

Public Joint Stock Company Severalmaz

2018



Geology

1. Primary activity – Diamond extraction

The M.V. Lomonosov diamond deposit	Current development project	2019 plan
6 Kimberly pipes (Arkhangelskaya, Karpinskogo-1, Karpinskogo-2, Pionerskaya, Pomorskaya, the Lomonosova)	2 Kimberly pipes (Arkhangelskaya, Karpinskogo-1)	2 Kimberly pipes (Arkhangelskaya, Karpinskogo-1)
283,7 mln. t. ore	45,0 mln. t. ore	3,6 mln. t. ore
166,7 mln. crt. diamonds (15% of all-Russian reserve)	58,8 mln. crt. diamonds	3,9 mln. crt. diamonds
460 m depth of reserves	Depths of quarries: 460 m - Arkhangelskaya 316 m - Karpinskogo-1	Depths of quarries: 206 m - Arkhangelskaya 156 m - Karpinskogo-1

2. Range of geological exploration works

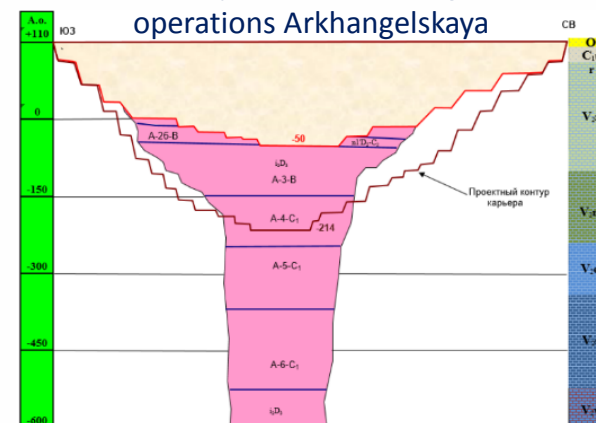
PJSC Severalmaz continues to search for new diamond deposits at 2 new licensed areas in the Arkhangelsk Region

3. On the balance sheet of PJSC Severalmaz, in addition to the diamond deposit:

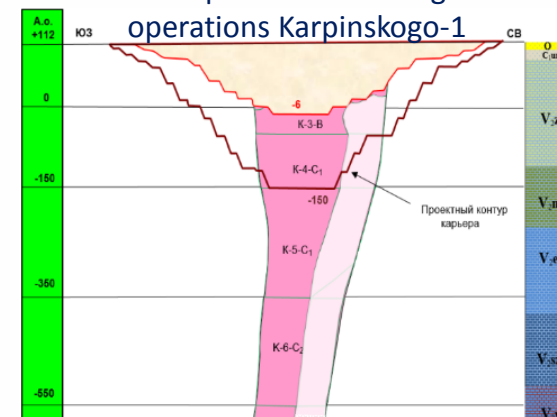
- 10 Common mineral resources deposits of 494 000 m³ Sand-gravel mixture and 3 585 000 m³ sand in reserve
- 2 Groundwater deposits of 3000 m³/day (potable water) and 3600 m³/day (process water) in reserve



The position of mining operations Arkhangelskaya



The position of mining operations Karpinskogo-1



Primary product

1. Diamond extraction

- industrial grade of diamonds +3 conditional-sieve class (approx. 1,4 mm) (in addition, diamonds smaller than 0,5 mm are extracted);
- The extraction for this class is 97% or more;
- Diamonds larger than 4 mm make up 15% of the mass and 40% of the value of all products.

