



NORNICKEL

PRESS RELEASE

Public Joint Stock Company «Mining and Metallurgical Company «NORILSK NICKEL»
(PJSC “MMC “Norilsk Nickel”, “Nornickel” or the “Company”)

NORNICKEL ANNOUNCES PRODUCTION RESULTS FOR 1Q 2021

Moscow, April 19, 2021 – Nornickel, the world’s largest producer of palladium and high-grade nickel and a major producer of platinum and copper, announces preliminary consolidated production results for the first quarter of 2021 and presents updated production outlook for the full year 2021.

Senior Vice-President, Head of Norilsk Division, Nikolay Utkin commented on the production results,

“Recent unfortunate incidents in Norilsk had a negative impact on nickel and copper production volumes of the Company in 1Q2021. At first, the Norilsk Concentrator was temporarily suspended due to an accident, and then the natural groundwater inflow led to the temporary suspension of Oktyabrsky and Taimyrsky mines.

The technical audit of the concentrator is currently being completed by the Federal Service for Environmental, Technological and Nuclear Supervision (Rostekhnadzor). According to the Company’s base case expectations, the concentrator should return to its full capacity by October 2021 assuming that all of the regulator’s comments are addressed.

Since the flooding of the mines was stopped in late March, water has been pumped out intensively. [Production recovery at Oktyabrsky mine](#) (5.0 mtpa of ore) is running ahead of schedule, having reached already 60% of its nameplate capacity. Oktyabrsky mine is expected to reach its full capacity by the end of April, whereas Taimyrsky mine – in early June”.

Senior Vice-President, Head of Strategy, Sergey Dubovitsky commented on the production results,

“We are doing our best to minimize the accidents’ impact on our production plans for the current year, while setting the industrial and environmental safety as absolute priorities.

The temporary suspension of the two mines and the Norilsk Concentrator affected primarily the first quarter production volumes of saleable nickel and copper given their shorter production cycle.

At the same time, as the result of the ramp-up of a new precious metals production line using chlorine leaching residues at Kola MMC, the shipments of the feed to the Norilsk division for further processing has been discontinued leading to a reduction of work-in-progress in transit inventory and an increase of PGMs output the first quarter.

I also would like to highlight our further progress on the reduction of Nornickel’s environmental footprint in the regions of its operations. In particular, [the metallurgical shop of Kola MMC in Monchegorsk](#) was shut down on March 20, 2021, with all of the concentrate that used to be processed in the shop is now being sent for further processing to the Norilsk division. Owing to [the shutdown of the smelting shop in the town of Nikel in December 2020](#), the harmful air emissions at the Russian-Norwegian border have been completely stopped, while the total sulfur dioxide emissions in Kola Peninsula should reduce by 85% in 2021 as compared to 2015”.

NORILSK NICKEL GROUP

Nickel

In 1Q21, consolidated nickel production decreased 10% y-o-y to **47 kt**. The decrease was attributed to the temporary suspension of Oktyabrsky and Taimyrsky mines, as well as at the Norilsk Concentrator.

Copper

In 1Q21, consolidated copper production decreased 21% y-o-y to **91 kt**, all of which were produced from the Company's own Russian feed. The decrease was attributed to the temporary suspension at Oktyabrsky and Taimyrsky mines, reduction of ore processing at the Norilsk Concentrator and scheduled shut down of the metallurgical shop at Kola MMC.

Platinum Group Metals

In 1Q21, palladium and platinum output increased 40% y-o-y to **766 koz** and 23% to **184 koz**, respectively, all of which were produced from the Company's own Russian feed. The increase of PGMs output was attributed to the full ramp-up of a new line for production of precious metals from chlorine leaching residues at Kola MMC and, as a result, a decrease of the work-in-progress inventory.

RUSSIAN OPERATIONS

Nickel

In 1Q21, nickel output at Kola MMC decreased 7% y-o-y to **33 kt**. The decrease was due to the reduction of the matte deliveries from the Norilsk Division which was driven by the temporary suspension of Oktyabrsky and Taimyrsky mines and reduced operations of the Norilsk Concentrator.

