



Global Mn Industry Overview

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2005 Mn Industry Highlights

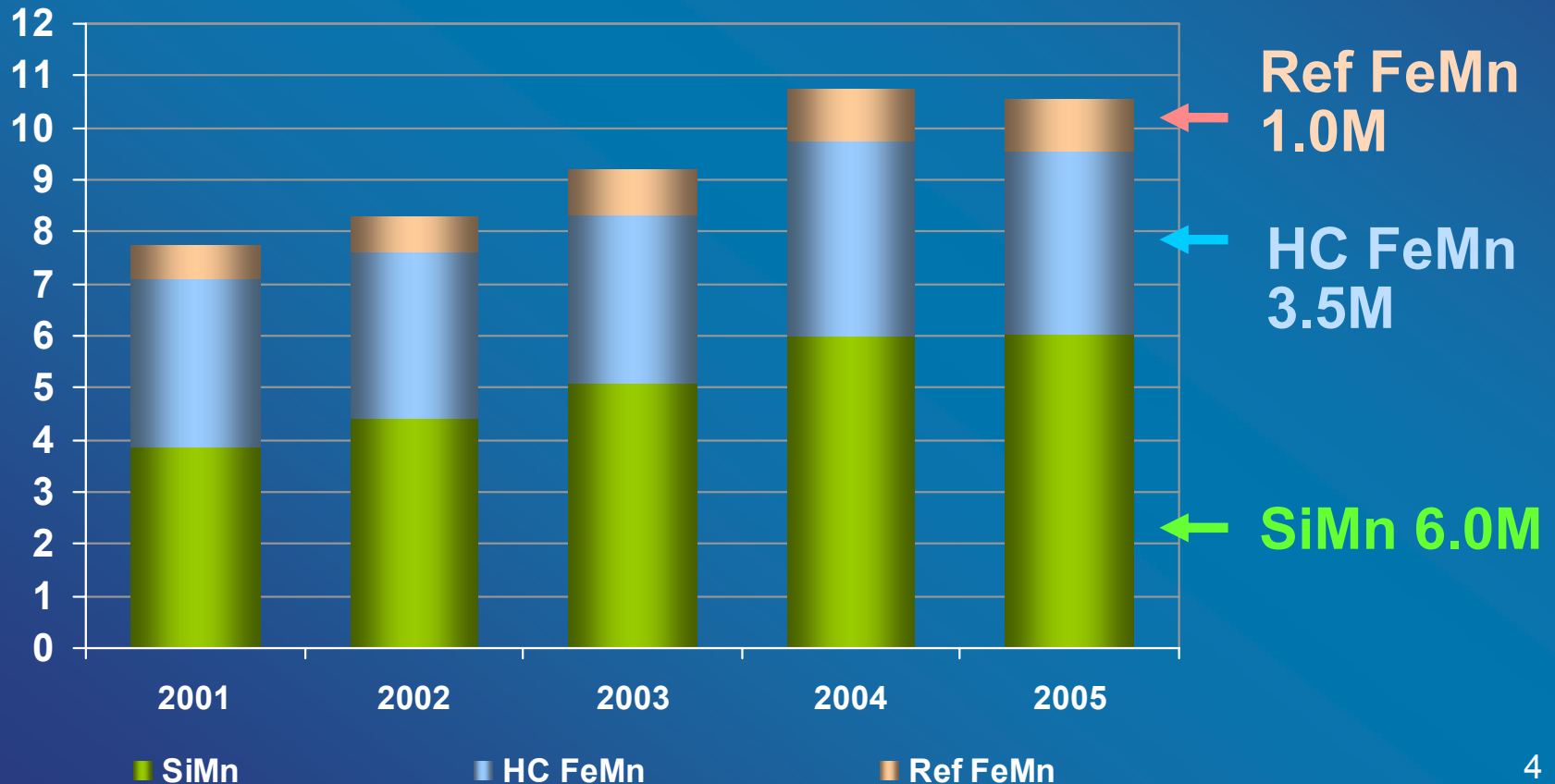
- Chinese alloy and ore production up
- Elsewhere, alloys down, ore up
- New Prospecting Rights awarded in RSA
- Possible Overcapacity in Chinese Steel Production
- Nikopol control in transition