2. Diamond quality

split broadly into

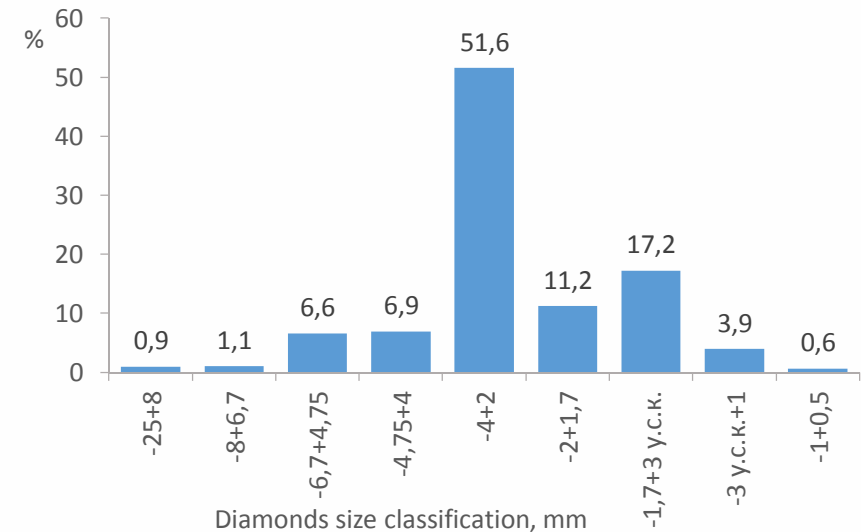
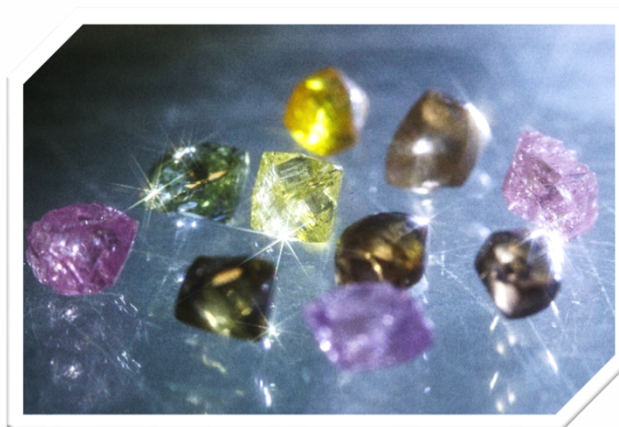
- Gem-quality diamonds (GEM) – 10%
- Near gem-quality diamonds (NEAR GEM) – 72%
- Industrial-grade diamonds (INDUSTRIAL) – 18%

3. Diamond color scheme

Majority of diamonds is colorless.

Among colored diamonds:

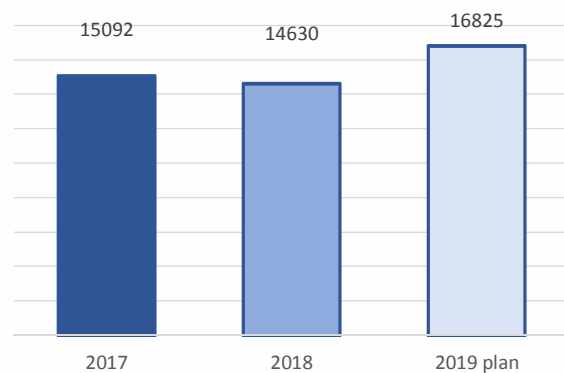
- yellow;
- Smoky-brown;
- green;
- violet;
- pink;
- gray.



