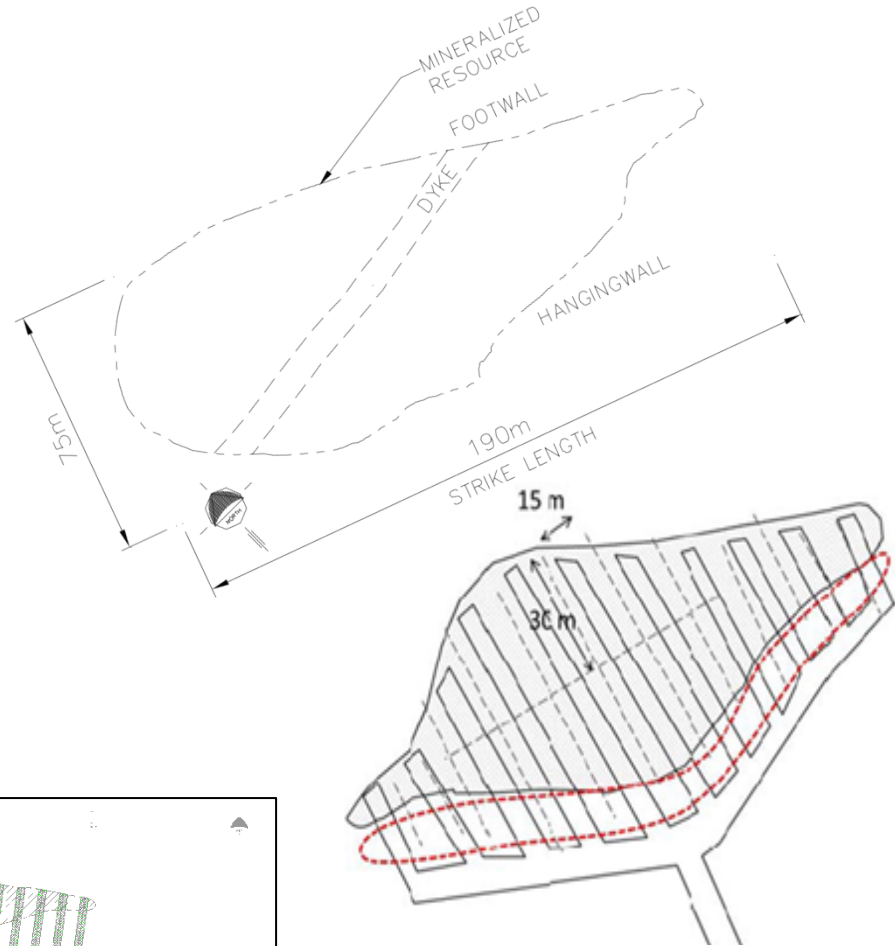


The Development



The Production

- Primary / Secondary sequence
- Paste Backfill – 150 t/hr
- Average 25,000 tonnes per stope
- Average 16% dilution & 90% recovery
- Average 90 day cycle time
 - Drilling 150 m/day, 11t/m
 - Blasting 0.44kg emulsion / tonne



The Site Plan – Production Expansion



The Future

KGHMI

- Advance IBA's with First Nations
- Build Project Team
- Closure Plan Approval
- Receive Environmental Permits
- Continue Engineering
- Complete Timbering
- Initial Earthworks
- Following activities
 - Secure remaining hoists & winches
 - Construction & permanent power
 - Natural gas supply
 - Road upgrades

Important dates

- Closure Plan Oct. 20/13
- Timbering completion Nov. 1/13
- MOE Permits Nov./13
- Initiate stripping Nov./13
- Rock Work 2014



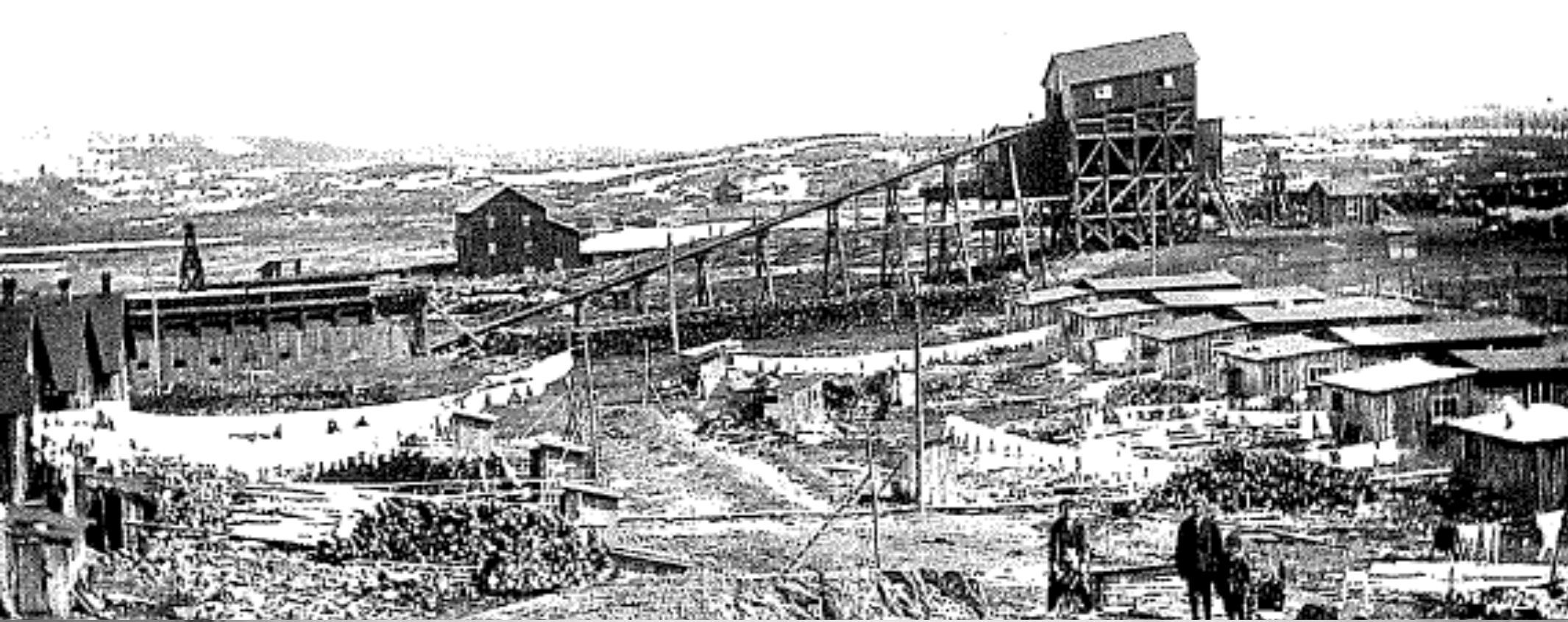
The Project Facts

Contained Metal				
Metal	Grade	Units	Qty	Units
Cu	2.5	%	710	Mlbs
Ni	2.5	%	720	Mlbs
Co	0.05	%	15	Mlbs
Pt	0.08	oz/Ton	1,310	Koz
Pd	0.12	oz/Ton	1,890	Koz
Au	0.03	oz/Ton	420	Koz
Ag	0.40	oz/Ton	6,260	Koz

Category	Qty	Units
Inferred Resource	14.2	Mt
Dilution	16	%
Recovery	90	%
Tonnes / Metre	20,000	t/m
Development (Cap)	52	km
Development (Op)	17	km
Drilling	140	km

Team	Qty
Project Owners Team	40
Contractor	300
Manpower - Phase 1	150
Manpower - Phase 2	280





Thank you