Mn Alloys

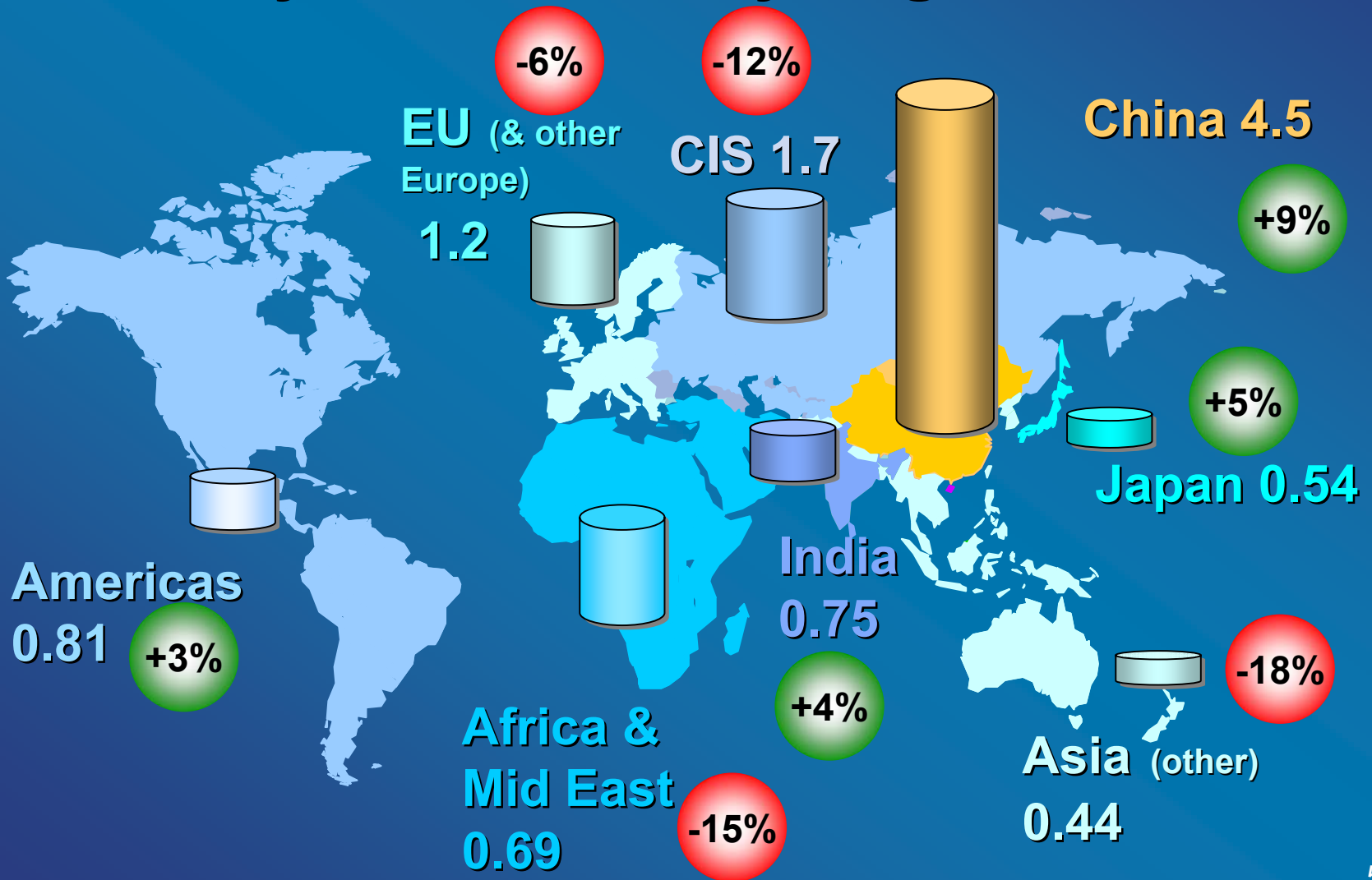


Global Mn Alloy Production 2001 - 2005