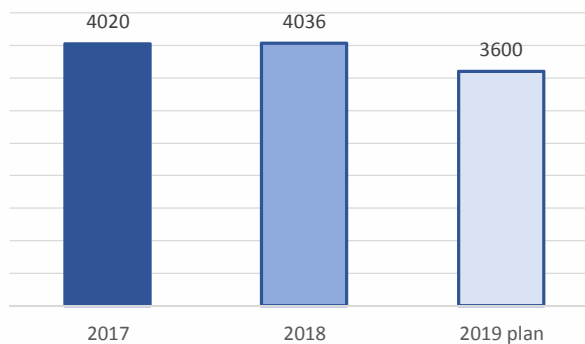
Key Performance Indicators



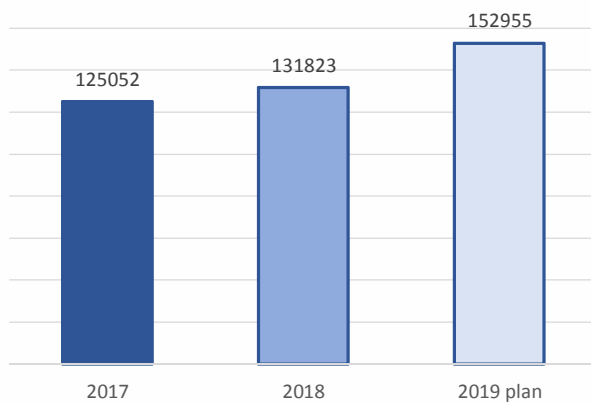
Mined rock, TCM



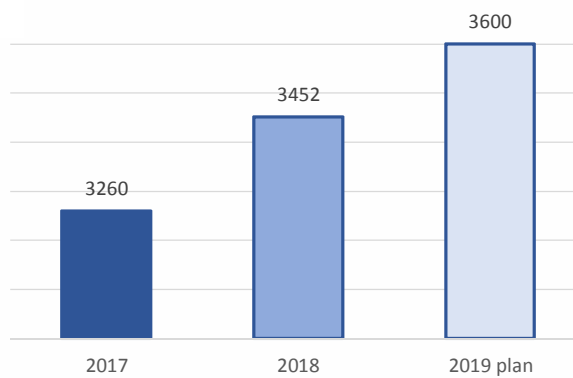
Ore mining, Kt



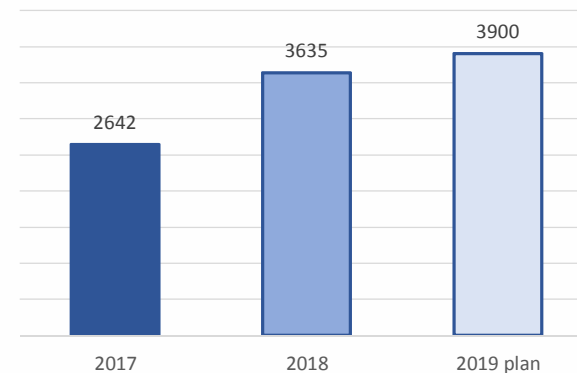
Freight turnover, Ktkm



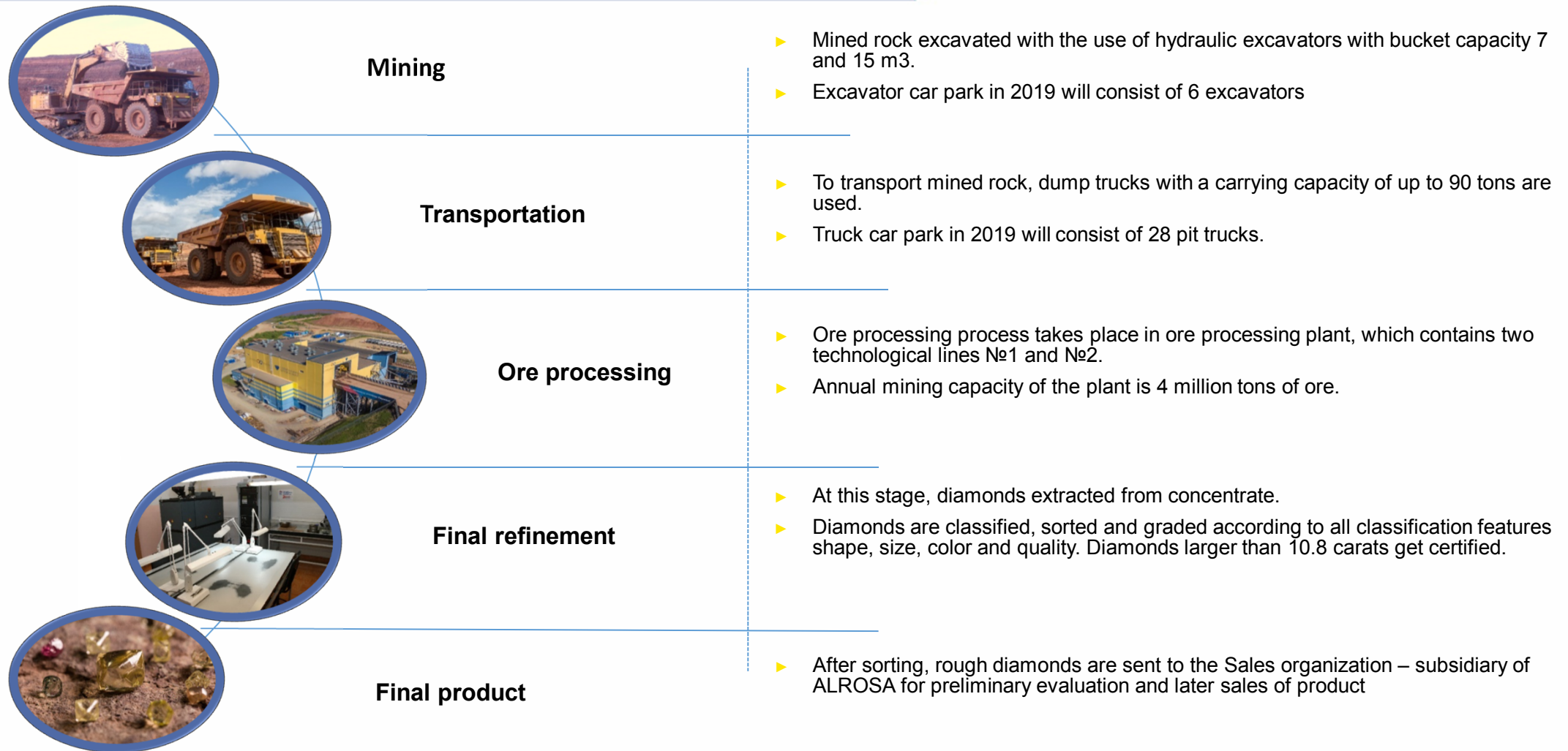
Ore procession, Kt



Diamond extraction, K. crt.



