

Hindustan Zinc Limited

Production Release for the Second half and Full Year Ended March 31, 2019

Udaipur, April 3, 2019: Hindustan Zinc Limited today announced its production for the second half and full year ended March 31, 2019.

Full Year Highlights

- Record underground mined metal production at 936kt up 29% y-o-y, total mined metal production down 1% y-o-y, post closure of open cast operations
- Record lead metal production at 198kt, up 18% y-o-y
- Record refined silver production at 679 tonnes, up 22% y-o-y

Particulars (in '000 tonnes, or as stated)	H2			H1		Full Year		
	FY 2019	FY 2018	% Change	FY 2019	% Change vs H2	FY 2019	FY 2018	% Change
Mined metal content	492	495	(1)%	444	11%	936	947	(1)%
Underground Mines	492	376	31%	444	11%	936	724	29%
Open cast Mines	-	120	-	-	-	-	223	-
Integrated metal	469	501	(6)%	425	10%	894	960	(7)%
Refined Zinc - Integrated	362	406	(11)%	334	9%	696	791	(12)%
Refined Lead - Integrated ¹	107	95	12%	91	17%	198	168	18%
Silver- Integrated (in tonnes ²)	369	302	22%	310	19%	679	558	22%
Wind Power (in million units)	127	115	10%	324	(61)%	451	414	9%

1. Excluding captive consumption of 2,957 tonnes in H2 FY2019 vs. 3,356 tonnes in H2 FY2018 and 3,577 tonnes in H1 FY2019. It was 6,534 tonnes in FY2019 vs. 6,946 tonnes in FY2018

2. Excluding captive consumption of 15,590 kg in H2 FY2019 vs. 17,484 kg in H2 FY2018 and 18,588 kg in H1 FY2019. It was 34,178 kg in FY2019 vs. 36,438 kg in FY2018

H2 FY2019 vs. Previous Half Years

Mined metal production from underground mines increased to 492,000 tonnes, up 31% y-o-y on account of 22% higher ore production and better grades. Total mined metal production declined marginally on account of closure of open cast operations in FY2018.

Integrated metal production was 469,000 tonnes, down 6% y-o-y in line with availability of mined metal. Integrated zinc production was 362,000 tonnes, down 11% y-o-y while integrated lead production increased to 107,000 tonnes, up 12% on account of higher lead ratio in ore and retrofitting of pyro metallurgical smelter in Q2 FY2019 to produce more lead in line with higher

lead mined metal availability. Integrated silver production was 369 tonnes, up 22% y-o-y on account of higher lead production and better silver grades.

Mined metal production increased by 11% sequentially as underground mines ramped up during the course of the year with 10% higher ore production and better grades. Integrated metal production kept pace with mined metal production growth increasing by 10% with zinc and lead production rising by 9% and 17% respectively.

Projects Update

- Capital mine development in H2 FY2019 was 22.8 km as compared to 20 km in comparable period a year ago and 20.2 km in H1 FY2019.
- At Sindesar Khurd, the underground crusher and production shaft were commissioned during Q4 FY2019 and ore hoisting from shaft is expected to start in Q1 FY2020. The new 1.5 Mtpa mill was commissioned in Q3 FY2019 taking the total beneficiation capacity to 6.2 Mtpa. The second paste fill plant is under mechanical completion and expected to commission in Q1 FY2020.
- At Rampura Agucha, the second paste fill plant was commissioned ahead of schedule during Q4 FY2019. The full shaft commissioning is expected to complete by Q2 FY2020 synchronising with the completion of crusher and conveyor system.
- At Zawar, the new 2 Mtpa mill was commissioned during Q4 FY2019 while the dry tailing plant is under execution and expected to commission in Q2 FY2020.
- The fumer project at Chanderiya is under mechanical completion and is set to commission in Q1 FY2020.
- Sustainability studies on tailing dams were conducted and recommendations are being analysed for implementation.

Financial Year 2019 vs. Financial Year 2018

Mined metal production for FY2019 was 936,000 tonnes as compared to 947,000 tonnes a year ago. The FY2019 production was entirely from underground mines, which ramped up strongly by 29% on account of 27% increase in ore production and better grades. Therefore, despite closure of open cast operations total mined metal production declined only marginally from a year ago.

Integrated metal production was 894,000 tonnes in line with mined metal production, 7% lower from previous year's record production of 960,000 tonnes. Integrated lead and silver production were a record 198,000 tonnes and 679 tonnes, higher 18% and 22% respectively driven by higher lead mined metal production, retrofitting of pyro metallurgical smelter in Q2

FY2019 and better silver grades. Integrated zinc production was lower 12% in line with the availability of zinc mined metal and higher lead ratio in ore.

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Disclaimer

This press release contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “should” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.