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## MEDIA RELEASE

### **Eurasian Resources Group upgraded by S&P to ‘B’ on strong performance and reduced debt; outlook stable**

**Eurasian Resources Group (“ERG” or “the Group”), a leading diversified natural resources group headquartered in Luxembourg, has received an upgrade from Standard & Poor’s (“S&P”) in its long-term credit rating to ‘B’ from ‘B-’ with a ‘stable outlook’, on the basis of the Group’s strong performance and robust markets.**

The leading credit ratings agency highlighted that ERG is set to have another strong year with record-high S&P Global Ratings-adjusted EBITDA and stronger funds from operations (FFO), thanks to its debt reduction measures and very robust markets. The agency expects the Group to maintain both sufficient liquidity sources to cover its needs and a reasonably diversified treasury policy.

The ‘stable’ outlook also reflects S&P’s expectation that ERG will continue to benefit from its diverse product portfolio and the supportive market environment, with demand for all of ERG’s products remaining strong in 2022. Among additional positive factors, in today’s environment, the ratings agency noted that ERG currently has very limited reliance on supplies from Russia as well as Russian transport links, given much of its sales go to China through the Kazakhstan/China border.

S&P explicitly noted the Group’s successes in further diversifying its business, while cobalt, one of the Group’s key products, is an important component in lithium-ion batteries, which has good demand growth prospects due to the important role of batteries in the energy transition and the rise of electric vehicles.

**Benedikt Sobotka, CEO of ERG**, said: “This credit rating upgrade by S&P reflects ERG’s strong performance and the team’s fantastic work to make our operations ever more efficient and robust. ERG is a major global producer of many key metals that are essential to the net-zero transition, and against the backdrop of rising demand for these materials, we are well-positioned to continue growing as a global sustainable market leader.”

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## **About Eurasian Resources Group:**

Eurasian Resources Group (ERG) is a leading diversified natural resources group headquartered in Luxembourg with integrated mining, processing, energy, logistics, and marketing operations. The Group operates in 15 countries and is a major employer in the industry.

ERG is the world's largest high-carbon ferrochrome producer by chrome content and one of the largest producers of cobalt. It is also a large global supplier of copper and high-grade iron ore and one of the largest suppliers of alumina in Eurasia as well as the only Kazakhstan's producer of high-grade aluminium.

In Kazakhstan, ERG represents one third of the metals and mining industry. It is also a key power supplier and a large railway operator in Central Asia. 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**, and other.

In Africa, ERG mines and processes copper and cobalt ore and produces copper metal and cobalt hydroxide. **Frontier** is the cornerstone of the Group's copper business while its recently launched **Metalkol Roan Tailings Reclamation (Metalkol)**, a major tailings reprocessing operation in the Democratic Republic of the Congo, has become the world's second largest cobalt producer.

The Group has its own supply chain on the continent through logistics company **Sabot** and further development projects focused on other minerals and products in South Africa, Zimbabwe, Mozambique and Mali.

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

ERG is a founding member of the Global Battery Alliance (GBA) hosted originally on the platform of the World Economic Forum and dedicated to ensuring that there is an ethical and sustainable global supply chain for the lithium-ion batteries that help power the Fourth Industrial Revolution and a low carbon economy, through electric vehicles, renewable energy technologies and smartphones. Since its establishment in 2017, the GBA has developed to include more than 100 leading businesses and international organisations as the members.

ERG is also a co-founder of the Re|Source initiative, jointly with CMOC, Glencore, Umicore and Tesla, which uses blockchain to track cobalt and other responsibly produced battery materials in real operating conditions from the mine to electric vehicle.

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