

Interfax - CNA
2 Pervaya Tverskaya-
Yamskaya
Moscow, 127006, Russia
Tel. (7-499) 250-2922
cna@interfax.ru

MARKET SURVEY

RUSSIA'S GOLD INDUSTRY IN 2016

March 2017

TABLE OF CONTENTS

RUSSIA'S GOLD RESERVES.....	<u>3</u>
STRUCTURE OF RUSSIA'S GOLD INDUSTRY	<u>5</u>
RUSSIA'S GOLD INDUSTRY IN 2016.....	<u>7</u>
Gold demand.....	<u>7</u>
Gold production: latest trends	<u>7</u>
Top gold producers.....	<u>10</u>
RUSSIA'S GOLD INDUSTRY: KEY FINANCIALS	<u>12</u>
Sales and profitability.....	<u>12</u>
Comparative financials of top Russian gold producers.....	<u>13</u>
TOP GOLD MINING COMPANIES OPERATING IN RUSSIA.....	<u>15</u>
Polyus Gold.....	<u>15</u>
Polyus Gold: : overview	<u>15</u>
Polyus Gold in 2016: operations summary	<u>16</u>
Polyus Gold: key financials	<u>18</u>
Polymetal	<u>19</u>
Polymetal: overview.....	<u>19</u>
Polymetal in 2016: operations summary.....	<u>20</u>
Polymetal: key financials.....	<u>22</u>
Kinross Gold (operations in Russia).....	<u>23</u>
Kinross Gold: overview.....	<u>23</u>
Kinross Gold in 2016: operations summary.....	<u>23</u>
Petropavlovsk.....	<u>24</u>
Petropavlovsk: overview.....	<u>24</u>
Petropavlovsk in 2016: operations summary	<u>25</u>
Petropavlovsk: key financials	<u>26</u>
NordGold (operations in Russia).....	<u>28</u>
NordGold: overview.....	<u>28</u>
NordGold in 2016: operations summary.....	<u>29</u>
NordGold: key financials.....	<u>30</u>
Yuzhuralzoloto Group of Companies	<u>32</u>
Yuzhuralzoloto Group of Companies: overview.....	<u>32</u>
Yuzhuralzoloto Group of Companies in 2016: operations summary.....	<u>32</u>
Yuzhuralzoloto Group of Companies: key financials.....	<u>33</u>
Highland Gold Mining.....	<u>34</u>
Highland Gold Mining: overview	<u>34</u>
Highland Gold Mining in 2016: operations summary	<u>35</u>
Highland Gold Mining: key financials	<u>36</u>
Vysochaishy (GV Gold)	<u>37</u>

Vysochaishy (GV Gold): overview	37
Vysochaishy (GV Gold) in 2016: operations summary	38
Vysochaishy (GV Gold): key financials	38
SUPPLEMENT	39
Gold reserves by regions.....	39
Gold reserves by key deposits.....	40
Gold production by regions.....	42

LIST OF TABLES

Table 1 Russia's Gold Reserves to the Russian Classification as of January 1 2014*	
Table 4 Structure of Russia's Gold Industry	
Table 5 Russia's Mine, Incidental, Secondary Gold Production in 2014- Jan.-Nov. 2016, 000' oz	
Table 4 Russia's Top Gold Companies in 2012-2016, 000' oz	
Table 5 Sales Revenue to IFRS of Top Russian Gold Producers in H1 2016, US\$ million	
Table 6 EBITDA of Top Russian Gold Producers in H1 2016, US\$ million.....	
Table 7 Net Income to IFRS of Top Russian Gold Producers in H1 2016, US\$ million.....	
Table 8 EBITDA Margin of Top Russian Gold Producers in H1 2016	
Table 9 ROS of Top Russian Gold Producers in H1 2016	
Table 10 Refined Gold Production by Polyus Gold's Mines in 2014-2016, '000 oz	
Table 11 Polymetal Operating Highlights in 2015-2016	
Table 16 Petropavlovsk Gold Production in 2015-2016, '000 oz	
Table 13 Nord Gold's Gold Production in Russia in 2015-2016, '000 oz*.....	
Table 14 Highland Gold Mining Gold Production in 2015-2016, '000 oz	
Table 15 Vysochaishy Gold Production and Sales in 2015-2016, '000 oz.....	
Table 16 Breakdown of Russia's Gold Reserves by Regions, tons*	
Table 17 Russia's Key Gold Deposits: Reserves, Grading, Ore Type, License Holder*	
Table 18 Gold Mine Production by Russian Regions in 2015, 000' oz	

LIST OF GRAPHS

Graph 1 Growth in Russia's Gold Production in 2006-2016, 000' oz.....	
Graph 2 Breakdown of Russia's Gold Production by Sources in 2012-2016	
Graph 3 Russia's Gold Mining Industry EBITDA Margin in 2008-H1 2016	
Graph 4 Russia's Gold Mining Industry ROS in 2008-H1 2016.....	