Copper

In 1Q21, copper output at the Company's operations in Russia decreased 20% y-o-y to **91 kt**. The decrease was attributed to the reduction of feed owing to the temporary suspension of the mines, the Norilsk Concentrator operating at a reduced capacity and the shutdown of the metallurgical shop at Kola MMC.

In 1Q21, copper output at Bystrinsky GOK increased 8% to **16 kt** owing to the increase in the volume of ore processing and higher metals grades.

Platinum Group Metals

In 1Q21, the Company's palladium and platinum output in Russia increased 40% y-o-y to **766 koz** and 23% q-o-q to **184 koz**, respectively. The increase was driven the full ramp-up of a new line for production of precious metals from chlorine leaching residues at Kola MMC that resulted in the decrease of the work-in-progress inventories.

NORILSK NICKEL HARJAVALTA (FINLAND)

Nickel

In 1Q21, Norilsk Nickel Harjavalta decreased its nickel production 17% y-o-y to **14 kt**, primarily due to a reduction of the Russian feed supply.

Copper

In 1Q21, Norilsk Nickel Harjavalta did not produce any copper, owing to the shipment of copper cake to the Copper Plant of the Norilsk Division for further refining.

Platinum Group Metals

In 1Q21, Norilsk Nickel Harjavalta did not produce any saleable palladium and platinum (in copper cake) due to the shipment of all copper cake (containing PGMs) to the Copper Plant of the Norilsk Division for further refining.

NKOMATI (SOUTH AFRICA) (*)

In 1Q21, Nkomati (50% - owned by Norilsk Nickel) produced **1 kt** of nickel (-38% y-o-y), **0.5 kt** of copper (-16% y-o-y), **5 koz** of palladium (-30% y-o-y) and **2 koz** of platinum (-26% y-o-y). The metals output decline in the reporting period was due to the planned phasing out of production at Nkomati in 1H 2021. Thereafter, the mine is to be placed on limited care and maintenance pending the finalization and submission of a closure plan.

Note: () Nkomati production results are not consolidated in the Group's total operating results.*

Production Guidance from the Company's Russian feedstock for 2021

The current production guidance is based on the April plan, which assumes an expedited recovery of the Oktyabrsky mine (returning to full capacity by the end of April) and competition of necessary repairs at the Norilsk concentrator, which is expected to return to its full capacity by October this year.

| Metal | Volume |
|---|---------------|
| Norilsk Nickel Group (excluding Chita) | |
| Ni, kt | 190-200 |
| Cu, kt | 335-355 |
| Pd, koz | 2,350-2,410 |
| Pt, koz | 580-640 |
| Bystrinsky (Chita) Copper Project ⁽¹⁾ | |
| Cu, kt | 65-70 |
| Au, koz | 230-240 |

Note: 1. Norilsk Nickel Group owns 50.01% of Bystrinsky GOK (Chita Copper Project). Production results are shown metal in concentrate for sale on 100% basis and fully consolidated in total operational results. The concentrator at the Bystrinsky project was launched 2019.

