News release

Regulated Information

2018 Full Year Results

26 May 2019 at 23:45 CEST

HIGHLIGHTS:

- Capital structure review initiated in October 2018 in response to extremely challenging financial and operating conditions being faced by the Company due to materially reduced Underlying EBITDA performance in H2 2018 and the maturity of certain liabilities during 2019
- Group underlying EBITDA[1] of EUR 99 million for 2018, a decrease of 52% on 2017, primarily driven by substantial reductions in zinc and lead treatment charges, a weakening of the US dollar against the Euro (1.13 to 1.18), increased energy prices in Metals Processing and higher direct operating costs at the mining operations, partially offset by increased zinc metal and zinc in concentrate production (up 4% and 14% respectively)
  - Metals Processing underlying EBITDA of EUR 135 million, down EUR 71 million year-on-year, driven by lower zinc treatment charges, higher energy prices in Europe and Australia during H2 2018, the suspension of operations at Port Pirie in December 2018, partially offset by higher production of zinc, copper, silver and minor metals; and
  - Mining underlying EBITDA of EUR 19 million, down EUR 28 million year-on-year, driven by the negative EBITDA performance from the restart and subsequent suspension of the Myra Falls mine and weak production and operating cost performance at the Langlois and Middle Tennessee mines, partially offset by lower zinc treatment charges and continued operating improvements at the East Tennessee mines
- Balance sheet and liquidity
  - Following the Q3 2018 results announcement on 30 October 2018, substantial working capital outflows were experienced during Q4 2018 and liquidity was substantially reduced
  - Net debt excluding zinc metal prepay of EUR 1,643 million at the end of December 2018, an increase of EUR 541 million on 31 December 2017 which included the Perpetual Securities which are now accounted for as financial liabilities. Net debt inclusive of zinc metal prepay and perpetual securities of EUR 1,771 million at the end of December 2018, an increase of EUR 408 million on 31 December 2017
  - New USD 650 million committed working capital facility from Trafigura implemented in December 2018, replacing the USD 250 million working capital facility with Trafigura, originally entered into in May 2016
- Net loss of EUR 618 million for 2018, primarily driven by a large income tax expense with the partial de-recognition of deferred tax assets, impairment of the carrying value of the Langlois and Myra Falls mines, costs associated with the capital restructuring process and operating loss incurred in 2018
- Port Pirie Redevelopment continues to ramp-up in-line with management expectations
  - Maintenance shutdown of the sinter plant, TSL furnace and blast furnace during December 2018 to comply with the prescribed lead-in-air limits at the end of Q4 2018 also allowed Nyrstar to address a TSL furnace cooling issue and bring forward maintenance previously scheduled for the blast furnace in January 2019

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1 Underlying EBITDA is a non-IFRS measure of earnings, which is used by management to assess the underlying performance of Nyrstar's operations and is reported by Nyrstar to provide additional understanding of the underlying business performance of its operations. Nyrstar defines "Underlying EBITDA" as profit or loss for the period adjusted to exclude loss from discontinued operations (net of income tax), income tax (expense)/benefit, share of loss of equity-accounted investees, gain on the disposal of equity-accounted investees, net finance expense, impairment losses and reversals, restructuring expense, M&A related transaction expenses, depreciation, depletion and amortization, income or expenses arising from embedded derivatives recognised under IAS 39 "Financial Instruments: Recognition and Measurement" and other items arising from events or transactions clearly distinct from the ordinary activities of Nyrstar. For a definition of other terms used in this press release, please see Nyrstar's glossary of key terms available at: http://www.nyrstar.com/investors/en/Pages/investorsmaterials.aspx

News release

KEY FIGURES

EUR million (unless otherwise indicated)	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Income Statement Summary						
Revenue	3,530	3,812	8%	1,930	1,883	(2%)
Gross Profit	1,074	1,118	4%	600	517	(14%)
Direct operating costs	(875)	(1,014)	16%	(485)	(529)	9%
Non-operating and other	6	(5)	(181%)	6	(11)	(289%)
Metal Processing U. EBITDA	206	135	(34%)	118	16	(86%)
Mining U. EBITDA	47	19	(59%)	28	(9)	(132%)
Other and Eliminations U. EBITDA	(48)	(56)	17%	(26)	(29)	11%
Group Underlying EBITDA	205	99	(52%)	120	(22)	(118%)
Underlying EBITDA margin	6%	3%	(56%)	6%	(1%)	(119%)
Embedded derivatives	(3)	2	(169%)	(3)	5	(257%)
Restructuring expense	(4)	(22)	432%	(13)	(9)	(30%)
M&A related transaction expense	(0)	(1)	493%	(2)	0	(111%)
Other income	9	3	(68%)	2	1	(69%)
Profit / (Loss) on disposal of investments	3	0	(102%)	0	0	-
Other expenditure	0	(30)	-	0	(30)	-
Underlying adjustments	4	(49)	-	(16)	(33)	113%
Depreciation, depletion, amortisation	(156)	(162)	4%	(75)	(88)	17%
Impairment gain / (loss)	126	(99)	-	0	(99)	-
Result from operating activities	180	(212)	-	30	(242)	-
Net finance expense (including fx)	(207)	(151)	(27%)	(76)	(75)	-
Income tax (expense) / benefit	37	(250)	-	1	(252)	-
Profit / (Loss) from continuing operations	10	(614)	-	(45)	(569)	-
Profit / (Loss) from discontinued operations	37	(4)	-	(4)	0	(100%)
Profit / (Loss) for the period	47	(618)	-	(49)	(569)	-
Basic Profit / (Loss) per share from continuing ops	0.10	(5.60)	-	(0.22)	(5.60)	-
Capex (continuing and discontinuing ops)						
Metals Processing	303	126	(59%)	70	56	(23%)
Mining	56	101	80%	63	38	(40%)
Other	3	1	(50%)	1	1	37%
Group Capex	362	229	(37%)	134	95	(30%)
Cash Flow						
Funds From Operations (FFO)[2]	(358)	(90)	(75%)	18	(109)	-
Free Cash Flow (FCF)[3]	(472)	(236)	(50%)	(53)	(183)	(241%)

