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### **Evraz acquires leading vanadium producer Stratcor**

*April 10, 2006* – Evraz Group S.A. (LSE: EVR), one of the leading vertically integrated steel production and mining businesses with operations mainly in Russia, announced today it has signed an agreement with the major shareholders of Strategic Minerals Corporation (Stratcor or Corporation), one of the world's leading producers of vanadium products, to purchase outstanding shares of the Corporation, for about US\$110 million.

Upon consummation in full of the transaction, Evraz Group will acquire outstanding Stratcor's shares representing an economic interest in the Corporation of approximately 73 percent. Sojitz, a Japanese trading company, will retain a strategic shareholding in the Corporation. The transaction will be financed from Evraz's own funds. Final closing is subject to customary conditions and approvals.

Commenting, Valery Khoroshkovsky, Evraz Group's CEO, said,

“The transaction will compensate for the absence of Evraz's own vanadium processing facilities and will ensure strategic exposure of the Company to attractive markets of high value-added vanadium products. Evraz will also benefit from Stratcor's advanced technical know-how and outstanding marketing expertise”.

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#### **Notes for editors:**

Vanadium is widely used in the production of high-strength steels, titanium, and chemical and petrochemical products.

Strategic Minerals Corporation, a privately-held company, headquartered in Danbury, Connecticut, USA, is one of the world's leading producers of vanadium alloys and chemicals for the steel, chemical, and titanium industries. It has two wholly-owned subsidiaries – Stratcor, Inc. with a plant in Hot Springs, Arkansas, USA (40% of world production of vanadium chemicals and alloys), and Vametco Minerals Corporation with a mine and a plant in Brits, South Africa (5% of world production of vanadium, including Nitrovan® vanadium, a unique vanadium-nitrogen strengthener). Sales are conducted through Stratcor, Inc.'s sales office in Pittsburgh, Pennsylvania, USA, and a number of agents, including Sojitz of Japan. In 2005, revenues amounted to US\$247 million<sup>1</sup>, EBITDA – US\$109 million<sup>1</sup>. The Corporation employs 543 people. For further information visit [www.stratcor.com](http://www.stratcor.com)

Evraz is the largest producer (21% of the world primary vanadium raw supply) of vanadium slag in Russia which is a by-product of steelmaking process at its Nizhny Tagil steel mill. Evraz has no processing facilities to produce vanadium products from slag, and currently all slag is supplied to vanadium producers in Russia and China.

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<sup>1</sup> Estimate, Stratcor.

**For further information:**

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**Evrast Group S.A.** is one of the largest vertically-integrated steel and mining businesses with operations mainly in Russia. In 2005, Evraz Group produced 13.9 million tonnes of crude steel. Evraz Group's principal assets include three of the leading steel plants in Russia: Nizhny Tagil (NTMK) in the Urals region and West Siberian (ZapSib) and Novokuznetsk (NKMK) in Siberia, as well as Palini e Bertoli in Italy and Vitkovice Steel in the Czech Republic. Its fast-growing mining businesses comprise Evrazruda, the Kachkanarsky (KGOK) and Vysokogorsky (VGOK) iron ore mining complexes and Neryungrugol coal company and equity interests in the Rapsadskaya and Yuzhkuzbassugol coal mines. The mining assets enable Evraz Group to be a vertically-integrated steel producer. Evraz Group also owns and operates the Nakhodka commercial sea port, in the Far East of Russia, which facilitates its access to Asian export markets.

For further information visit [www.evraz.com](http://www.evraz.com)