

Nornickel’s development strategy

Nornickel pursues a moderate growth strategy. The Company is committed to maximising efficiency and ensuring the liquidity of all current and future products.

The Company’s development strategy is focused on:



Growth in mining production and concentration volumes



Maintaining market positions



Upgrading processing facilities

The Company upholds its commitment to sustainability principles, implementing:

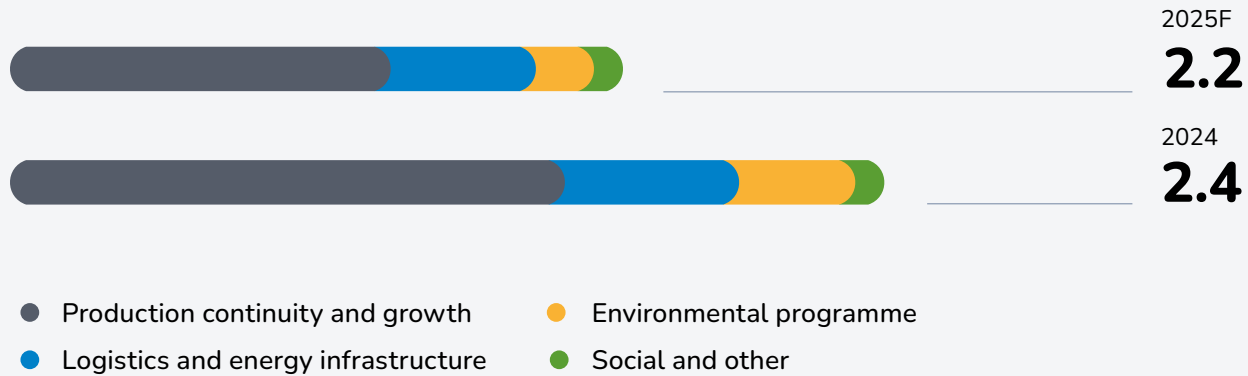


Environmental and Climate Change Strategy



Socially Sustainable Development Strategy

Structure of the Company’s investment programme for 2024–2025 (USD BN)





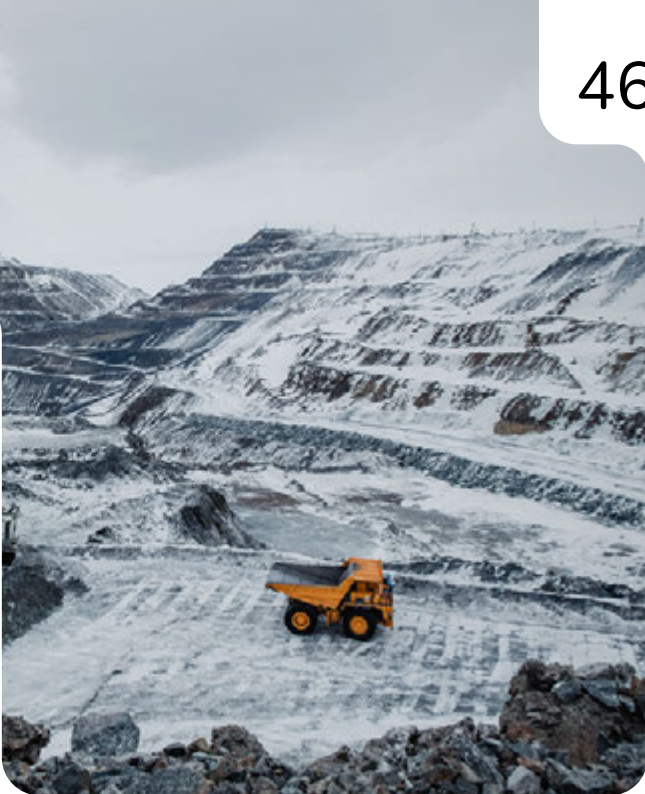
Growing mining production volumes, upgrading processing facilities, and maintaining market positions

Norilsk site



South Cluster: growing production volumes

A large existing deposit with a long reserve life (over 20 years) in the bottom quartile of the PGM cost curve.



