

**Release time** IMMEDIATE  
**Date** 18 April 2018

## **Polymetal International plc**

### **Q1 2018 production results**

**Polymetal International plc (LSE, MOEX: POLY, ADR: AUCOY) (together with its subsidiaries – “Polymetal”, the “Company”, or the “Group”) is pleased to announce the Group’s production results for the first quarter ended March 31, 2018.**

#### **HIGHLIGHTS**

- Polymetal produced 295 Koz of gold equivalent (“GE”) in the first quarter of 2018, a 5% year-on-year (“y-o-y”) increase. Strong performances at Albazino, Varvara, and Svetloye more than compensated for the grade-driven decline at Omolon.
- Gold production for the quarter increased 8% over the previous year to 214 Koz, while silver production decreased by 3% to 6.0 Moz.
- Q1 revenues increased 19% year-on-year to US\$ 354 million driven by volume growth, higher commodity prices, and lesser impact from seasonal refinery closures (compared to the previous year). Silver sales traditionally lagged production due to the seasonal increase in concentrate inventories. This working capital build-up is expected to reverse by year-end, whereas gold sales volumes were largely in line with production.
- At Kyzyl, construction activities are anticipated to complete slightly ahead of schedule. Dry commissioning of the processing plant is expected to start on June 1<sup>st</sup>, while first concentrate production is expected on August 1<sup>st</sup>.
- Net debt increased from US\$ 1,421 million as at 31 December 2017 to US\$ 1,578 million as at 31 March 2018, primarily due to the accumulation of silver inventory and seasonal advance purchases of diesel fuel and other consumables. Free cash flow generation in 2018 will, as is usual for Polymetal, be weighted towards the second half of the year.
- The Company remains on track to produce 1.55 Moz of GE in 2018 and reiterates its annual cost guidance: total cash costs in the range of US\$ 650-700/ GE oz and AISC costs in the range of US\$ 875-925/GE oz. The cost guidance remains contingent on the Rouble/Dollar exchange rate dynamic, which has a significant effect on the Group’s operating costs.
- In April 2018, Polymetal increased its ownership in the Prognoz silver property to 50%, which is the largest undeveloped primary silver deposit in Russia. An updated JORC-compliant mineral resource estimate and a preliminary economic assessment for the asset will be published in Q4 2018.
- We are saddened to report a fatal accident on March 3<sup>rd</sup>, 2018 at our Kapan operation in which an underground miner died from gas poisoning. The management team are currently developing a comprehensive action plan aimed at mitigating the risks associated with air quality and efficiency of ventilation in underground mines. The first steps included the purchase of additional air monitoring equipment including the introduction of remote air quality sensors throughout our operations.

“We got off to a steady start in 2018 with stable production results at all our mines”, said Vitaly Nesis, Group CEO of Polymetal, commenting on the results. “The successful launch of Kyzyl will demonstrate Polymetal’s ability to successfully deliver on new projects while continuing to efficiently run our existing operations”.

	3 months ended Mar 31,		% change <sup>1</sup>
	2018	2017	
Waste mined, Mt	28.8	25.5	+13%
Underground development, km	32.8	24.9	+32%
Ore mined, Kt	3,190	3,314	-4%
Open-pit	2,036	2,203	-8%
Underground	1,152	1,110	+4%
Ore processed, Kt	3,061	2,843	+8%
Production			
Gold, Koz	214	199	+8%
Silver, Moz	6.0	6.1	-3%
Copper, Kt	0.7	0.5	+58%
Zinc, Kt	1.3	1.1	+28%
Gold equivalent, Koz <sup>2</sup>	295	280	+5%
Sales			
Gold, Koz	206	176	+17%
Silver, Moz	4.8	4.6	+4%
Copper, Kt	0.9	0.1	+1139%
Zinc, Kt	0.3	0.5	-52%
Revenue, US\$m <sup>3</sup>	354	298	+19%
Net debt, US\$m <sup>4</sup>	1,578	1,421	+11%
Safety <sup>5</sup>			
LTIFR	0.15	0.12	+25%
Fatalities	1	-	+100%

Notes: (1) % changes can be different from zero even when absolute numbers are unchanged because of rounding. Likewise, % changes can be equal to zero when absolute numbers differ due to the same reason. This note applies to all tables in this release.

