

# Delivering on production guidance while maintaining safety standards

Polymetal met the unprecedented circumstances of 2022 head on with uninterrupted operations that enabled the Company to both deliver on its original production guidance and maintain a solid safety performance.

### Solid performance despite severe external pressures

In 2022, despite significant logistical and supply chain challenges, operations continued undisrupted. The Company’s gold equivalent (GE) production for the year amounted to 1,712 Koz, an increase of 2% over 2021 and in line with the original production guidance of 1.7 Moz. Kazakhstan’s GE production declined by 3%, driven by a planned grade decline at Kyzyl. Russian GE production grew by 5%, on the back of the first full year of operations at Nezhda and initial production at Kutyn, compensating for declining grades at mature assets.

Amursk POX-2 and other development projects progressed in line with revised schedules. 2023 will be marked by the launch of Voro flotation plant, the start of mining at Prognoz and the commissioning of the active cyanidation section at Amursk POX-2.

Gold production for the full year was up 2%, while silver output increased by 3%. Gold sales of 1,376 Koz were stable year-on-year, while silver sales were up 6% at 18.5 Moz. The bulk of the accumulated bullion stockpile was successfully sold down in the Middle East and China. Revenue for Q4 2022 was up by 30% year-on-year, the highest quarterly revenue since the Company started. The Company hit the \$1 billion mark as Polymetal sold down the metal and concentrate inventory accumulated in the previous quarters. We expect to close the remaining gap between production and sales during the first half of 2023.

No fatal accidents occurred among the Group’s employees and contractors in 2022 (2021: Group 0; contractors 1). Lost time injury frequency rate (LTIFR) among the Group’s employees decreased by 17% year-on-year to 0.10. Days lost due to work-related injuries (DIS) fell by 42% year-on-year to 877. Wherever possible, Polymetal applies digital technologies to improve the safety of workplaces.

To read more about precautionary and safety procedures at all production sites and offices, please refer to page 46.

### Analysis of production results

#### Mining

Stripping volumes in 2022 grew by 3% to 211.1 Mt of rock moved, driven mostly by stripping at Albaizno and accelerated stripping activities at Omolon. At Albazino, the waste increase was driven by the Farida pit and Kutyn development. At Omolon, waste jumped due to stripping at Burgali open-pit. Open-pit mining commenced at River pit (Varvara). At Mayskoye, open-pit mining has been completed.

Underground development increased by 3% to 98 km (2021: 96 km), mainly due to ramping-up the Ekaterina and Anfisa underground mines at Albazino, as well as underground development at Primorskoye (Dukat hub). Underground mining at Burgali commenced and will replace ore tonnage from the Burgali open-pit.

Total ore mined increased by 24% year-on-year to 19.5 Mt (2021: 15.6 Mt), mainly on the back of ramp up at Nezhda, supported by the Kutyn and Farida development at Albazino, as well as the ongoing Emmy pit development at Svetloye.

#### Processing

The Group’s volume of ore processed increased by 16%, compared with the previous year, to 18.3 Mt (2021: 15.8 Mt), driven mostly by the newly launched Nezhda and Kutyn (Albazino hub). Other mines operated at a stable pace.

The average GE grade in ore processed decreased by 4% year-on-year to 3.6 GE g/t (2021: 3.8 GE g/t), mostly attributable to the planned grade decline towards a reserve average at Kyzyl (GE decreased from 6.2 g/t to 5.5 g/t, but recoveries remained stable despite this), at Dukat (silver grade decrease in ore processed at both flotation and Merrill-Crow circuits) and at Albazino (gold grade in ore processed decreased as the high-grade Anfisa open-pit was fully depleted).

GG The commissioning of Kutyn heap leach and full ramp up at Nezhda supported a solid operational performance.”

### Production and sales

In 2022, Polymetal continued to deliver a solid set of operating results. Production grew by 2% year-on-year to 1,712 Koz GE, in line with the original production guidance of 1.7 Moz.

Kyzyl continues as the largest individual contributor to the Group’s overall output: full-year gold production was 330 Koz, an 8% decrease year-on-year on the back of the planned grade decline towards a reserve average. Varvara GE output grew by 7% to reach 211 Koz, driven by the higher Komar ore grade and better recoveries. In total, Kazakh operations delived 541 GE Koz (32% of the Group’s production).

GE production at Dukat remained unchanged at 292 Koz, positively impacted by direct high-grade ore shipments from Primorskoye, compensating for grade declines at other mining areas. At Albazino, the total GE output was down 8% year-on-year to 230 Koz due to the planned depletion of Anfisa open-pit and negative recovery rate dynamics attributable to the increase of share of oxidised ore from Ekaterina mine. This was partially compensated by the contribution from the recently launched Kutyn heap leach, which delivered 52 Koz of gold. At Omolon, GE production was down 8% year-on-year to 199 Koz on the back of a planned grade decline; the Merrill-Crowe circuit at the

Kubaka mill remains idle. Gold production at Mayskoye was 14% lower year-on-year at 120 Koz, due to a decrease in grade and recovery stemming from low-grade and highly carbonaceous open-pit ore. In the first full year of operation, Nezhda reached its nameplate capacity and recovery, and delivered total annual production of 133 GE Koz. GE production at Svetloye decreased by 5% to 104 Koz, mostly due to the negative grade dynamics but partially compensated by Emmy pit development, which drove increases in ore mined and grade processed. Voro GE production was stable at 93 Koz on the back of processing high-grade third-party and Pesherny feedstocks.

Metal sales in 2022 were at 1,622 Koz of GE, a decrease of 1% compared with 2021. The remaining gap between production and sales is expected to close during the first half of 2023. While most of the sales comprised refined metals, we continued to sell concentrates from Dukat (gold/silver), Varvara (gold/copper), Mayskoye (refractory gold), Kyzyl (double refractory gold), Albazino (gold) and Nezhda (gold/silver) to offtakers. Offtake is one of our core competencies: it allows us to maximise our margins and achieve an optimal combination of transportation costs and treatment charges/ recoveries.

### Key operating highlights

	2022	2021	Change. %
<b>Waste mined, Mt</b>	<b>211.1</b>	<b>205.9</b>	<b>+3%</b>
<b>Underground development, km</b>	<b>98.0</b>	<b>95.5</b>	<b>+3%</b>
<b>Ore mined, Mt</b>	<b>19.5</b>	<b>15.6</b>	<b>+24%</b>
Open-pit	15.4	11.7	+32%
Underground	4.1	4.0	+3%
<b>Ore processed, Mt</b>	<b>18.3</b>	<b>15.8</b>	<b>+16%</b>
<b>Average grade in ore processed (gold equivalent, g/t)</b>	<b>3.6</b>	<b>3.8</b>	<b>-4%</b>
<b>Production</b>			
Gold, Koz	1,450	1,422	+2%
Silver, Moz	21.0	20.4	+3%
Gold equivalent, Koz	1,712	1,677	+2%
<b>Sales</b>			
Gold, Koz	1,376	1,386	-1%
Silver, Moz	18.5	17.5	+6%
Gold equivalent, Koz <sup>1</sup>	1,622	1,640	-1%
<b>Average headcount</b>	<b>14,694</b>	<b>13,392</b>	<b>+10%</b>
<b>Safety</b>			
LTIFR (Employees) <sup>2</sup>	0.10	0.12	-17%
DIS (Employees) <sup>3</sup>	877	1 516	-42%
Fatalities			
Employees	–	–	NA
Contractors	–	1	NA

1 Based on actual realised prices.  
2 LTIFR = lost time injury frequency rate per 200,000 hours worked. Company employees only are taken into account.  
3 DIS – days lost due to work-related injuries. Company employees only are taken into account.

