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IRC Limited 鐵江現貨有限公司

(Incorporated in the Hong Kong with limited liability)

(Stock code: 1029)

K&S – MONTHLY PRODUCTION RECORD

Friday, 2 February 2018: IRC Limited (“IRC” or the “Company”, together with its subsidiaries, the “Group”; Stock Code 1029) is pleased to announce that K&S has successfully produced more than 180,000 tonnes of iron ore concentrate in the month of January 2018, a monthly production record in the K&S’ ramping up program.

As stated in IRC’s 2017 Fourth Quarter Trading Update, the Trans-Siberian Railway congestion has been affecting shipment of products to customers in China. Besides, the Drying Unit is only able to operate at a reduced capacity during the current cold winter weather. Despite these setbacks, the K&S site team managed to produce more than 180,000 tonnes of iron ore concentrate in the month of January 2018, which is equivalent to approximately 68% of K&S designed production capacity. This is a monthly production record of K&S, demonstrating K&S’ ability to deal with adversity while continuing the ramping up program.

The K&S plant has proved to be capable of operating at load, having successfully completed the 90% capacity loading test last year when the Drying Unit was not required to be in use. With the railway issues being gradually resolved and the reducing usage of the Drying Unit as spring approaches, K&S is on track to further increase the production capacity in the first half of 2018.

Commenting on the news above, Yury Makarov, Chief Executive Officer of IRC said:

“We are pleased to have achieved a production record at the time when the circumstances are not ideal. Although inevitably, there will be issues as K&S ramps up to full production, our site team has demonstrated resilience and determination which reinforce our confidence and enhance our technical know-how of the project. K&S is a game changer of IRC and despite not operating at full capacity, at the current iron ore price level, K&S continues to bring positive cashflow to the Group.”

By Order of the Board
IRC Limited
Yury Makarov
Chief Executive Officer

Hong Kong, People’s Republic of China
Friday, 2 February 2018

As at the date of this announcement, the Executive Directors of the Company are Mr Yury Makarov and Mr Danila Kotlyarov. The Non-Executive Directors are Mr George Jay Hambro, Mr Benjamin Tze For Ng, and Mr Chi Kin Cheng. The Independent Non-Executive Directors are Mr Daniel Bradshaw, Mr Chuang-Fei Li, Mr Simon Murray, CBE, Chevalier de la Legion d' Honneur, Mr Jonathan Martin Smith and Mr Raymond Kar Tung Woo.

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