2 Funds From Operations (FFO) is a measure used by management to assess the performance of Nyrstar's operations and is defined as Group Underlying EBITDA less working capital movements, capital expenditure, tax and other cash flow (excluding changes in silver, copper and Zinc Metal prepays)
3 Free Cash Flow (FCF) is a measure used by management to assess the performance of Nyrstar's operations and is defined as FFO minus interest and financing expenses

EUR million (unless otherwise indicated)	31 Dec 2017	31 Dec 2018	% Change	30 Jun 2018	31 Dec 2018	% Change
Debt and cash						
Loans and borrowings, end of the period	1,170	1,882	61%	1,276	1,882	48%
Cash and cash equivalents, end of period	(68)	(239)	249%	(78)	(239)	205%
Net Debt Exclusive of Zinc Prepay[4]	1,102	1,643	49%	1,198	1,643	37%
Zinc Prepay	75	128	71%	104	128	23%
Perpetual Securities	186	175	(6%)	186	175	(6%)
Net Debt Inclusive of Zinc Prepay and Perpetual Securities	1,363	1,771	30%	1,487	1,771	(56%)
	FY 2017	**FY 2018**		**H1 2018**	**H2 2018**	
Metals Processing Production						
Zinc metal (‘000 tonnes)	1,019	1,064	4%	528	536	2%
Lead metal (‘000 tonnes)	171	160	(7%)	69	90	30%
Mining Production						
Zinc in concentrate (‘000 tonnes)	123	139	14%	70	70	-
Copper in concentrate (‘000 tonnes)	2.1	1.6	(21%)	0.8	0.9	7%
Silver (‘000 troy ounces)	553	439	(21%)	214	225	5%
Gold (‘000 troy ounces)	1.9	2.1	8%	0.7	1.3	82%
Market[5]						
Zinc price (USD/t)	2,896	2,922	1%	3,268	2,656	(19%)
Lead price (USD/t)	2,318	2,242	(3%)	2,456	2,091	(15%)
Silver price (USD/t.oz)	17.05	15.71	(8%)	16.65	15.02	(10%)
Gold price (USD/t.oz)	1,258	1,269	1%	1,319	1,229	(7%)
EUR/USD average exchange rate	1.13	1.18	4%	1.21	1.15	5%
EUR/AUD average exchange rate	1.47	1.58	7%	1.57	1.59	1%

Nyrstar NV ("Nyrstar" or the “Company” and, together with its subsidiaries, the “Group”) has previously announced that its consolidated financial statements for the twelve months ended 31 December 2018 (“Full Year Results 2018”), were rescheduled to 24 May 2019 due to the need to complete the comprehensive capital structure review of the Group. As was announced by the Company on 15 April 2019, Nyrstar initiated a review of its capital structure (the “Capital Structure Review”) in October 2018 in response to the challenging financial and operating conditions being faced by the Group. As previously announced, these conditions included substantial working capital and liquidity outflows experienced during the fourth quarter of 2018 and first quarter of 2019 necessitating the raising of urgent short term funding. Combined with the Group’s materially reduced Underlying EBITDA performance in 2018 and the maturity of certain liabilities during 2019, these factors resulted in the need to reconsider the Group’s capital structure.

The Capital Structure Review identified a very substantial additional funding requirement that the Group is unable to meet without a material reduction of the Group’s indebtedness. As a consequence, the Capital Structure Review has necessitated negotiations between the Group’s financial creditors in order to develop a deleveraging and funding plan as part of a comprehensive balance sheet recapitalisation. Alternatives to such a recapitalisation would place the future of the Group

4 As at 31 December 2018, an aggregate total of EUR 174.9 million (2017: EUR 186.3 million) of Perpetual Securities had been issued. The Perpetual Securities have been accounted for entirely as financial liabilities at 31 December 2018 whilst in previous periods, such as 30 June 2018 and 31 December 2017, the Perpetual Securities were accounted for as equity and not included in loans and borrowings. See note 26 (Perpetual Securities) in the Consolidated Financial Statements.
5 Zinc, lead and copper prices are averages of LME daily cash settlement prices. Silver/Gold price is average of LBMA daily fixing / daily PM fixing, respectively

and its stakeholders at severe risk. As at the date of this announcement, the Company is in the process of implementing the recapitalision.

The Company has received from its auditor, and is publishing today, an opinion issued in accordance with article 143, §2 of the Belgian Company Code ("non-compliance opinion") on the basis that certain information requested from the Company was not timely delivered. The Company is working hard to deliver such information to its auditor with the intention that the auditor will issue its audit opinion once it has audited such information. The full-year results that are published today will then again be published to the market, together with the audit opinion that the auditor will then issue.

GROUP FINANCIAL OVERVIEW

Group gross profit for 2018 of EUR 1,118 million was up 4% on 2017, driven by higher zinc production volumes in Mining and Metals Processing and marginally higher zinc and gold prices which were both up 1%, partially offset by deteriorating benchmark zinc treatment charge terms and a weaker US dollar against the Euro.