Operating review continued

Polymetal did not fully replace its ore depletion and recorded declining ore reserves in 2022. The exploration season was severely affected by the indirect impact of sanctions placed on, amongst other things, imports of diamond drilling spares and materials into Russia. We remain confident in the Group’s ability to grow our high-quality reserve base due to several upcoming Ore Reserves revaluations and estimates and expect the resumption of the upward trend in 2023.

2023 targets

In 2023, Polymetal will continue to invest in both near-mine and greenfield exploration projects.

The key objectives are:

- Re-evaluate Ore Reserves at Kyzyl.
- Prepare an initial Ore Reserve estimate at Talgiy (Albazino).
- Prepare an initial Ore Reserve estimate at Pavlov (Voro hub).

Ore Reserves and Mineral Resources structure by metal as at 1 January 2023

	Ore Reserves	Mineral Resources
Gold	90%	91%
<i>Kazakhstan</i>	46%	14%
<i>Russia</i>	44%	77%
Silver	10%	9%
Total	100%	100%

Ore Reserves and Mineral Resources as at 1 January 2023¹

	Tonnage Mt	Grade GE, g/t	Content GE, Moz
<b>Ore Reserves</b>			
Proved	68.1	2.8	6.0
Probable	165.3	4.0	21.3
<b>Proved+Probable</b>	<b>233.5</b>	<b>3.6</b>	<b>27.3</b>
<b>Mineral Resources</b>			
Measured	26.9	3.6	3.1
Indicated	55.8	4.1	7.3
<b>Measured+Indicated</b>	<b>82.7</b>	<b>3.9</b>	<b>10.4</b>
Inferred	94.1	5.1	15.4
<b>Measured+Indicated+Inferred</b>	<b>176.8</b>	<b>4.5</b>	<b>25.8</b>

Exploration areas and volumes (mine site exploration excluded)²

	Drilling, km	
	2022	2021
Russia³	223.1	339.6
Kazakhstan³	91.1	41.9
<b>Total</b>	<b>314.2</b>	<b>381.5</b>

In 2022, 314.2 km (including joint ventures) of exploration drilling were completed. As a result of the sanctions imposed on Russia, import of drilling spare parts and materials was restricted, leading to a substantial decrease in drilling activities. Furthermore, as a part of budget optimisation, Joint-venture grassroots exploration in Russia was reduced, contributing to an the overall drop in drilling volumes.

Reserves and resources

In 2022, Group Ore Reserves decreased by 9% year-on-year to 27.3 Moz of gold equivalent (GE), mostly due to mining depletion. This was partially offset by the successful exploration results at Omolon hub (Burgali and Nevenrekan), Pesherny (Voro hub) and initial reserve estimates at Galka and Tamunier (Voro hub). The average grade in Ore Reserves increased by 5% year-on-year and stood at 3.6 g/t of GE. The average life-of-mine stands at 13 years.

Share of Ore Reserves for open-pit mining remained unchanged compared to the previous year at 52%. The share of refractory reserves grew by 3 p.p. year-on-year to 74%.

Mineral Resources (additional to Ore Reserves) grew by 5% year-on-year to 25.8 Moz of GE due to positive revaluation at Kyzyl, Omolon, and Nezhda, as well as initial resource estimates at Kegali and Tumanin (Omolon hub). The average GE grade in Mineral Resources was up 10% year-on-year to 4.5 g/t.

Ore Reserves and Mineral Resources summary⁴,⁵

	1 January 2023	1 January 2022	Change
<b>Ore Reserves (Proved + Probable), gold equivalent Moz</b>	<b>27.3</b>	<b>29.9</b>	<b>-9%</b>
Gold, Moz	24.7	27.1	-9%
Silver, Moz	211.3	240.2	-12%
<b>Average reserve grade, g/t GE</b>	<b>3.6</b>	<b>3.5</b>	<b>+5%</b>
Ore Reserves per share, GE oz/ per share	0.058	0.063	-9%
<b>Mineral Resources (Measured + Indicated + Inferred), gold equivalent Moz</b>	<b>25.8</b>	<b>24.6</b>	<b>+5%</b>
Gold, Moz	23.1	22.3	+4%
Silver, Moz	212.9	195.7	+9%
<b>Average resource grade, g/t GE</b>	<b>4.5</b>	<b>4.1</b>	<b>+10%</b>

Ore Reserves reconciliation

	GE Moz
Ore Reserves, 1 January 2022	29.9
Depletion	-2.1
Revaluation	-0.8
Initial Ore Reserve estimate	+0.2
Change of GE conversion ratio	+0.2
<b>Ore Reserves, 1 January 2023</b>	<b>27.3</b>

Outlook for 2023

Safety remains a top priority for Polymetal. We will continue to focus on further improvements in health and safety metrics and maintaining zero fatalities across our operations and among off-site contractors conducting business on behalf of the Group.

In 2023, we expect a stable operating performance. The Company reiterates its current production guidance of 1.7 Moz of GE in 2023. Production will be traditionally skewed towards the second half of the year due to seasonality.

We expect a strong contribution from Kutyn, Nezhda and the Voro flotation plant, compensating for grade-driven decrease in production at Dukat, Albazino and Varvara. We also expect the planned grade decline towards a reserve average at Kyzyl and sustained contributions from other mines.

At the same time, we will focus on advancing our long-term project pipeline. At Amursk POX-2, we plan to commission the intensive cyanidation section, complete the infrastructure, start the cryogenic oxygen plant, complete the installation of processing equipment and pipelines and begin commissioning activities. The project remains on track to be fully commissioned in Q2 2024. Voro flotation plant is nearing completion (above 90% completion rate). Start-up is scheduled for Q2 2023. At Prognoz, conventional open-pit mining will commence with the first ore mined in Q4 2023.

We plan to complete several investment projects at existing operations in 2023, which will help drive cost levels down in 2024. At Mayskoye, the backfill plant construction project will enter full-scale construction in 2023. Commissioning, which will help reduce dilution and thus optimise costs, is scheduled for 2024. Optimisation projects also include implementation of measures aimed at increasing plant capacity at Kyzyl from 2.2 Mtpa to 2.4 Mtpa (water pumps upgrade, automated dispatching system), as well as Hot Cure circuit expansion at Amursk POX for further increase in recovery.

Our exploration sites

- Operating mine
- Development projects
- Further growth opportunities
- Exploration areas
- Exploration JV
- Competence centre
- Regional offices
- City/town
- Sea port



1 Mineral Resources and Ore Reserves in accordance with the JORC Code (2012). Mineral Resources are additional to Ore Reserves. Detailed tables for Mineral Resources and Ore Reserves with a breakdown by deposits and metals are given below. Ore Reserves of rare earths metals are given separately and not included in GE calculation. Mineral Resources of platinum group metals and rare earth metals are given separately and are not included in the calculation of the gold equivalent. Discrepancies in calculations are due to rounding.

