MINERAL RESOURCES AND ORE RESERVES

Taimyr Peninsula and Kola Peninsula

Data on mineral resources and ore reserves as of 31 December 2006 are based on the results of the independent audit performed by Micon International Co Limited (Micon). The audit was conducted in accordance with the principles of the Joint Ore Reserves Committee ("JORC") Code of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia.

For the first time in the Group's history the independent audit covered mineral resources and ore reserves of all metals in all the deposits comprising the mineral base of MMC Norilsk Nickel in the Taimyr and Kola Peninsulas.

Proved and probable ore reserves of the deposits of the Taimyr and Kola Peninsulas contain over 6 million tonnes of nickel and over 9 million tonnes of copper. Additional measured and indicated mineral resources in the Taimyr Peninsula and the Kola Peninsula deposits contain more than 10 million tonnes of nickel and more than 16 million tonnes of copper. Proved and probable ore reserves in the Taimyr Peninsula deposits also contain 63 million ounces of palladium and 16 million ounces of platinum at a combined grade of 7.54 grams per tonne. Measured and indicated mineral resources in the Taimyr Peninsula deposits contain almost 140 million ounces of palladium and over 40 million ounces of platinum.

Compared to the 31 December 2004 data, the reserves of the Taimyr Peninsula deposits remain essentially unchanged at the end of 2006, with mined ore being replaced. Despite intensive mining in 2005-2006 the Group was able to sustain these levels due to additional exploration at the operating mines and the inclusion of economic disseminated ore in the production plan.

Similar to earlier audits in 2003 and 2005, Micon completed a comprehensive review of information related to the mineral resources and reserves of the deposits of the Taimyr and Kola Peninsulas. The review involved exploration and mine geological information, and included site visits to individual mines, analytical laboratories, and staff interviews. Micon specifically examined:

- drilling techniques and equipment;
- drill core logging and mapping;
- sampling, sample preparation and assay methods;
- databases (selective inspection);
- assay quality control data.

Micon reviewed the methods used to calculate and classify mineral resources and ore reserves. They confirmed that the geological and assay data collected at both the Polar and Kola Divisions are of a high quality and that the mineral reserve calculations prepared by the Group provide a reasonable estimate of the mineral reserves. No material differences were found between the results obtained by Micon and the internal estimates of MMC Norilsk Nickel. Micon restated mineral reserves for the Polar and Kola deposits following the guidelines of the JORC Code and these are found in the accompanying table.

Mineral resources and ore reserves of Taimyr and Kola Peninsulas as of 31 December 2006