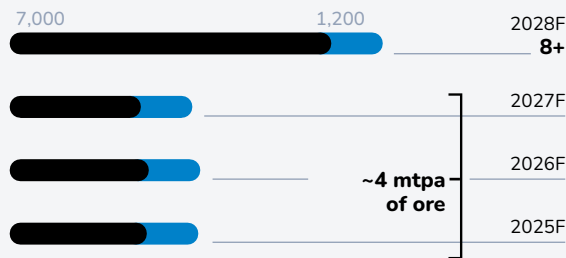
137
MLN T

Disseminated ore reserves¹



- In 2024, a positive opinion was obtained from Glavgosexpertiza following the re-examination of the design and cost estimate documentation. Subsequently, the development of optimisation measures for mine construction commenced.
- Mine development and construction works are ongoing for the underground mine and related infrastructure facilities.
- In 2025–2026, the Company intends to secure positive opinions from Glavgosexpertiza as well as a certificate of compliance for the mine and related infrastructure construction project.

Ramp-up to design capacity in 2025–2028 (MLN T)



- Open-pit mining
- Underground mining

* The production schedule within the pit perimeter is aligned with the development plan for the Group's processing facilities.

2028 production targets

Ore 8.2 MLN T

PGMs 750–850 KOZ

Ni 13+ KT

Cu 20+ KT

Upgrade of Talnakh Concentrator: the third start-up facility

The project's goal: major capacity expansion based on proven technology to process growing Talnakh ore volumes and unlock strategic optionality for the South Cluster development project.

Project status

- In 2024, the design documentation was adjusted, and the execution of supply contracts for flotation and thickening equipment was completed.
- Tendering is currently underway for ore dressing units and ore feeders, covering a range of activities to complete construction and installation, including the installation of metal frames and fences.
- Installation of foundations for the blower and reactor process equipment is currently underway.
- In 2025, the Company plans to secure a positive opinion from the Main Department of State Expertise (Glavgosexpertiza) on the amended design documentation.

Projected implementation timeline

Commissioning of the third start-up facility is expected in the fourth quarter of 2028, with subsequent ramp-up through 2029.



Capacity additions

+8 MPTA



Expected increase in metal recovery

+4–7%

Upgrade of flash smelting furnaces at Nadezhda Metallurgical Plant (NMP)

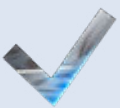
- In 2024, NMP completed an overhaul of FSF No. 2, a unique project comparable in scale and effort to constructing a new furnace.
- Despite the logistical challenges and constraints caused the disruption of equipment supplies from foreign vendors, the project was completed in less than 60 days.
- The project resulted in a 25% increase in the furnace's capacity for concentrate processing.
- The Company is currently developing a set of measures to upgrade FSF No. 1 with a waste heat recovery boiler, planned for implementation in 2027.
- The FSF No. 1 upgrade also includes production capacity expansion at NMP.

¹ Proven and probable reserves according to the JORC Code as of 1 January 2025.

The Trans-Baikal Division’s mining and processing plant



Life of mine
OVER **20** YEARS



50.01%
owned by Nornickel



EBITDA for 2024 totalled
USD **1.1** BN

- In 2024, the first projects under the long-term efficiency and capacity expansion strategy came online: magnetic separation capacity additions and a gold concentrate dehydration unit. The development of main technical solutions was also completed, and the preparation of detailed design documentation commenced for the gold mill project.
- In 2025, projects to upgrade the grinding circuit, flotation section, and thickening section of the concentrator are scheduled for commissioning. Plans are also in place to commence construction of a gold mill.

One of the largest greenfield projects in Russia’s mining industry.

Ore reserves

272 MLN T

Cu

Fe

Au

~0.52%

~18.7%

~0.65 g/t¹

Production volumes

	2024	2025F
Ore ²	11.3 MLN T	11.5 KT
Cu	70.0 KT	66–70 KT
in concentrate		
Iron ore concentrate	2.9 MLN T	2.75–2.85 MLN T

Mining capacity expansion at Severny Mine

Site overview

Active complex-sulphide concentrate production site comprising several assets:

- Severny underground mine
- Zapolyarny Concentrator
- Concentrate shipment section
- Auxiliary infrastructure facilities

Location: Murmansk Region, ~250 km from the Murmansk sea port, access by rail.

Existing key customers include leading manufacturers of battery materials in China.

In 2024, a project was launched to develop reserves down to a depth of 730 metres, enabling ore production at a rate of 7 mtpa until 2048.

