



## ANNOUNCEMENT

21 September 2007.

### Eurasian Natural Resources Corporation (ENRC)

#### **\$78m saved in reconstruction of Heating & Power Plant 1 of Aluminium of Kazakhstan (AoK).**

Eurasian Natural Resources Corporation (ENRC), Kazakhstan's leading integrated natural resources group, today announces that it has completed the reconstruction of Heating & Power Plant 1, a subdivision of JSC AoK. The plant is now fully technically equipped to supply AoK with the necessary amount of vapour required to produce 1.8m tons of alumina per annum.

Mr. Almaz Ibragimov, President of AoK, commented, "In order to increase the production output of vapour, it would have been necessary to build another steam boiler, in addition to the existing eight, at a cost of around US\$100m. Our specialists, however, suggested another option - to reconstruct all of the existing eight boilers to increase overall vapour production by the required amount. Reconstruction expenditures amounted close to US\$22m. We chose the second option, to avoid increasing the cost of the end product."

The reconstruction project was developed by the scientists of AoK's Research and Development Centre, who have been nominated several times to receive the recognition by the Government Kazakhstan. During the reconstruction of 350MW Heating & Power Plant 1, the boiler heating surfaces and turbines were replaced. Next generation emulsifiers were installed on the boilers, which allow for up to 95.5% of ash emissions to be collected. Additionally, a change of the boiler drums was carried out. Russian specialists from SUZMK Energo CJSC (Sverdlovsk region) were brought in for this process.

As a result of the modernization and the reconstructed scheme of fuel combustion, the emissions of nitrogen oxide were also decreased.

## ENDS

### Press Contacts

M: Communications:

Julia Kalcheva

+44 (0) 207 153 1517

Edward Orlebar

+44 (0) 207 153 1523

## Notes to Editors

### About ENRC

ENRC is Kazakhstan's leading diversified natural resources group, with annual sales in excess of US\$3.0 billion and over 60,000 employees. The group is a significant contributor to Kazakhstan's GDP and is the country's chief energy provider. It also owns a quarter of global chromium reserves, and is the world's third largest producer of ferroalloys, and the supplier of two-fifths of the world's gallium.

ENRC's key competitive advantages help insulate it from the cyclical trends and volatility of the market and include:

- Vast, proven reserves of chromium, manganese, iron ore, bauxite and coal
- Unrivalled, low-cost production model
- Integrated and wholly-owned energy services and logistics



- Exceptional geographical positioning, which will allow the extension of strong regional presence as the market shifts eastwards towards Russia, China and India.

The group's eight constituent operating companies in mining, processing, energy, transport, marketing and sales are:

- Kazchrome, an extractor of chrome ore and producer of ferroalloys
- Aluminium of Kazakhstan, an extractor of bauxite and producer of alumina
- KAS, state-of-the-art Aluminium Smelter
- Zhairam GOK, an extractor of manganese ore and supplier of manganese and ferromanganese concentrates
- Sokolov-Sarbai Mining Production Association, an extractor and processor of iron ore
- Eurasian Energy Corporation, a coal miner, electricity producer and power equipment repair and maintenance company
- ENRC Marketing, exclusive supplier of group products to customers
- ENRC Logistics, a logistics supplier to group companies and other customers

Website: [www.enrc.com](http://www.enrc.com)

### **About AoK**

AoK's principal business is the mining and processing of bauxite ore to produce metallurgical alumina. The company consists of five integrated operating units: the Pavlodar Aluminium Plant; the Torgai and Krasnoktyabrsk Bauxite Mining Departments; the Keregetas Limestone Mine; and the Pavlodar Heating & Power Plant. For the last four years the company has invested around \$100mIn into production, paying particular attention to new high performance technologies, innovative management approach and environmental protection measures. The company produces 1.5m tons of metallurgical alumina per year and predominantly exports production to China and Russia. It also supplies 26% of the world's gallium to American, European, Chinese and Japanese customers.