7 August 2013

Eurasian Natural Resources Corporation PLC

Production Report for the Second Quarter ended 30 June 2013

The information in this Production Report, unless stated otherwise, relates to the three months ended 30 June 2013, and is compared to the corresponding three months ended 30 June 2012. Production volumes for Q1 2013 are provided for additional information.

The Ferroalloys, Alumina and Aluminium and Energy Divisions operated at full available capacity for the quarter. The Iron Ore Division operated at full available capacity for all products except saleable pellets reflecting market demand. In the Other Non-ferrous Division, saleable copper contained production increased significantly against the corresponding period.

- **Ferroalloys Division.** Overall gross ferrochrome production increased by 4.0% compared to Q2 2012, with a 6.5% increase in high-carbon ferrochrome. Saleable high-carbon ferrochrome production increased 7.2%. Total saleable ferroalloys production for the quarter increased 2.4% on Q2 2012.
- **Iron Ore Division.** Iron ore extraction and primary concentrate production increased by 9.9% and 16.8% respectively, against the comparable period in 2012. Saleable concentrate production increased 35.3% and saleable pellet production increased 6.1% against Q2 2012, with total saleable product increasing 20.7% against Q2 2012.
- **Alumina and Aluminium Division.** Bauxite extraction and alumina production increased 2.8% and 8.5% respectively against Q2 2012. Aluminium production increased 1.6% on Q2 2012.
- **Other Non-ferrous Division**. Production of saleable copper in Q2 2013 increased 166.7% due to the inclusion of Frontier. Saleable cobalt production fell 12.2% versus Q2 2012.
- **Energy Division.** Coal extraction by EEC increased slightly by 0.7% compared to Q2 2012. Electricity generation increased 18.1% compared to Q2 2012.

Felix J Vulis, Chief Executive Officer, said *"Our operations in Kazakhstan and Africa have had an excellent quarter. Production volumes are up year-on-year across all of our key commodities, with the Iron Ore Division having had its best quarter in 3 years. In Africa we have continued to ramp up copper volumes with new production coming from both Frontier and Chambishi, in line with the targets for the development of our African copper business."*
Felix J Vulis, Chief Executive Officer

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About ENRC

ENRC is a leading diversified natural resources group, performing integrated mining, processing, energy, logistics and marketing operations. The operations comprise: the mining and processing of chrome, manganese and iron ore; the smelting of ferroalloys; the production of iron ore concentrate and pellet; the mining and processing of bauxite for the extraction of alumina and the production of aluminium; the production of copper and cobalt; coal extraction and electricity generation; and the transportation and sales of the Group's products. The Group's production assets are largely located in the Republic of Kazakhstan; other assets, notably the Other Non-ferrous Division, are mainly located in Africa; the Group also has iron ore assets in Brazil. In 2012 the Group's entities employed on average 78,484 (2011: 77,441) people. The Group currently sells the majority of its products to Russia, China, Japan, Western Europe and the United States. For the twelve months ended December 31 2012, the Group had revenue of US$6,320 million (2011: US$7,705 million) and profit attributable to equity holders of the Company of US$(804) million (2011: US$1,974 million). ENRC has six operating Divisions: Ferroalloys, Iron Ore, Alumina and Aluminium, Other Non-ferrous, Energy and Logistics. ENRC is a UK company with its registered office in London. ENRC's shares are quoted on the London Stock Exchange ('LSE') and the Kazakhstan Stock Exchange ('KASE').

A copy of this announcement will be available on ENRC's website at www.enrc.com.

