



Ferrexpo Group

Aggressive Growth – Building Momentum

December 2007

Disclaimer

This document is being supplied to you solely for your information and does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company or any other securities, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of the Company. No information made available to you in connection with this document may be passed on, copied, reproduced, in whole or in part, or otherwise disseminated, directly or indirectly, to any other person.

Some of the information in this document is still in draft form and is subject to verification, finalisation and change. Neither the Company nor its affiliates nor advisers are under an obligation to correct, update or keep current the information contained in this document or to publicly announce the result of any revision to the statements made herein except where they would be required to do so under applicable law.

No reliance may be placed for any purpose whatsoever on the information contained in this document. No representation or warranty, expressed or implied, is given by or on behalf of the Company or any of the Company's directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability whatsoever is accepted by the Company or any of the Company's members, directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions otherwise arising in connection therewith.

This presentation and its contents are confidential. By reviewing and/or attending this presentation you are deemed to accept that you are under a duty of confidentiality in relation to the contents of this presentation. You agree that you will not at any time have any discussion, correspondence or contact concerning the information in this document with any of the directors or employees of the Company or its subsidiaries nor with any of their customers or suppliers, or any governmental or regulatory body without the prior written consent of the Company.

Certain statements, beliefs and opinions in this document and any materials distributed in connection with this document are forward-looking. The statements typically contain words such as "anticipate", "assume", "believe", "estimate", "expect", "plan", "intend" and words of similar substance. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risk, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Statements contained in the document regarding past trends or activities should not be taken as a representation or warranty (express or implied) that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast. You should not place reliance on forward-looking statements, which speak only as of the date of this document.

You should not base any behaviour in relation to financial instruments related to the Company's securities or any other securities and investments on information until after it is made publicly available by the Company or any of their respective advisers. Any dealing or encouraging others to deal on the basis of such information may amount to insider dealing under the Criminal Justice Act 1993 and to market abuse under the Financial Services and Markets Act 2000.