(2) Based on 1:80 oz Ag/Au, 5:1 t Cu/oz Au and 2:1 t Zn/oz Au conversion ratios.

(3) Calculated based on the unaudited consolidated management accounts. Concentrate sales are recorded based on forward prices for the expected dates of final settlement and concentrate revenue is presented net of refining and treatment charges.

(4) Non-IFRS measure, based on unaudited consolidated management accounts. Net debt equals to current and non-current borrowings less cash and cash equivalents. Comparative information is presented for 31 December 2017.

(5) LTIFR =lost time injury frequency rate per 200,000 hours worked.

## PRODUCTION BY MINE

	3 months ended March 31,		% change (Y-o-Y)
	2018	2017	
<b>GOLD EQ. (KOZ)</b>			
Dukat	80	79	+2%
Albazino-Amursk	90	68	+32%
Mayskoye	-	5	-100%
Omolon	31	51	-38%
Voro	26	26	+1%
Varvara	35	29	+21%
Svetloye	8	-	NA
Okhotsk	11	11	+0%
Kapan	12	10	+18%
<b>TOTAL</b>	<b>295</b>	<b>280</b>	<b>+5%</b>

## CONFERENCE CALL AND WEBCAST

Polymetal will hold a conference call and webcast on Wednesday, 18 April, 10:00 London time (12:00 Moscow time).

To participate in the call, please dial:

8 10 800 500 98 63 access code 38517108# (free from Russia), or

+44 20 3009 24 63 (free from the UK), or

+1 646 502 51 25 (free from the US), or

any of the above numbers (from outside the UK, the US and Russia) or follow the link:

<http://www.audio-webcast.com/cgi-bin/visitors.ssp?fn=visitor&id=5539>.

Please be prepared to introduce yourself to the moderator or register.

Webcast replay will be available on Polymetal's website ([www.polymetalinternational.com](http://www.polymetalinternational.com)) and at <http://www.audio-webcast.com/cgi-bin/visitors.ssp?fn=visitor&id=5539>. A recording of the call will be available immediately after the call at +44 20 3364 5147 (from within the UK), +1 (646) 722-4969 (USA Toll Free) and +7 (495) 249-16-71 (from within Russia), access code 418753592#, from 10:30 London time (12:30 Moscow time) Wednesday, April 18, till 10:30 London time (12:30 Moscow time) Wednesday, April 25, 2018.

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## FORWARD-LOOKING STATEMENTS

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## DUKAT OPERATIONS

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
<b>Dukat</b>			
Underground development, m	8,717	8,012	+9%
Ore mined (underground), Kt	405	399	+2%
<b>Goltsovoye</b>			
Underground development, m	1,823	1,387	+31%
Ore mined (underground), Kt	45	45	-0%
<b>Perevalnoye</b>			
Underground development, m	873	502	+74%
Ore mined (underground), Kt	2	-	NA
<b>Lunnoye + Arylakh</b>			
Underground development, m	2,188	1,648	+33%
Ore mined (underground), Kt	134	144	-7%
<b>Terem</b>			
Underground development, m	847	-	NA
Ore mined (underground), Kt	9	-	NA
<b>TOTAL HUB</b>			
Underground development, m	14,448	11,549	+25%
Ore mined (underground), Kt	595	588	+1%
<b>PROCESSING</b>			
<b>Dukat</b>			
Ore processed, Kt	484	476	+2%
Grade			
Gold, g/t	0.55	0.45	+21%
Silver, g/t	314	329	-5%
Recovery <sup>1</sup>			
Gold	86.2%	83.6%	+3%
Silver	87.8%	87.6%	+0%
Production			
Gold, Koz	8.3	5.6	+50%
Silver, Moz	4.3	4.3	+0%
<b>Lunnoye</b>			
Ore processed, Kt	113	113	+0%
Grade			
Gold, g/t	1.3	1.3	-2%
Silver, g/t	358	381	-6%
Recovery <sup>1</sup>			
Gold	85.2%	91.9%	-7%
Silver	91.8%	92.5%	-1%
Production			
Gold, Koz	4.0	4.3	-7%
Silver, Moz	1.2	1.3	-7%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	12.3	9.8	+25%
Silver, Moz	5.5	5.5	-1%

Note: (1) Technological recovery, includes gold and silver within work-in-progress inventory (concentrate, precipitate)

Q1 gold production at Dukat increased 25% year-on-year to 12.3 Koz as stoping started at gold-rich veins on the deeper levels. Silver production remained almost flat year-on-year at 5.5 Moz as slightly lower grades were offset by better processing volumes.

