



**RUSSIAN PLATINUM**



**NORNICKEL**

## **JOINT PRESS RELEASE**

**7 February 2018**

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

### **NORILSK NICKEL AND RUSSIAN PLATINUM SIGN STRATEGIC PARTNERSHIP AGREEMENT**

**Krasnoyarsk** - PJSC MMC Norilsk Nickel ("Nornickel" or the "Company"), the largest producer of palladium and refined nickel in the world, and LLC Russian Platinum ("Russian Platinum") have signed a framework agreement on strategic partnership.

According to the agreement, the parties will establish a joint venture ("the JV" or "the Project") to develop disseminated ore deposits in the Norilsk Industrial District. The JV will be 50%-owned by Nornickel and 50%-owned by Russian Platinum. Nornickel will contribute to the JV its license for Maslovskoe deposit, while Russian Platinum will contribute its licenses for the South flank of Norilsk-1 and Chernogorskoe deposits.

The JV aims at becoming one of the world's largest producers of platinum group metals (PGMs) with a target annual production volume of approximately 70-100 tons of PGMs.

The JV is expected to be set up by the end of 2018 subject to internal corporate approvals as well as necessary regulatory approvals.

The investment approval of the project parameters and time-line will be made upon completion of a feasibility study that is scheduled by the end of 2019. The project's implementation is expected to start in 2020. Then Nornickel will provide the JV the access to the Company's energy and transportation infrastructure in the Norilsk industrial district.

The project will be funded with a help of project financing and other financial instruments.

President of Nornickel, Vladimir Potanin commented, "This initiative is fully in line with our strategy of sharing the risks of major greenfield developments with partners. It opens up new opportunities for the exploitation of natural resources in the Norilsk Industrial District. We expect that upon its ramp-up, the project could become one of the world's leading PGM producers in terms of both size and profitability. Moreover, the launch of a JV of such scale

should give a powerful impetus for the further social and economic development of the Krasnoyarsk region and Russia's mining industry overall".

President of Russian Platinum, Musa Bazhaev commented, "Through our partnership with Norinickel, we are creating one of the world's largest clusters for the production of platinum and palladium. The three mining licenses, which will be contributed to the JV, are located in a close proximity one from another and thus have a major synergy potential in terms of geology and logistics. The high degree of our deposits in terms of their preparedness for launch, the infrastructure, the unique expertise and successful experience of Norinickel in launching major industrial enterprises employing most advanced technologies provide prerequisites for the accelerated and highly profitable development of new deposits in the Norilsk Industrial District. "

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 COMPANIES**

**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 are located at the Norilsk Industrial District, on the Kola Peninsula and Chita region in Russia as well as in Finland and South Africa.

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.

**Russian Platinum** was established in 2011. The company's assets are located in the Khabarovsk region, the Norilsk Industrial District in the Krasnoyarsk region of Russia as well as in Kyrgyzstan.

The company's assets in the Khabarovsk region include alluvial platinum deposit, Kondyor, and Kondyor Rudny deposit with a resource potential of more than 6 million oz of PGMs as well as Amur Zoloto deposits with proven mineral resources of 1.2 million oz of gold according to JORC and a potential addition of another approximately 1 million oz.

In the Norilsk Industrial District, the company owns two licenses for the following platinum group metals' deposits.

Chernogorskoye platinum-palladium deposit holds a unique resource base and is the only mineral deposit in the Norilsk Industrial District that has the surface occurrence of ore, which should provide for high profitability. The resources available for open pit mining amount to 22 million oz of PGMs (according to JORC). The resources potentially available for underground mining amount to more than 10 million oz of PGMs.

The South flank of Norilsk-1 deposit is one of the world's largest undeveloped deposits with a resource potential of over 124 million oz of PGMS (according to JORC). The geological exploration of the deposit was completed in 2015.

Chernogorskoye and the South flank of Norilsk-1 deposits are in a high degree of their preparedness for launch.

In Kyrgyzstan, Russian Platinum holds a license for Jerooy gold deposit with proven resources of 2.7 million oz.

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