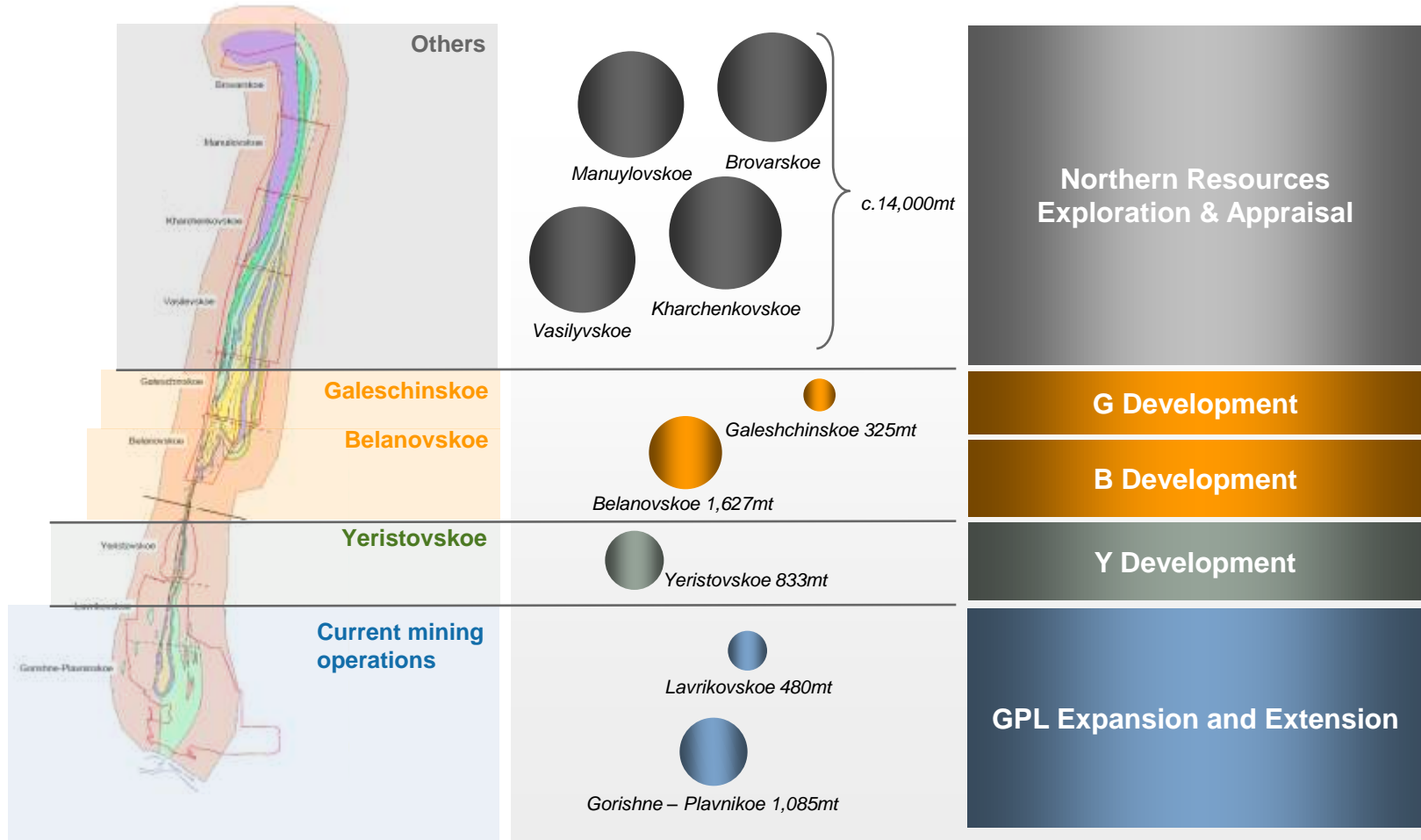
Growth Objectives

- *Europe's largest iron ore producer, by 2018*
 - *100 mtpa ore*
 - *35 mtpa products*
- *Supplier of choice to critical customer group*
 - *lowest cost quartile supplier into key markets*
 - *100% 65% BF pellets*
 - *technical feasibility of DR pellets confirmed*
- *Underpinned by integrated market services & logistics capability*
 - *ownership of logistics assets*
 - *maximising margins via supply chain control*



