

**Statement of material fact regarding certain resolutions adopted by the Issuer's Board of Directors;
Statement of 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: **2, Metallurgov sq., Lipetsk, Russia**
- 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. Quorum of Issuer's BoD meeting and voting results: **9 of 9 members of the Board of Directors have taken part in the voting. There is a quorum for decision-making. The resolutions have been passed.**

2.2. The content of resolutions passed by Issuer's Board of Directors:

On the first item of the agenda the following resolutions have been passed:

1.1.1. Approve an interested-party transaction for the supply of tapholes and taphole blocks to be concluded between NLMK (the Buyer) and RHI AG (the Seller). The transaction shall be capped at EUR 200,000 (Two hundred thousand) on DAP Lipetsk delivery terms. The transaction shall be valid from its signing till the parties have discharged their contractual obligations and settled mutual accounts.

2.1.1. Approve an interested-party transaction for the supply of a trial lot of steel casting refractories between NLMK (the Buyer) and RHI AG (the Seller). The transaction shall be capped at EUR 11,000 (Eleven thousand) on DAP Lipetsk delivery terms. The transaction shall be valid from its signing till the parties have discharged their contractual obligations and settled mutual accounts.

1.2. Approve an interested-party transaction (sublease contract) between NLMK (Sublessor) and Libra Capital (Sublessee). The transaction shall be capped at 18,763,025 (eighteen million seven hundred and sixty-three thousand twenty five), VAT included, and EUR 1,312,155 (One million three hundred and twelve thousand one hundred and fifty five), VAT included. The transaction shall be valid from its signing till the parties have discharged their contractual obligations.

1.3. Approve an interested-party transaction (sublease contract) between NLMK (Sublessor) and Rumelco (Sublessee). The transaction shall be capped at 1,705,730 (one million seven hundred and five thousand seven hundred and thirty), VAT included, and EUR 119,286 (One hundred and nineteen thousand two hundred and eighty six), VAT included. The transaction shall be valid from its signing till the parties have discharged their contractual obligations.

The following resolutions have been adopted regarding the second item of the agenda:

2.1. Approve Bond Program - certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody with the total par value of all issues of bonds distributed within

Bond Program, series 001P, through to RUB 200,000,000,000 (Two hundred billion) or an equivalent of this amount in foreign currency, maturing on the date not later than the 10,920th (Ten thousand nine hundred and twentieth) day from the commencement date of the distribution of bonds issue within Bond Program subject to distribution by open subscription.

2.2. Approve Securities Prospectus - certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody with the total par value of all issues of bonds distributed within Bond Program, series 001P, through to RUB 200,000,000,000 (Two hundred billion) or an equivalent of this amount in foreign currency, maturing on the date not later than the 10,920th (Ten thousand nine hundred and twentieth) day from the commencement date of the distribution of bonds issue within Bond Program subject to distribution by open subscription.

2.3. The Issuer's Board of Directors meeting date when the respective resolutions were adopted: October 28, 2016.

2.4. Date and number of the Minutes of the Issuer's Board of Directors meeting at which the respective resolutions were passed: October 28, 2016, MOM No. 242.

2.5. In case the Issuer's Board of Directors meeting agenda includes the issues related to exercising the rights on certain Issuer's securities, the identification attributes of such securities shall be specified: The agenda of NLMK's Board of Directors meeting does not include any issues related to exercising of rights on the Issuer's securities.

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: October 28, 2016

Stamp