



8 May 08

Eurasian Natural Resources Corporation PLC
Acquisition of 50% Stake in Chinese Ferroalloys Plant

London – Eurasian Natural Resources Corporation PLC ('ENRC' or, together with its subsidiaries, the 'Group'), the holding company of a leading diversified natural resources group with integrated mining, processing, energy and logistical operations based in Kazakhstan, announces the acquisition of a 50% stake in Xinjiang Tuoli Taihang Ferro-Alloy Co. LTD, a Chinese ferroalloys producer, for RMB101,250,000 (c. USD14.5 million) in cash from Mr. Ma Yunpu.

Xinjiang Tuoli Taihang Ferro-Alloy Co. LTD is one of China's largest ferrochrome plants with an annual capacity of 120,000 tonnes of high carbon ferrochrome. It is located in Tuoli County, Xinjiang Province around 300 km from the Chinese-Kazakh border. The plant has four furnaces of 12,500KVa each. ENRC currently supplies the plant with 70 percent of its chrome ore.

The acquisition, the company's first in China, will strengthen ENRC's position in the ferroalloys market, where it is the world's largest producer of ferrochrome by chrome content. In 2007 ENRC produced 1.1 million tonnes of high carbon ferrochrome.

Commenting on the acquisition, Dr. Johannes Sittard, Chief Executive Officer of ENRC, said: "We are excited to have made our first acquisition in China, a market we know well, and one which we believe has excellent prospects."

Completion of the transaction is subject to final approval by the local government of the Xinjiang Region.

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For further information, please contact:

ENRC

Mounissa Chodieva

+44 (0) 20 7389 1879

James S Johnson

+44 (0) 20 7389 1862

M: Communications

Hugh Morrison

+44 (0) 20 7153 1534

Edward Orlebar

+44 (0) 20 7153 1523

Julia Kalcheva

+44 (0) 20 7153 1517

About ENRC

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

About ENRC's Ferroalloys Division

The Ferroalloy Division of ENRC plc produces and sells ferrochrome and other ferroalloys, primarily to steel producers, and sells chrome ore and manganese ore to third-party ferroalloy producers and the chemical

industry. The Ferroalloy Division's vertically integrated operations include chrome ore and manganese ore mines, two ferroalloy processing plants and a gas-fired power station. The Ferroalloy Division's chrome ore reserves are believed to be the largest in the CIS (166 million tonnes as at 31 December 2007) and are believed to have a higher grade (42.2%) than those of other large-scale producers. In 2007, the Ferroalloy Division produced approximately 3.9 million tonnes of saleable chrome ore (2006: 3.4 million tonnes), 0.9 million tonnes of manganese ore concentrate (2006: 0.9 million tonnes) and approximately 1.5 million tonnes of ferroalloys (2006: 1.4 million tonnes), including approximately 1.1 million tonnes of its primary product, high-carbon ferrochrome (2006: 1.0 million tonnes). For the year ended 31 December 2007, the Ferroalloy Division had total third-party revenue of US\$2,178 million (2006: US\$1,473 million), and EBITDA before exceptional items of US\$1,138 million (2006: US\$547 million.)

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.