



NORILSK NICKEL

*A Superior Cash Offer for
LionOre Mining
International Limited*

3 May 2007

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“A Superior Cash Offer”

- ▶ **Denis Morozov** **Chief Executive Officer**
- ▶ **Tav Morgan** **Deputy CEO, Production and Strategy**
- ▶ **Igor Komarov** **Chief Financial Officer**
- ▶ **Tom Rogers** **Head of Business Development**

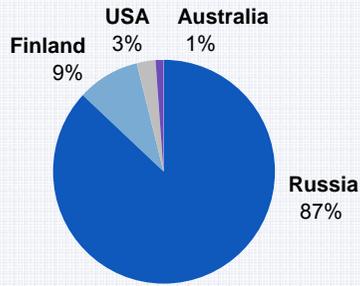
“A Superior Cash Offer”

- ▶ All-cash offer price of C\$ 21.50 per LionOre share
 - Premium of 22.9% over the closing price on March 23rd
 - Premium of 16.2% to Xstrata's offer
 - Premium of 13.5% to May 2nd closing price
- ▶ Fully financed bid
- ▶ Accretive to earnings in first year
- ▶ 66 2/3% minimum tender threshold
- ▶ Subject to regulatory approvals – no anticipated clearance issues
- ▶ Offer open for a minimum of 35 days, with an expected expiry date of June 18, 2007
- ▶ Take-over bid circular expected to be mailed around May 15, 2007

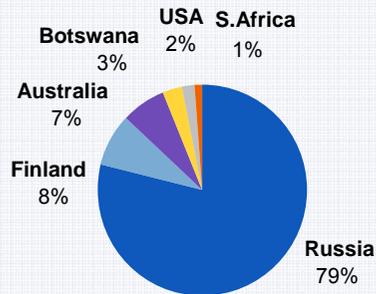
- ▶ Strengthens internationally diversified portfolio of metal production assets in attractive mining regions
 - **Complementary technology for “reserve rich” sulphide based nickel producer**
 - **Complementary asset base of mining and processing operations that fit with Norilsk Nickel’s refining capabilities**
- ▶ Strong management team experienced in mining and processing operations in the southern hemisphere, and with strong capabilities in building new operations in remote areas
- ▶ Further enhancement of an already strong commodity mix
- ▶ Builds portfolio of shorter term growth projects combined with long life reserves

Further geographic diversification into attractive mining regions

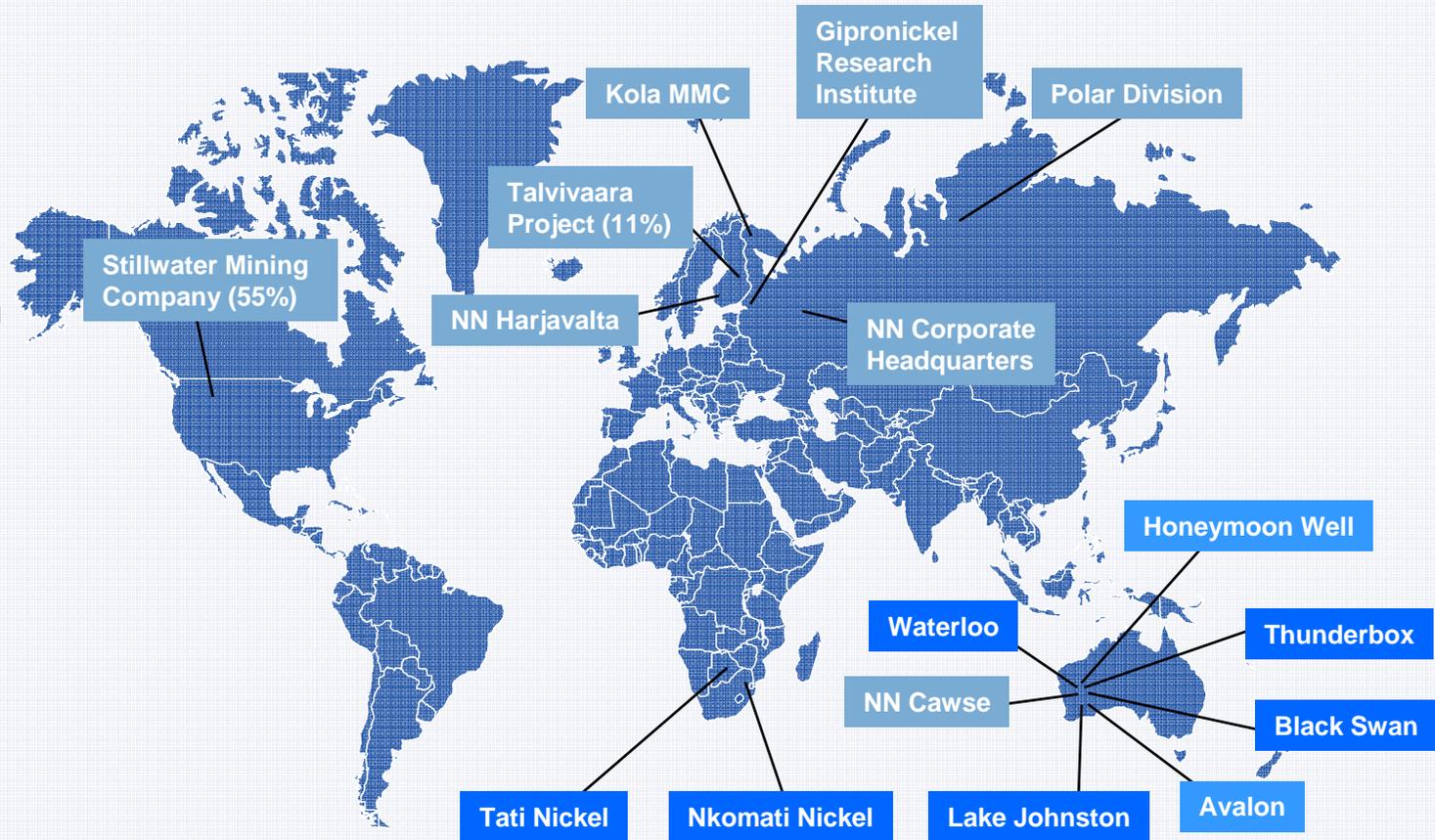
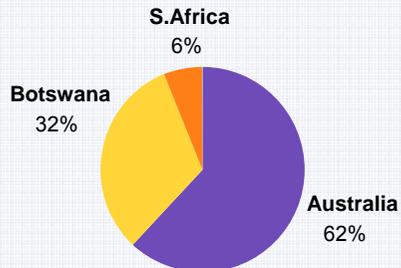
Norilsk Nickel 2007E revenue¹