Underground development at the Perevalnoye and Terem satellite deposits is making significant progress as both ore sources are expected to deliver significant contributions to the feed at the Omsukchan concentrator during the year. Stopping at Perevalnoye is expected to ramp up by Q3.

At the Lunnoye processing plant, volumes remained unchanged over the previous year, while production decreased by 7% on the back of lower grades and recoveries as a result of depletion of the high-grade areas of the Zone 7 vein.

## ALBAZINO-AMURSK

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
Waste mined, Kt	5,101	4,401	+16%
Underground development, m	2,360	1,587	+49%
Ore mined, Kt	452	482	-6%
Open-pit	345	406	-15%
Underground	108	76	+42%
<b>PROCESSING</b>			
<b>Albazino concentrator</b>			
Ore processed, Kt	419	417	+0%
Gold head grade, g/t	5.3	4.7	+12%
Gold recovery <sup>1</sup>	86.5%	86.3%	+0%
Concentrate produced, Kt	33.9	35.3	-4%
Concentrate gold grade, g/t	57.1	48.6	+18%
Gold in concentrate, Koz <sup>2</sup>	62.2	55.1	+13%
<b>Amursk POX</b>			
Concentrate processed, Kt	50.1	43.1	+16%
Gold head grade, g/t	57.2	53.0	+8%
Recovery	97.3%	96.1%	+1%
Gold produced, Koz	89.9	68.3	+32%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	89.9	68.3	+32%

Notes: (1) To concentrate

(2) For information only; not considered as gold produced and therefore not reflected in the table representing total production. Included in total production upon completion of downstream processing at the Amursk POX

In Q1, Albazino-Amursk achieved record quarterly gold production of 90 Koz, up 32% year-on-year and 26% quarter-on-quarter, which was mainly driven by improved POX recovery levels and higher hourly productivity. Higher head grades also made a significant contribution as the facility continued to process increased volumes of high-grade 3<sup>rd</sup> party material.

The average POX recovery rate of 97.3% for the quarter set a new record, mostly due to the full automation of the material flow control system and the expansion of the water treatment section that was completed in 2017.

The debottlenecking project at the Amursk POX is progressing on schedule as the installation of the oxygen station equipment and new filter presses for tailings and gypsum sediment is complete. The focus is now on the installation of sulphur filters and heat exchange equipment. Polymetal plans to ramp up the debottlenecked POX plant in the second half of 2018, in time to take feed from the Kyzyl concentrator.

At Albazino, productivity at the underground mine continued to improve with the full transition to partially cemented waste backfill in primary stopes. As a result, both underground development and ore mined volumes demonstrated substantial improvements both quarter-on-quarter and year-on-year.

## OMOLON OPERATIONS

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
<b>Sopka</b>			
Waste mined, Kt	1,032	427	+142%
Ore mined (open pit), Kt	293	-	NA
<b>Tsokol</b>			
Underground development, m	867	905	-4%
Ore mined (underground), Kt	38	35	+9%
<b>Birkachan</b>			
Underground development, m	1,204	1,146	+5%
Ore mined (underground), Kt	28	27	+5%
<b>Oroch</b>			
Waste mined, Kt	-	109	-100%
Ore mined (open pit), Kt	-	81	-100%
<b>Olcha</b>			
Waste mined, Kt	-	184	-100%
Underground development, m	1,101	506	+118%
Ore mined, Kt	25	73	-65%
Open-pit	-	73	-100%
Underground	25	-	NA
<b>TOTAL HUB</b>			
Waste mined, Kt	1,032	719	+43%
Underground development, m	3,172	2,557	+24%
Ore mined, Kt	384	216	+78%
Open-pit	293	154	+90%
Underground	92	62	+48%
<b>PROCESSING</b>			
<b>Kubaka Mill</b>			
Ore processed, Kt	206	215	-4%
Grade			
Gold, g/t	4.8	7.3	-35%
Silver, g/t	30	22	+37%
Recovery <sup>1</sup>			
Gold	95.2%	93.7%	+2%
Silver	78.5%	78.7%	-0%
Gold production, Koz	30.4	49.0	-38%
Silver production, Moz	0.1	0.1	-37%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	30.4	49.0	-38%
Silver, Moz	0.1	0.1	-37%

Note: (1) Technological recovery, includes gold and silver within work-in-progress inventory

NA = not available.

