

# Reconfiguration of processing capacities



**JANUARY 2015**

**Completed stage 1 of the Talnakh Concentrator upgrade programme**  
(on time and as per the approved budget)

**Impact:**

- Increase in the nickel recovery rates due to the reconstruction of the flotation circuit



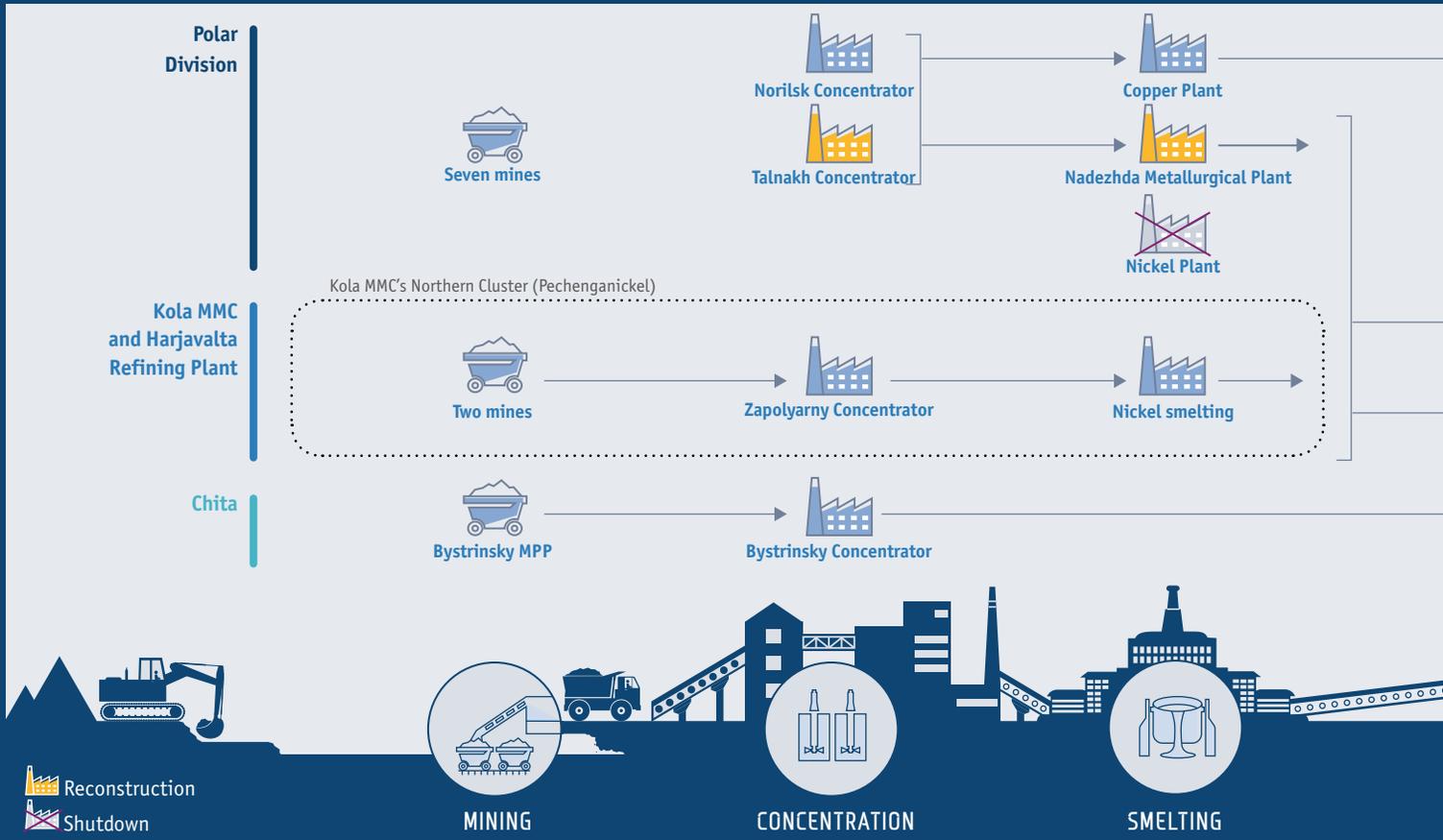
**MARCH 2016**

**Completed the reconstruction of Nadezhda Metallurgical Plant to be used as a single nickel feedstock smelting facility**  
(on time and as per the approved budget)