2 Discrepancies in calculations are due to rounding.

3 Including JVs with more than 50% share owned by Polymetal.

4 Ore Reserves and Mineral Resources from continuing operations. Base metal are not included in GE calculation as they are insignificant. Ore Reserves of rare earths metals are given separately and not included in GE calculation.

5 Mineral Resources are additional to Ore Reserves. Mineral Resources of platinum group metals and rare earth metals are given separately and are not included in the calculation of GE. Discrepancies in calculations are due to rounding.



Operating assets

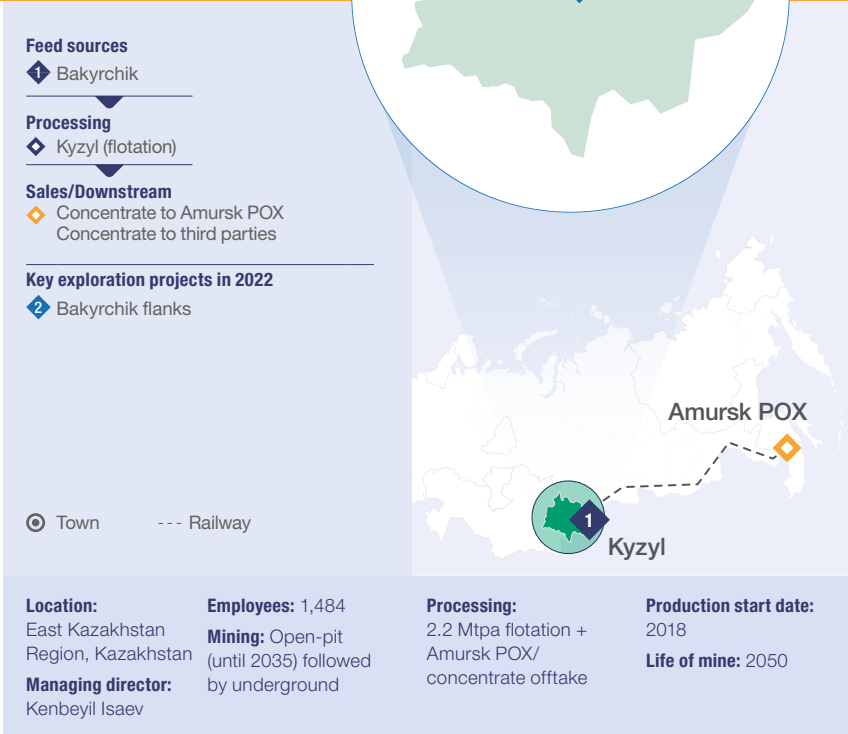
Kyzyl

Our major cash flow and production contributor

330 Koz  
Payable production (-8%)

\$357m  
Adjusted EBITDA (-21%)

\$602/GE oz  
Total cash costs (+26%)



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.00	0.08	-100%
<b>Mining</b>			
Waste mined, Mt	83.2	83.0	+0%
Ore mined, Kt	2,223	2,177	+2%
Gold grade, g/t	5.5	6.2	-11%
<b>Processing</b>			
Ore processed, Kt	2,200	2,200	–
Gold grade, g/t	5.5	6.2	-12%
Gold recovery	88.9%	88.6%	+0%
<b>Production</b>			
Gold, Koz	330	360	-8%

Operating results 2022

In 2022, Kyzyl continued to contribute one-third of the Group's EBITDA. Concentrator throughput was stable at the capacity of 2.2 Mtpa. Production at Kyzyl contracted by 8% to 330 Koz due to the planned grade decline towards the reserve average. Gold recovery was stable despite grade decline due to improvements in the flowsheet.

In 2023, the Company plans to implement a series of innovative debottlenecking projects, which will allow it to achieve 2.4 Mtpa throughput and partially compensate for the grade decline.

Innovation and efficiency

- Additional conditioning slurry tanks implemented into the flowsheet
- Recently launched cleaner flotation circuit allowed for a twofold decrease in gold losses to carbon tailings.

Exploration and resources

- In 2022, exploration drilling was carried out at East Bakyrchik and the eastern flank of the Kyzyl shear zone, including the Sarbas and Karmen deposits. An increase in Inferred resources has been achieved by 530 Koz with an average grade of 7.03 g/t and a conversion into the Measured+Indicated category of 87 Koz with a grade of 5.13 g/t
- In 2023, further exploration at Eastern Bakyrchik sites is planned to convert open-pit mineral resources into the Indicated category.

Green highlights

- Purchased more than 30% of electricity from renewable energy sources
- Six electric excavators in operation
- 90% of water used on site is in a closed cycle or treated waste water.

Priorities for 2023

- Increase in throughput to 2.4 Mtpa
- Further expansion of tailings storage facility
- Crushing and flotation automation systems in order to increase recovery.

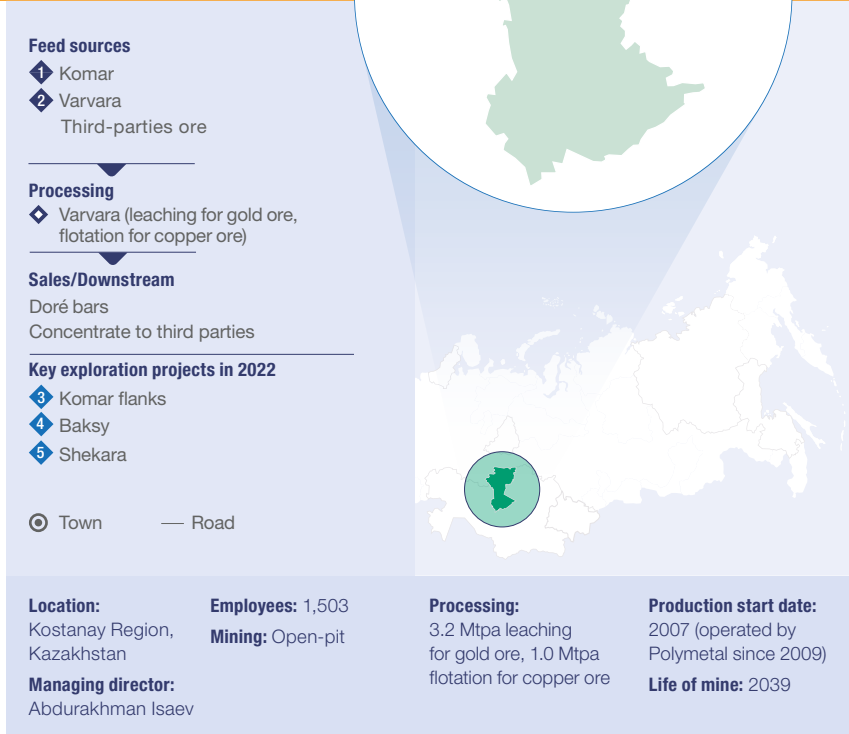
Varvara

Strong production profile

211 GE Koz  
Payable production (+7%)

\$177m  
Adjusted EBITDA (-1%)

\$920/GE oz  
Total cash costs (-0%)



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.00	0.00	n/a
<b>Mining</b>			
Waste mined, Mt	43.3	42.0	+3%
Ore mined, Kt	3,857	3,624	+6%
Gold grade, g/t	1.6	1.5	+2%
<b>Processing</b>			
<b>Leaching</b>			
Ore processed, Kt	3,199	3,183	+1%
Gold grade, g/t	1.6	1.6	+1%
Gold recovery	90.0%	88.9%	+1%
<b>Flotation</b>			
Ore processed, Kt	752	696	+7%
Gold grade, g/t	2.7	2.6	+4%
Gold recovery	85.9%	85.5%	+1%
<b>Production</b>			
Gold, Koz	211	197	+7%

Operating results 2022

Gold production at the leaching circuit increased by 11% due to larger processing volumes, higher grade in the Komar ore and better recoveries after flowsheet improvements.