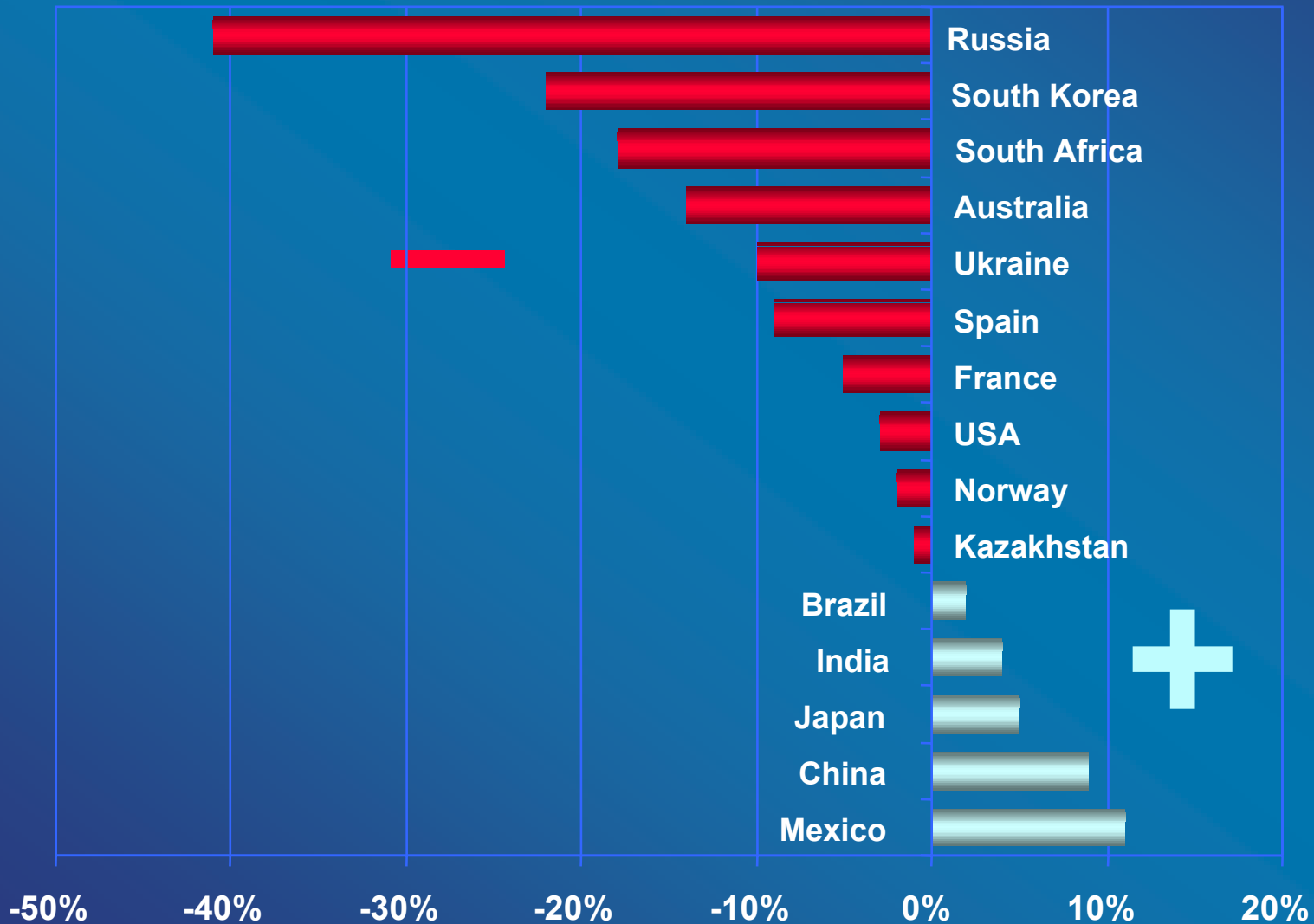
Mn alloy down 2% from 2004 to 10.5 M mt



Mn Alloy Production by Region 2005 (M mt)