FERROALLOYS DIVISION

Ore Mining and Processing

		Q2 2013	Q2 2012	*Q2 13/ Q2 12 change*	Q1 2013	*Q2 13/ Q1 13 change*
Chrome ore						
Ore Extraction (Run-of-Mine, 'ROM')	000 t	**1,220**	1,267	*(3.7%)*	1,143	*6.7%*
Grade, % Cr2O3		**38.7**	39.0		39.4	
Total Ore Processed	000 t	**1,599**	1,480	*8.0%*	1,497	*6.8%*
Grade, % Cr2O3		**37.2**	37.3		37.9	
Saleable ore production	000 t	**971**	974	*(0.3%)*	951	*2.1%*
Grade, % Cr2O3		**47.9**	47.5		47.9	
Internal consumption of saleable ore	000 t	**774**	734	*5.4%*	717	*7.9%*
Percentage		***79.7%***	*75.0%*		*75.4%*	
Manganese ore						
Ore Extraction ('ROM')	000 t	**701**	750	*(6.5%)*	603	*16.3%*
Grade, % Mn		**20.5**	19.5		19.5	
Total Ore Processed	000 t	**1,111**	1,001	*11.0%*	697	*59.4%*
Grade, % Mn		**17.4**	17.9		17.8	
Saleable concentrate production	000 t	**300**	271	*10.7%*	160	*87.5%*
Grade, % Mn		**36.0**	36.0		37.1	
Internal consumption of saleable concentrate	000 t	**77**	101	*(23.8%)*	94	*(18.1%)*
Percentage		***25.7%***	*37.3%*		*58.8%*	

Chrome ore extraction in Q2 2013 amounted to 1,220 kt, a decrease of 3.7% on Q2 2012 and an increase of 6.7% on Q1 2013 extraction volumes. The Division produced 971 kt of saleable chrome ore, broadly in line with Q2 2012 and an increase of 2.1% on Q1 2013.

Internal consumption of saleable chrome ore in Q2 2013 increased 5.4% versus the comparable period of 2012 and 7.9% against Q1 2013 reflecting higher ferrochrome production volumes.

Manganese ore extraction decreased 6.5% versus Q2 2012 but increased 16.3% versus Q1 2013. Saleable manganese concentrate production increased 10.7% compared to Q2 2012 and 87.5% against Q1 2013.

Production at Zhairem GOK, which mainly sells manganese concentrates for export, increased 19.4% to 185 kt (34.3% Mn) against Q2 2012 (155 kt; 34.0% Mn) and 49.2% compared to Q1 2013 (124 kt; 35.6% Mn), reflecting market demand. Production at Kazmarganets (38.7% Mn), which supplies manganese concentrate to the Aksu ferroalloys plant for use in silicomanganese production, amounted to 115 kt, a decrease of 0.9% from Q2 2012 (116 kt; 38.6% Mn) and an increase of 219.4% on Q1 2013 (36 kt; 42.1% Mn). The proportion of total manganese concentrate production consumed internally was lower in Q2 2013 (25.7%) than in Q2 2012 (37.3%) and Q1 2013 (58.8%) due to decrease in silicomanganese production.

Ferroalloys Production

		Q2 2013	Q2 2012	*Q2 13/ Q2 12 change*	Q1 2013	*Q2 13/ Q1 13 change*
Gross Production						
Ferrochrome	000 t	**342**	329	*4.0%*	314	*8.9%*
- High-carbon	000 t	**312**	293	*6.5%*	284	*9.9%*
- Medium-carbon	000 t	**11**	12	*(8.3%)*	11	*0.0%*
- Low-carbon	000 t	**19**	24	*(20.8%)*	19	*0.0%*
Ferrosilicochrome	000 t	**46**	45	*2.2%*	43	*7.0%*
Silicomanganese	000 t	**38**	48	*(20.8%)*	45	*(15.6%)*
Ferrosilicon	000 t	**12**	13	*(7.7%)*	13	*(7.7%)*
Total Ferroalloys	**000 t**	**437**	435	*0.5%*	415	*5.3%*
Internal Consumption of ferroalloys						
High-carbon Ferrochrome	000 t	**29**	29	*0.0%*	26	*11.5%*
Ferrosilicochrome	000 t	**20**	26	*(23.1%)*	23	*(13.0%)*
Other alloys	000 t	**2**	2	*0.0%*	3	*(33.3%)*
Total Ferroalloys	**000 t**	**52**	58	*(10.3%)*	51	*2.0%*
Percentage		***11.9%***	*13.3%*		*12.3%*	
Saleable Production						
Ferrochrome	000 t	**313**	300	*4.3%*	289	*8.3%*
- High-carbon	000 t	**283**	264	*7.2%*	258	*9.7%*
- Medium-carbon	000 t	**11**	12	*(8.3%)*	11	*0.0%*
- Low-carbon	000 t	**19**	24	*(20.8%)*	19	*0.0%*
Ferrosilicochrome	000 t	**26**	19	*36.8%*	20	*30.0%*
Silicomanganese	000 t	**36**	47	*(23.4%)*	43	*(16.3%)*
Ferrosilicon	000 t	**11**	12	*(8.3%)*	12	*(8.3%)*
Total Ferroalloys	**000 t**	**386**	377	*2.4%*	364	*6.0%*