Direct operating costs for 2018 of EUR 1,014 million increased 16% on 2017, due to higher zinc production volumes in Mining and Metals Processing, higher electricity prices at the smelters, increased mining costs as a result of the restart of operations at Myra Falls and the ramp-up of mining operations at Middle Tennessee.

Group underlying EBITDA of EUR 99 million in 2018, a decrease of 52% on 2017, due to a weakening of the US dollar against the Euro, lower lead and silver prices, a 15% reduction in the benchmark zinc treatment charge, higher direct operating costs per tonne of zinc in both Mining and Metals Processing.

Underlying adjustments in 2018 were a total of EUR 49 million, comprising EUR 2 million of embedded derivatives, EUR (22) million of restructuring expense, EUR 1 million of M&A related transaction expense and EUR (30) million of other expenditure relating primarily to the write-off of payments that were connected with the divestment of the El Toqui mine in Chile.

Depreciation, depletion and amortisation expense for 2018 of EUR 162 million was up 4% year-on year.

In 2018, the Company recognised a non-cash, pre-tax **impairment** loss of EUR 99 million (2017: impairment gain of EUR 126 million). This impairment loss (2017: impairment gain) relates fully to pre-tax impairment losses on Nyrstar's Mining assets (EUR 85.9 million) at Langlois and Myra Falls and specific asset write-offs in Metals Processing (EUR 11.4 million).

Net finance expense (including foreign exchange) for 2018 of EUR 151 million (EUR 207 million in 2017) primarily due to a net foreign exchange gain of EUR 6.5 million in 2018 compared to a loss of EUR 59.9 million in 2017. The interest expense in 2018 of EUR 128.3 million was higher than in 2017 (EUR 104.4 million).

Nyrstar recognised an **income tax expense** for the year ended 31 December 2018 of EUR 250 million (2017: income tax benefit of EUR 37 million) representing an effective income tax rate of -68.9% (for the year ended 31 December 2017: -481.3%). The tax rate is impacted by non-recognition of current year losses, and by the de-recognition of previous losses relating mainly to Nyrstar Sales & Marketing AG, the US Group, and the Canadian Group given it is not probable that these tax losses will be used in the future considering forecast profit projections.

Loss after tax of EUR 618 million in 2018, compared to a net profit of EUR 47 million in 2017, mainly as a result of the impairment charges related to the write down of the carrying value of the Langlois and Myra Falls mines, the partial de-recognition of Nyrstar Sales & Marketing AG and Nyrstar US deferred tax assets due to reduced expected recoverability and the operational losses incurred in 2018 and change of control impacts.

Capital expenditure was EUR 229 million in 2018, representing a decrease of 37% year-on-year driven by a substantial reduction in Metals Processing from EUR 303 million in 2017 to EUR 126 million in 2018 with the completion of the Port Pirie Redevelopment and a EUR 45 million increase in Mining with the restart of the Myra Falls mine.

Net debt at the end of 2018 at EUR 1,643 million, excluding the zinc metal prepay, was 49% higher compared to the end of 2017 (EUR 1,102 million at the end of 2017), predominantly due to substantial working capital outflow during Q4 2018 due to higher commodity prices, no new silver prepays in H2 2018, reduction in non-committed letter of credit lines from banking counterparties, tightened credit terms with a number of suppliers, the reclassification of EUR 82.5 million and EUR 50.7 million of prepayments for deliveries of silver metal and zinc metal respectively from deferred income to loans and borrowing at 31 December 2018 as the Group had no ability to settle by physical delivery of silver metal and zinc metal respectively from its own production and the reclassification of perpetual securities (EUR 174.9 million at 31 December 2018) from equity to loans and borrowings[6]. The net debt inclusive of the zinc metal prepay and perpetual securities at the end of 2018 was EUR 1,771 million, up 30% compared to the end of 2017. Cash balance at the end of 2018 was EUR 239 million compared to EUR 68 million at the end of 2017.

SAFETY, HEALTH AND ENVIRONMENT

"Prevent Harm" is a core value of Nyrstar. The Company is committed to maintaining safe operations and to proactively managing risks including with respect to people and the environment. At Nyrstar, we work together to create a workplace where all risks are effectively identified and controlled and everyone goes home safe and healthy each day of their working life.

In 2018, we placed particular emphasis on the prevention of hand injuries which account for a large portion of our total injuries. A dedicated hand injury prevention program entitled *Because some tools cannot be replaced* was introduced at all operations with the purpose of eliminating unsafe conditions contributing to hand injuries, improving tools and personal protective equipment, and changing at-risk behaviours relevant to hand injuries. We also continued the implementation of the Process Safety Management System launched in 2017 and strengthened controls related to hydrogen explosion risks at our smelters.

The Group continued to make significant progress in safety performance. No severe irreversible injuries occurred. The frequency rate of cases with time lost or under restricted duties (DART) for the Company achieved a new record low of 3.7, an improvement of 7% compared to a rate of 3.9 in 2017. The frequency rate of cases requiring at least a medical treatment (RIR) was 6.7, this is a 4% increase compared to 6.4 in 2017. More important, the number of days lost due to LTIs and RW injuries reached a new record low of 202. This is 20% lower than the previous best of 255 days lost by million working hours in 2017.

No environmental events with material business consequences or long-term environmental impacts occurred during the period.

