

**REPORT OF THE BOARD OF DIRECTORS
OF MMC NORILSK NICKEL**
**containing the Board's opinion regarding the issues included in the agenda of
Extraordinary General Meeting of shareholders of the Company
to be held on December 14, 2007**

1. Reorganization of MMC Norilsk Nickel.

Recommendation:

The Board of Directors recommends that the EGM vote "FOR" on the item worded as follows:

1. Reorganize MMC Norilsk Nickel through the spin-off of the Open Joint Stock Company EnergoPolyus.
2. Approve the terms and procedures for OJSC EnergoPolyus spin-off as per Annex 1.
3. Set up the Open Joint Stock Company EnergoPolyus through its spin-off from MMC Norilsk Nickel. OJSC EnergoPolyus location will be: 143000, Russian Federation, Moscow Region, Odintsovsky District, 17 km of the M-1 Belarus Highway, OJSC Mozhaiskaya Hotel, block 1, 8th floor Nos.800-817, 10th floor Nos. 1000-1017.
4. Determine that the shares of OJSC EnergoPolyus will be distributed among the shareholders of MMC Norilsk Nickel registered in the Company's Register as at March 19, 2008 based on the records of the Registrar and the Depositary's DEPO records on the aforesaid date, on the pro rata basis: one share of OJSC EnergoPolyus for one share of MMC Norilsk Nickel. Shares of OJSC EnergoPolyus will be deemed placed at the date of state registration of OJSC EnergoPolyus.
5. Establish that the Revision Commission of OJSC EnergoPolyus will be comprised of 5 (five) members.
6. The Revision Commission of OJSC EnergoPolyus will be comprised of the following members: Prikhodko Petr Vasilievich (Passport of Russian citizen, #53 03 740329 issued by Orenburg Region ROVD 27.08.2003), Melnik Larisa Borisovna (Passport of Russian citizen #40 05 412443 issued by 41 o/m Frunsensky District St. Peterburg 28.09.2004), Dutov Andrei Sergeevich (Passport of Russian citizen #46 01 623999 issued by 2 OVD of Mitishi city, Moscow Region 15.08.2001), Karabach Anna Leopoldovna (Passport of Russian citizen #45 06 047770 issued by ROVD of Solnzevo District UVD ZAO of Moscow 02.09.2003), Beikun Vladimir Yurievich (Passport of Russian citizen #0402 245622 issued by UVD of Zheleznogorsk, Krasnoyarsk Territory 20.05.2002).
7. Establish that Tazin Sergei Afanasievich (US passport No. 141222685 issued by Passport Agency Stamford on 20.04.2001) will act as a sole executive body (General Director) of OJSC EnergoPolyus.
8. Approve the separation balance sheet of MMC Norilsk Nickel (Annex 2).
9. Approve the Charter of OJSC EnergoPolyus as per Annex 3.
10. Approve the Regulations on the General Meeting of Shareholders of OJSC EnergoPolyus as per Annex 4.
11. Approve the Regulations on the Board of Directors of OJSC EnergoPolyus as per Annex 5.

12. Approve the Regulations on the Revision Commission of OJSC EnergoPolyus as per Annex 6.
13. Establish that CJSC National Registry Company located at the address: 121357, Moscow, ul Veresaeva 6, will keep records of the holders of OJSC EnergoPolyus's securities.
14. Approve PricewaterhouseCoopers Audit (CJSC PwC Audit) which is located at the address: 115054, Russia, Moscow, Kosmodamianskaya Naberezhnaya 52/5 as the Auditor of OJSC EnergoPolyus.

Opinion of the Board of Directors:

The decision on the viability of non-core energy assets spin-off was made by the Board of Directors on May 15, 2007. As part of MMC Norilsk Nickel reorganization OJSC EnergoPolyus will be established through the spin-off of MMC Norilsk Nickel's non-core energy assets, and the shares in the new company will be distributed among the shareholders of MMC Norilsk Nickel on the pro rata basis. Draft internal documents of OJSC EnergoPolyus have been prepared on the basis of MMC Norilsk Nickel's internal documents in full compliance with legislative requirements. On November 2, 2007 the Board of Directors discussed and approved a draft wording of the Extraordinary General Meeting resolution on reorganization with terms and conditions specified in the voting ballot.

2. Elections to the Board of Directors of OJSC EnergoPolyus.

Recommendation:

The Board of Directors recommends that the shareholders rely on their own judgment in voting on this issue.

Opinion of the Board of Directors:

The Board of Directors of OJSC EnergoPolyus may be comprised of 9 members, while the shareholders of MMC Norilsk Nickel have nominated 18 candidates for the election. All nominees are recognized professional experts with experience and knowledge that will allow them to perform effectively their duties on the Board of Directors.