In Q2 2013, the Ferroalloys Division produced 386 kt of saleable ferroalloys, an increase of 2.4% on Q2 2012 and 6.0% on Q1 2013. Saleable production increased for high-carbon ferrochrome and ferrosilicochrome, but decreased for medium- and low-carbon ferrochrome and ferrosilicon reflecting market demand. Production of silicomanganese decreased as a result of the decision to switch one of the Aksu furnaces to producing higher margin high-carbon ferrochrome.

IRON ORE DIVISION

		Q2 2013	Q2 2012	*Q2 13/ Q2 12 change*	Q1 2013	*Q2 13/ Q1 13 change*
Ore Extraction ('ROM')	000 t	**10,874**	9,893	*9.9%*	9,262	*17.4%*
Grade, % Fe		**32.2**	31.0		32.1	
Primary concentrate production	000 t	**4,542**	3,890	*16.8%*	3,672	*23.7%*
Grade, % Fe		**65.7**	65.3		66.0	
Saleable concentrate production	000 t	**2,440**	1,803	*35.3%*	1,532	*59.3%*
Percentage of total saleable product		***56.2%***	*50.1%*		*44.6%*	
Saleable pellet production	000 t	**1,905**	1,796	*6.1%*	1,904	*0.1%*
Percentage of total saleable product		***43.8%***	*49.9%*		*55.4%*	
Total Saleable Product	**000 t**	**4,345**	3,599	*20.7%*	3,435	*26.5%*

In Q2 2013, the Iron Ore Division extracted 10,874 kt of iron ore, an increase of 9.9% on Q2 2012 (9,893 kt) and 17.4% on Q1 2013 (9,262 kt). The Division produced 4,542 kt of primary concentrate, an increase of 16.8% on Q2 2012 and 23.7% on Q1 2013.

Saleable concentrate production (with an iron content of 65.6%) was 2,440 kt, an increase of 35.3% compared to Q2 2012 (1,803 kt) and 59.3%, compared to Q1 2013 (1,532 kt). Pellet production (with an iron content of 63.4%) was 1,905 kt, an increase of 6.1% on Q2 2012 (1,796 kt) and broadly in line with Q1 2013 (1,904 kt). Total saleable product volumes were 20.7% higher than in Q2 2012 and 26.5% higher than in Q1 2013.

ALUMINA AND ALUMINIUM DIVISION

		Q2 2013	Q2 2012	*Q2 13/ Q2 12 change*	Q1 2013	*Q2 13/ Q1 13 change*
Bauxite extraction	000 t	**1,347**	1,310	*2.8%*	1,271	*6.0%*
Grade, % Al2O3/SiO2		**43.2/11.7**	43.2/11.7		42.7/11.7	
Alumina production	000 t	**408**	376	*8.5%*	412	*(1.0%)*
Internal consumption of alumina	000 t	**121**	120	*0.8%*	119	*1.7%*
Percentage		***29.7%***	*31.9%*		*28.9%*	
Aluminium production	000 t	**63**	62	*1.6%*	61	*3.3%*
Gallium production	kg	**-**	3,797	-	0	-
Electricity						
Electricity generation	GWh	**588**	564	*4.3%*	714	*(17.6%)*
Alumina & Aluminium Division own electricity consumption	GWh	**379**	374	*1.3%*	421	*(10.0%)*
Percentage		***64.5%***	*66.3%*		*59.0%*	
Electricity supply to other Group Divisions	GWh	**1**	156	*(99.4%)*	1	*0.0%*
Percentage		***0.2%***	*27.7%*		*0.1%*	
Third-parties electricity supply	GWh	**208**	34	*511.8%*	292	*(28.8%)*
Percentage		***35.4%***	*6.0%*		*40.9%*	

