

Statement of material fact on the data, submitted or provided by the Issuer to the respective body (institution) of a foreign state, to a foreign stock exchange and (or) other institutions under a foreign law for the purpose of data disclosure or provision to foreign investors in relation to the distribution or circulation of the Issuer's securities outside the Russian Federation, Statement on insider information

1. General information

- 1.1. Full name of the Issuer: **Novolipetsk Steel**
- 1.2. Abbreviated name of the Issuer: **NLMK**
- 1.3. Domicile of the Issuer: **Russia, Lipetsk, 2, Metallurgov sq.,**
- 1.4. OGRN of the Issuer: **1024800823123**
- 1.5. TIN of the Issuer: **4823006703**
- 1.6. The Issuer's unique ID assigned by the registering authority: **00102-A**
- 1.7. Web-site used by the Issuer for information disclosure: **<http://www.lipetsk.nlmk.ru>; <http://www.e-disclosure.ru/portal/company.aspx?id=2509>**

2. Content

2.1. Type and brief content of the data (kind and title of the document) submitted or provided by the Issuer to the respective body (respective institution) of a foreign state, to a foreign stock exchange and (or) other institutions under a foreign law for the purpose of their disclosure or provision to foreign investors, as well as other identification attributes of the Issuer's issue-grade securities whose distribution or circulation outside of the Russian Federation is the reason for the submission or provision of the subject data:

Press release

30.11.2016

NLMK Group launches one of the largest pelletizing facilities in Europe

NLMK Group (LSE: NLMK), an international steel company with assets in Russia, European Union and the USA, has successfully completed the key investment project of its "Strategy 2017" – the construction of a concentrate pelletizing plant at Stoilensky.

Dmitry Medvedev, Russian Prime Minister; Evgeny Savchenko, Belgorod region governor; Oleg Korolyov, Lipetsk region governor; Denis Manturov, Russian Minister of Industry and Trade; Vladimir Lisin, NLMK Group's BD Chairman; Oleg Bagrin, NLMK Group's CEO; partners and employees of the company attended the grand opening of the pelletizing plant.

The launch of the new pelletizing plant will enable NLMK Group to decrease the cost of raw materials for blast furnace operations resulting in lower cash cost of the company's steel. The positive impact of the project on EBITDA of the Group is about \$150 million at current prices.

"The construction of the pelletizing plant is an essential part of NLMK Group's development strategy aimed to bolster the Group's leading position. The pelletizing plant will ensure control over the cost of iron ore while the prices are volatile, and a structural decrease in steel cash cost; it will create conditions for further growth of Stoilensky's iron ore concentrate production capacities. It will consolidate the leading position of the Group, which over the last decade has been one of the most efficient global steel producers", - comments Oleg Bagrin, NLMK CEO.

The plant has a design capacity of 6 million tonnes of pellets per year. The equipment installed allows for a further 20% expansion of this capacity to reach 7.2 million tonnes of pellets per year. The company plans to produce about 50 thousand tonnes for pellets for the Lipetsk site in November during hot testing. The plant is expected to achieve its design capacity in Q1 2017.

This high-tech facility took two years to build. The active phase of the region-largest project began in 2014 and required a total investment of around \$680 million (34 billion rubles).

The best available technology and equipment was selected during the design phase. The largest induration furnace in Europe ensures the plant's high performance at 780 tonnes of pellets produced per hour. The Stoilensky plant is the first in the Russian metals and mining industry to use high-efficiency hyperbaric filters to remove fluid during the processing of ore.

The concept behind the design of the pelletizing plant is that of an environmentally friendly, waste-free

facility, in which waste charge material and captured dust are fully recycled. A high efficiency dedusting system captures up to 98% of emissions.

The plant's labour productivity of 22.9 thousand tonnes per person is the highest among its peers in Russia and the CIS.

Identification attributes of the Issuer's issue-grade securities whereof any distribution or circulation outside the Russian Federation is the reason for the submission or provision of the subject data:

Issue-grade securities in circulation outside the Russian Federation: ***uncertified registered common shares, state registration number 1-01-00102-A dd. 09.04.2004, ISIN RU0009046452.***

Summary of the issue program (type of the program) related to the foreign Issuer's depositary securities certifying the rights in respect of the stock of the corresponding category (type): ***Global Depositary Shares issued by Deutsche Bank Trust Company Americas in accordance with Rule 144A, as well as Regulation S of the US Securities Act. Each Global Depositary Share (ISIN: US67011E2046) certifies rights to 10 common shares of NLMK.***

Name(-s) of the foreign trade arranger(-s) in charge of circulation of the Issuer's shares (depositary securities representing rights in respect of the Issuer's shares): ***London Stock Exchange plc.***

2.2. The date when the data were submitted or provided by the Issuer to the respective body (institution) of a foreign state, to a foreign stock exchange and (or) other institutions under a foreign law for the purpose of their disclosure or provision to foreign investors: ***30 November, 2016***

2.3. The website where the text of the document was published, containing the data submitted or provided by the Issuer to the respective body (institution) of a foreign state, to a foreign stock exchange and (or) other institutions under a foreign law for the purpose of their disclosure or provision to foreign investors in relation to the distribution or circulation of the Issuer's securities outside the Russian Federation: ***www.londonstockexchange.com***

2.4. The date of the web publishing of the document containing the data submitted or provided by the Issuer to the respective body (institution) of a foreign state, to a foreign stock exchange and (or) other institutions under a foreign law for the purpose of their disclosure or provision to foreign investors in relation to the distribution or circulation of the Issuer's securities outside the Russian Federation: ***30 November, 2016***

3. Signature

3.1. ***Authorized representative
of NLMK by virtue of***

Power of Attorney No.43 dd. 01.02.2016

(signature)

V.A. Loskutov

3.2. ***Date: November 30, 2016***

Stamp