Pro forma 2007E revenue¹



LionOre 2007E revenue¹



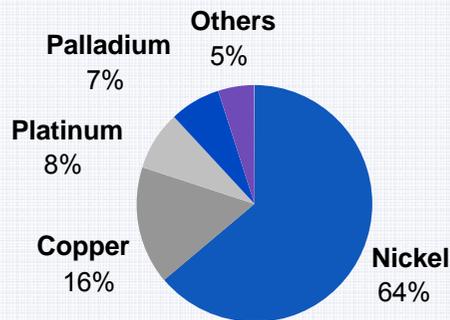
■ Norilsk Nickel
 ■ LionOre Operation
 ■ LionOre Project

Note: 1 Norilsk Nickel estimates. Estimates are based on full-year revenues

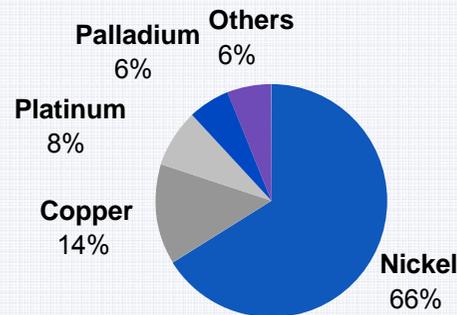
Strong commodity portfolio

- ▶ Remaining well diversified in terms of commodities produced
- ▶ Focus on highly attractive commodity sectors with strong financial returns