In Q1, gold production at Omolon was down 38% due to a grade decline as there is no trucking and processing of higher-grade ore from Olcha in 2018. The shortfall in underground ore was made up by lower-grade material from Birkachan open-pit stockpiles.

At Sopka, open-pit mining is running as planned with 293 Kt of ore mined and transported to the Kubaka mill for processing. The open pit mine life at Sopka has been extended to 2H 2019 as step-out drilling identified incremental high-quality mineralisation extending into pit walls.

The Birkachan seasonal heap leach operation is set to recommence in Q2 2018.

## MAYSKOYE

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
Waste mined, Kt	573	1,018	-44%
Underground development, m	6,098	4,608	+32%
Ore mined, Kt	178	254	-30%
Open-pit	21	23	-9%
Underground	157	231	-32%
<b>PROCESSING</b>			
Ore processed, Kt	203	207	-2%
Gold grade, g/t	5.0	6.2	-19%
Gold recovery <sup>1</sup>	88.1%	87.1%	+1%
Concentrate produced, Kt	17.2	18.6	-7%
Concentrate gold grade, g/t	52.1	60.4	-14%
Gold in concentrate, Koz <sup>2</sup>	28.8	36.1	-20%
<b>Amursk POX</b>			
Concentrate processed, Kt	-	4.2	-100%
Gold grade, g/t	-	48.6	-100%
Recovery	-	96.1%	-100%
Gold produced, Koz	-	5.2	-100%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	-	5.2	-100%

Notes: (1) To concentrate

(2) For information only; not considered as gold produced and therefore not reflected in the table representing total production. Included in total production upon sale to off-taker or internal downstream processing to saleable metal product.

At Mayskoye underground mining focused on development aimed at opening up open up new mine levels. As a result, the concentrator feed was complemented by lower-grade stockpiles that drove gold in concentrate 20% lower year-on-year.

This year most concentrate will be directed to Chinese off-take as the in-house POX capacity is taken up by third-party material. Accordingly, production at Mayskoye will be booked in the second half of the year once the stockpiled concentrate will be shipped to off-takers during navigation season.

Oxide ore processing is set to recommence in May with the combined float-leach flowsheet. 260 Kt of stockpiled oxide ore is expected to be processed over four months while sufficient amounts of underground sulphide ore is accumulated from stopes at new mine levels.

## VARVARA

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
<b>Varvara</b>			
Waste mined, Kt	1,604	3,677	-56%
Ore mined (open pit), Kt	169	502	-66%
- float ore	95	139	-31%
- leach ore	74	363	-80%
<b>Komarovskoye</b>			
Waste mined, Kt	5,545	2,304	+141%
Ore mined (open pit), Kt	506	433	+17%
<b>TOTAL HUB</b>			
Waste mined, Kt	7,149	5,981	+20%
Ore mined (open pit), Kt	675	935	-28%
<b>PROCESSING</b>			
<b>Flotation</b>			
Ore processed, Kt	76	57	+34%
Grade			
Gold, g/t	1.1	1.9	-40%
Copper	0.55%	0.56%	-1%
Recovery <sup>1</sup>			
Gold	60.9%	61.0%	-0%
Copper	90.1%	76.1%	+18%
Production			
Gold (in concentrate), Koz	1.6	1.6	+0%
Copper (in concentrate), Kt	0.4	0.2	+70%
Toll-treated ore processed, Kt <sup>2</sup>	12	11	+10%
<b>Leaching</b>			
Ore processed, Kt	775	738	+5%
Gold grade, g/t	1.5	1.4	+10%
Gold recovery <sup>1</sup>	86.4%	82.1%	+5%
Gold production, Koz	31.2	26.1	+20%
Total ore processed, Kt	863	805	+7%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	32.8	27.6	+19%
Copper, Kt	0.4	0.2	+70%

Note: (1) Technological recovery, includes gold and copper within work-in-progress inventory  
(2) To be further processed at Amursk POX.