Grade processed and recovery at the flotation circuit remained high on the back of the prevailing share of better-quality, third-party ore.

Because of the above, full-year output at Varvara increased by 7% to 211 Koz.

Innovation and efficiency

- Varvara became the first company in Kazakhstan (and third in Polymetal after Voro and Amursk POX) to be certified for full compliance under the International Cyanide Management Code by the International Cyanide Management Institute
- Gold recovery at the leaching circuit grew following the flowsheet improvements.

Exploration

- In 2022, at South Elevator, 7.2 km drilling has been completed (51 drill holes). The extension of the Elevator deposit ores to the south confirmed. The resource potential of the site has been preliminarily assessed
- In 2023, it is planned to draw up a feasibility study and to estimate gold reserves of the South Elevator site.

Green highlights

- A pilot railwayor project (the first one implemented in Eurasia) was commissioned to transport incoming ore from the railway spur to the crusher, thus reducing the GHG emissions and ore transportation costs
- Two electric excavators at Komar mine (in addition to one already in operation) and an electric railwayor at Varvara mine replaced the diesel-fueled fleet in 2022
- Biological recultivation of waste rock dumps using a hydroseeding method was carried out in 2022
- The Company has commenced the engineering for solar power plants.

Priorities for 2023

- Construction of the second stage of tailings dam #2
- Feasibility study for solar power plant by the end of 2023.

Operating assets

Dukat

Operational resilience at Russia’s largest primary silver mine

292 Koz  
Payable production (+0%)

\$175m  
Adjusted EBITDA (-31%)

\$12.7/SE oz  
Total cash costs (+20%)



**Location:** Magadan Region, Russia  
**Managing director:** Dmitry Galtchuk  
**Employees:** 1,716  
**Mining:** Open-pit, underground  
**Processing:** 2.0 Mtpa flotation (Omsukchan) + 477 Ktpa Merrill-Crowe (Lunnoye)  
**Production start date:** 2000  
**Life of mine:** 2028



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.07	0.00	NA
<b>Mining</b>			
Waste mined, Mt	4.1	2.8	+44%
Underground development, km	46.7	44.7	+4%
Ore mined, Kt	2,523	2,615	-3%
Silver grade, g/t	301	266	+13%
<b>Processing</b>			
<b>Omsukchan concentrator</b>			
Ore processed, Kt	2,033	2,055	-1%
Silver grade, g/t	236	266	-11%
Silver recovery	85.7%	86.0%	-0%
<b>Lunnoye plant</b>			
Ore processed, Kt	474	477	-1%
Silver grade, g/t	204	239	-15%
Silver recovery	93.2%	93.1%	+0%
<b>Primorskoye</b>			
Ore shipped, Kt	29.5	—	NA
Gold production, Koz	11	2	+359%
Silver production, Moz	2.7	0.7	+300%
<b>Production</b>			
Gold, Koz	63	56	+13%
Silver, Moz	18.3	18.8	-3%

Operating results 2022

In 2022, the Dukat hub produced 18.3 Moz of silver, down 3% year-on-year. Direct high-grade ore shipments from Primorskoye compensated for grade declines at other mining areas and provided a significant new source

of high-grade silver ore for the operation. The Company also started milling Primorskoye ore at the Omsukchan concentrator (without beneficiation) for further sales to offtakers as concentrate.

Waste mined increase is attributable to the mining of crown pillars at the Dukat open-pit.

Innovation and efficiency

- Successful operation of small-scale mining equipment for excavation and stoping
- Ice-rock backfill system implementation.

Exploration and reserves

- At Doroninskaya area, mineral resource estimate amounted to 94.2 Koz of gold and 7,905 Koz of silver.
- 24.8 km drilling was completed at Lunnoye. As results of the revaluation of total mineral resources, gold mineral resources increased by 35.0 Koz GE in 2022.

Green highlights

- Full renovation of wastewater treatment facilities at Dukat and Lunnoye mines
- Up to 95% of purchased electricity from renewable energy sources
- 94% of water used on site is in a closed cycle or treated waste water.

Priorities for 2023

- Further transition to small-scale mining equipment at Dukat
- Completion of dry-stack tailings storage facility at the Omsukchan concentrator
- Direct shipments of ore from Primorskoye.

Omolon

Multiple feed and flexible processing

199 GE Koz  
Payable production (-8%)

\$138m  
Adjusted EBITDA (-29%)

\$960/GE oz  
Total cash costs (+20%)



**Location:** Magadan Region, Russia  
**Managing director:** Samat Kozhakaev  
**Employees:** 1,130  
**Mining:** Open-pit, underground  
**Processing:** 862 Ktpa CIL/ Merrill-Crowe (Kubaka), 1.3 Mtpa heap leach (Birkachan)  
**Production start date:** 2010  
**Life of mine:** 2031



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.18	0.10	+78%
<b>Mining</b>			
Waste mined, Mt	7.7	4.9	+57%
Underground development, km	10.9	11.8	-7%
Ore mined, Kt	628	740	-15%
Gold grade, g/t	6.1	6.6	-7%
<b>Processing</b>			
<b>Kubaka mill</b>			
Ore processed, Kt	860	862	-0%
Gold grade, g/t	6.6	6.7	-1%
Gold recovery	93.9%	94.8%	-1%
<b>Birkachan heap leach</b>			
Ore stacked, Kt	655	851	-23%
Gold grade, g/t	1.1	1.7	-37%
<b>Production</b>			
Gold, Koz	192	201	-4%
Silver, Moz	0.5	1.3	-59%

Operating results 2022

In 2022, gold production was 4% lower year-on-year. Kubaka mill recorded a planned decline in gold grade and production. It processed lower-grade silver ore and, with the Merrill-Crowe circuit remaining idle, silver production was also down.

At the heap leach facility, depletion of the Birkachan heap leach ore reserves resulted in lower grades, while stacking volumes also declined year-on-year due to rehandling of the previously stacked ore.

Underground mining at Burgali commenced and will replace ore tonnage from the Burgali open-pit.

Innovation and efficiency

- Flowsheet improvements at Kubaka stabilised gold recovery
- Achieved design capacity for the dry tailings facility
- Modernisation of the water discharge system at Glavny mine.

Exploration and reserves

- At Burgali, an increase by 219 Koz of GE compared to the last year's estimate. The feasibility study was prepared and the gold reserves of 353 Koz, with an average grade of 9.0 g/t and silver reserves of 1,083 Koz, with an average grade of 27.6 g/t were approved.
- At Nevenrekan, the increase in the mineral resources of gold amounted to 28.6 Koz of GE.
- At Kegali, mineral resources were estimated at 101 Koz of GE with an average grade of 7.9 g/t.

