

STRATEGIC PRIORITIES

PRUDENT CAPEX

KEY INVESTMENT PROJECTS

Steelmaking

Rail and beam mill modernisation at EVRAZ NTMK

Increase production of beams, sheet piles and HH rails.

Key developments in 2019

Mill equipment supplier selected, 'Define' phase approved and contract signed.

CAPEX in 2019: US\$0.5m

Integrated flat casting and rolling facility at EVRAZ ZSMK

Improve the profitability of EVRAZ' product portfolio by replacing semi-finished products with hot-rolled sheets and coils a year.

Key developments in 2019

Technical proposals developed for engineering and equipment supply.

Budget and project scope clarified based on proposals from equipment suppliers.

Main technical and economic indicators developed for production of flat products with potential technology suppliers.

CAPEX in 2019: US\$0.6m

Mining

Sobstvenno-Kachkanarsky deposit greenfield project

Maintain raw ore production.

Key developments in 2019

Working documentation developed, land lease issued.

CAPEX in 2019: US\$2 million

Tashtagolsky deposit reconstruction at EVRAZ ZSMK mining site

Increase annual ore production of Tashtakolsky deposit with partial switch to sublevel caving using mobile equipment.

Key developments in 2019

Subsoil use licence acquired to explore and mine iron ore.

Design documentation developed and submitted to relevant government agencies for consideration.

Basic technological equipment supplied.

CAPEX in 2019: US\$21m

KEY MAINTENANCE PROJECTS

Blast furnace No. 6 major overhaul at EVRAZ NTMK

Maintain pig iron production volumes.

Key developments in 2019

Strengthened foundation of axial cyclone and central hub, installed furnace shell and air heaters.

CAPEX in 2019: US\$74.0 million

Converter No. 4 technical performance improvement at EVRAZ ZSMK

Extend operations of converter No. 4 and improve technical and economic performance with replacement of drive, waste heat boiler, gas purification and upgrade of gas exhaust path.

Key developments in 2019

Selected main equipment suppliers.

Received equipment for waste heat boiler, has purification and gas exhaust at warehouse.

Selected contractor to replace waste heat boiler and gas exhaust.

Started top assembly of waste heat boiler.

CAPEX in 2019: US\$6 million



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