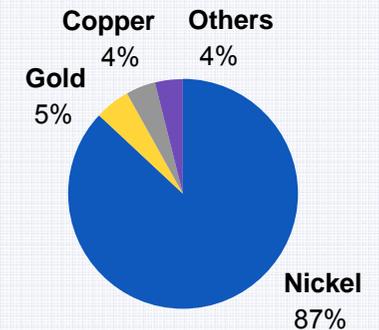
Norilsk Nickel¹ 2007E



Combined Group¹ 2007E



LionOre¹ 2007E



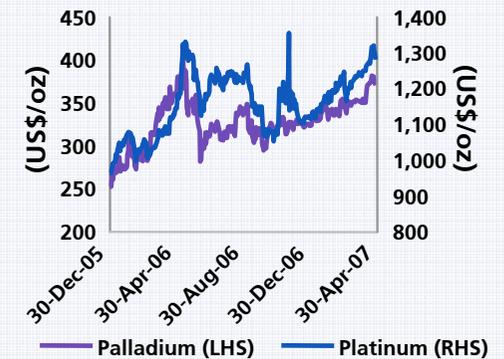
Copper



Nickel



Platinum/Palladium

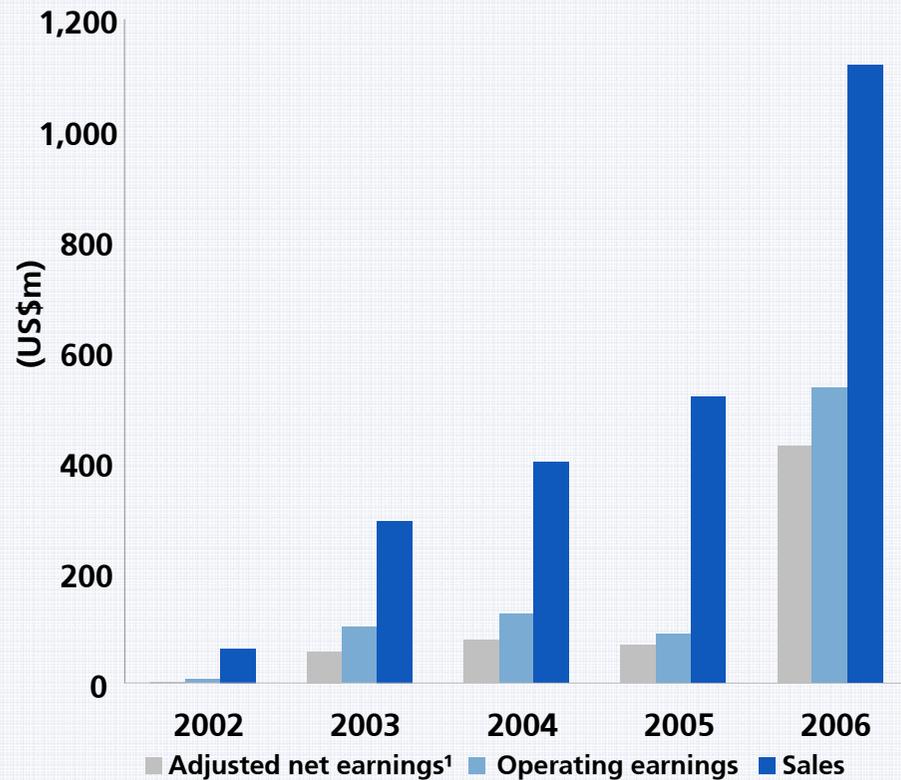


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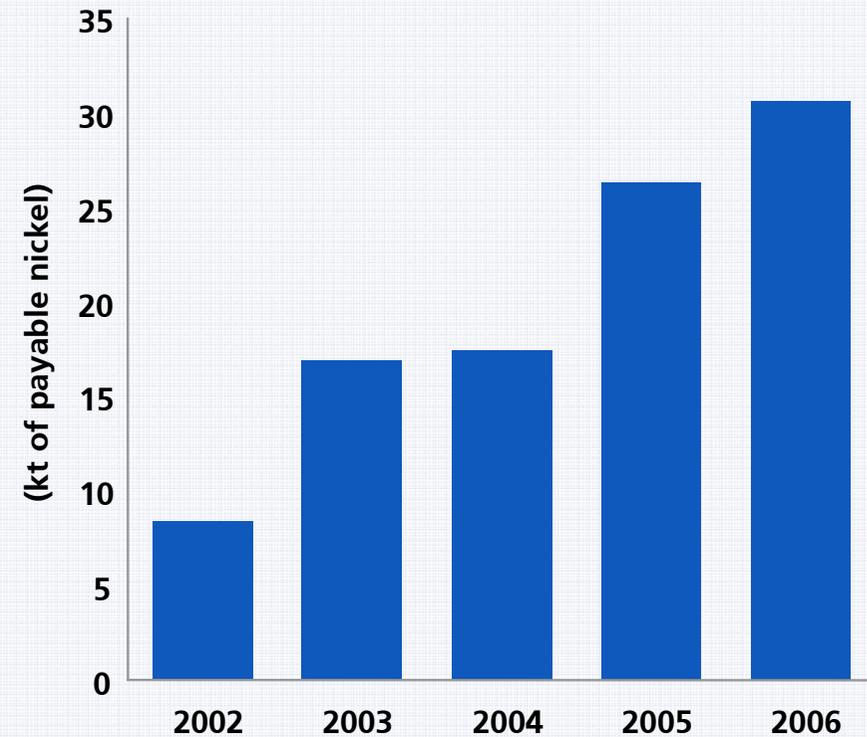
LionOre: A strong addition to the Norilsk Nickel Group



Sales and earnings



Nickel production ² (attributable)



Source: Company information

Note:

1 Excluding extraordinary items

2 kt of attributable payable nickel produced



“A Superior Cash Offer”