Changes in Alloy Production in 2005

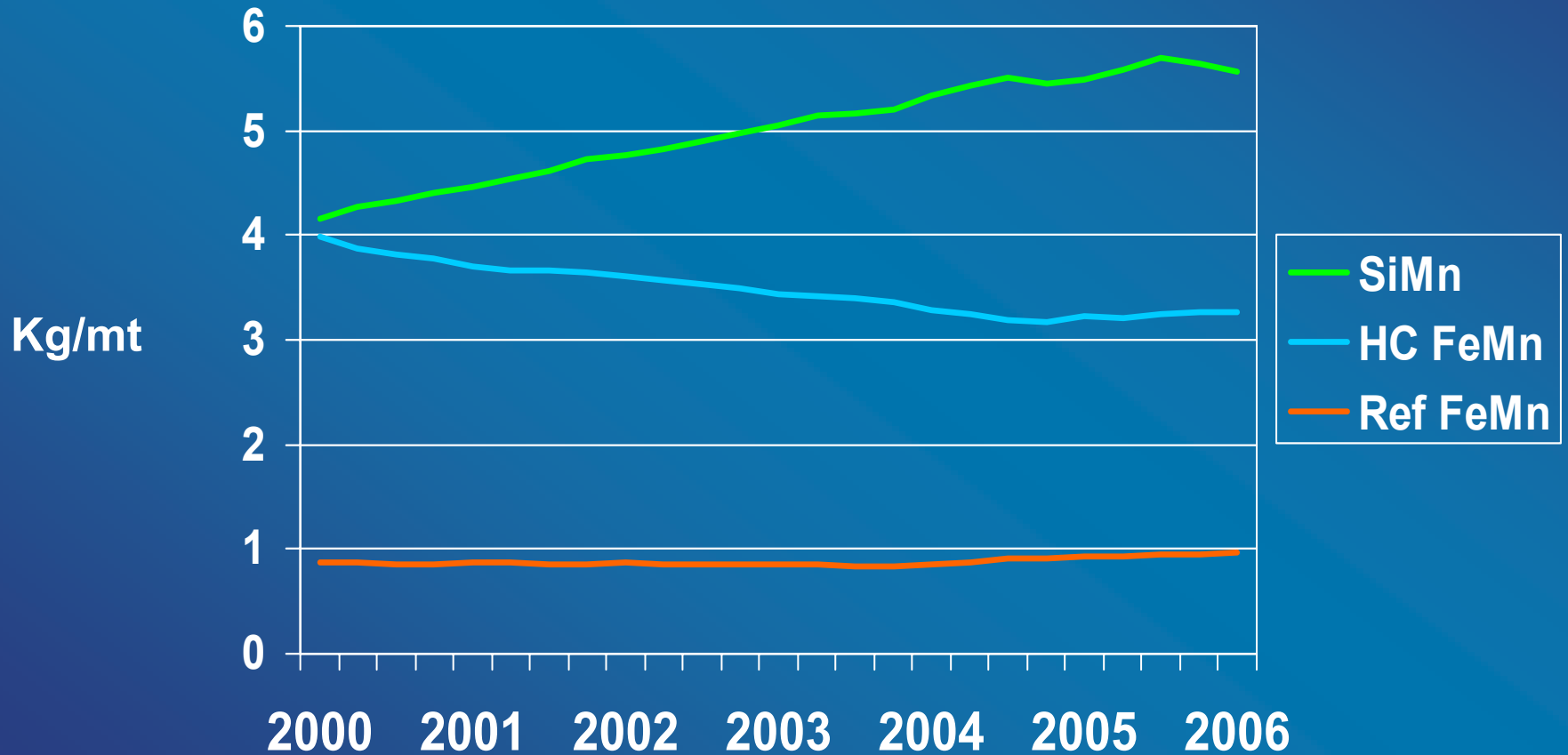


Alloy Apparent Consumption

- HC FeMn decreased by 3% in 2005 to 3.6M mt
- Refined FeMn was up 6% to 1.1M mt
- SiMn was up 3% to 6.1 M mt