6 As per note 4 of the Consolidated Financial Statements, in December 2018 Nyrstar entered into the Trade Finance Framework Agreement ("TFFA") with Trafigura. Under the terms of the TFFA, Nyrstar agreed to grant securities over the shares of various group entities including Nyrstar Port Pirie Pty Ltd ("NPP"). At 31 December 2018, Nyrstar Hobart Pty Ltd, the owner of NPP, granted securities over 19.9% shares in NPP. While at 31 December 2018 Nyrstar NV owned legally and beneficially 100% of NPP, it was not in Group's sole control to avoid Nyrstar NV ceasing the legal and beneficial ownership (directly or indirectly) of 100% of the issued voting shares of NPP, which is one of the Early Redemption Event ("ERE") of the Securities. As such, the Securities have been accounted for as financial liabilities at 31 December 2018.

OPERATIONS REVIEW: METALS PROCESSING

EUR million (unless otherwise indicated)	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Treatment charges	286	232	(19%)	123	109	(11%)
Free metal contribution	351	378	8%	193	185	(4%)
Premiums	152	150	(2%)	76	74	(3%)
By-Products	166	216	30%	106	109	3%
Other	(99)	(111)	14%	(47)	(64)	37%
Gross Profit	**855**	**863**	**1%**	**451**	**413**	**(8%)**
Employee expenses	(221)	(218)	(1%)	(109)	(108)	(1%)
Energy expenses	(227)	(259)	14%	(117)	(142)	21%
Other expenses /income	(202)	(250)	24%	(120)	(130)	9%
Direct Operating Costs	**(649)**	**(727)**	**12%**	**(346)**	**(380)**	**10%**
Non-operating and other	(1)	(2)	155%	14	(16)	(-213%)
Underlying EBITDA	**206**	**135**	**(34%)**	**118**	**16**	**(86%)**
Sustaining and growth	199	125	(38%)	68	57	(18%)
Port Pirie Redevelopment	104	1	(99%)	2	(1)	(167%)
Metal Processing Capex	**303**	**126**	**(59%)**	**70**	**56**	**(23%)**

Metals Processing delivered an underlying EBITDA result of EUR 135 million in 2018, a decrease of 34% over 2017 due to lower treatment charges, higher energy prices in Europe and Australia during H2 2018 and the suspension of operations at Port Pirie in December 2018, partially offset by higher production of zinc, copper, silver and minor metals.

Marginally stronger year-over-year gross profit (up 1%) at EUR 863 million in 2018 was mainly driven by higher zinc prices (up 1%) compared to 2017 which were constrained by the zinc price collar hedging in place at that time and higher production volumes of zinc metal and by-products, largely offset by a 19% decrease in zinc and lead treatment charge income. Annual 2018 zinc benchmark treatment charge terms were settled during Q2 2018 at approximately 15% below the 2017 terms at USD 147 per tonne of concentrate.

The total Premium gross profit contributions were relatively flat compared to 2017 (down 2%), driven by marginally higher volumes and relatively flat average realised premia rates.

By-product gross profit contributions were positively impacted by higher gold and sulphuric acid prices and higher production volumes of copper, silver, gold, indium and sulphuric acid compared to 2017. After a fire in Q4 2015, the indium plant was re-built in 2016 and resumed production by the end of Q1 2017 with 29.8 tonnes of indium metal produced in 2017 and a further ramped-up production volume of 42.6 tonnes in 2018.

Direct Operating Costs increased in 2018 (up 12% compared to 2017) at EUR 727 million due to increased energy prices in Europe and Australia and higher production volumes of zinc metal and by-products.

Capital expenditure spend in 2018 decreased by 59% on 2017, in-line with the revised lower capital expenditure guidance provided for 2018 (EUR 130 million to EUR 140 million) compared to 2017 (EUR 303 million). The lower capital expenditure has been driven by the completion of the Port Pirie Redevelopment capex at the end of 2017 and a planned reduction in sustaining capital spend in 2018 to historically normal levels.

EUR DOC/tonne	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Auby	448	471	5%	477	466	(2%)
Balen	501	482	(4%)	483	481	0%
Budel	407	467	15%	411	522	27%
Clarksville	481	562	17%	536	590	10%
Hobart	467	432	(8%)	453	413	(9%)
Port Pirie[7]	810	997	23%	1,117	905	(19%)
DOC/tonne[8]	**546**	**594**	**9%**	**580**	**607**	**5%**

	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Zinc metal ('000 tonnes)						
Auby	166	155	(6%)	78	78	0%
Balen/Overpelt	249	275	10%	137	138	1%
Budel	248	268	8%	133	136	2%
Clarksville	117	101	(14%)	52	49	(5%)
Hobart	238	264	11%	129	136	5%
Total	**1,019**	**1,064**	**4%**	**528**	**536**	**2%**
Lead metal ('000 tonnes)						
Port Pirie	171	160	(7%)	69	90	30%
Other products						
Copper cathode ('000 tonnes)	4.2	4.3	1%	1.6	2.7	65%
Silver (million troy ounces)	13.6	13.8	1%	4.9	8.9	8%
Gold ('000 troy ounces)	72.6	73.0	1%	25.7	47.3	84%
Indium metal (tonnes)	29.8	42.6	43%	21.4	21.2	(1%)
Sulphuric acid ('000 tonnes)	1,266	1,364	8%	653	712	9%

Metals Processing produced approximately 1.06 million tonnes of zinc metal in 2018, representing a 4% increase on 2017. The increase in zinc metal production year-over-year was despite the planned maintenance shuts at Auby, Balen, Clarksville and Hobart; and was assisted by a lack of material unplanned outages which had impacted production volumes in 2016 and 2017. However, zinc and lead metal production was impacted during Q4 2018 by lower raw material inventory as a consequence of the Company's liquidity constraints.