Technological process



Capital investment

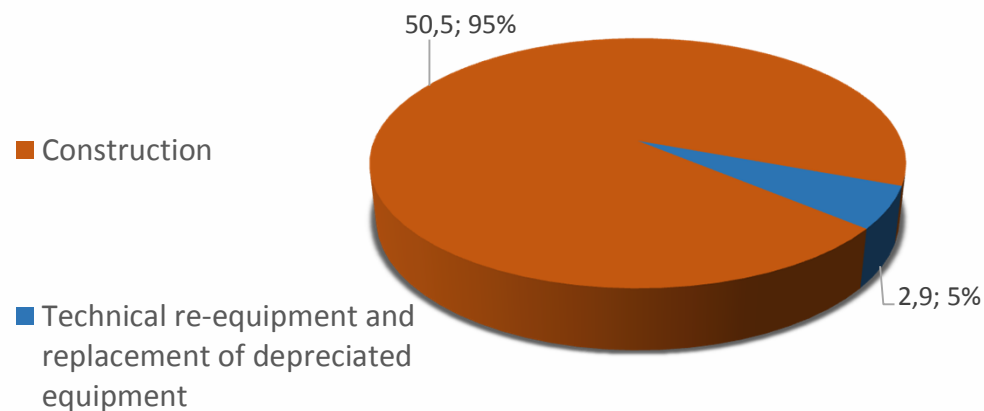


Time period	Capital invested	including: technical re-equipment
2004 - 2016	28,5 bill. rub.	1,1 bill. rub.
Forecast for 2017-2025	24,9 bill. rub.	1,8 bill. rub.
Total	53,4 bill. rub.	2,9 bill. rub.

Investments in capital expenditures up to 2025 will amount in total 53,4 bill. rub., including:

- Construction and installation, building equipment – 50,5 bill. rub.
- technical re-equipment and replacement of depreciated equipment – 2,9 bill. rub.

Capital invested since construction of the Lomonosov mining and processing complex



Earnings

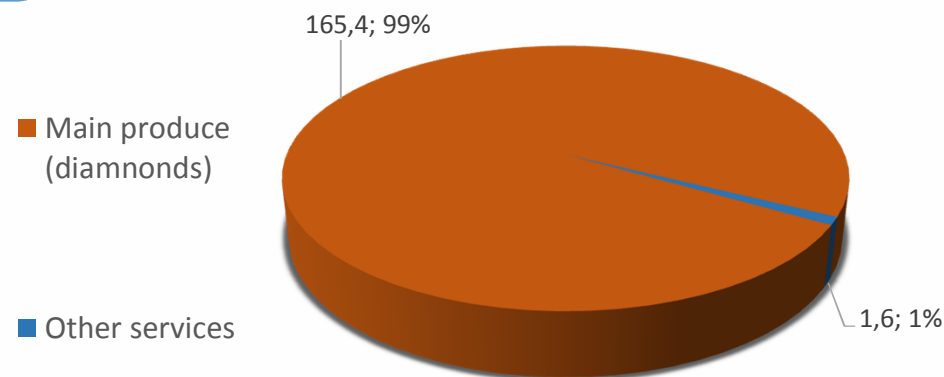


Time period	Realization of main product (diamonds)		
2008 - 2016	8,1 MM crt.	454,6 MM \$	21,0 BN Rub.
Forecast for 2017-2025	36,7 MM crt.	2 080,6 MM \$	144,5 BN Rub.
Total	44,8 MM crt.	2 535,2 MM \$	165,4 BN Rub.

Products realization, rendering of services and other realization:

- Revenues from realization of main product (diamonds) until 2025 will amount to 165.4 billion rubles;
- Revenues from services and other realization from 2004 to 2025 will amount to 1.6 billion rubles.

Revenues from realization of products, works and services. Total



Ecology



Components of the natural environment, which are covered by monitoring at the M.V. Lomonosov diamond deposit:

- Fish fauna;
- Animal fauna;
- Vegetation;
- Soil;
- Atmospheric air;
- The groundwater;
- Surface water.

