

GROUP DESCRIPTION

KEY ASSETS

Uralkali is a vertically integrated company with control over the whole production chain, from potash ore mining through potash supply to end consumers

THE COMPANY'S ASSETS INCLUDE:

- 2 potash mines
- 4 processing plants that produce potash
- Licence to develop the Ust-Yayvinsky field of the Verkhnekamskoye deposit
- 50% interest in Belarusian Potash Company (BPC) – world leader in exports of potash fertilisers with more than 30%^I share of the export market
- 100% interest in Uralkali Trading S.A. – a trading company which provides a channel for part of Uralkali export supplies
- 100% interest in Baltic Bulk Terminal (BBT)
- A fleet of more than 4,600 railcars – specialised mineral ore wagons
- Storage facilities in Berezniki and St. Petersburg to hold 540 thousand tonnes of fertiliser

PRODUCTION

The Company produces two main types of potash fertiliser: standard and granular. The Company is developing the Durymsky and Bygelsk-Troitsky fields of the Verkhnekamskoye potash-magnesium salts deposit. The total production capacity of the Company is **5.5 million tonnes KCl** with plans of **increase to 7 million tonnes in 2012**.



The Company owns a licence to develop the Ust-Yayvinsky field which has total resources of 1.3 billion tonnes of ore^{II}.

Notes
I. BPC together with Uralkali Trading S.A.
II. JORC valuation report as of 1 January 2011

BALTIC BULK TERMINAL (BBT)

BBT is a part of Uralkali group, a modern, highly automated shipping terminal built at the St. Petersburg seaport in 2004. It is a special facility dedicated to the shipment of mineral fertiliser, providing the shortest transportation route from the mines to the port. The terminal handled 5.1 million tonnes of fertiliser in 2010, of which 3.4 million tonnes was from Uralkali. The rest



was nitrogen-phosphorus fertilisers from Russian producers. **The peak shipment capacity for BBT is 6.2 million tonnes.** Uralkali's planned increase in production will be supported by the current excess handling capacity at the terminal. As of 31 December 2010 Uralkali owned 100% of BBT shares.

RAIL

Uralkali owns **over 4,600 railcars, one of the largest specialised fleets in Russia.** Rail shipment is a vital part of Uralkali's operations, as Uralkali's product is transported to BBT by rail. It ensures smooth deliveries and also provides a **significant competitive advantage for shipments to North**



China, a major consumer of potash fertiliser. Together with local producers, only Russian suppliers have access to this market.

WAREHOUSING

Smooth product delivery requires adequate storage facilities. In addition to **storage at BBT**, which can **house up to 240 thousand tonnes of product**, Uralkali owns **facilities in Berezniki**, which have a combined **capacity of up to 300 thousand tonnes**. The facilities are divided into sections, each holding



a different type of product. Warehouses are connected by a weatherproof conveyer system to the rail terminal.

PRICING AND SALES

Uralkali owns interest in Belarusian Potash Company (BPC). With sales offices in seven countries BPC ships Uralkali and Belaruskali products to over 60 countries across the world.

BPC is a world leader in potash fertiliser export sales, with market share of around 31%^I. BPC helps Uralkali to achieve highly efficient sales operation.

As of 31 December 2010 Uralkali owned 50% of the BPC shares, Belaruskali – 45%, Belarusian Railway – 5%.

Note
I. BPC together with Uralkali Trading S.A.