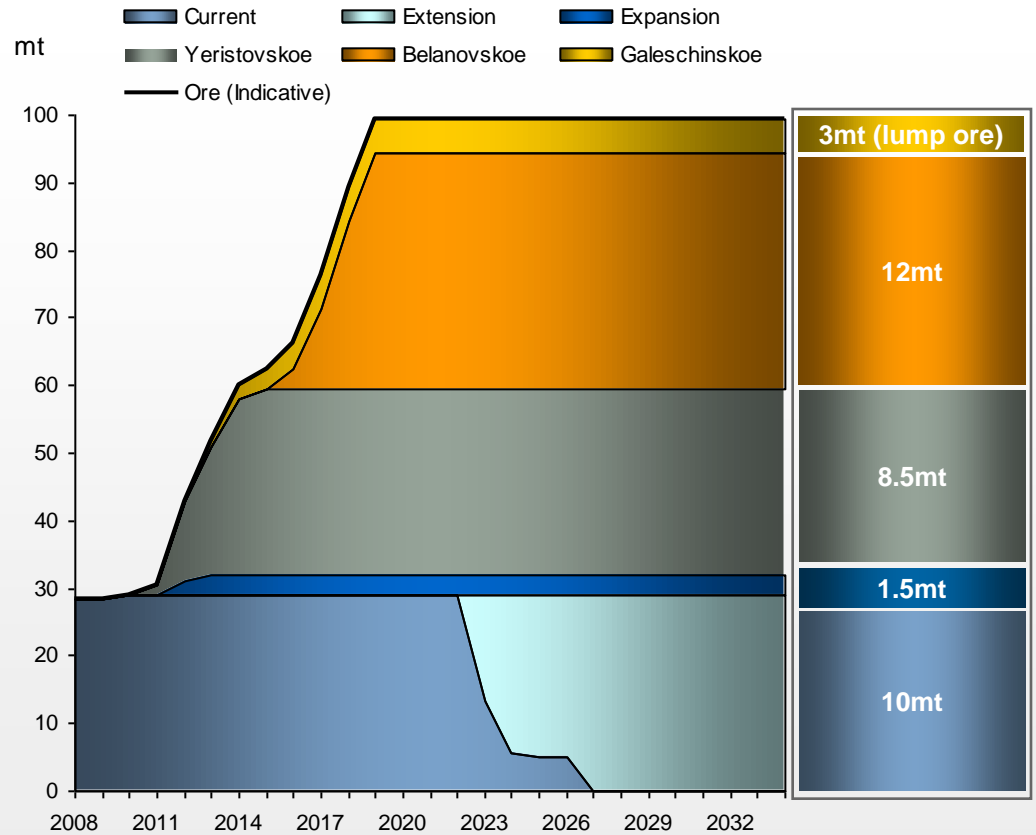
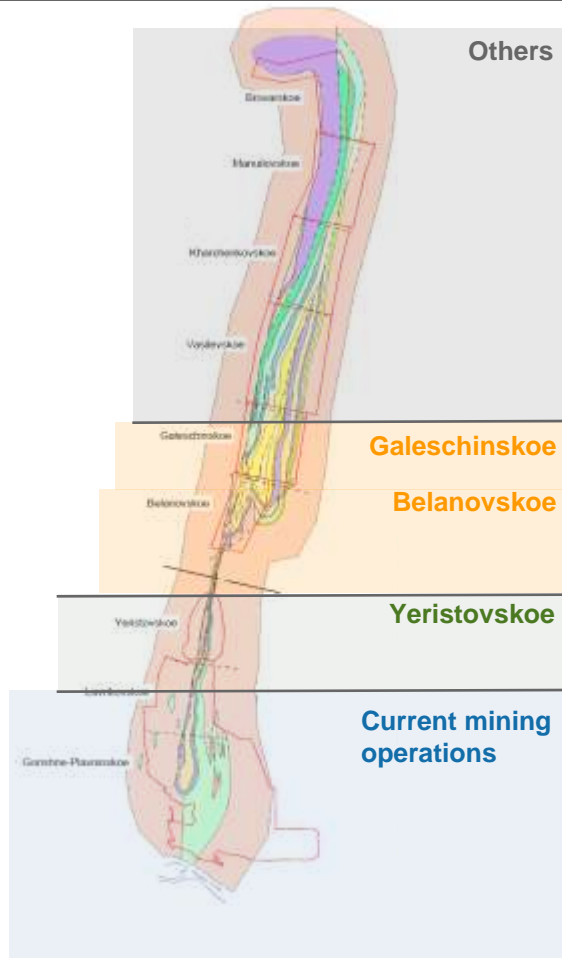
Ferrexpo Poltava Mining – Development Horizons