The complex of observations of the state of watercourses and forest vegetation has been performed for over 20 years.

Since 2004, the remote monitoring of 100 sq. km area of the M.V. Lomonosov diamond deposit has been carried out using high-resolution space imagery. This method allows tracking of changes in such large objects, such as waste rock dumps and tailing pond.

PJSC Severalmaz spending for environmental protection:	
2018	2019 (forecast)
19,45 mm rub.	>16 mm rub.

Local contracting organizations, that are well aware of the specifics of the region, are preferred to perform monitoring of the environment.

Regional strategy, charity and taxes.

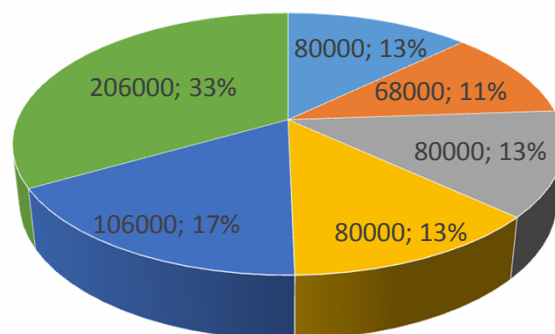


	Agreement with Primorsky municipal district	Agreement with the government of Arkhangelsk region
2018	2 000 000 rub.	50 000 000 rub.
2019 forecast	2 000 000 rub.	50 000 000 rub.

Taxes and fees 2018

- 2 271 230 000 rubles

Spent on charity in 2018
Total 620 000 rub.



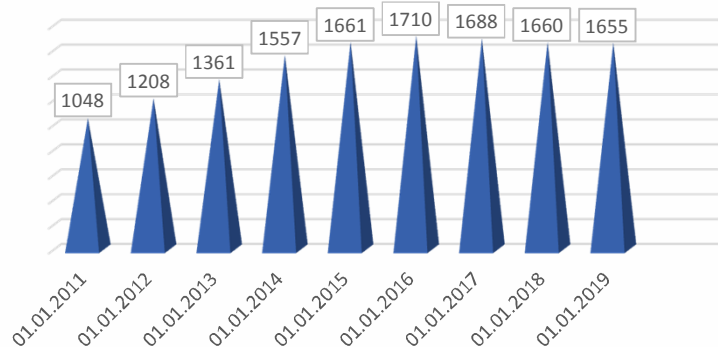
- Rembuevo orphanage
- Child center «Raduga»
- Child sport school «Kaskad», Hockey team Arkhangelsk-2005»
- PRO Veteran geological explorer
- Zolotitsa village
- One-time requests (except employees of Severalmaz)

Human Resources



PJSC Severalmaz employs true professionals, a team of like-minded people, capable of solving problems of any complexity. We are rightfully proud of the employees of the company and plan our development relying on people, their professional qualities, skills and knowledge. All of the company's achievements are defined by its employees.

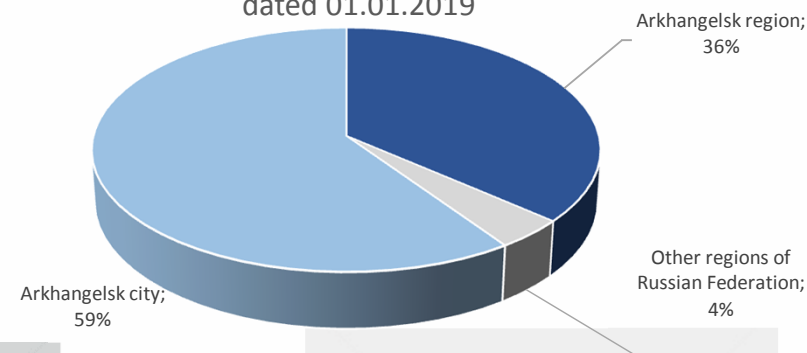
The dynamics of the number of employees of the company.



Средний возраст работников
Общества составляет 40 лет



Percentage distribution of employees
according to their place of living.
dated 01.01.2019



Our faces

Increased social
package

Salary indexation

implementation of
legislation in the field of
labor protection and
industrial safety;
health protection

Provision of service
housing

Corporate and
cultural-leisure
activities

continuous
personnel
development
(training,
education,
retraining)

Interaction with educational
institutions, student construction
teams movement

Support of a healthy
lifestyle; Sporting
events

Interaction with
the work union

Sanatorium health
improvement of
employees

Guarantees and
compensation in
accordance with the
Collective Agreement of
the Company and the
legislation of the Russian
Federation

psychological help