Lead metal production at Port Pirie of 160kt was down 7% year-over-year due to a 38 day planned blast furnace maintenance outage in Q2 2018 and a shut of the blast furnace for December 2018. During December 2018, the Company chose not to operate the old sinter plant at Port Pirie in order to further support reducing lead in air emissions which ended the year below the defined limit. In addition, Nyrstar also performed maintenance on the TSL furnace and blast furnace during December 2018. These maintenance shuts were to address a TSL furnace cooling issue; and to bring forward maintenance previously scheduled for the blast furnace in January 2019. The TSL furnace resumed operation on 15 December 2018.

7 Per tonne of lead metal and zinc contained in fume
8 DOC/tonne calculated based on segmental direct operating costs and total production of Zinc and Lead Market Metal

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OPERATIONS REVIEW: MINING

EUR million (unless otherwise indicated)	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Treatment charges	(23)	(28)	20%	(14)	(14)	1%
Payable metal contribution	230	282	22%	160	122	(23%)
By-Products	18	16	(13%)	9	7	(22%)
Other	(8)	(15)	94%	(7)	(8)	15%
Gross Profit	**218**	**256**	**17%**	**148**	**108**	**(27%)**
Employee expenses	(77)	(92)	19%	(42)	(49)	15%
Energy expenses	(20)	(23)	13%	(11)	(11)	0%
Other expenses	(80)	(121)	52%	(57)	(64)	13%
Direct Operating Costs	**(177)**	**(236)**	**33%**	**(111)**	**(125)**	**13%**
Non-operating and other	6	0	(105%)	(9)	9	(197%)
Underlying EBITDA	**47**	**19**	(59%)	**28**	**(9)**	**(132%)**
Mining Capex	**56**	**101**	**80%**	**63**	**38**	(40%)

Mining underlying EBITDA of EUR 19 million in 2018 was EUR 28 million lower than in 2017 due to the negative EBITDA performance from the restart and subsequent suspension of the Myra Falls mine and weak production and operating cost performance at the Langlois and Middle Tennessee mines, partially offset by lower treatment charges and continued operating improvements at the East Tennessee mines.

Mining capital expenditure in 2018 was EUR 101 million, up EUR 45 million on 2017, due primarily to the ramp-up of the Middle Tennessee mines and the restart of the Myra Falls mine.

DOC USD/tonne ore milled	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Langlois	111	133	19%	139	126	(9%)
East Tennessee	40	38	(4%)	38	39	1%
Middle Tennessee	60	65	9%	64	67	4%
Myra Falls	-	-	-	-	-	-
Average DOC/tonne ore milled	**55**	**57**	**4%**	**58**	**57**	**(1%)**

'000 tonnes unless otherwise indicated	FY 2017	FY 2018	% Change	H1 2018	H2 2018	% Change
Total ore milled	3,238	4,080	26%	2,075	2,006	(3%)
Zinc in Concentrate						
Langlois	34	24	(31%)	12	12	5%
Myra Falls	-	0.6	-	-	0.6	-
East Tennessee	66	76	15%	36	40	12%
Middle Tennessee	22	39	75%	22	17	(26%)
Total	**123**	**139**	**14%**	**70**	**70**	**-**
Other metals						
Copper in concentrate	2.1	1.6	(21%)	0.8	0.9	7%
Silver ('000 troy oz)	553	439	(21%)	214	225	5%
Gold ('000 troy oz)	1.9	2.1	8%	0.7	1.3	82%

Nyrstar's Mining operations produced approximately 139kt of zinc in concentrate in 2018, an increase of 14% compared to 2017. The total mine production of zinc in concentrate in 2018 was marginally below the revised full year guidance range of 140kt to 150kt. This lower level of zinc in concentrate production has been largely due to disappointing production performance of the Langlois and the Middle Tennessee mines and commercial production at the Myra Falls mine commencing slightly later than had been originally anticipated at the start of the year and the impact of the suspension of ore extraction at year end to address deficiencies identified in compliance orders from the Ministry for Energy, Mines & Petroleum Resources in British Columbia.

OTHER DEVELOPMENTS

Port Pirie Redevelopment

On 1 February 2019, Nyrstar published an operational and financial update which included, amongst other items, a financial update with regards to the Port Pirie Redevelopment. The Company provides the following additional clarification with regards to the latest Port Pirie Redevelopment guidance.

The historic and normalised forecast pro-forma Underlying EBITDA for Port Pirie, Hobart and Australian Metals Processing is summarised in the table below.

Pro-forma Underlying EBITDA EURm	2016A	2017A	2018A	2019F	2020F
Port Pirie	8	18	(11)	38	56
Hobart	51	40	31	57	69
Australian Metals Processing	59	58	20	95	125

The total pro-forma Underlying EBITDA guidance of EUR 95 million and EUR 125 million for Australian Metals Processing in FY 2019 and FY 2020 respectively is the aggregate of the total pro-forma Underlying EBITDA contribution from both the Port Pirie and the Hobart smelters under normalised liquidity and operating conditions. This guidance is not incremental (or uplift) as was the case for the Port Pirie Redevelopment guidance provided before 1 February 2019 and will be materially negatively impacted by the liquidity constraints that have been experienced by the Group in Q4 2018 and H1 2019. The normalised Underlying EBITDA guidance is the total pro-forma EBITDA contribution from the two Australian smelters.

The main factors driving the negative pro-forma Underlying EBITDA result for Port Pirie in 2018 were a combination of increased costs due to the continued ramp-up of the TSL furnace with the parallel operation of the sinter plant and higher energy prices, production outage in December 2018 and technical process bottlenecks which reduced the recovery of metal from the feed. Other macro factors, such as lower lead treatment charges and metal prices also negatively impacted the pro-forma Underlying EBITDA at Port Pirie.