Substantially under-exploited iron ore resources



Ferrexpo Poltava Mining – Production Profile¹

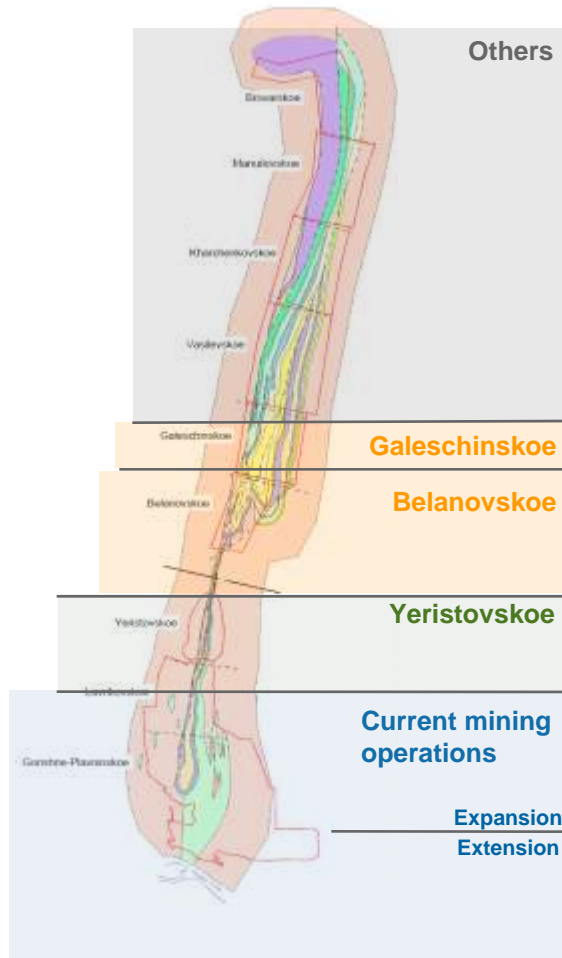
100mtpa of iron ore and 35mtpa of products by 2018



¹ Indicative only



Ferrexpo Poltava Mining – Indicative Capex Requirement



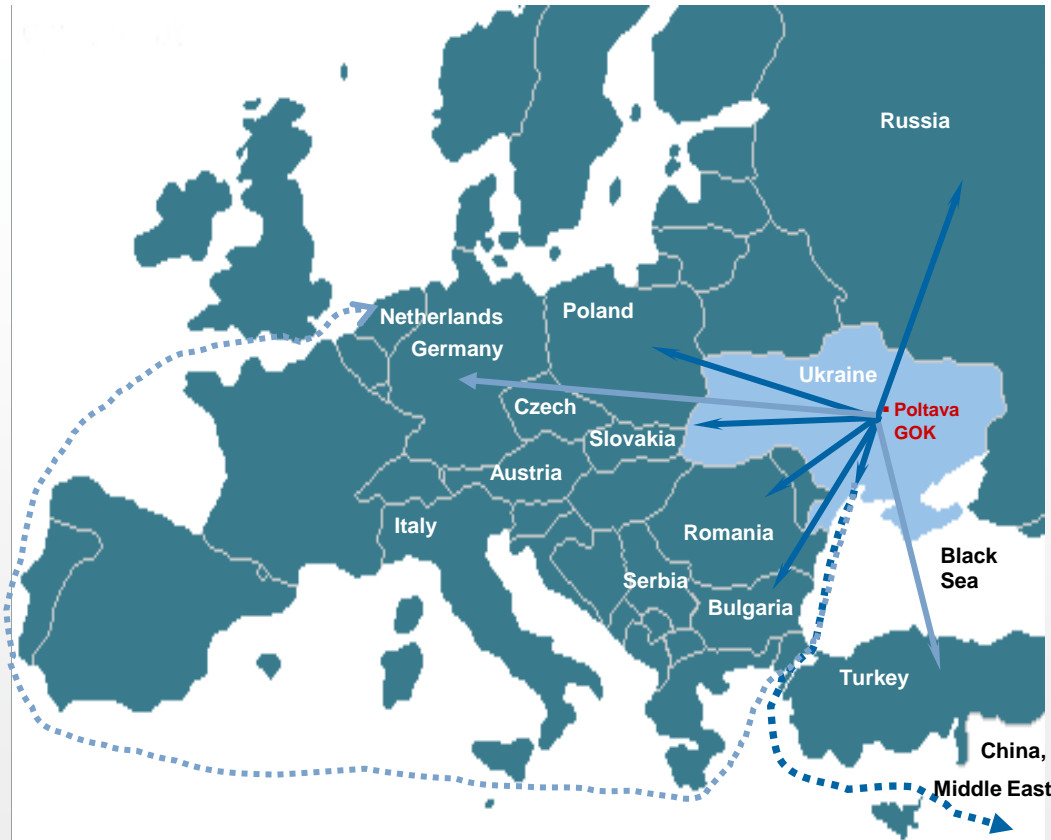
Total Indicative Development Capex: c. \$4.6 billion		
Mining Total \$1,600m	Processing ¹ & Infrastructure Total \$3,000m	Total \$4,600m
\$800m	\$1,500m	\$2,300m
\$630m	\$1,140m	\$1,770m
\$100m	\$120m	\$220m
\$70m	\$240m	\$310m

