



Eurasian Resources Group

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MEDIA RELEASE

Eurasian Resources Group upgraded to ‘B’ by S&P following stronger results; outlook positive

Eurasian Resources Group (“ERG” or “the Group”), a leading diversified natural resources group, has received an uptick in its long-term credit rating to a ‘B’ and a ‘positive outlook’ assessment from Standard & Poor’s on the basis of its robust performance and operations.

The leading credit ratings agency highlighted strong operating and financial results in 2017 and the upcoming launch of the Metalkol Roan Tailings Reclamation project (RTR) as the main reasons behind the upward revision. Reaping the benefits of an increase in ferrochrome prices and favourable prices for other metal commodities and maintaining moderate capital expenditures, ERG outperformed S&P’s 2017 forecasts. Based upon new forecasts S&P expects that ERG’s results will stay on an ascending track for the next two years.

The credit ratings agency also positively revised its assessment of ERG’s management and governance, noting that the team steering the strong results is financially prudent and proactive.

Alexander Machkevitch, Chairman of the Board of Directors at ERG, said: “In line with our continued focus on the efficiency of ERG’s business, the credit rating upgrade by S&P will enable the Group to further develop its world-leading operations in all the key regions. ERG’s team has done tremendous work and achieved strong financial results. Given the favourable outlook for the commodities market, we believe we are well-placed to strengthen our position as a global market leader.”

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About Eurasian Resources Group:

ERG is a leading diversified natural resources group with integrated mining, processing, energy, logistics and marketing operations. The Group operates in 15 countries across four continents and is represented by more than 85,000 people.

ERG represents one third of the metals and mining industry in the Republic of Kazakhstan and is a global leader in ferrochrome production by chrome content as well as a large supplier of iron ore, aluminium, alumina and steam coal. The Group also provides electric power distribution and railway operation services. ERG manages production entities in Kazakhstan that are among the nation's foremost enterprises, including Kazchrome, SSGPO, Kazakhstan Aluminium Smelter (KAS), Aluminium of Kazakhstan, Eurasian Energy Corporation, Shubarkol Komir, Transportation Group TransCom and the Pavlodar Machinery Plant.

ERG is also a principal cobalt and copper producer through its operations in Africa, including the Metalkol Roan Tailings Reclamation (RTR) project, a major tailings reprocessing operation in the Democratic Republic of the Congo, as well as Boss Mining, Frontier Mine and Comide. Chambishi Metals, the Group's refinery in the Republic of Zambia, is an LME-registered cobalt metal and copper cathode producer.

The Group has further development projects in thermal coal, manganese, platinum, bauxite and fluorspar in South Africa, Zimbabwe, Mali and Mozambique. ERG controls its own supply chain on the continent through its company SABOT, a North-South Corridor logistics specialist.

In the State of Bahia in Brazil, ERG is pioneering an integrated mining and logistics project comprising the Pedra de Ferro iron ore mine, the Porto Sul deep-water port and the associated new FIOLE broad-gauge railway.