The allocation of additional costs to residues between 2016 and 2018 has had an impact on the guided pro-forma Underlying EBITDA contribution from the Port Pirie Redevelopment in FY 2019 and to a lesser extent in FY 2020. As was disclosed in Nyrstar's press release on 1 February 2019, the processing of historical inventory will provide a cash flow benefit of approximately EUR 70 million in FY 2019. If there had not been costs allocated to these residues in 2016 to 2018, the Underlying EBITDA contribution from Port Pirie in FY 2019 would be approximately EUR 70 million higher.

The other main reasons for the current lower (but still material) pro-forma Underlying EBITDA contribution guidance from the Port Pirie Redevelopment as compared to previous guidance, are:

- lower metal recovery assumptions as a result of technical process bottlenecks at Port Pirie, which results in a reduction in free metal extracted from all feed processed by Port Pirie. These bottlenecks (primarily the slag fumer and copper plant at Port Pirie) were identified in the preparation of the 5-year Business Plan for the capital structure review process and were incorporated in the pro-forma Underlying EBITDA modelling for Australian Metals Processing; and
- the application of one year of actual operating data instead of the projected data which Nyrstar previously needed to rely on.

As was indicated in the operational and financial update published on 1 February 2019, the Metals Processing segment profitability of both the Australian sites are intrinsically linked by the raw material flows between the two sites and are only possible due to the Port Pirie Redevelopment. In the absence of the Port Pirie Redevelopment, the Hobart and Port Pirie sites would both be non-operational and would not contribute EBITDA to the Metals Processing segment. Furthermore, the pro-forma Underlying EBITDA of the two sites individually, but not of Australian Metal Processing overall, depends on the internal re-charge arrangements between the two sites for internal residues that are used as feedstock at the sites. For this reason, to provide more clarity, the Company has decided to show the proforma Underlying EBITDA for Australian Metal Processing with a breakdown of this figure to Port Pirie and Hobart.

The total project cost for the Port Pirie Redevelopment was approximately AUD 714 million. This is inclusive of the feasibility study costs and project management labour costs.

Management changes

In connection with the capital structure review process, Nyrstar announced on 18 January 2019 that Mr. Martyn Konig had taken up the role of Executive Chairman and that Mr. Roman Matej had been appointed to serve as Interim Chief Financial Officer. Mr. Michel Abaza, the former Chief Financial Officer, left the Nyrstar Group with immediate effect.

Strategic foreign exchange hedges

Since 2016, Nyrstar has entered into a series of 12 month rolling foreign exchange options to hedge the Company's monthly exposure related to the direct operating costs denominated in Australian dollars (AUD), Canadian Dollars (CAD) and in Euro (EUR) utilising put and call collar structures. During the course of 2018, EUR/USD exposure was unhedged in H1 2018 and hedged on a fixed forward basis at 1.18 in H2 2018. For the AUD/USD transactional exposure, various collars were executed resulting in a weighted average collar of 0.70 to 0.80 for approximately 100% of 2018. For the CAD/USD transactional exposure on Langlois, various collars were executed resulting in a weighted average collar of 1.32 to 1.36 for approximately 100% of 2018. Transactional CAD/USD currency exposure for the Mining segment was hedged with a fixed forward of 1.32 in 2019. In January and February 2019, Nyrstar unwound all of its strategic forward foreign exchange hedges due to the loss of credit lines from the hedge counterparties.

Strategic metal price hedges

In H1 2018, Nyrstar had in place zinc price collar hedges to protect 70% of total free metal produced at the zinc smelters and North American mines within a price range of USD 2,300/t and USD 3,094/t. Above and below these prices, Nyrstar's exposure was limited to 30% of the total free metal produced. In H2 2018, Nyrstar had in place zinc price collar hedges to protect 50% of total free metal produced at the zinc smelters and North American mines within a price range of USD 2,600/t and USD 3,842/t. Above and below these prices, Nyrstar's exposure was limited to 50% of the total free metal produced.

During 2018, Nyrstar continued with its 12 month rolling hedging programme and had hedged the majority of its zinc free metal exposure (150kt) for the Mining segment at c. USD 3,000/t. Zinc in concentrate production in 2020 was also partly hedged with approximately 16kt hedged at a zinc price of c. USD 2,900/t. In December 2018, Nyrstar terminated all of its strategic metal hedges to provide additional liquidity to the business.

Metal at Risk Hedging

At any given time Nyrstar holds metal, either as work-in-progress or finished good inventory, that has been "priced-in" but not "priced-out". As this metal remains exposed to fluctuations in the underlying metal price until it is "priced out", it is called "Metal at Risk". The actual Metal at Risk at any given point in time fluctuates with deliveries of raw materials and production levels.

As a risk mitigation process, Nyrstar has always consistently monitored its Metal at Risk on an ongoing basis and undertaken hedging to mitigate the metal price exposure in what Nyrstar refers to as "transactional hedging". The price of placing these transactional hedges is dependent on whether future or "forward" prices are higher or lower than current or "spot" prices, as indicated by the shape of the forward underlying metal price curve. Future prices can be either higher or lower than current prices, depending on a range of factors and can change quite rapidly at times. The hedges required to hedge Nyrstar's Metal at Risk position are determined by whether the net position is positive, meaning Nyrstar has more metal "priced-in" than is "priced-out", or alternatively is negative, meaning Nyrstar has more metal "priced-out" than is "priced-in".

