

13 June 2022

Ferrexpo plc
(“Ferrexpo” or the “Company” or the “Group”)

Logistics and Operations Update

Ferrexpo plc (LSE: FXPO), the world's third largest exporter of high grade iron ore pellets to the global steel industry, with operations in central Ukraine, announces the following update on its logistics export network and operations in Ukraine.

Logistics Update

As previously announced, Ukraine's Black Sea Ports remain closed and the Group has had to divert all of its iron ore pellet sales to European markets via Ukraine's diverse railway network, as well as via the Group's barging operations. Russia's invasion of Ukraine in 2022 has resulted in periodic disruption to the railway network across the country, with the national rail operator having to consistently repair and re-open damaged sections of the railway network following Russian air strikes.

The Group has recently been notified of further infrastructure damage as a result of a Russian missile strike in southwest Ukraine, which has reduced the Group's ability to use its barging operations that serve European customers. The Group's barging operations accounted for 0.8 million tonnes of iron ore deliveries in 2021.

Separately, the Group is in advanced discussions with additional port operators in central Europe for seaborne exports, whilst Ukraine's Black Sea ports remain closed.

Operations Update

As of the end of May 2022, the Group had produced 4.4 million tonnes of iron ore pellets, representing a level 8% below the same point in 2021. The Group has realised a combined 0.4 million tonne increase in iron ore inventories in the months of March, April and May 2022, which the Group will look to reduce as logistics constraints ease over time.

The Group continues to operate its assets in accordance with the volume of sales that are accessible given the ongoing conflict in Ukraine, and has recently operated in line with the historic level of sales to European markets, in addition to serving excess demand derived from reduced deliveries of Russian iron ore into Europe. The Group continues to receive deliveries of key consumables sufficient for the planned level of pellet output. However, as a result of the damage to infrastructure and increase in inventories of iron ore pellets referenced above, the Group will lower production for a period of time, until an alternative logistics route is agreed, damaged infrastructure is reopened and/or Ukraine's Black Sea ports resume activities.

The Group will continue to operate between one and three of its four pelletiser lines for pellet production, meeting accessible demand in European and seaborne markets.

This announcement contains inside information in relation to the Company. The person responsible for making this notification is Mark Gregory, Company Secretary.

Jim North, CEO of Ferrexpo commented:

“Russia's invasion of Ukraine has created a changeable and unpredictable situation, and one in which our management team is continually having to adapt and evolve our approach to operating. It is a credit to our operators and marketing team that our year to date production in the first five months of 2022 was only 8% below the same level seen in 2021, demonstrating Ferrexpo's collective flexibility despite exceptional circumstances. In light of the news announced today, we are lowering our short term production schedule for the summer months, and we will look to increase production once we have greater clarity on logistics going forward. The gradual reopening of our access to the seaborne market is a positive for the Group and we will prioritise these efforts as we understand the importance of reconnecting with this segment of our customer portfolio.”

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About Ferrexpo:

Ferrexpo is a Swiss headquartered iron ore company with assets in Ukraine and a premium listing on the London Stock Exchange in the FTSE 250 index (ticker FXPO). The Group produces high grade iron ore pellets, which are a premium product for the global steel industry and enable reduced carbon emissions and increased productivity for steelmakers when the Group's iron ore pellets are converted into steel, compared to more commonly traded forms of iron ore. Ferrexpo's operations have been supplying the global steel industry for over 50 years, and in 2021 the Group produced 11.2 million tonnes of iron ore pellets, placing Ferrexpo as the world's 3rd largest exporter of pellets to the global steel industry with a market share of approximately 9%. The Group has a global customer base comprising of premium steel mills around the world, which includes steel mills in Austria, Germany, Japan, South Korea, Taiwan, China, Slovakia, the Czech Republic, Turkey, Vietnam and America. For further information, please visit www.ferrexpo.com.