In Q2 2013, bauxite extraction was 2.8% higher than in Q2 2012 and 6.0% higher than in Q1 2013 as a result of increased alumina production. Alumina production increased 8.5% against Q2 2012 which experienced processing issues and slightly decreased against Q1 2013.

Internal consumption of alumina amounted to 121 kt (an increase of 0.8% on Q2 2012 and 1.7% on Q1 2013) representing 29.7% of total alumina production and consistent with the aluminium smelter running at its full 250 ktpa capacity.

Primary aluminium production in Q2 2013 was 63 kt, an increase of 1.6% on Q2 2012 and 3.3% on Q1 2013.

Electricity generation in Q2 2013 increased 4.3% on Q2 2012 and decreased 17.6% on Q1 2013 reflecting seasonal demand. Supply of electricity to other Group Divisions decreased 99.4% against Q2 2012 and was in line with Q1 2013. Electricity supply to third-parties increased by 174 GWh, or 511.8%, against Q2 2012 as the Group aims to maximise third-party sales from the alumina refinery power plant that currently benefits from higher tariffs than the Energy Division. A 28.8% decrease in third-party supply against Q1 2013 was caused by seasonal factors.

OTHER NON-FERROUS DIVISION

Copper and Cobalt Production

		Q2 2013	Q2 2012	*Q2 13/ Q2 12 change*	Q1 2013	*Q2 13/ Q1 13 change*
Copper						
ENRC excl. Frontier						
Ore Extraction ('ROM')	000 t	**773**	418	*84.9%*	704[2]	*9.8%*
Grade, %Cu		**2.14**	3.81	*(43.8%)*	1.95	*9.7%*
Saleable copper contained[1]	t	**15,397**	8,505	*81.0%*	9,617	*60.1%*
Frontier						
Ore Extraction ('ROM')	000 t	**1,596**			917	*74.0%*
Grade, %Cu		**1.11**			1.03	*7.8%*
Saleable copper contained[1]	t	**7,288**			4,919	*48.2%*
Total saleable copper contained[1]	**t**	**22,685**	8,505	*166.7%*	14,537	*56.1%*
Cobalt						
Ore Extraction ('ROM')	000 t	**242**	341	*(29.0%)*	245	*(1.2%)*
Grade, %Co		**1.60**	1.51	*6.0%*	1.35	*18.5%*
Saleable cobalt contained[1]	t	**2,297**	2,615	*(12.2%)*	2,487	*(7.6%)*

Note:
1. Production numbers for saleable copper and cobalt refer to tonnes of contained metal. Contained metal consists of total units, whether in metal form or metal units contained in concentrate and sludge, net of internal consumption, but excludes copper contained in cobalt concentrate.
2. Restated from 734kt (Q1 2013 Production Report) due to change in methodology

Copper ore extraction at Boss Mining and Comide for the quarter was 84.9% higher than in Q2 2012 and 9.8% higher than in Q1 2013, due to increased capacity created at the copper SX/EW Plant at Luita (Boss Mining) and the ramping-up of the DMS 2 Plant at Comide. Total copper ore extraction increased with additional ore from Frontier Mine.

In Q2 2013, the copper ore grades were 43.8% lower than Q2 2012, due to lower grades at Boss Mining though slightly offset by grades from Comide in the reporting period. The copper grades were 9.7% higher against Q1 2013, due to some increased grades mined at Luita East and Kabolela North, which started up in Q2 2013.

The ore grade mined at Frontier improved by 7.8% against Q1 2013.

