



NORNICKEL

PRESS RELEASE

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Public Joint Stock Company "Mining and Metallurgical Company "NORILSK NICKEL"
(PJSC "MMC "Norilsk Nickel", "Nornickel" or the "Company")

NORILSK NICKEL ANNOUNCES PRELIMINARY CONSOLIDATED PRODUCTION RESULTS FOR 1Q 2019

Moscow - PJSC MMC Norilsk Nickel, the world's largest refined nickel and palladium producer, announces today preliminary consolidated production results for the first quarter 2019.

First Vice-President - Chief Operating Officer, Sergey Dyachenko commented on the 1Q19 production results:

«**In 1Q 2019, we increased the output of all key metals**, of which the most significant growth was delivered in PGMs and copper. The increase in PGMs' production was due to a release of accumulated work-in-progress inventory at Krasnoyarsk Precious Metals Refinery. The increase in copper was driven by an accelerated processing of [concentrate purchased from Rostec](#) and the ramp up of Bystrinsky Project. **We reiterate our metal production guidance from own Russian feed, including Bystrinsky Project, for FY2019**».

NORILSK NICKEL GROUP

Nickel

In 1Q19, consolidated nickel production was up 3.4% year-on-year (y-o-y) to **56 kt**. Nickel output from the Company's own Russian feed increased 2.8% y-o-y to **55 kt**. The growth was mainly attributed to the higher processed volumes of nickel matte shipped from Polar division to Kola MMC as well as a higher output of metal produced from third party feed at Norilsk Nickel Harjavalta.

Copper

In 1Q19, consolidated copper output was up 13% y-o-y to **127 kt**, almost all of which were produced from the Company's own Russian feed. The growth was driven by the ramp-up of Bystrinsky (Chita Copper) Project, increased mined ore volumes with higher copper grades and processing of concentrate purchased from Rostec.

Platinum Group Metals

In 1Q19, almost all of palladium and platinum were produced from the Company's own Russian feed, with their output amounting to **770 koz** (+32% y-o-y) and **204 koz** (+48% y-o-y), respectively. The increase of PGM output was attributed to a seasonal release of work-in-progress inventory and additional volumes of nickel matte with high PGM content processed at Norilsk Nickel Harjavalta in addition to concentrates.

RUSSIAN OPERATIONS

In 1Q19, all saleable metals produced by the Company's Russian operations came from their own feed.

Nickel

In 1Q19, nickel output at Kola MMC increased 4% y-o-y to **39 kt**. The growth of nickel output was attributed to increase of carbonyl nickel production at Kola MMC to 1,1 kt (+84% y-o-y as part of strategic diversification of sales into premium products)) and higher processed volumes of nickel matte shipped from Polar division to Kola MMC.

Copper

In 1Q19, copper output at the Company's operations in Russia increased 14% y-o-y to **122 kt**. The growth was attributed to an increase in processed volumes of ore with higher metal grades at Polar Division and higher metal output from concentrate purchased from Rostec. Bystrinsky Project was ramping up on schedule, increasing 14 -fold y-o-y to **10 kt** of copper in copper concentrate.

Platinum Group Metals

In 1Q19, palladium and platinum output in Russia increased 31% y-o-y to **748 koz** and 47% y-o-y to **199 koz**, respectively. The PGM production volumes increased primarily owing to seasonal processing of accumulated work-in-progress inventory with a high degree of completion.

NORILSK NICKEL HARJAVALTA (FINLAND)

Nickel

In 1Q19, nickel production at Norilsk Nickel Harjavalta increased 2% y-o-y to **17 kt**. The increase was attributed to processing of nickel feed supplied by Boliden, which entered into a three-year contract with Norinickel enabling it the most efficient utilization of Harjavalta refining capacity.

Copper

In 1Q19, copper output at Norilsk Nickel Harjavalta decreased 3% q-o-q to **4 kt**. The decrease was attributed to lower copper content in processed Russian feed.

Platinum Group Metals

In 1Q19, output of saleable palladium and platinum (both contained in copper cake) amounted to **22 koz** (up 79% y-o-y) and **5 koz** (up 131% y-o-y), respectively. The increase in PGM output was attributed to higher metal content in processed Russian feed related to shipments of high-grade matte from Kola MMC.

NKOMATI (SOUTH AFRICA)*

In 1Q19, Nkomati (50% - owned by Norilsk Nickel) produced **2 kt** of nickel (up 29% y-o-y), **1 kt** of copper (up 48% y-o-y), **11 koz** of palladium (up 78% y-o-y) and **4 koz** of platinum (up 119% y-o-y). The increase in metals production was attributed to higher volumes of mined ore with higher metal content.

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

2019 Production Guidance from Russian feedstock:

Metals	Volume
Norilsk Nickel Group (excluding Chita)	
Ni, kt	220-225
Cu, kt	430-450
Pd, koz	2,770-2,800
Pt, koz	646-670
Bystrinsky (Chita) Copper Project *	
Cu, kt	40-46
Au, koz	192-212

Note: Norilsk Nickel owns 50.01% of Bystrinsky (Chita Copper) Project. Production results are shown on a 100% basis and are fully consolidated in the Company's financial and operating results. The hot commissioning of the project started on October 31, 2017.