| NORILSK NICKEL GROUP SALEABLE METALS PRODUCTION ¹ | | 1Q 2021 | 1Q 2020 | Y-o-Y |
|--|-----|---------------|----------------|-------------|
| Total nickel | t | 46,639 | 51,757 | -10% |
| including from own Russian feed | t | 45,558 | 51,133 | -11% |
| Total copper | t | 91,292 | 114,988 | -21% |
| including from own Russian feed | t | 91,292 | 114,915 | -21% |
| Total palladium | koz | 766 | 548 | 40% |
| including from own Russian feed | koz | 766 | 548 | 40% |
| Total platinum | koz | 184 | 150 | 23% |
| including from own Russian feed | koz | 184 | 150 | 23% |
| Norilsk and Kola Division (Russia) | | | | |
| Nickel | t | 32,810 | 35,143 | -7% |
| Kola MMC, including | t | 32,810 | 35,143 | -7% |
| refined Ni from own Russian feed | t | 26,195 | 33,260 | -21% |
| saleable intermediate products from own Russian feed | t | 6,615 | 1,883 | 251% |
| from 3d parties feed | t | 0 | 0 | - |
| Copper | t | 75,014 | 99,647 | -25% |
| Polar Division | t | 62,661 | 82,172 | -24% |
| Kola MMC, including | t | 12,353 | 17,475 | -29% |
| Cu cathodes from own Russian feed | t | 9,103 | 16,940 | -46% |
| saleable intermediates from own Russian feed | t | 3,250 | 535 | 507% |
| from 3d parties feed | t | 0 | 0 | - |
| Palladium | koz | 766 | 547 | 40% |
| Polar Division | koz | 235 | 177 | 33% |
| Kola MMC, including | koz | 531 | 371 | 43% |
| from own Russian feed | koz | 531 | 371 | 43% |
| from 3d parties feed | koz | 0 | 0 | - |
| Platinum | koz | 184 | 150 | 23% |
| Polar Division | koz | 60 | 55 | 10% |
| Kola MMC, including | koz | 124 | 95 | 30% |
| from own Russian feed | koz | 124 | 95 | 30% |
| from 3d parties feed | koz | 0 | 0 | - |
| Kola Division (NN Harjavalta, Finland) | | | | |
| Nickel, including | t | 13,829 | 16,614 | -17% |
| from own Russian feed | t | 12,748 | 15,990 | -20% |
| from 3d parties feed | t | 1,081 | 624 | 73% |
| Copper, including | t | 0 | 201 | -100% |
| from own Russian feed | t | 0 | 128 | -100% |
| from 3d parties feed | t | 0 | 73 | -100% |
| Palladium, including | koz | 0 | 1 | -100% |
| from own Russian feed | koz | 0 | 0 | - |
| from 3d parties feed | koz | 0 | 0 | - |
| Platinum, including | koz | 0 | 0 | - |
| from own Russian feed | koz | 0 | 0 | - |
| from 3d parties feed | koz | 0 | 0 | - |
| Zabaykalsky Division (Russia) ² | | | | |
| Copper | t | 16,278 | 15,140 | 8% |
| Gold | koz | 60 | 56 | 7% |
| Iron ore concentrate | kt | 631 | 381 | 66% |
| Nkomati (South Africa) ³ | | | | |
| Nickel | t | 795 | 1,289 | -38% |
| Copper | t | 465 | 556 | -16% |
| Palladium | koz | 5 | 7 | -30% |
| Platinum | koz | 2 | 3 | -26% |

Notes:

1. Totals may value from the sum of numbers as a result of rounding. The production results of Nkomati is not reflected in totals of Norilsk Nickel Group.
2. Norilsk Nickel Group owns 50.01% of Bystrinsky GOK (Chita Copper Project). Production results are shown metal in concentrate for sale on 100% basis and fully consolidated in total operational results. The concentrator at the Bystrinsky project was launched 2019.
3. Norilsk Nickel Group owns 50% of Nkomati. Production results report metal contained in saleable concentrate on a 50% basis and are not consolidated in the Group's total operating results. In 2019, the Group and its operating partner, African Rainbow Minerals, reached an agreement to cease in 1H 2021 whereafter the mine is to be placed on limited care and maintenance pending the finalisation and submission of a closure plan.

This announcement contains inside information in accordance with Article 7 of EU Regulation 596/2014 of 16 April 2014.

Full name and position of person making the announcement - Vladimir Zhukov,
Vice - president, Investor Relations

ABOUT THE COMPANY

MMC Norilsk Nickel is a diversified mining and metallurgical company, the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper. The company also produces cobalt, rhodium, silver, gold, iridium, ruthenium, selenium, tellurium, sulphur and other products.

The production units of Norilsk Nickel Group are located at the Norilsk Industrial District, on the Kola Peninsula and Zabaykalsky Krai in Russia as well as in Finland and South Africa.

MMC Norilsk Nickel shares are listed on the Moscow and on the Saint-Petersburg Stock Exchanges, ADRs are traded over the counter in the US and on the London, Berlin and Frankfurt Stock Exchanges.

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