WORLD TOTAL = 10.7 million mt

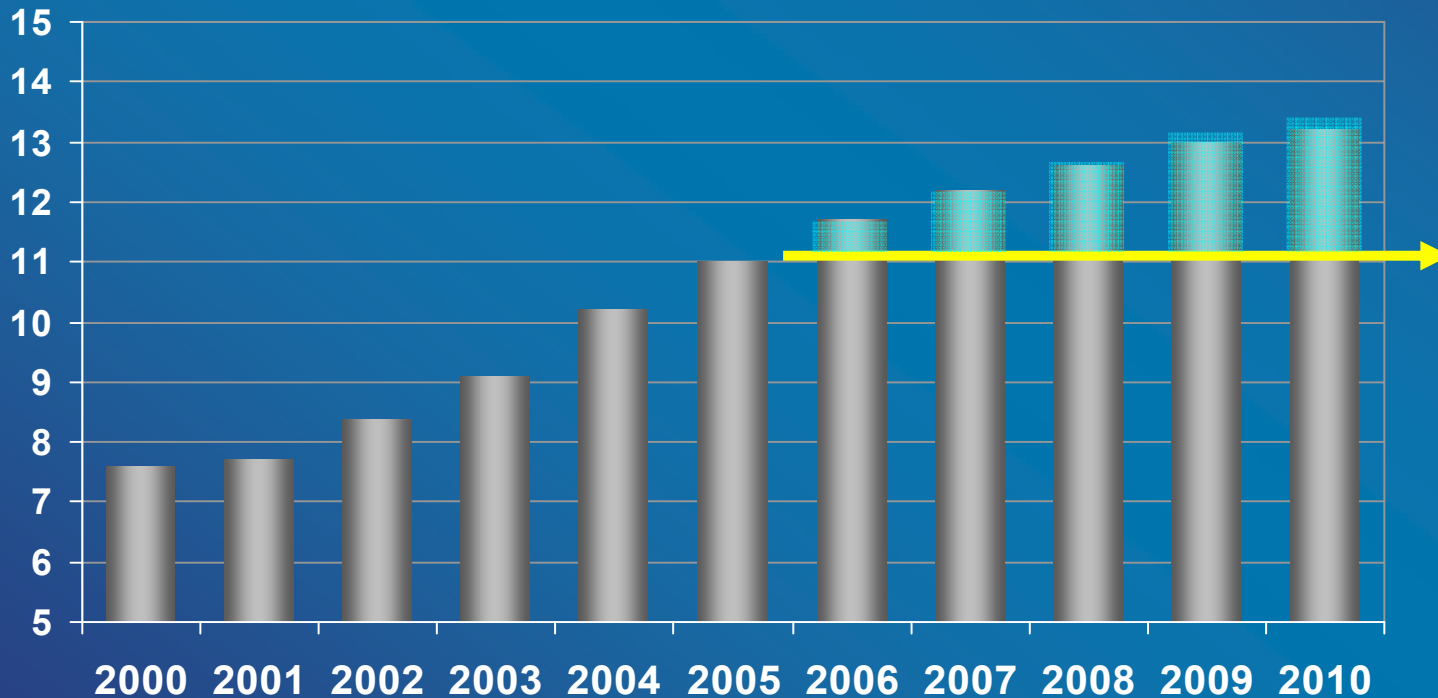
Real Alloy Unit Consumptions





Alloy Real Consumption Forecast