In Q1 Varvara delivered a 19% year-on-year increase in GE production on the back of processing more ore from Komar. The new railway spur at Komar, which is located immediately adjacent to the pit, and the purchase of additional rolling stock enabled a significant increase in the monthly amount of ore railed to more than 200 kt.

Mining activity continued to shift towards Komar as several open pits at Varvara have been completely mined out.

Gold recovery in the leaching circuit improved thanks to the detailed geo-metallurgical mapping of Komar ore followed by the introduction of flexible reagent addition.



In the period, Varvara continued to toll-treat some of the refractory gold ore bought by the Company in Russia. The produced gold concentrate is then processed at the POX facility. Gold production from this material is booked following Dore production from concentrate at Amursk.

## VORO

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
<b>Voro</b>			
Waste mined, Kt	1,071	2,519	-57%
Ore mined (open pit), Kt	302	420	-28%
- primary	294	367	-20%
- oxidised	8	53	-84%
<b>PROCESSING</b>			
<b>Voro Heap Leach</b>			
Ore stacked, Kt	-	-	NA
Gold grade, g/t	-	-	NA
Gold production, Koz	1.6	2.5	-38%
<b>Voro CIP</b>			
Ore processed, Kt	247	247	+0%
Gold grade, g/t	3.9	3.6	+9%
Gold recovery <sup>1</sup>	80.4%	80.0%	+0%
Gold production, Koz	24.5	23.3	+5%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	26.1	25.9	+1%

Note: (1) Technological recovery, includes gold within work-in-progress inventory

NA = not available.

In Q1, gold production at Voro slightly increased year-on-year on the back of improved grades and recovery levels at the CIP circuit.

Mining volumes continued to decline as oxidised ore is nearly depleted. 2018 is expected to be the last year of heap leach stacking at Voro.

## SVETLOYE

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
<b>Svetloye</b>			
Waste mined, Kt	102	189	-46%
Ore mined (open pit), Kt	326	264	+23%
<b>PROCESSING</b>			
<b>Svetloye Heap Leach</b>			
Ore stacked, Kt	219	96	+130%
Gold grade, g/t	3.8	3.8	-1%
Gold production, Koz	8.3	-	NA
<b>TOTAL PRODUCTION</b>			
Gold, Koz	8.3	-	NA

Note: NA = not available.

The Svetloye heap leach operation resumed in Q1, delivering 8 Koz of gold despite severe winter conditions. Production is expected to pick up strongly with the arrival of warm season and increase in heap solution temperature.

## OKHOTSK

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
<b>Avlayakan</b>			
Underground development, m	1,352	1,244	+9%
Ore mined (underground), Kt	46	39	+19%
<b>PROCESSING</b>			
<b>Khakanja</b>			
Ore processed, Kt	153	153	+0%
Grade			
Gold, g/t	1.7	1.3	+29%
Silver, g/t	87	100	-13%
Recovery <sup>1</sup>			
Gold	97.1%	96.9%	+0%
Silver	71.6%	73.9%	-3%
Gold production, Koz	7.5	7.0	+6%
Silver production, Moz	0.3	0.3	-12%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	7.5	7.0	+6%
Silver, Moz	0.3	0.3	-12%

Note: (1) Technological recovery, includes gold and silver within work-in-progress inventory (precipitate)

At Okhotsk, gold production in the first quarter increased by 6% to 7.5 Koz, mainly due to better gold grades and solid recovery levels at the plant.

Open-pit mining has commenced at the Khotorchan satellite deposit. Mining volumes at Avlayakan increased year-on-year as its life-of-mine was extended to H2 2018 on the back of positive down-dip exploration results.