¹ Processing includes beneficiation and pelletising



Building Market to Underpin Growth

Supplier of Choice to Critical Customer Group



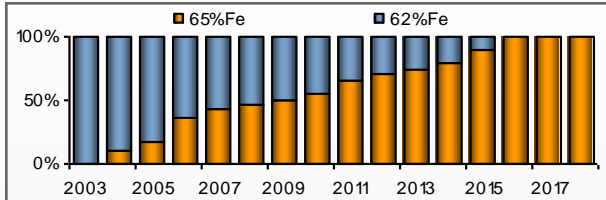
¹ Via Panama Canal

² From main ports to Qingdao

Competitive cash supply costs

First (lowest cost) quartile of iron ore pellet supply into existing markets in Central and Eastern Europe on a CIF basis

Production Quality Increasing



Investments in Logistics and Infrastructure

Rail: Purchase of 550 railcars for US\$25m
 Shipping: Own 49% of TIS Ruda port facility, with access to 100% of 5mtpa capacity

Shipping distance to China²

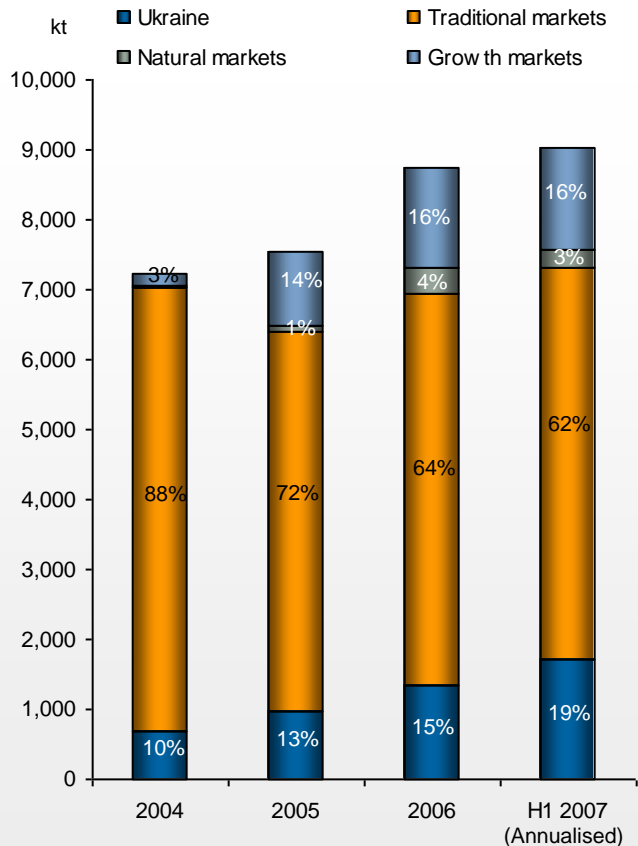
	Nautical Miles
P. Hedland (Australia)	3,600
Saldanha (S. Africa)	8,000
Yuzhny (Ukraine)	8,600
Tubarao (Brazil)	11,000
Sev. Island (Canada)	11,500 ¹