Green highlights

- The 2.5 MWh solar power plant reached planned capacity and now generates 20% of the required electricity for Kubaka mill
- Full transition from wet tailings storage to a safer method of dry stacking completed
- More than 50% of heat consumption comes from a heat recovery system
- 79% of water used on site is in a closed cycle or treated waste water.

Priorities for 2023

- Start of underground mining at Burgali
- Construction of the infrastructure needed to commission Nevenrekan mine.

Operating assets

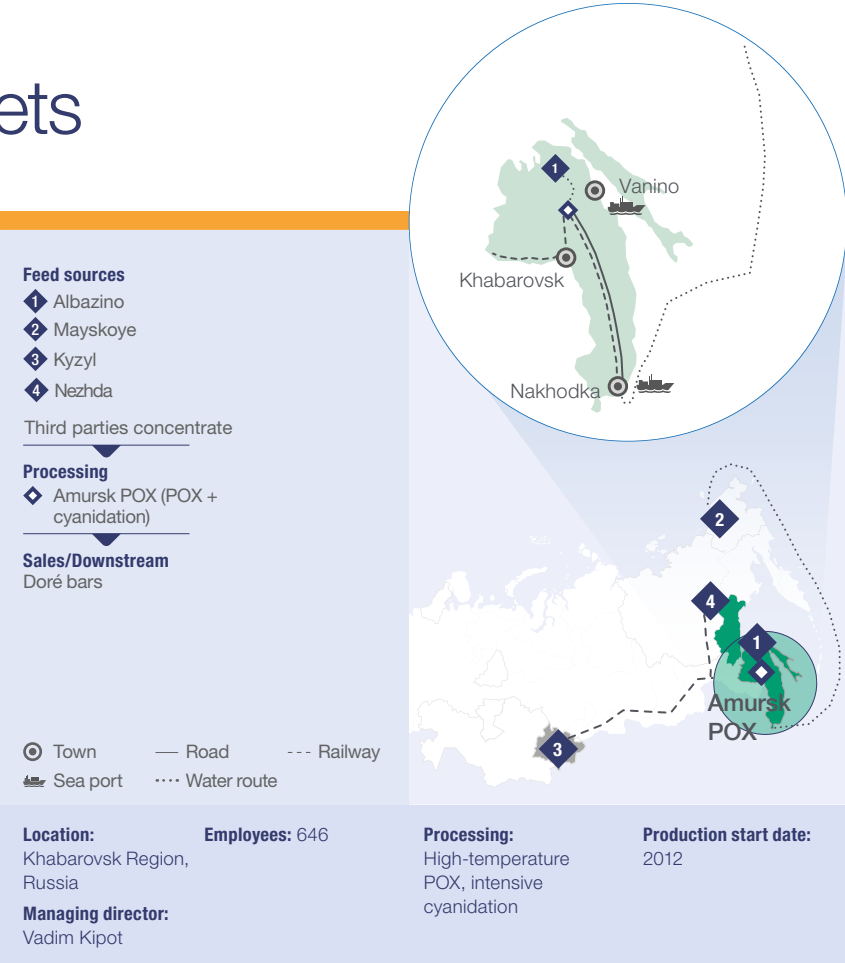
Amursk POX

Global competence in refractory ore processing

392 Koz  
Total gold production through POX (-16%)

191 Kt  
Concentrate processed (-11%)

94.8%  
POX recovery



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.00	0.43	-100%
<b>Processing</b>			
Concentrate processed, Kt	191	214	-11%
Gold grade, g/t	63.0	72.0	-13%
Gold recovery	94.8%	94.3%	+0%
<b>Production</b>			
Gold, Koz <sup>1</sup>	392	466	-16%

2022 performance

The decrease in annual POX production was due to the decline in grade in the feedstock sourced from Kyzyl and Albazino. The plant continued to process Nezhda's low-carbon gold flotation concentrate with a reasonable average recovery of 95% for the year.

The volume of Albazino concentrate processed was down by 7% at 132 Kt. The average gold grade in concentrate was 39.7 g/t, down 19% year-on-year. Recoveries from Albazino concentrate were stable year-on-year at 96.5%, exceeding the design level.

48 Kt of high-grade low-carbon Kyzyl concentrate was processed during 2022 (2021: 55 Kt), with an increased recovery level of 93.8% (2021: 92.2%).

The operation meets ISO 14001 and 45001 requirements for environmental and safety management.

Innovation and efficiency

- Recovery level increased by 0.5% on the back of slurry conditioning adjustments.

Green highlights

- 85% of heat consumption is from the heat recovery system
- 81% of water used on site is in a closed cycle or treated waste water
- 100% of tailings are now dry-stacked.

Priorities for 2023

- A Hot Cure circuit expansion to further increase POX recovery
- Construction of a two-circuit condensate cooling system
- Processing concentrate from Kyzyl, Albazino and Nezhda with designed recoveries.

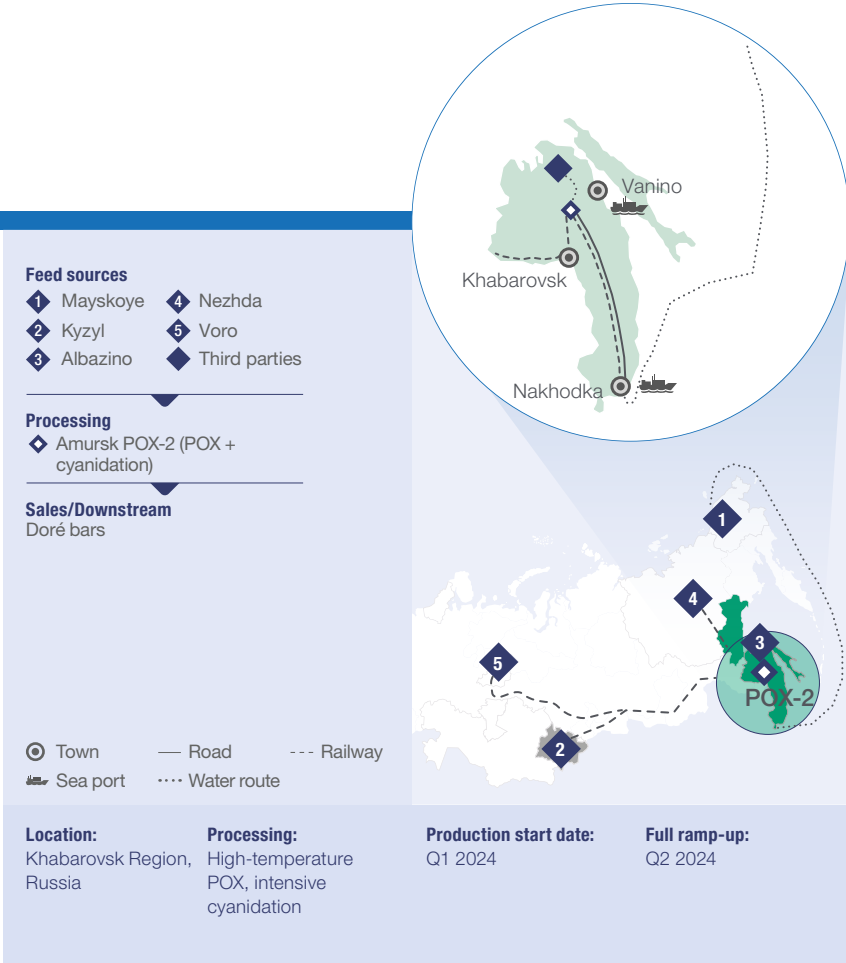
Amursk POX-2

Ensuring strategic security by unlocking the value of refractory reserves

600 Koz  
Expected annual gold production

300 Ktpa  
of refractory concentrates  
Concentrate capacity

\$100-150/oz  
cost benefit



2022 highlights

The project is now 83% complete. All the construction, in terms of buildings, is already done and internal building works have now commenced. The project remains on track to be fully commissioned in Q2 2024, in line with revised schedule which accounts for new geopolitical complexities.