NORILSK NICKEL GROUP SALEABLE METALS PRODUCTION ¹	Unit	1Q 2019	1Q 2018	Y-o-Y
Total nickel	t	55,915	54,062	3%
including from own Russian feed	t	54,832	53,320	3%
Total copper	t	126,765	112,290	13%
including from own Russian feed	t	126,651	112,207	13%
Total palladium	koz	770	582	32%
including from own Russian feed	koz	769	582	32%
Total platinum	koz	204	138	48%
including from own Russian feed	koz	203	138	47%
Polar division and Kola MMC (Russia)				
Nickel	t	39,265	37,666	4%
Kola MMC, including	t	39,265	37,666	4%
<i>refined Ni from own Russian feed</i>	t	<i>38,983</i>	<i>37,081</i>	<i>5%</i>
<i>Ni in saleable concentrate from own Russian feed</i>	t	<i>282</i>	<i>99</i>	<i>185%</i>
<i>from 3d parties feed</i>	t	<i>0</i>	<i>486</i>	<i>-</i>
Copper	t	112,307	107,012	5%
Polar division	t	90,569	87,713	3%
Kola MMC, including	t	21,738	19,299	13%
<i>Cu cathodes from own Russian feed</i>	t	<i>17,648</i>	<i>17,671</i>	<i>0%</i>
<i>Cu in saleable concentrate from own Russian feed</i>	t	<i>4,090</i>	<i>1,545</i>	<i>165%</i>
<i>from 3d parties feed</i>	t	<i>0</i>	<i>83</i>	<i>-</i>
Palladium	koz	748	570	31%
Polar division	koz	186	152	23%
Kola MMC, including	koz	562	418	34%
<i>from own Russian feed</i>	koz	<i>562</i>	<i>418</i>	<i>34%</i>
<i>from 3d parties feed</i>	koz	<i>0</i>	<i>0</i>	<i>-</i>
Platinum	koz	199	136	47%
Polar division	koz	44	40	10%
Kola MMC, including	koz	155	96	62%
<i>from own Russian feed</i>	koz	<i>155</i>	<i>96</i>	<i>62%</i>
<i>from 3d parties feed</i>	koz	<i>0</i>	<i>0</i>	<i>-</i>
GRK Bystrinskoye (Russia, Zabaykaysky Krai) ²				
Copper	t	10,030	692	1349%
Gold	koz	43	2	2050%
Iron ore concentrate	kt	162	0	-
Norilsk Nickel Harjavalta (Finland)				
Nickel, including	t	16,650	16,396	2%
<i>from own Russian feed</i>	t	<i>15,567</i>	<i>16,140</i>	<i>-4%</i>
<i>from 3d parties feed</i>	t	<i>1,082</i>	<i>256</i>	<i>323%</i>
Copper, including	t	4,428	4,586	-3%
<i>from own Russian feed</i>	t	<i>4,314</i>	<i>4,586</i>	<i>-6%</i>
<i>from 3d parties feed</i>	t	<i>114</i>	<i>0</i>	<i>-</i>
Palladium, including	koz	22	12	79%
<i>from own Russian feed</i>	koz	<i>21</i>	<i>12</i>	<i>69%</i>
<i>from 3d parties feed</i>	koz	<i>1</i>	<i>0</i>	<i>-</i>
Platinum, including	koz	5	2	131%
<i>from own Russian feed</i>	koz	<i>4</i>	<i>2</i>	<i>89%</i>
<i>from 3d parties feed</i>	koz	<i>1</i>	<i>0</i>	<i>-</i>
Nkomati (South Africa) ³				
Nickel	t	2,245	1,736	29%
Copper	t	989	667	48%
Palladium	koz	11	6	78%
Platinum	koz	4	2	119%

Notes:

1. Total amounts may vary from the sum of numbers due to arithmetical rounding. The production results of Nkomati are not included in the total amounts of the Group.
2. Norilsk Nickel Group owns 50.01% of Bystrinsky GOK (Chita Copper Project). Production results are reported as metal contained in saleable concentrate on a 100% basis and are fully consolidated in the Group's total operating results. The hot commissioning of the project started on October 31, 2017.
3. Norilsk Nickel Group owns 50% of Nkomati. Production results are reported as metal contained in saleable concentrate on a 50% basis and are not consolidated in the Group's total operating results.

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

PJSC «MMC NORILSK NICKEL» is a diversified mining and metallurgical company, the world's largest producer of refined nickel and palladium and a leading producer of platinum, cobalt, copper and rhodium. The company also produces gold, silver, iridium, selenium, ruthenium and tellurium.

The production units of «NORILSK NICKEL» Group include Polar Division, located at the Norilsk Industrial District on Taimyr Peninsula, and Kola Mining and Metallurgical Company located on the Kola Peninsula in Russia as well as Harjavalta nickel refinery in Finland.

PJSC «MMC «NORILSK NICKEL» shares are listed on the Moscow and on the Saint-Petersburg Stock Exchanges. PJSC «MMC «NORILSK NICKEL» ADRs trade over the counter in the US and on the London and Berlin Stock Exchanges.

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