Ferrexpo's location is its key competitive advantage

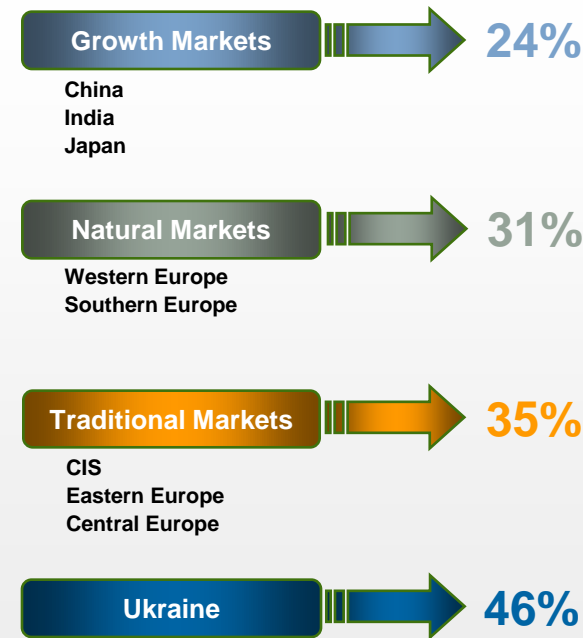


Market – Building for Growth

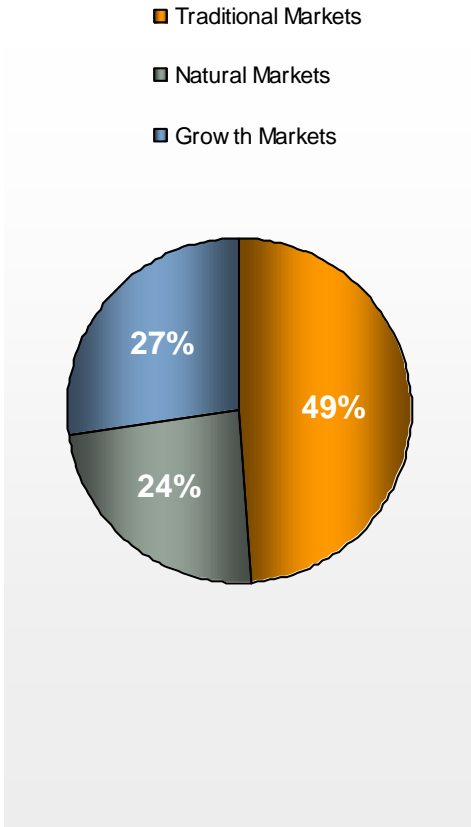
Pellets sold into market segments



EBITDA margin by segment H1 2007



Market destination: 32mtpa¹

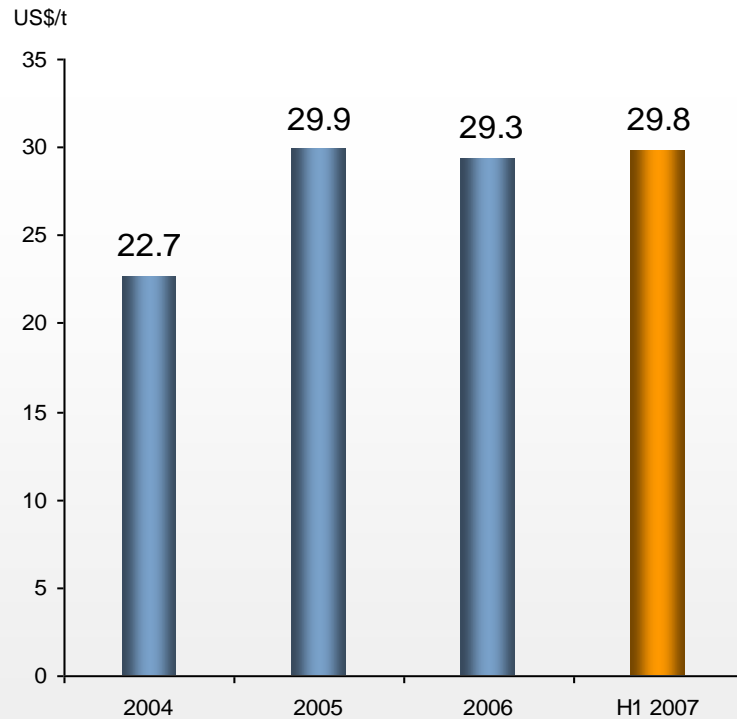