Production volumes for 2024

7+
MLN T OF ORE

250+
KT
OF CONCENTRATE

Ni

Cu

Co

25 kt

11 kt

0.8 kt



¹ Ore reserves as per the 2023 CPR as of 1 January 2025.
² Processed ore volumes.

Infrastructure expansion and upgrades

Logistics Infrastructure Development Programme

Programme rationale

- **Increased volumes** of westward shipments of semi-products once the copper production chain reconfiguration programme is completed.
- **Adjusted pace** of fixed asset replacement in the Norilsk Industrial District, reflecting the optimisation of the investment programme.
- **Expansion of Northern Sea Route** operations and increased freight volumes for major investment projects of other companies using the NSR in the Russian Arctic.

Major projects



UP BY **50%** Y-O-Y

Increase in the throughput capacity of the Dudinka port (the Gateway to Taimyr) and the terminal in Murmansk¹



¹ At peak, cargo traffic is expected to increase by 50% compared to the average level by 2030.

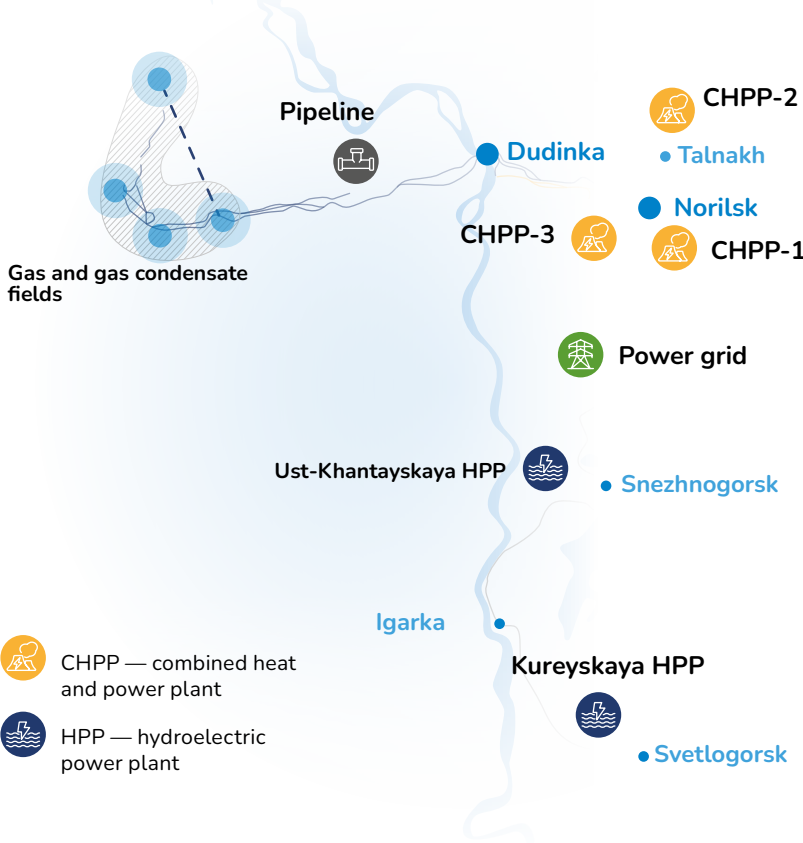
Energy infrastructure upgrade programme

Programme goal: renovate generation facilities and energy grid infrastructure to ensure the reliable supply of all types of energy to consumers in the Norilsk Industrial District.

Gas and gas condensate exploration, production, and transportation

- In 2024, a retrofitting project was completed for a gas pipeline's underwater crossing of the Bolshaya Kheta River.
- **Drilling** operations continue on five wells at well pad No. 4 of the Pelyatkinskoye gas condensate field, expected to come online in 2025.
- **Pre-commissioning operations are underway** at the booster compressor station of the Severo-Soleninskoye gas condensate field, with commissioning planned for 2025.

Energy infrastructure



NGV fuel

In 2024, a CNG filling station was commissioned in Norilsk.

Combined heat and power plants

- In 2024, construction and installation activities were completed for the revamp of

Unit No. 2 of CHPP-2, with pre-commissioning operations ongoing and commissioning scheduled for 2025.

