

July 24, 2018

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

NORILSK NICKEL IS 'DISMAYED' BY BOTSWANA'S DISDAIN FOR INVESTORS' RIGHTS

Moscow, Russia - MMC Norilsk Nickel, the world’s largest refined nickel and palladium producer, confirms that it will continue with the litigation over the Nkomati and Tati facilities in Botswana to recover around US\$277 million debt by BCL, a state-owned enterprise, which had failed to make a payment under the share purchase agreement and was subsequently forced by the Botswanan Government into liquidation.

Following the recent Botswanan court’s judgement that effectively attempts to preclude Nornickel from defending its rights in the London Court of International Arbitration, the contractually agreed forum in which disputes are to be resolved, Nornickel maintains that it will not abandon its legal action against the Botswanan Government and will use every avenue available to recover the debt.

Michael Marriott, Group CEO of Norilsk Nickel Africa said:

“We applied to the Botswanan court for a permission to defend our rights in London in 2016. For no good reason, it then took the court over 16 months to consider this very straight-forward matter. We are now left with a deeply unsatisfactory judgment which has denied us the ability to get on and resolve this dispute through impartial, international arbitration, despite our right to do so under our contract with BCL.

“Nornickel is disappointed by the Botswanan court’s ruling and remains dismayed by Botswana's authorities’ disdain for investors' rights.

“We are going to use every opportunity to ensure that the Botswanan Government is held responsible for all of the BCL liabilities, including the liabilities to Norilsk Nickel in respect of the Nkomati and Tati transactions for the aggregate amount of circa US\$ 277mln”.

Nornickel and BCL signed the share purchase agreement, which provided for the transfer of the ownership of the Nkomati and Tati facilities to BCL, in October 2014; in September 2016 the agreement became unconditional. BCL subsequently failed to perform its deal completion obligations and refused to make a payment for the shares. As a result, Norilsk served a material breach notice on BCL, demanding payment of the circa \$277 million purchase price.

On 9 October 2016, the Government of Botswana applied to the High Court of Botswana and BCL entities were put into liquidation; eight months later, in June 2017, BCL entered the final stage of liquidation.

In the following months, Nornickel submitted a ‘Request for Arbitration’ to the London Court of International Arbitration (LCIA) to determine its claims and filed an application with the Botswana court (the “Permission Application”) seeking permission to commence and prosecute an arbitration in the LCIA in respect of its claim. On 18 April 2018, the Permission Application was

heard by the Botswanan court and, on 21 June 2018, the judgment precluding Nornickel from taking the case to LCIA was handed down.

Nornickel has filed a *reckless trading* claim against, inter alia, the Government of Botswana, seeking to declare it responsible for the liabilities of BCL entities.

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 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.

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