Region / Category	Deposit	Ore Type	Ore Tonnage	Metal Grade						Contained Metal					
				Ni	Cu	Pd	Pt	Au	6PGM	Ni	Cu	Pd	Pt	Au	6PGM
			000't	%	%	g/t	g/t	g/t	g/t	000't	000't	000'oz	000'oz	000'oz	000'oz
Taimyr Peninsula															
Proved ore reserves															
	Talnakh ore field														
		Rich	49 211	2,91	4,13	7,41	1,57	0,24	9,44	1 429	2 035	11 723	2 484	385	14 943
		Cuprous	15 733	1,19	5,05	11,92	2,85	0,65	14,93	188	794	6 031	1 441	327	7 549
		Disseminated	30 652	0,49	0,89	3,97	1,45	0,25	5,63	149	274	3 909	1 427	245	5 541
	Total Talnakh ore field - combined ore types		95 596	1,85	3,25	7,05	1,74	0,31	9,13	1 766	3 103	21 663	5 352	957	28 033
	Norilsk-1 deposit (Disseminated ore)		42 518	0,35	0,49	4,30	1,76	0,18	6,34	147	210	5 879	2 412	251	8 682
Probable ore reserves															
	Talnakh ore field														
		Rich	96 512	2,64	2,93	5,15	1,02	0,16	6,69	2 549	2 826	15 982	3 149	509	20 723
		Cuprous	68 514	0,82	3,56	7,39	1,89	0,60	9,49	565	2 439	16 267	4 157	1 327	20 902
		Disseminated	1 932	0,41	0,66	2,24	0,67	0,21	3,11	8	13	139	42	13	193
	Total Talnakh ore field - combined ore types		166 958	1,87	3,16	6,03	1,37	0,34	7,78	3 122	5 278	32 388	7 348	1 849	41 818
	Norilsk-1 deposit (Disseminated ore)		23 602	0,28	0,37	4,32	1,78	0,20	6,42	66	86	3 279	1 349	155	4 875
Total proved and probable ore reserves			**328 674**	**1,55**	**2,64**	**5,98**	**1,56**	**0,30**	**7,90**	**5 101**	**8 677**	**63 209**	**16 461**	**3 212**	**83 408**
Measured and indicated mineral resources															
	Talnakh ore field														
		Rich	20 470	4,23	5,83	12,95	2,54	0,51	15,90	866	1 194	8 524	1 673	336	10 468
		Cuprous	797	0,87	2,77	7,81	2,56	0,51	10,63	7	22	200	66	13	273
		Disseminated	1 367 312	0,52	1,03	2,89	0,84	0,19	3,91	7 066	14 149	127 143	36 745	8 241	171 606
	Total Talnakh ore field - combined ore types		1 388 579	0,57	1,11	3,04	0,86	0,19	4,08	7 939	15 365	135 867	38 484	8 590	182 347
	Norilsk-1 deposit (Disseminated ore)		25 525	0,34	0,46	4,21	1,66	0,15	6,26	86	115	3 452	1 359	126	5 133
Total measured and indicated mineral resources			**1 414 104**	**0,57**	**1,09**	**3,06**	**0,88**	**0,19**	**4,12**	**8 025**	**15 480**	**139 319**	**39 843**	**8 716**	**187 480**
Total inferred mineral resources			**473 635**	**0,90**	**1,86**	**4,45**	**1,13**	**0,27**	**5,81**	**4 265**	**8 812**	**67 702**	**17 255**	**4 044**	**88 561**
Kola Peninsula (Disseminated ore)															
Proved ore reserves (Operating mines)			76 214	0,65	0,30	0,04	0,03	0,01	0,07	497	229	87	83	26	180
Probable ore reserves (Operating mines)			60 813	0,75	0,36	0,04	0,05	0,01	0,09	456	220	77	90	25	182
Total proved and probable ore reserves			**137 027**	**0,70**	**0,33**	**0,04**	**0,03**	**0,01**	**0,07**	**953**	**449**	**164**	**173**	**51**	**362**
Measured and indicated mineral resources															
	Operating mines		348 988	0,50	0,21	0,04	0,02	0,01	0,06	1730	729	430	208	77	655
	Undeveloped deposits		148 094	0,59	0,30	0,05	0,03	0,02	0,09	877	445	215	137	93	387
Total measured and indicated mineral resources			**497 082**	**0,52**	**0,24**	**0,04**	**0,02**	**0,01**	**0,06**	**2 607**	**1 174**	**645**	**345**	**170**	**1 042**
Total inferred mineral resources			**220 648**	**0,51**	**0,24**	**0,04**	**0,02**	**0,01**	**0,06**	**1 134**	**522**	**283**	**158**	**74**	**467**

Notes:

1. Mineral resources and ore reserves of the deposits of the Taimyr Peninsula and Kola Peninsula were classified according to the Australasian Code for Reporting of Mineral Resources and Ore Reserves ("JORC Code") developed by the Australasian Joint Ore Reserves Committee ("JORC") formed by the The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia.
2. The classification of the reserves in accordance with JORC principles have been prepared by the following competent person: Stanley C Bartlett, PGeo, Managing Director of Micon International Co Limited.
3. Reserves are based on the current 2007-2020 detailed mine production plan and the base case conceptual mine plan extending to the life of mine end. The life of mine is based on economically mineable ore in the A, B and C1 Russian categories at the end of a given calendar year.
4. In the Kola Peninsula the audit included Zhdanovskoe, Zapoliarnoe, Kotselvaara-Kammikivi and Semiletka deposits.
5. Sub-total and total figures may be different to the sum of individual numbers due to rounding.
6. 6PGM figures include platinum, palladium, rhodium, ruthenium, osmium and iridium.
7. Proved and probable ore reserves are not included in mineral resources.
8. The metal prices used were: nickel $14,000/t, copper $4,500/t, palladium $1,000/oz, platinum $310/oz, gold $580/oz.
9. Ore losses applied ranged from 1.6% to 20% and dilution ranged from 6% to 15%. Mining dilution was assumed to have nil grade.

Mineral resources and ore reserves definition in accordance with the JORC Code

- A **"Mineral Resource"** is a concentration or occurrence of material of intrinsic economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable prospects for its eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are subdivided, in order of increasing geological confidence into Inferred, Indicated and Measured categories.
- An **"Inferred Mineral Resource"** is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and has an assumed, but not verified, geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which is limited or of uncertain quality and reliability.
- An **"Indicated Mineral Resource"** is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.
- A **"Measured Mineral Resource"** is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity.
- An **"Ore Reserve"** is the economically mineable part of a Measured or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at

the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.

- A **"Probable Ore Reserve"** is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.
- A **"Proved Ore Reserve"** is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.