¹ Indicative. Traditional markets include Ukraine



Cost & Production Performance – Platform for Growth

C1 Costs¹



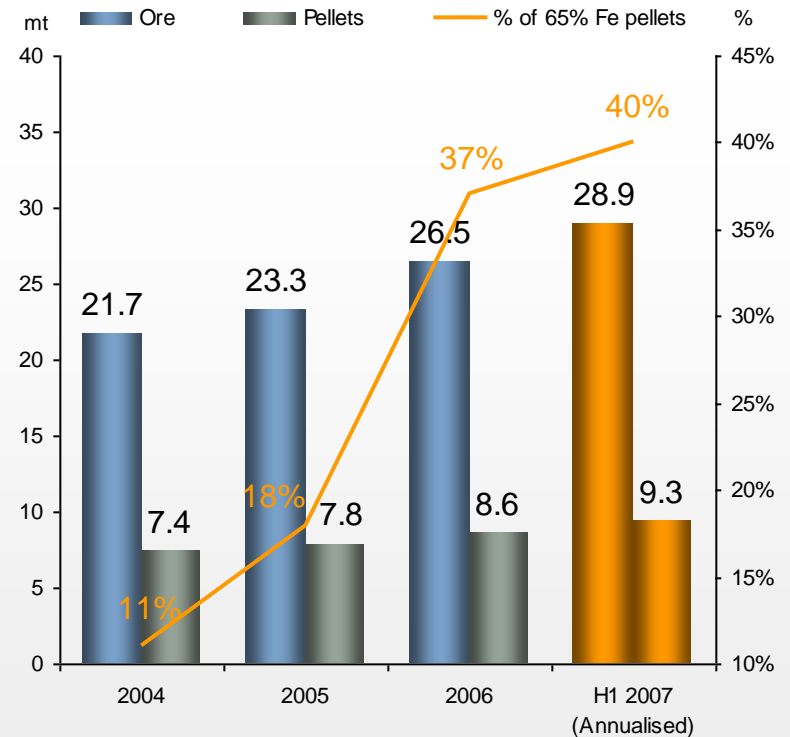
Ukrainian PPI (%)²	24.1	9.5	14.1	11.0
UAH/US\$³	5.3	5.1	5.1	5.0

¹ C1 costs are total cash costs of production of pellets from produced concentrate, ex-works

