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AFARAK MOGALE INCREASES ITS PRODUCTION OF FERROCHROME

07:00 London, 09:00 Helsinki, 16 December 2016 - Afarak Group Plc ("Afarak" or "the Company")

Afarak Mogale successfully completes transition of silicomanganese furnace to ferrochrome.

Already produced 7,000 additional tonnes of on-grade ferrochrome

Afarak Group has successfully completed the transition of one of its furnaces at its Mogale plant from producing silicomanganese to ferrochrome. The Mogale plant currently has two ferrochrome furnaces in operation and another furnace still producing silicomanganese.

Dr Alistair Ruiters, outgoing-CEO of Afarak, said that this project highlights Afarak's responsiveness to market conditions. "Afarak has established itself as a lean and flexible vertically-integrated company. In response to favourable ferrochrome market conditions, Afarak took the decision to switch one of its silicomanganese furnaces to ferrochrome. This added production capacity allows us to reap the benefits of the current market upswing.'

Guy Konsbruck, CEO-designate of Afarak, added that, "Afarak Mogale is effectively operating as a swing plant. This gives Afarak the ability to be nimble and change its production capacity in line with market expectations. With the ferrochrome benchmark rising to an eight-year high, Afarak is well-positioned to take advantage of this upswing."

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