- **The tank farm revamp programme** continues, with five new tanks constructed since its start:
 - 2 tanks at CHPP-1
 - 2 tanks at CHPP-2
 - 1 tank at CHPP-3

Contribution to energy efficiency:
reinforced emphasis on higher output of the new units at CHPPs and HPPs and comprehensive energy loss reduction throughout the electricity value chain

Sulphur Project at Nadezhda Metallurgical Plant

The Sulphur Project 2.0 at Nadezhda Metallurgical Plant includes technological upgrades to recover SO₂ from off-gases of the main smelting units (flash smelting furnaces) by converting them into sulphuric acid and then neutralising it with limestone to produce gypsum – environmentally non-hazardous waste to be placed in a gypsum storage facility.

✔ Throughout 2024, Nornickel gradually commissioned core gas recovery equipment to support the project's ramp-up to design capacity and put the second process line into operation.

✔ Control (supervisory) activities by Rosprirodnadzor confirmed the high efficiency and successful ramp-up of the sulphur complex across sulphuric acid production lines 1 and 2.

✔ All items in the 2024 emission allowance compliance plan have been completed.

✔ In 2025, construction and installation works on process line 3 are scheduled for completion, to be followed by comprehensive testing to ensure stable and efficient sulphur dioxide recovery and create the necessary production reliability margin.

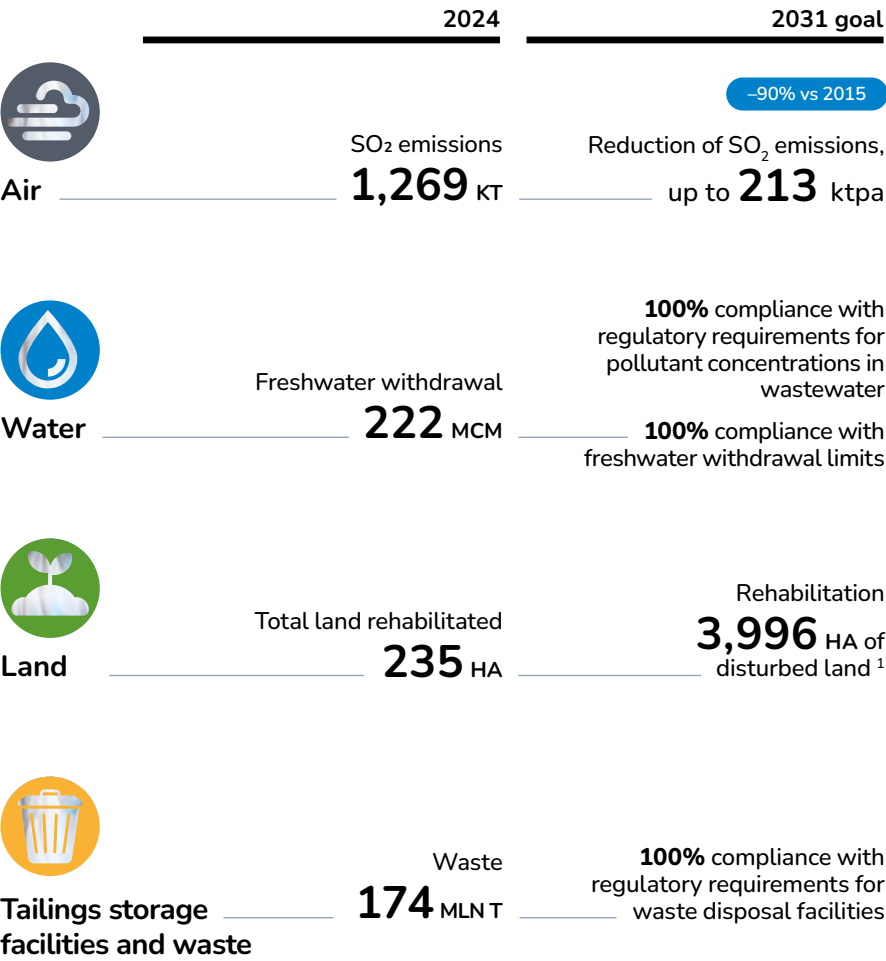
In 2024, the Company recovered
 ~390 KT
 of sulphur dioxide

Gas recovery efficiency confirmed at
 >99%



Environmental programme

Reducing environmental impact remains one of the Company's strategic priorities.




 For more details on Nornickel's Environmental and Climate Change Strategy targets and measures to achieve them, please see the [Environment and Climate](#) section and the Company's [Sustainability Report](#).

¹ From the 2022 base year.