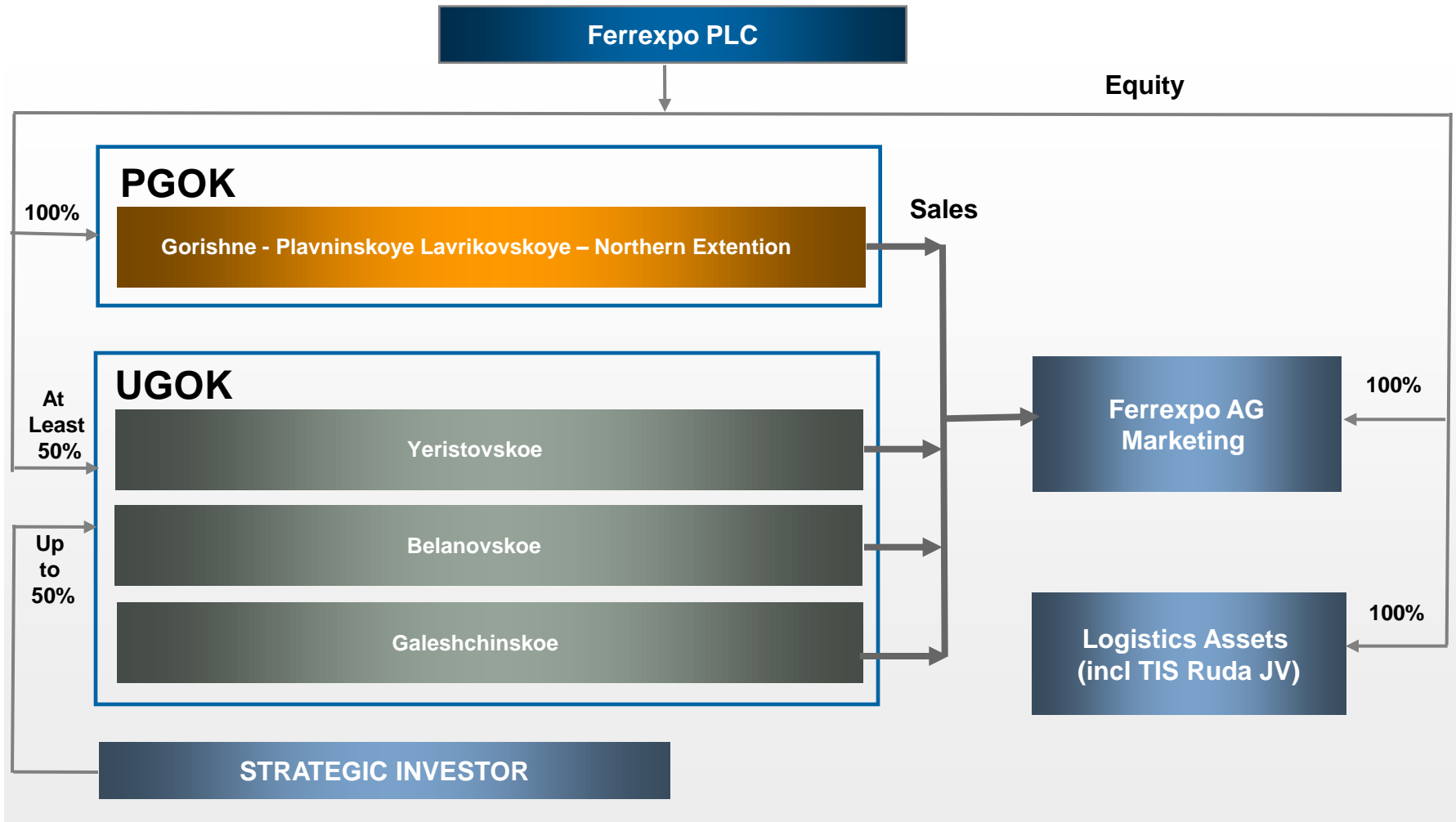
² Producer price index over period

³ Average exchange rate over period

Production



Strategic Investors – Enabling Value Acceleration



Growth – Building Implementation Momentum

Organisation	<ul style="list-style-type: none">• UGOK management entity created• Actively recruiting; leadership roles filled
Project Management	<ul style="list-style-type: none">• Worley Parsons (WP) Alliance mobilised• More than 80 people in 4 centres around the world• Ukrainian institutes enrolled
Mining	<ul style="list-style-type: none">• DTP Terrassement Alliance – running Yeristovskoye mine development• Yeristovskoye DFS underway (Turgis & DTP Alliances)• Belanovskoye & Galeschinskoye PFS underway (Turgis & WP Alliances)• GPL expansion and extension – Board approved
Processing	<ul style="list-style-type: none">• Promet test work – essentially complete for GPL – well advanced for Yeristovskoye• GPL beneficiation and pellet plant upgrade projects – initial contract awards in Q1 '08• Yeristovskoye concentrator DFS underway
Strategic Investors	<ul style="list-style-type: none">• Board has approved Strategic Investor program• Short list has been developed• Target Q2 '08 transaction close