380K/y increase going forward



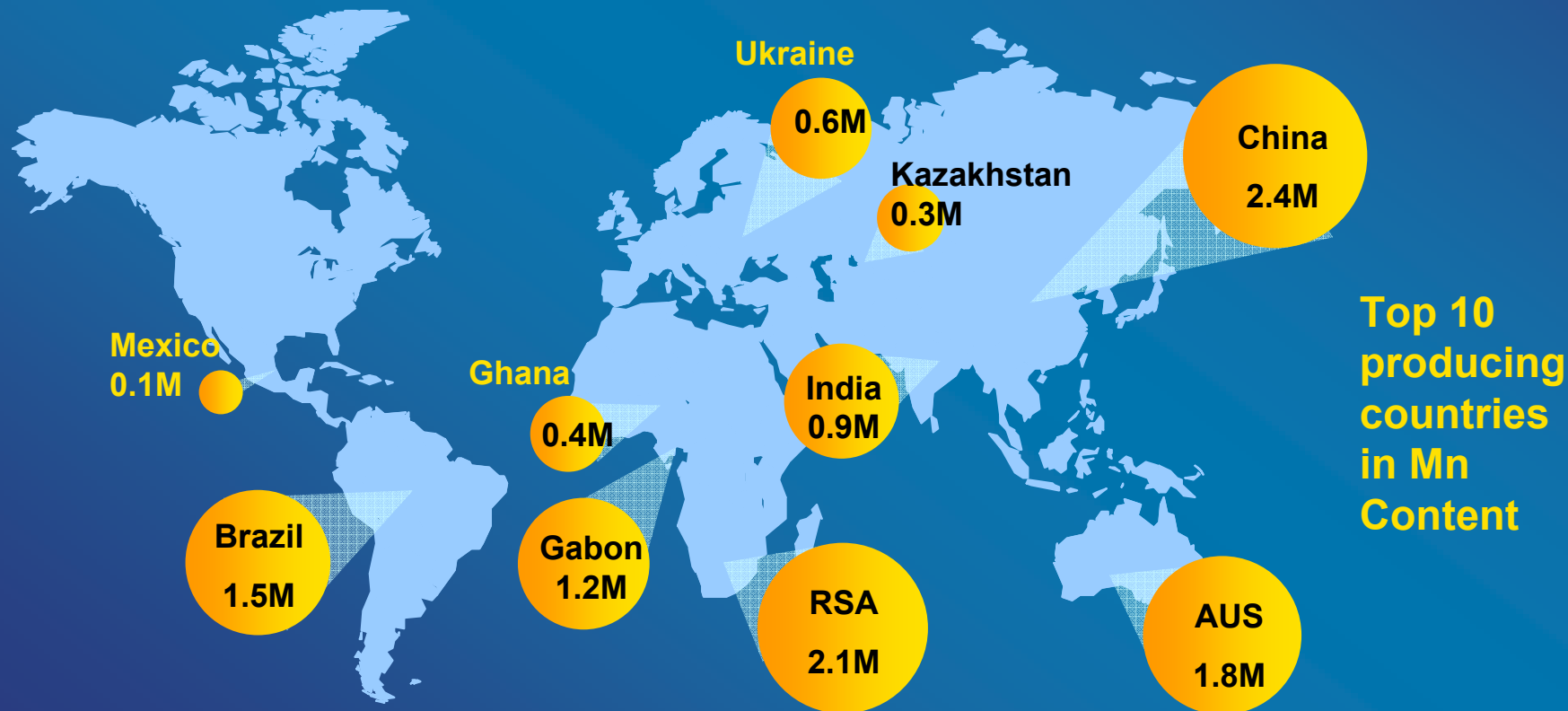


Mn Ore



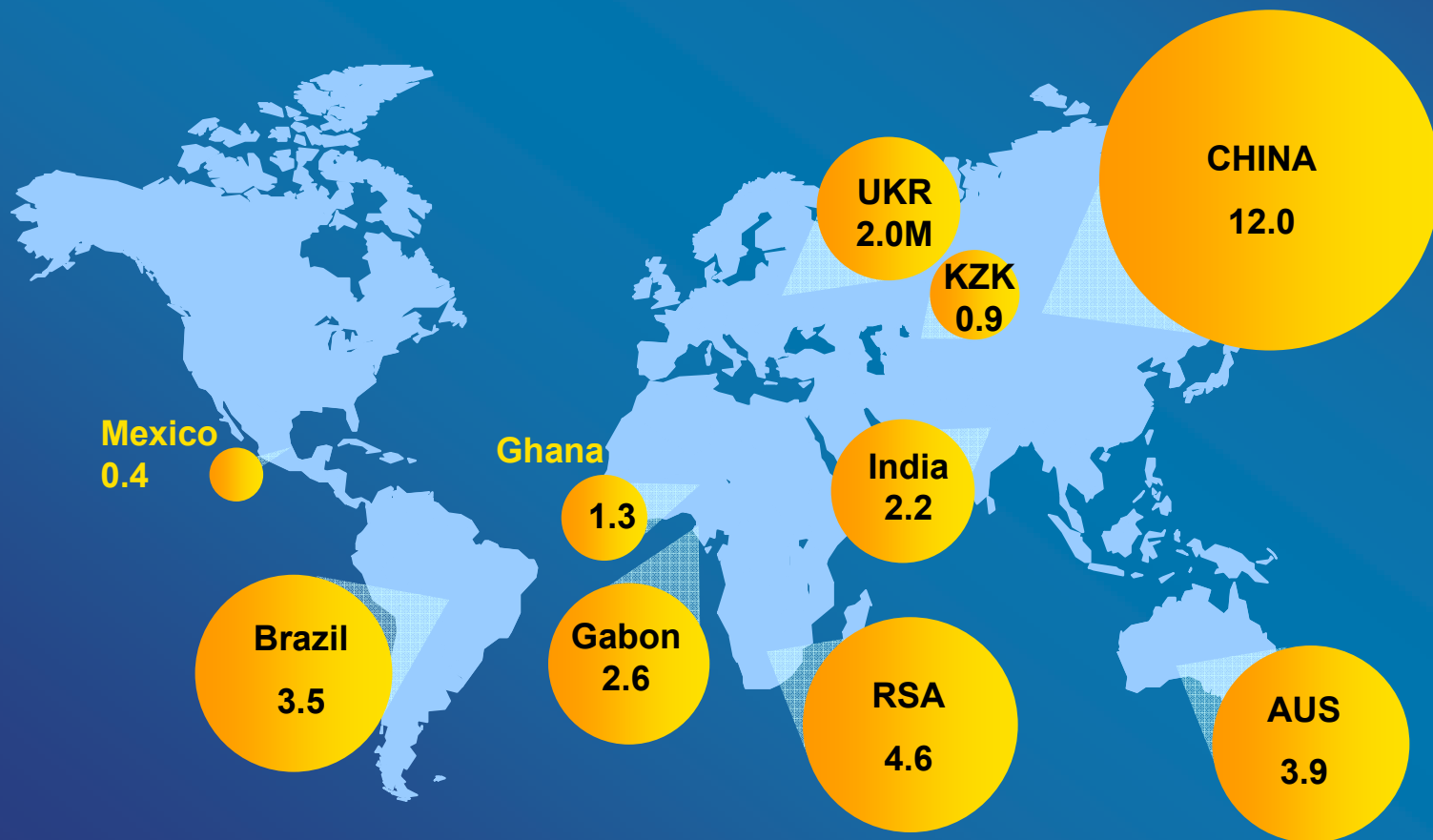
Mn Ore Production 2005 (Mn Content)