**Impact:**

- Enhancement of processing capacities to 2.4 mt
- Optimisation of smelting capacity utilisation rates in view of the Nickel Plant shutdown

Development of the concentration and smelting capacities is in line with the approved reconfiguration programme





MAY 2016

**Completed stage 2 (one of the key reconfiguration projects) of the Talnakh Concentrator upgrade programme (on time and as per the approved budget)**

**Impact:**

- Enhancement of the plant capacities to 10.0 mt
- Improvements in concentrate quality from 8.6% to 13.5%

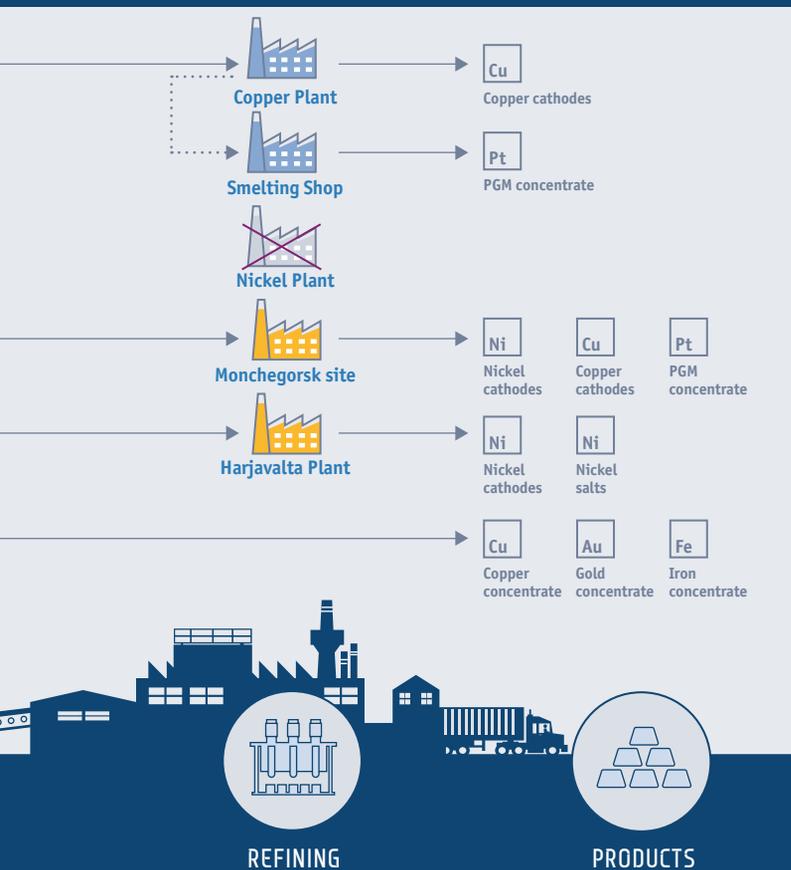


APRIL 2016

**Suspended operations at Sintering Shop and three of the four Smelting Shop's furnaces (on time and as per the approved budget)**

**Impact of the shutdown:**

- Optimisation of the Company's production capacity utilisation rates
- Environmental benefits: a 15% decrease in sulphur dioxide emissions in the Norilsk Industrial District starting from 2017



The reconfiguration exercise seeks to achieve economies of scale and mitigate the environmental impact

- Maintain existing production capacities
- Bring down production costs and increase recovery rates
- Mitigate load on energy infrastructure of the Norilsk Industrial District
- Reduce SO2 emissions by 15% on the back of the concentrator upgrade and the Nickel Plant shutdown
- Achieve a significant drop in ground-level concentrations of pollutants and shorten the duration of air pollution periods in Norilsk's Central District