



13 May 2008

**Eurasian Natural Resources Corporation PLC**

**Statement regarding Kazakhmys plc ('Kazakhmys')**

On 12 March 2008, Eurasian Natural Resources Corporation PLC ('ENRC', or together with its subsidiaries, 'the Group') announced that it was at the early stages of evaluating a potential combination of its business with that of Kazakhmys.

Following a detailed evaluation of the potential combination, the Board of ENRC, while concluding that the enlarged group would have certain strategic and financial merits, has decided not to make an offer for Kazakhmys at the current time.

Given ENRC's scale and diversity the Board continues to appraise a number of opportunities to create further value for its shareholders, involving both investments in the existing businesses as well as mergers and acquisitions. To this end the Group recently announced a number of financially disciplined acquisitions, in Russia, Brazil and the People's Republic of China, expanding its geographical presence in its core commodities.

As previously reported, the Group will announce its Interim Management Statement and its Production Report for the first-quarter ended 31 March, 2008, tomorrow, on Wednesday 14 May, 2008.

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## **About ENRC**

ENRC is the holding company of a leading diversified natural resources group with integrated mining, processing, energy, logistical, and marketing operations. ENRC is the world's largest producer of ferrochrome, based on chrome content, the world's sixth largest iron ore exporter by volume and the world's fifth largest supplier of traded alumina by volume (CRU and Heinz H. Pariser, 2006 data). The Group's revenue was US\$4,106 million for the year ended 31 December 2007 (2006: US\$3,256 million) and EBITDA before exceptional items was US\$1,906 million (2006: US\$1,256 million); EBITDA for the year ended 31 December 2007 was US\$1,724 million (2006: US\$1,250 million). For further information please see the Group's website at [www.enrc.com](http://www.enrc.com).

## **Statement on the City Code on Takeovers and Mergers**

For the purposes of Rule 2.8 of the City Code on Takeovers and Mergers ('the City Code'), ENRC, reserves the right to make or participate in an offer or possible offer for Kazakhmys within the six months following the date of this announcement: (1) with the agreement or recommendation of the Board of Kazakhmys; (2) the announcement of an offer by a third party for Kazakhmys; (3) upon the announcement by or on behalf of Kazakhmys of a 'whitewash' proposal (as defined in the City Code) or of a reverse takeover (as defined in the City Code); or (4) if there is a material change of circumstances.

## **Forward looking statement**

*This announcement includes forward-looking statements that reflect the current views of the management of the Group with respect to future events. These forward-looking statements include matters that are not historical facts or are statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies, and the industries in which the Group operates. Forward-looking statements are based on current plans, estimates and projections, and therefore too much reliance should not be placed upon them. Such statements are subject to risks and uncertainties, most of which are difficult to predict and generally beyond the Group's control. The Group cautions you that forward-looking statements are not guarantees of future performance and that if risks and uncertainties materialise, or if the assumptions underlying any of these statements prove incorrect, the Group's actual results of operations, financial condition and liquidity and the development of the industry in which the Group operates may materially differ from those made in, or suggested by, the forward-looking statements contained in this announcement. In addition, even if the Group's results of operations, financial condition and liquidity and the development of the industry in which the Group operates are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in future periods. The Group does not undertake any obligation to review or confirm analysts, expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this announcement.*