Mn ore production up 10% yoy to 11.8 M mt



Mn Ore Production 2005 (wet tons)

Mn ore production up 11% to 34.7 M mt

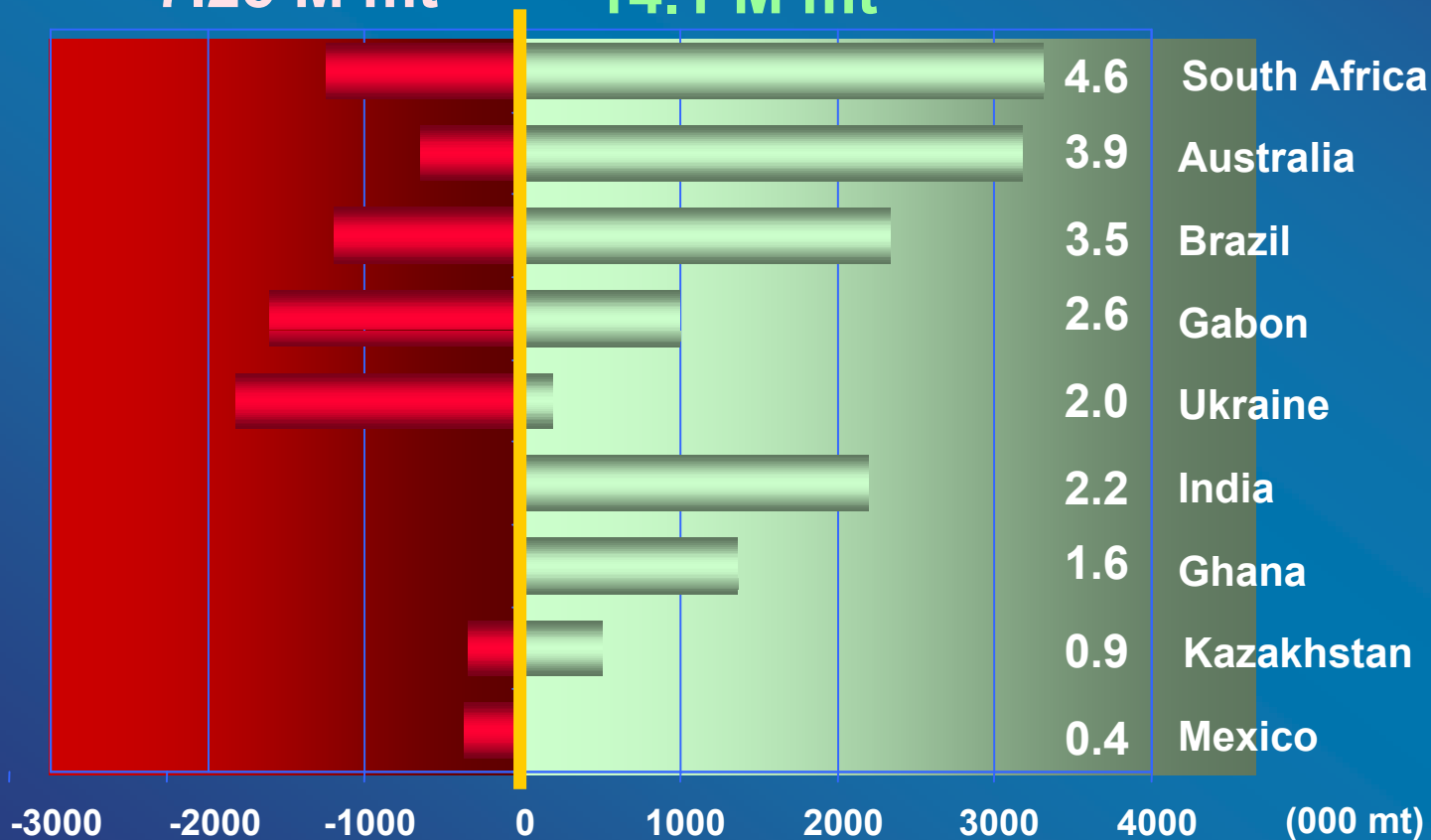


Mn Ore Market Supply 2005

(excluding China)

34% Captive
7.25 M mt

66% Open
14.1 M mt



Ore Consumption and Recovery rate

- Mn ore apparent consumption was 10.75 million mt in 2005, relatively flat from 2004
- Globally, the Mn recovery rate is 80%.