As announced by Nyrstar on 1 February 2019, it has been continuing to manage tightly its cash and inventory levels and has been evaluating additional measures to improve its liquidity position. During the course of March 2019, Nyrstar closed out all of its Metal at Risk hedge positions to release cash collateralized against the credit lines. As a consequence of closing out these Metal at Risk hedges, Nyrstar realised a one-off cash benefit of approximately USD 40 million and is now fully exposed to fluctuations in metal prices for its Metal at Risk.

Cyber attack

In January 2019, Nyrstar was subject to a cyber-attack. Certain IT systems, including email, were impacted. The cyber-attack issue was subsequently contained and resolved. The operational and financial impact of the cyber-attack on Nyrstar's Metals Processing and Mining operations was not significant.

Perpetual Securities Distribution Amount

On 29 April 2019, Nyrstar Port Pirie Pty Ltd notified the holder of the Perpetual Securities that it elected to cash pay all of the Distribution Amount (interest/fees) on the Perpetual Securities for the period 27 November 2018 to 27 May 2019 (being AUD 13.2 million) and also that it would redeem 29,125 Perpetual Securities with a value of AUD 29.1 million. This is the targeted number of Perpetual Securities for the relevant period under the financing arrangement involving the State of South Australia. Nyrstar will pay the aggregate of both amounts, AUD 42.3 million (EUR 26.1 million) on 27 May 2019.

SENSITIVITIES

Nyrstar's results continue to be significantly affected during the course of 2018 by changes in metal prices, exchange rates and treatment charges. Sensitivities to variations in these parameters are depicted in the below table, which sets out the estimated impact of a change in each of the parameters on Nyrstar's 2018 underlying EBITDA based on the actual results and production profile for the year ending 31 December 2018.

			Estimated annual 2018 underlying EBITDA impact, excluding hedge impact (EURm)		
Parameter	**2018 Annual Average price/rate**	**Variable**	**Metals Processing**	**Mining**	**Group**
Zinc price	$2,907/t	-/+ 10%	(35)/+35	(29)/+29	(64)/+64
Lead price	$2,242/t	-/+ 10%	(1)/+1	-	(1)/+1
Copper price	$6,523/t	-/+ 10%	(2)/+2	(1)/+1	(3)+3
Silver Price	$15.71/oz	-/+ 10%	(3)/+3	-	(4)+4
Gold Price	$1,268/oz	-/+ 10%	(1)/+1	-	(1)+1
EUR:USD	1.18	-/+ 10%	+95/(78)	+11/(9)	+106/(86)
EUR:AUD	1.58	-/+ 10%	(34)/+28	-	(34)/+28
EUR:CHF	1.15	-/+ 10%	-	-	(3)/+2
Zinc B/M TC	$147/dmt	-/+ 10%	(20)/+20	+3/(3)	(17)/+17
Lead TC	$83/dmt	-/+ 10%	(2)/+2	-	(2)/+2

The above sensitivities were calculated by modelling Nyrstar's 2018 underlying operating performance. Each parameter is based on an average value observed during that period and is varied in isolation to determine the full-year underlying EBITDA impact.

Sensitivities are:
- Dependent on production volumes and the economic environment observed during the reference period.
- Not reflective of simultaneously varying more than one parameter; adding them together may not lead to an accurate estimate of financial performance.
- Expressed as linear values within a relevant range. Outside the range listed for each variable, the impact of changes may be significantly different to the results outlined.

These sensitivities should not be applied to Nyrstar's results for any prior periods and may not be representative of the underlying EBITDA sensitivity of any of the variations going forward.

FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements that reflect Nyrstar's intentions, beliefs or current expectations concerning, among other things: Nyrstar's results of operations, financial condition, liquidity, performance, prospects, growth, strategies and the industry in which Nyrstar operates. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause Nyrstar's actual results of operations, financial condition, liquidity, performance, prospects or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Nyrstar cautions you that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which Nyrstar operates may differ materially from those made in or suggested by the forward-looking statements contained in this news release. In addition, even if Nyrstar's results of operations, financial condition, liquidity and growth and the development of the industry in which Nyrstar operates are consistent with the forward-looking statements contained in this news release, those results or developments may not be indicative of results or developments in future periods. Nyrstar and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this report or any change in Nyrstar's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

About Nyrstar

Nyrstar is a global multi-metals business, with a market leading position in zinc and lead, and growing positions in other base and precious metals, which are essential resources that are fuelling the rapid urbanisation and industrialisation of our changing world. Nyrstar has six smelters, one fumer and four mining operations, located in Europe, Australia and North America, and employs approximately 4,100 people. Nyrstar is incorporated in Belgium and has its corporate office in Switzerland. Nyrstar is listed on Euronext Brussels under the symbol NYR. For further information please visit the Nyrstar website: www.nyrstar.com.