## KAPAN

	3 months ended Mar 31,		% change
	2018	2017	
<b>MINING</b>			
Underground development, m	5,417	3,368	+61%
Ore mined (underground), Kt	157	115	+36%
<b>PROCESSING</b>			
Ore processed, Kt	154	115	+34%
Grade			
Gold, g/t	1.8	2.1	-13%
Silver, g/t	33	43	-24%
Copper, %	0.30%	0.27%	+11%
Zinc, %	1.31%	1.33%	-1%
Recovery			
Gold	81.9%	83.1%	-1%
Silver	81.7%	83.0%	-2%
Copper	94.5%	90.9%	+4%
Zinc	87.5%	88.3%	-1%
<b>TOTAL PRODUCTION</b>			
Gold, Koz	6.4	5.8	+12%
Silver, Moz	0.1	0.1	-1%

	3 months ended Mar 31,		% change
	2018	2017	
Copper, Kt	0.4	0.3	+48%
Zinc, Kt	1.3	1.1	+28%

In Q1, Kapan continued to improve its operational performance and produced 12 Koz of gold equivalent, an 18% increase over the previous year. This was mainly driven by increased processing volumes on the back of ongoing enhancement measures to debottleneck the underground mine.

In particular, underground development jumped 61% as mine personnel completed full transition from manual to mechanized drilling. Grades declined as manual shrinkage stoping with minimal dilution was completely phased out due to health and safety issues.

## KYZYL

	3 months ended Mar 31,		% change
	2018	2017	
<b><u>MINING</u></b>			
Waste mined, Kt	13,795	10,698	+29%
Ore mined (open-pit), Kt	74	-	NA

Note: NA = not available.

In Q1, mining activities continued to increase both quarter-on-quarter and year-on-year with the first 74 Kt of ore mined during the period.

All construction activities are on track with most of the key equipment and infrastructure finalized during Q1. This includes the concentrator equipment, the crusher unit, as well as the assay lab. The tailings storage facility has successfully passed hydraulic testing.

Construction is now focused on finalizing electrical wiring, ventilation ducting, and the installation of process control equipment. Dry commissioning is expected to start on June 1<sup>st</sup>, with first concentrate production expected on August 1<sup>st</sup>.

Polymetal signed the concentrate off-take contract for the first 12 months of production with one of its established trading partners. This will ensure free cash flow generation almost immediately after the start of concentrate production.

## OTHER DEVELOPMENTS

In April, Polymetal has increased its stake in Prognoz, the largest undeveloped silver deposit in Russia (292 Moz of silver resources), to 50% by acquiring a 45% stake for a total consideration of US\$ 72 million paid in shares. In 2018, Polymetal plans to complete 46 km of diamond drilling, as well as extensive in-house metallurgical test work in order to publish an updated JORC-compliant resources estimate by Q4 2018.

## HEALTH AND SAFETY

We are saddened to report a fatal accident on March 3, 2018 at our Kapan operation. An underground miner died from gas poisoning. The management is currently developing a comprehensive action plan aimed at mitigating the risks associated with air quality and efficiency of ventilation in underground mines. The first steps included the purchase of additional air monitoring equipment and the introduction of remote air quality sensors throughout our operations.

The focus of safety improvement initiatives this year will be to identify the changes in working conditions and practices at underground mines originating from variations in mining methods and environments. Particular emphasis will be placed on training and equipping people working in remote small-scale stopes. The introduction of automated safety control devices and evaluation of tele-op opportunities will receive thorough management attention.

## PERSONNEL

**Sergey Babkin** (57) assumed the position of Executive Vice President - Economic Security, effective from January 22, 2018. Mr. Babkin was born in 1960 and graduated from the Tyumen High Military Engineering Command School in 1981. In 1984, Sergey joined security services and in 1990 graduated from the Andropov Security Institute. Until 2011 Mr Babkin held various senior roles with the Federal Security Service of the Russian Federation. From 2011, he was head of security at Nomos Bank, and later at Otkritie Bank.

**Sergey Pekus** (46), assumed the position of Managing Director at Kutyn. Mr. Pekus graduated from the Leningrad Higher Artillery Command School in 1993. In 2004, he obtained an MBA degree from the Russian Customs Academy. Sergey joined Polymetal's supply chain management department in 2004 and was promoted to VP-Supply Chain Management for Khabarovsk region in 2014. Since 2016 Mr. Pekus was in charge of Nezhda JV.