

**MANGAZEYA MINING LTD ANNOUNCES ITS PRODUCTION RESULTS**

**TORONTO, ONTARIO**, May 30, 2018 – Mangazeya Mining Ltd. (“**Mangazeya**” or the “**Company**”) (NEX: MGZ.H) is pleased to announce its production results for the first quarter ended March 31, 2018.

**Highlights:**

- Gold production was 1.2 koz in 1Q2018, a 25.5% YoY change. The change has been caused by the decrease in the volume of leaching solutions resulting from the changes in the technological process during the period.
- Gold sales was 0.95 koz in 1Q 2018, a 29.7% YoY change.
- In 1Q2018, total ore mined was 125kt, a 54.3% YoY change. The figure was the result of the impossibility to produce ore at the bottom level of Yugo-Zapadny pit due to high water inflow and the high degree of water content, as well as the organization of the additional measures for water removal on mining horizons.
- In 1Q 2018, the average stripping ratio was 9.04 m<sup>3</sup>/t, a 83.3% YoY change. The stripping ratio growth has been caused by the increased volume of stripping works aimed at opening and development of ore fields in Q2-Q3, 2018.
- The average grade in ore mined was 1.20 g/t in 1Q 2018, which was in line with 1Q 2017 (-0.3% YoY).
- In 1Q 2018, there was no ore stacked. In the winter period of 1Q2017, there was the experimental placing of ore without pelletizing.

|                                       | <b>Q1 2018</b> | <b>Q1 2017</b> | <b>Y-o-Y change</b> |
|---------------------------------------|----------------|----------------|---------------------|
| Total rock moved, '000 m <sup>3</sup> | 1,186          | 1,472          | -19.4%              |
| Stripping, '000 m <sup>3</sup>        | 1,127          | 1,345          | -16.2%              |
| Ore mined, kt                         | 125            | 273            | -54.3%              |
| Stripping ratio, m <sup>3</sup> /t    | 9.04           | 4.93           | 83.3%               |
| Average grade in ore mined, g/t       | 1.20           | 1.21           | -0.3%               |
| Gold in ore mined, kg                 | 150            | 329            | -54.4%              |
| Ore stacked, kt                       | 0              | 37.1           | -100%               |
| Average grade in ore stacked, g/t     | 0              | 1.06           | -100%               |
| Gold in ore stacked, kg               | 0              | 39.39          | -100%               |
| Gold production, koz                  | 1.2            | 1.60           | -25.5%              |
| Gold sold, koz                        | 0.95           | 1.35           | -29.7%              |

**About Mangazeya Mining Ltd.**

Mangazeya Mining Ltd. is a NEX-listed mining and exploration company, focused on the development of mineral resources in the Russian Federation.

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**Caution Concerning Forward-Looking Information**

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