The installation of cable structures and equipment in the power unit section of the downstream circuit has been completed and voltage was successfully supplied for commissioning the intensive cyanidation section (expected in Q1 2023). The installation of pipelines and connection of technological equipment are nearing completion. The carbon-in-leach (CIL) thermal circuit has been completed and the High Bay heating and ventilation systems are being installed (steam conditioning section). The construction of metal frameworks and concrete works for installing technological equipment in the CIL and High Bay sections continues.

Green highlights

- The environmental footprint of the Company's value chain will decrease significantly because of the substantial reduction in air pollution, water usage and solid toxic waste.
- Amursk POX-2 will create 400+ new jobs with a focus on providing local career opportunities for engineers and technical staff, and encouraging young talent.

Priorities for 2023

- Start-up of intensive cyanidation circuit for gravitational concentrates
- Start of cryogenic oxygen plant
- Completion of processing equipment and pipelines installation
- Complete supervised installation/construction of intense cyanidation circuit and commission in first half of 2023 to start processing Nezhda gravity concentrate
- POX mechanical completion and start of commissioning activities.

POX-3

The Company is now evaluating the construction of a new POX facility in Kazakhstan, located in a developed industrial region with good infrastructure and aimed at processing its own high- and low-carbon concentrate from Kyzyl as well as third-party gold concentrates.

The flowsheet is identical to Amursk POX-2 with minor changes based on the results of detailed engineering. Subject to Board approval, the investment decision is expected in Q2 2024 and the potential start-up in the second half of 2028. It will allow for the full operational independence of the Kazkh operations from Russian (inter-company) and Chinese offtake.

<sup>1</sup> For information only. Already accounted for in production at operating mines.



Operating assets

Albazino

Successful Kutyn launch

230 GE Koz  
Payable production (-8%)

\$121m  
Adjusted EBITDA (-40%)

\$1,079/GE oz  
Total cash costs (+34%)



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.21	0.30	-28%
<b>Mining</b>			
Waste mined, Mt	30.6	23.0	+33%
Underground development, km	19.1	16.9	+13%
Ore mined, Kt	3,849	2,259	+70%
Gold grade, g/t	2.7	3.8	-30%
<b>Albazino concentrator</b>			
Ore processed, Kt	1,843	1,777	+4%
Gold grade, g/t	3.2	4.4	-29%
Gold recovery	86.4%	89.1%	-3%
<b>Kutyn heap leach</b>			
Ore processed, Kt	902	—	NA
Gold grade, g/t	3.9	—	NA
<b>Production</b>			
Gold, Koz	229	248	-8%

Operating results 2022

At Albazino, ore processed at the Albazino concentrator increased by 4% to 1,843 Kt, above nameplate capacity. Full-year production declined by 8% to 229 Koz of gold as the largest high-grade Anfisa open-pit was fully depleted.

This was largely offset due to the contribution from the recently launched Kutyn heap leach, which contributed 52 Koz of gold into the total production. Full heap-leach processing capacity of 1.3 Mtpa of ore will be reached

in 2023. Average annual output from 2023 to 2030 will be approximately 100 Koz of gold with an average AISC of approximately \$950/oz.

Accelerated development was made possible by effective planning, tight project management and creative approaches to emerging supply chain issues.

Innovation and efficiency

- Construction of a grid power line to the Albazino production site
- Construction of the tailing storage facilities #2.

Exploration and reserves

- At the Talgiy section of the Urkachik area, the JORC-compliant mineral resource estimate was completed and amounted to 958 Koz of gold at an average grade of 3.0 g/t for open-pit and 5.2 g/t for underground.
- At Kutyn, mineral resources increased by 62 Koz and the 112 Koz converted to a higher category.

Green highlights

- More than 60% of heat consumption now comes from heat recovery system
- 88% of water used on site is in a closed cycle or treated waste water
- Renovation of collecting ponds to improve the treatment of discharged water in 2022.

Priorities for 2023

- Achieving full heap-leach processing capacity at Kutyn
- Winter road and additional heap-leach pads construction at Kutyn
- Construction of the power line linking Albazino to the grid.

Svetloye

Generation of sustained cash-flow

104 GE Koz  
Payable production (-5%)

\$76m  
Adjusted EBITDA (-45%)

\$893/GE oz  
Total cash costs (+86%)



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.35	0.16	+119%
<b>Mining</b>			
Waste mined, Mt	6.2	4.6	+38%
Ore mined, Kt	2,542	1,800	+41%
Gold grade, g/t	2.3	2.1	+8%
<b>Processing</b>			
Ore stacked, Kt	1,404	1,404	+0%
Gold grade, g/t	3.1	3.0	+6%
Gold recovery	80.8%	81.2%	-0%
<b>Production</b>			
Gold, Koz	103	109	-5%

Operating results 2022

Gold production contracted by 5% year-on-year driven by grade dynamics during the first nine months of 2022. Ongoing Emmy pit development drove increases in ore mined (up 41% year-on-year) and grade processed (up 6% year-on-year). Ore mining also advanced.

The increase in waste mined is attributable to the development of a new pit, Nadezhda, as well as new pushback (Stage 3) at the Emmy pit.

Innovation and efficiency

- Increased average monthly productivity at the open-pit
- Several technical measures aimed at increasing the productivity of mining dump trucks
- Replacement of the pump equipment aimed at increasing stacking volumes.

Exploration

- In 2022, exploration activities included prospecting, appraisal and core drilling, with 9 km of holes drilled. 21,000 m³ of surface mining was completed.
- In 2023, the plan is to continue prospecting and exploration activities on the flanks of Larisa, Emmy and Yelena ore zones to evaluate previously identified ore zones and to trace gold mineralisation down dip and along the strike.

Green highlights

- 76% of water on site is used in a closed cycle
- More than 6% of electricity generated from renewable energy sources (solar and wind energy)
- Food waste recycling systems.

Priorities for 2023

- Stable production and high grade ore from deep levels of Emmy pit
- New heap-leach pads construction.