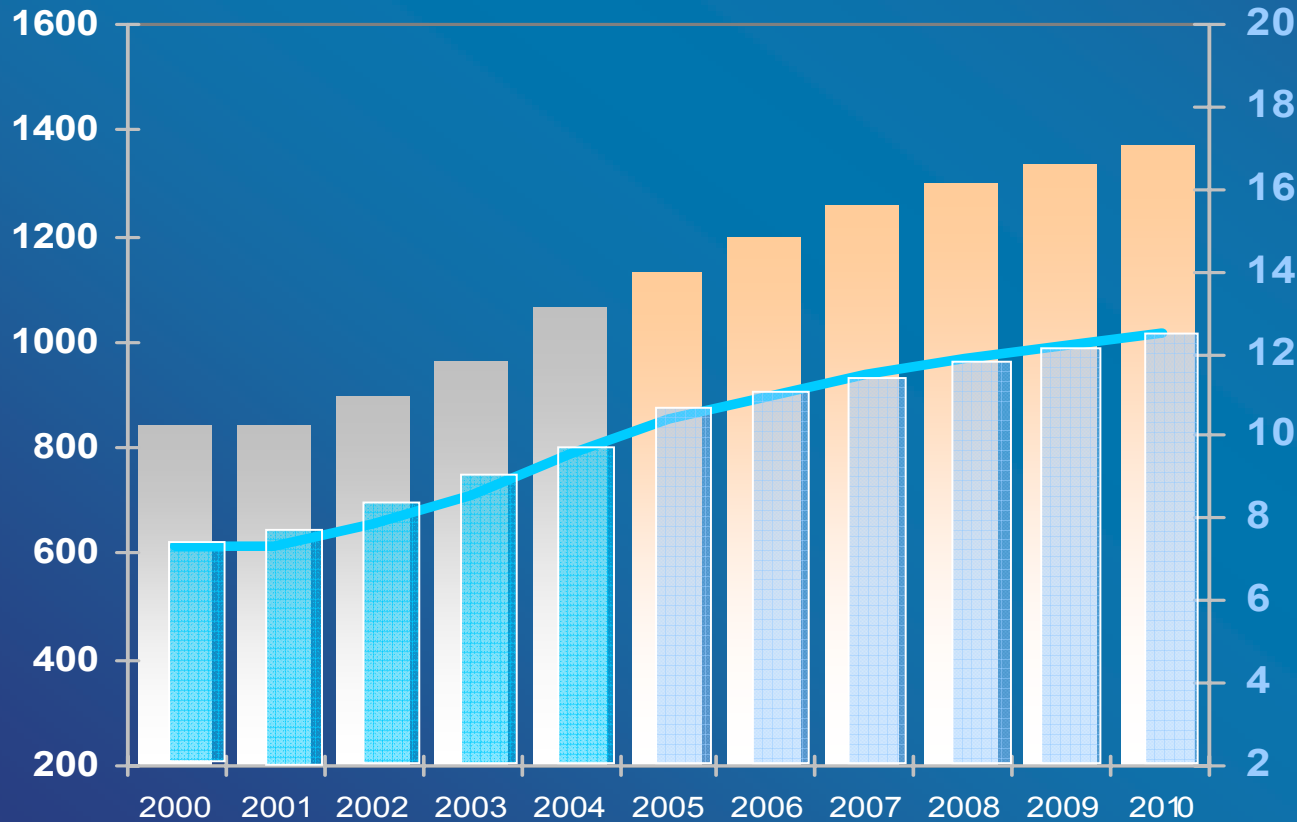


Future Real Mn Ore Demand to 2010

(000 mt)

Steel Production

Ore Demand Mn Content



Additional
400K mt
needed in Mn
Content of Mn
ore each year

1.2M
additional mt
annually of ore



Key Factors for 2006



Key Factors in 2006

- Continuing strong Chinese steel production
- Global Steel industry consolidation
- Ukraine's influence on the market
- China's ferroalloy overcapacity

China and Ukraine

- **Ukraine** will play an increasingly important role in the market as production is consolidated and united with domestic ore supply.
- **China**, strong growth, yet increasingly restrained by government, potential RMB appreciation, and heavy reliance on imported Mn ore. Lessening electricity shortage.



Thank you