Saleable copper production for Q2 2013 was 15,397 t (Q2 2012: 8,505 t), an increase of 81.0% over Q2 2012 and 60.1% higher than Q1 2013. Growth in copper production was because of increased SX capacity at Luita and Chambishi, with processing starting to stabilize. Capacity additions at Chambishi also allowed for increased production from Frontier concentrate.

Cobalt contained production in Q2 2013 was 12.2% below Q2 2012 levels, due to less cobalt ore being mined at Mukondo (Boss Mining) and unreliable electricity supply at Chambishi, which led to a lower operating current in the cobalt EW.

ENERGY DIVISION

		Q2 2013	Q2 2012	*Q2 13/ Q2 12 change*	Q1 2013	*Q2 13/ Q1 13 change*
EEC						
Coal						
Coal extraction total	000 t	**4,424**	4,392	*0.7%*	5,826	*(24.1%)*
EEC consumption of coal	000 t	**2,297**	1,972	*16.5%*	2,391	*(3.9%)*
Percentage		***51.9%***	44.9%		*41.0%*	
Coal supply to other Group Divisions	000 t	**958**	1,157	*(17.2%)*	1,465	*(34.6%)*
Percentage		***21.7%***	26.3%		*25.1%*	
Third-parties coal supply	000 t	**1,271**	1,186	*7.2%*	2,065	*(38.5%)*
Percentage		***28.7%***	27.0%		*35.4%*	
Shubarkol [1]						
Coal						
Coal extraction total	000 t	**1,682**	927		1,660	1.3%
Internal consumption of coal (for special coke production)	000 t	**100**	68		119	(16.0%)
Percentage		***5.9%***	7.3%		*7.2%*	
Coal supply to other Group Divisions	000 t	**240**	136		287	(16.4%)
Percentage		***14.3%***	14.7%		*17.3%*	
Third-parties coal supply	000 t	**1,361**	673		1,279	6.4%
Percentage		***80.9%***	72.6%		*77.0%*	
Special Coke						
Special coke production	000 t	**44**	34		49	(10.2%)
Special coke supply to other Group Divisions	000 t	**30**	21		27	11.1%
Percentage		***68.2%***	61.8%		*55.1%*	
Third-parties special coke supply	000 t	**13**	9		12	8.3%
Percentage		***29.5%***	26.5%		*24.5%*	
Electricity [2]						
Electricity generation	GWh	**3,812**	3,229	*18.1%*	3,895	*(2.1%)*
Energy Division own electricity consumption	GWh	**270**	253	*6.7%*	275	*(1.8%)*
Percentage		***7.1%***	*7.8%*		*7.1%*	
Electricity supply to other Group Divisions	GWh	**2,749**	2,544	*8.1%*	2,670	*3.0%*
Percentage		***72.1%***	*78.8%*		*68.5%*	
Third-parties electricity supply	GWh	**792**	435	*82.1%*	950	*(16.6%)*
Percentage		***20.8%***	*13.5%*		*24.4%*	

Note: 1.Shubarkol production figures for Q2 2012 are covering May-June period only.
2. Electricity consumption and supply numbers may not round precisely due to the purchase of small volumes of electricity from third-parties.

In Q2 2013, EEC extracted 4,424 kt of coal from the Vostochny mine, broadly in line with Q2 2012 and a decrease of 24.1% on Q1 2013 due to changes in seasonal demand.

Shubarkol coal production in the period was 1,682 kt, a 1.3% increase from Q1 2013. Special coke production in Q2 2013 decreased by 10.2% against the previous quarter due to low demand and increased inventory level.

Electricity generation in the period was 3,812 GWh, an increase of 18.1% on Q2 2012 and a decrease of 2.1% on Q1 2013. Power unit 6 began operating in test mode in May and reached its new increased capacity (325 MW) at the beginning of July 2013.

Electricity supplied by the Energy Division to other Group Divisions was 2,749 GWh, an increase of 8.1% on Q2 2012.

Third party electricity sales of 792 GWh increased 82.1% compared to Q2 2012 reflecting added power volumes but decreased 16.6% against Q1 2013 due to changes in seasonal demand and third-party tariffs.