Operating assets

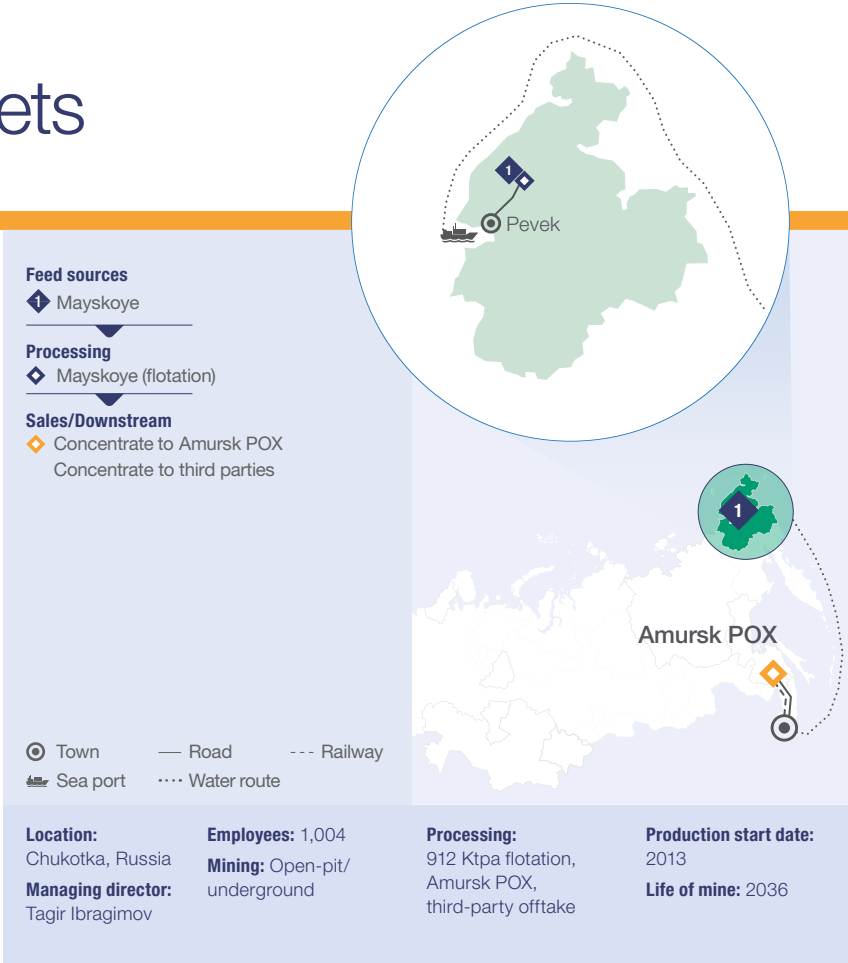
Mayskoye

Long-life high-grade refractory gold mine

120 GE Koz  
Payable production (-14%)

\$42m  
Adjusted EBITDA (-62%)

\$1,343/GE oz  
Total cash costs (+38%)



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.22	0.34	-34%
<b>Mining</b>			
Waste mined, Mt	2.6	3.7	-30%
Underground development, km	21.3	19.5	+9%
Ore mined, Kt	839	781	+7%
Gold grade, g/t	5.7	5.7	-0%
<b>Processing</b>			
Ore processed, Kt	925	901	+3%
Gold grade, g/t	5.6	5.7	-2%
Gold recovery	82.8%	86.9%	-4%
<b>Production</b>			
Gold, Koz	120	139	-14%

Operating results 2022

Annual output was 14% lower year-on-year due to decrease in recovery, attributable to higher than expected carbon content with lower sulphide and higher iron grades in the oxide ore. Average grade is roughly stable year-on-year.

Open-pit mining at Mayskoye has been completed.

Innovation and efficiency

- Conveyor system has been fully ramped up. Upon full ramp-up, the project is expected to cut costs (AISC by up to \$150/oz). Importantly, it frees up the substantial fleet of underground trucks, which can be used to support other mines in the absence of sanctions-related fleet replacement.

Green highlights

- Launched low-carbon, electricity-powered underground conveyor system for ore transportation and reduced GHG emissions
- Trials of four units of electric underground vehicles (in addition to three operating ones)
- 96% of water used on site is in a closed cycle or treated waste water.

Priorities for 2023

- Higher production and processing high recovery sulphide ores
- Advancing the full-scale construction of the backfill plant: delivering equipment and commodities, starting equipment installation, accessing ore reserves. Commissioning, which will help reduce dilution and thus optimise costs, is scheduled for 2024.

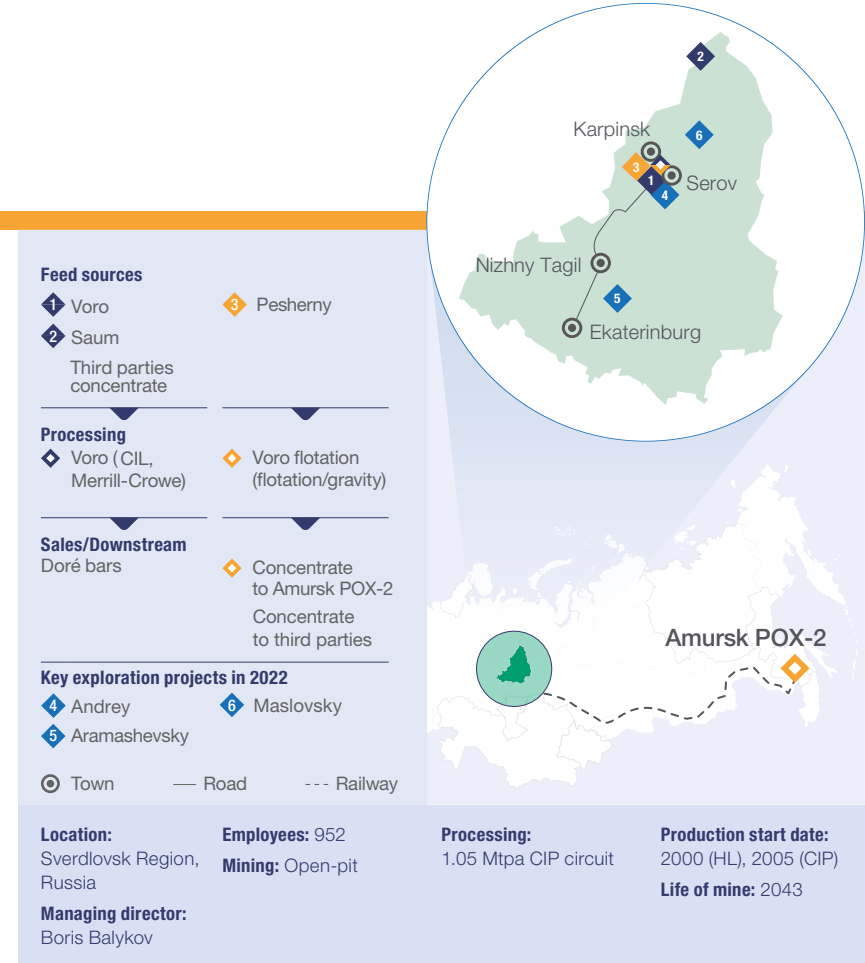
Voro

On track with new flotation circuit

93 GE Koz  
Payable production (+0%)

\$75m  
Adjusted EBITDA (-14%)

\$918/GE oz  
Total cash costs (+23%)



Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.00	0.00	NA
<b>Mining</b>			
Waste mined, Mt	10.1	9.1	+11%
Ore mined, Kt	330	456	-28%
Gold grade, g/t	4.4	3.8	+14%
<b>Processing</b>			
Ore processed, Kt	1,030	1,049	-2%
Gold grade, g/t	2.6	2.2	+19%
Gold recovery	81.4%	85.0%	-4%
<b>Production</b>			
Gold, Koz	91	91	-0%

Operating results 2022

In 2022, production at Voro was stable at 91 Koz. CIP plant recorded higher grade but lower recoveries due to the processing of transitional ore from Peshernoye.

