

Statement on the Commencement of Securities Distribution

1. General

- 1.1. Full name of the Issuer: ***Open Joint Stock Company "Novolipetsk Steel"***
- 1.2. Abbreviated company name of the Issuer: ***NLMK***
- 1.3. The Issuer's domicile: ***2, pl. Metallurgov, Lipetsk, Russia***
- 1.4. OGRN of the Issuer: ***1024800823123***
- 1.5. TIN of the Issuer: ***4823006703***
- 1.6. The Issuer's unique ID assigned by the registrar: ***00102-A***
- 1.7. Web-site used by the Issuer for information disclosure:
<http://www.nlmk.ru/rus/index/quarterindex.php3>

2. Content

2.1. Information on the securities distributed:

2.1.1. Class, category (type), series and other identification criteria of securities: ***Non-convertible interest-bearing certified bearer Bonds, BO-01 Series, with mandatory centralized custody with the possibility of early repayment upon the owners' demand and at the Issuer's discretion.***

2.1.2. Maturity: ***on the 1,092nd (one thousand ninety second) day from the beginning of the Bonds, Series BO-01, distribution.***

2.1.3. State registration number of the securities issue (additional issue) and state registration date: ***identification number of the securities issue and date of its assignment: 4B02-01-00102-A dd. 19.10.2009.***

2.1.4 Name of the registering body that performed state registration of the securities issue (additional issue): ***name of the securities market maker that included the Issuer's Bonds into "B" quotation list and admitted them to trading in the process of the Issuer's Bonds distribution - Closed Joint Stock Company "MICEX Stock Exchange"***

2.1.5. Quantity of the securities distributed and par value of each security (in case par value is provided for by the Russian Federation legislation): ***5,000,000 (Five million) Bonds with par value of RUR 1,000 (One thousand) each.***

2.1.6. Securities distribution method, and in case of private subscription - scope of prospective buyers of the Bonds offered as well: ***public offering.***

2.1.7. Securities offering price or the procedure of its determination: ***The Bonds offering price shall be established equal to RUR 1,000 (one thousand) per Bond (100% of par value).***

2.1.8. Provision of preemptive right to participants (shareholders) of the Issuer and/or any other persons: ***Possibility of preemptive right is not envisaged.***

2.2. Commencement date of the securities distribution: ***01.12.2009.***

2.3. Indication that the commencement date may be changed provided that such information is published in news bulletin and on Web-page not later than 1 day before the commencement date of the securities distribution specified in that statement:

Commencement date of the securities distribution set by the Issuer's authorized managing body may be modified by resolution of this managing body, subject to compliance with requirements to the procedure of information disclosure with reference to modification of the commencement date of the securities distribution set by the legislation of the Russian Federation, by Resolution on Securities Issue and by Securities Prospectus.

Should the Issuer decide to change the commencement date of the securities distribution, the Issuer shall publish a statement on modification of the commencement date of the securities distribution in news bulletins and on Web-page not later than 1 day before such a date.

2.4. Closing date of the securities distribution or the procedure of its determination: ***Closing date of the Bonds distribution and commencement date of the Bonds distribution shall be concurrent.***

3. Signature

3.1. ***Authorized Representative***

of NLMK by virtue of

Power of Attorney No.434 dd. 15.12.2008

_____ (signature)

V.A. Loskutov

3.2. ***Date: 24 November 2009***

Stamp