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News release

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MINING PRODUCTION ANNEX

PERIOD	Production KPI by Site	Ore milled ('000 tonnes)	Mill head grade					Recovery					Concentrate			Metal in concentrate				
			Zinc (%)	Lead (%)	Copper (%)	Gold (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Copper (%)	Gold (%)	Silver (%)	Zinc (kt)	Lead (kt)	Copper (kt)	Zinc (kt)	Lead (kt)	Copper (kt)	Gold (k'toz)	Silver (m'toz)
CONTINUING OPERATIONS																				
FY 2017	Langlois	467	7.77%	-	0.58%	0.16	43.31	95.0%	-	77.5%	78.9%	85.0%	65	-	9.0	34.5	-	2.1	1.9	553
	East Tennessee	2,003	3.48%	-	-	-	-	95.1%	-	-	-	-	107	-	-	66.3	-	-	-	-
	Middle Tennessee	769	3.11%	-	-	-	-	92.8%	-	-	-	-	34	-	-	22.2	-	-	-	-
	Myra Falls	0	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Mining Total	**3,238**	**4.01%**	**-**	**0.58%**	**0.16**	**43.31**	**94.5%**	**-**	**77.5%**	**78.9%**	**85.0%**	**206**	**-**	**9.0**	**122.9**	**-**	**2.1**	**1.9**	**553**
FY 2018	Langlois	410	6.15%	-	0.50%	0.15	36.41	94.3%	-	77.6%	75.2%	85.6%	46	-	6.9	23.8	-	1.6	1.4	411
	East Tennessee	2,237	3.60%	-	-	-	-	94.7%	-	-	-	-	123	-	-	76.3	-	-	-	-
	Middle Tennessee	1,389	2.97%	-	-	-	-	94.3%	-	-	-	-	60	-	-	38.8	-	-	-	-
	Myra Falls	45	2.14%	0.31%	0.19%	0.60	25.45	60.9%	3.5%	65.3%	73.1%	76.4%	0.4	0.02	0.1	0.6	0.00	0.1	0.6	28
	Mining Total	**4,081**	**3.63%**	**0.31%**	**0.47%**	**0.19**	**35.33**	**94.1%**	**3.5%**	**76.4%**	**75.1%**	**84.7%**	**230**	**0.02**	**7.0**	**139.5**	**0.0**	**1.6**	**2.1**	**439**
% Change	Langlois	(12%)	(21%)	-	(13%)	(10%)	(16%)	(1%)	-	0%	(5%)	1%	(29%)	-	(23%)	(31%)	-	(24%)	(25%)	(25%)
	East Tennessee	12%	4%	-	-	-	-	(0%)	-	-	-	-	15%	-	-	15%	-	-	-	-
	Middle Tennessee	81%	(4%)	-	-	-	-	2%	-	-	-	-	75%	-	-	75%	-	-	-	-
	Myra Falls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Mining Total	**26%**	**(10%)**	**-**	**(18%)**	**17%**	**(18%)**	**(0.45%)**	**-**	**(1%)**	**(5%)**	**(0%)**	**12%**	**-**	**(22%)**	**14%**	**-**	**(21%)**	**8%**	**(21%)**

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Resources for a changing world

MINING PRODUCTION ANNEX

PERIOD	Production KPI by Site	Ore milled ('000 tonnes)	Mill head grade					Recovery					Concentrate			Metal in concentrate				
			Zinc (%)	Lead (%)	Copper (%)	Gold (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Copper (%)	Gold (%)	Silver (%)	Zinc (kt)	Lead (kt)	Copper (kt)	Zinc (kt)	Lead (kt)	Copper (kt)	Gold (k'toz)	Silver (m'toz)
CONTINUING OPERATIONS																				
H1 2018	Langlois	209	5.86%	-	0.49%	0.15	37.32	94.2%	-	77.8%	75.0%	85.1%	23	-	3.6	11.6	-	0.8	0.7	214
	East Tennessee	1,132	3.38%	-	-	-	-	93.9%	-	-	-	-	58	-	-	35.9	-	-	-	-
	Middle Tennessee	734	3.19%	-	-	-	-	95.1%	-	-	-	-	34	-	-	22.3	-	-	-	-
	Myra Falls	0	0.00%	-	-	-	-	0.0%					0	-	-	0.0	-	-	-	-
	Mining Total	**2,075**	**3.57%**	**-**	**0.49%**	**0.15**	**37.32**	**94.4%**	**-**	**77.8%**	**75.0%**	**85.1%**	**115**	**-**	**3.6**	**69.8**	**-**	**0.8**	**0.7**	**214**
H2 2018	Langlois	200	6.45%	-	0.51%	0.15	35.46	94.3%	-	77.5%	75.5%	86.2%	24	-	3.3	12.2	-	0.8	0.7	197
	East Tennessee	1,105	3.83%	-	-	-	-	95.4%	-	-	-	-	66	-	-	40.4	-	-	-	-
	Middle Tennessee	655	2.71%	-	-	-	-	93.1%	-	-	-	-	26	-	-	16.6	-	-	-	-
	Myra Falls	45	2.14%	0.31%	0.19%	0.60	25.45	60.9%	3.5%	65.3%	73.7%	76.4%	0	0.02	0.14	0.6	0.00	0.05	0.64	28
	Mining Total	**2,006**	**3.69%**	**0.31%**	**0.46%**	**0.23**	**33.64**	**93.8%**	**3.5%**	**75.3%**	**75.2%**	**84.4%**	**115**	**0.02**	**3.4**	**69.7**	**0.0**	**0.9**	**1.3**	**225**
% Change	Langlois	(4%)	10%	-	5%	(1%)	(5%)	0%	-	0%	1%	1%	4%	-	(8%)	5%	-	0%	(4%)	(8%)
	East Tennessee	(2%)	13%	-	-	-	-	2%	-	-	-	-	14%	-	-	12%	-	-	-	-
	Middle Tennessee	(11%)	(15%)	-	-	-	-	(2%)	-	-	-	-	(26%)	-	-	(26%)	-	-	-	-
	Myra Falls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Mining Total	**(3%)**	**3%**	**-**	**(7%)**	**57%**	**(10%)**	**(1%)**	**-**	**(3%)**	**0%**	**(1%)**	**0%**	**-**	**(4%)**	**(0%)**	**-**	**7%**	**82%**	**5%**