Mining at Saum was discontinued on the back of deteriorating economics (strong Rouble and higher rail tariffs).

Voro flotation plant is 90% completed. Start-up is expected in Q2 2023 (previous plan was 2027). It will help to bring forward cash flows from high-grade polymetallic deposits, such as Peshernoye, Galka and Saum.

Innovation and efficiency

- At the flotation plant, major processing equipment has been installed and the concentrator building has been fully winterised
- Modernisation of the equipment at the heap leach area in order to increase the productivity for tailings processing at the new plant.

Exploration and resources

- At Andrey deposit, the initial mineral resource estimate amounted to 4.3 Moz of gold with an average grade of 2.0 g/t containing 275 Koz of gold (follow-up appraisal). In 2023, Polymetal will complete a feasibility study according to the Russian GKZ standards along with ore reserves estimate.
- In 2023, at Pavlov deposit, Russian-standard feasibility study will be completed and ore reserves will be reported. The Company also plans to continue prospecting at the flanks.

Green highlights

- Purchased up to 95% of electricity from renewable energy sources
- 99% of water used on site is in a closed cycle or treated waste water
- 100% of tailings are now dry-stacked.

Priorities for 2023

- Flotation plant start-up in Q2 2023 and ramp-up
- Preparation for underground mining at Peshernoye.

# Operating assets

## Nezhda

Successful ramp-up and first full year of operation

133 GE Koz  
Payable production

\$38m  
Adjusted EBITDA

\$1,138/GE oz  
Total cash costs



### Operational highlights

	2022	2021	Change
<b>Safety</b>			
LTIFR	0.00	0.13	-100%
<b>Mining</b>			
Waste mined, Mt	18.1	22.0	-18%
Ore mined, Kt	2,654	1,192	+123%
Gold grade, g/t	3.0	2.2	+35%
<b>Processing</b>			
Ore processed, Kt	2,011	344	NA
Gold grade, g/t	4.0	3.7	+9%
Gold recovery	75.5%	73.0%	+3%
<b>Production</b>			
Gold, Koz	111	20	NA
Silver, Moz	1.8	0.1	NA

### 2022 performance

In the first full year of operation, Nezhda reached its nameplate capacity and recovery. Total annual production amounted to 111 Koz. The Company expects the output to increase as soon as the gravity concentrate is redirected from Voro and Dukat to the intensive cyanidation section of Amursk POX-2 (launch planned for Q2 2023) and flotation concentrate processed at the Amursk POX-2 after its launch in the first half of 2024. Low-carbon concentrate is currently processed at Amursk POX and high-carbon mostly stockpiled.

The recovery rate at the concentrator is gradually heading towards the design level as the Company implements technological improvements. Grade in ore processed increased according to the mine plan.



Mining activity at the Nezhda open-pit was temporarily suspended from the beginning of December 2022 for four months in order to optimise costs. Sufficient ore stockpiles are available to ensure full productivity at the flotation plant for several months.

### Exploration

In 2022, exploration activities were focused on ore zone 3 and Zarechnoye. 1.56 km of core drilling and 16,700 m³ of tranches were completed. The results confirmed the presence of ore mineralisation in ore zone 3.

### Green highlights

- The 110-kV line linking Nezhda mine to the regional grid, powered by a combination of hydro and gas, has been successfully commissioned. The diesel-powered gensets that were previously used have been transferred to stand-by emergency mode
- Sourced energy from the federal power grid to decrease GHG emissions and avoid diesel power generation
- 100% of tailings are now dry-stacked.

### Priorities for 2023

- Increase in throughput to 2.2 Mtpa
- Processing Nezhda gravity concentrate at the Amursk POX intense cyanidation circuit
- Construction of the second stage of dry cake storage.

# Development assets

## Veduga

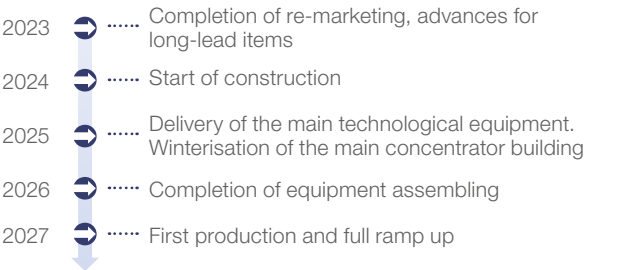
Production from large high-grade asset due in 2027

### Development

Veduga project timeline had to be delayed by 12 months with first production now expected in the first half of 2027. This schedule optimisation will reduce capital commitments for 2023 and allow for a thorough selection of processing equipment to ensure full compliance with all applicable sanctions and flexible construction planning.

Veduga is accessible by an all-year road and has direct access to the federal power grid.

### Timeline



200 Koz  
Annual gold production

4.0 Moz of gold  
Ore Reserves at 3.9 g/t

### Exploration

- In 2022, exploration drilling was carried out at the deep horizons of ore body 1 to evaluate its mineralisation potential along the strike and down dip. Total drilling volume amounted to 10.1 km. In 2022, the updated mineral resource estimate recorded an increase of 700 Koz of gold. Exploration activities continues to outline the ore mineralisation down dip.
- In 2023, Polymetal will evaluate reserves from Veduga deep levels and to approve Russian-standard reserves estimate (GKZ).

### Green highlights

- Two electric excavators are planned
- 92% of water used is treated waste water.

### Priorities for 2023

- Completion of marketing, advances for long-lead items.

## Prognoz

First ore to be mined from one of the world's largest and high-grade silver mines in 2023

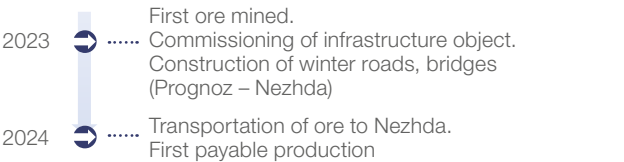
### Development

The annual mine capacity will amount to 250 Kt of ore with average silver grade of approximately 600 g/t.

Ore will be processed through the 2.2 Mtpa Nezhda concentrator. Silver recovery to high-grade, clean silver-lead concentrate is expected to average 89%. Ore will be trucked by winter road from Prognoz to the Nezhda production site (675 km) using contractors.

Life-of-mine payable silver equivalent (AgEq) in concentrate is expected to comprise 120 Moz. Average annual payable AgEq production in 2023-2041 is estimated at roughly 6.5 Moz with an average AISC of \$13.8/AgEq oz.

### Timeline



6.5 Ag Moz  
Annual production

125 Moz of silver  
Ore Reserves at 460 g/t

### Exploration

- In 2022, Russian-standard feasibility study for open-pit and underground mining was approved. The reserves were included in the State Reserves Register.
- In 2023, Polymetal plans to explore Atyr-Moginskaya property in order to increase Prognoz mineral resource base.

### Green highlights

- 95% of heat consumption comes from heat recovery system.

### Priorities for 2023

- First ore mined
- Commissioning of infrastructure objects
- Construction of winter roads, bridges connecting Prognoz and Nezhda.