

**Release time** IMMEDIATE  
**Date** 16 October 2017

## **Polymetal International plc**

### **Q3 2017 production results**

**Polymetal International plc (LSE, MOEX: POLY; ADR: AUCOY) (together with its subsidiaries – “Polymetal”, the “Company”, or the “Group”) is pleased to report the Group’s production results for the third quarter and nine months ended September 30, 2017.**

#### **HIGHLIGHTS**

- In Q3 2017, Polymetal achieved a record production of 470 Koz of gold equivalent (GE), which represents a 26% increase over the previous year. The increase was driven by strong contributions from the fully ramped up Svetloye heap leach operation (Okhotsk hub) and Mayskoye oxide ore processing. Albazino and Varvara also achieved record quarterly production levels.
- In the first nine months of 2017, the Company produced 1,028 Koz of GE, a 15% increase over the previous year and in line with the FY2017 production plan of 1.4 Moz of GE.
- Q3 gold output increased 38% year-on-year to 370 Koz. Silver production declined 7% year-on-year to 7.4 Moz due to the planned grade decline at the Dukat underground mine.
- Q3 sales amounted to US\$ 546 million, up 17% over the previous year as gold sales jumped 50% on the back of higher output and prices. The timing gap between silver production and sales is expected to be fully closed in Q4 2017.
- At Kyzyl, construction is progressing on schedule. During the quarter, all major processing equipment has been installed with external electrical infrastructure now fully operational. Construction activities are now focused on finalising the tailings storage facility. The project remains on track to produce its first concentrate in Q3 2018.
- During the quarter, the Company generated free cash flow which was used to pay US\$ 60 million in interim dividends (US\$ 0.14 per share) and a US\$ 20 million consideration for a stake increase in the Nezhda gold property. The Company will continue to generate free cash flow in the fourth quarter. Net debt increased marginally from US\$ 1,583 million as of June 30 to US\$ 1,599 million as of September 30, 2017.
- The Company is on track to meet its FY2017 production guidance of 1.4 Moz of GE at TCC of US\$ 600-650/GE oz and AISC of US\$ 775-825/GE oz. Cost guidance remains contingent on the Rouble/Dollar exchange rate dynamic that has a significant effect on the Group’s Rouble-denominated operating costs.
- Polymetal re-confirms its production guidance for FY2018 at 1.55 Moz of GE and for FY2019 at 1.7 Moz of GE.
- Polymetal will be hosting an Analyst and Investor Day on November 13 in London to provide an update on key development projects.

“Our operational performance in the third quarter was very robust and the Company remains on track to meet its annual production and cost guidance”, said Vitaly Nesis, Group CEO of Polymetal, commenting on the results. “Meanwhile, Kyzyl continues to advance towards first concentrate production in less than a year’s time”.

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change <sup>1</sup>
	2017	2016		2017	2016	
Waste mined, Mt	29.7	23.9	+24%	84.7	58.1	+46%
Underground development, km	30.0	24.6	+22%	83.9	68.3	+23%
Ore mined, Kt	3,066	3,462	-11%	9,657	9,194	+5%
Open-pit	1,975	2,405	-18%	6,377	6,448	-1%
Underground	1,091	1,057	+3%	3,279	2,746	+19%
Ore processed, Kt	3,725	3,306	+13%	10,011	8,593	+13%
Production						
Gold, Koz	370	268	+38%	759	606	+25%
Silver, Moz	7.4	8.0	-7%	20.2	22.2	-9%
Copper, Kt	0.9	0.3	+193%	1.9	1.3	+50%
Zinc, Kt	1.3	1.3	+1%	3.6	2.0	+77%
Gold equivalent, Koz <sup>2</sup>	470	372	+26%	1,028	894	+15%
Sales						
Gold, Koz	363	242	+50%	742	561	+32%
Silver, Moz	5.8	8.3	-31%	18.2	21.3	-15%
Copper, Kt	0.8	0.3	+139%	1.3	0.4	+189%
Zinc, Kt	1.2	1.4	-11%	3.5	1.5	+123%
Revenue, US\$m <sup>3</sup>	546	466	+17%	1,229	1,059	+16%
Net debt, US\$m <sup>4</sup>	1,599	1,583	+1%	1,599	1,329	+20%
Safety <sup>5</sup>						
LTIFR	0.11	0.20	-45%	0.14	0.19	-22%
Fatalities	0	0	0%	1	2	-50%

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 Ag/Au, 5:1 Cu/Au and 2:1 Zn/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 and includes the liability for dividend payable. Comparative information is presented for 30 June 2017 (for the 3 months period) and 31 December 2016 (for the 9 months period).

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

## PRODUCTION BY MINE

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change <sup>1</sup>
	2017	2016		2017	2016	
<b>GOLD EQ. (KOZ) <sup>2</sup></b>						
Dukat	83	93	-11%	241	280	-14%
Albazino-Amursk	89	72	+24%	197	190	+4%
Mayskoye	81	47	+70%	90	68	+31%
Omolon	45	41	+10%	139	108	+28%
Voro	30	36	-18%	89	93	-4%
Varvara	33	22	+52%	88	57	+55%
Okhotsk	97	49	+100%	147	79	+87%
Kapan	12	12	+2%	37	18	+103%
<b>TOTAL</b>	<b>470</b>	<b>372</b>	<b>+26%</b>	<b>1,028</b>	<b>894</b>	<b>+15%</b>

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 Ag/Au, 5:1 Cu/Au and 2:1 Zn/Au conversion ratios.

## CONFERENCE CALL AND WEBCAST

Polymetal will hold a conference call and webcast on Monday, October 16 at 13:00 London time (15:00 Moscow time).

To participate in the call, please dial:

8 10 800 204 140 11 access code 33335091# (free from Russia), or

+44 20 3367 9461 (free from the UK), or

1 855 402 7761 (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=4995>.

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

The 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=4995>. A recording of the call will be available immediately after the call at +44 20 3367 9460 (from within the UK), 1 877 642 3018 (from within the US) and +7 495 745 79 48 (from within Russia), access code 311079#, from 15:00 Moscow time on Monday, October 16 and until 15:00 Moscow time on Monday, October 23, 2017.

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## FORWARD-LOOKING STATEMENTS

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## DUKAT OPERATIONS

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
<b>Dukat</b>						
Underground development, m	8,710	8,928	-2%	24,923	26,514	-6%
Ore mined (underground), Kt	395	409	-4%	1,211	1,211	+0%
<b>Goltsovoye</b>						
Underground development, m	1,834	1,449	+27%	5,098	4,712	+8%
Ore mined (underground), Kt	51	48	+6%	143	141	+1%
<b>Lunnoye + Arylakh</b>						
Underground development, m	2,045	1,407	+45%	5,847	3,952	+48%
Ore mined (underground), Kt	134	104	+29%	419	314	+33%
<b>Perevalnoye</b>						
Underground development, m	1,002	-	NA	2,259	-	NA
<b>Nachalny-2</b>						
Waste mined, Kt	197	-	NA	273	-	NA
Ore mined (open pit), Kt	32	-	NA	48	-	NA
<b>Terem</b>						
Underground development, m	711	-	NA	1,169	-	NA
Ore mined (underground), Kt	6	-	NA	11	-	NA
<b>TOTAL HUB</b>						
Waste mined, Kt	197	-	NA	273	-	NA
Underground development, m	14,302	11,784	+21%	39,296	35,178	+12%
Ore mined, Kt						
Open-pit	32	-	NA	48	-	NA
Underground	586	561	+4%	1,785	1,667	+7%
<b>PROCESSING</b>						
<b>Dukat</b>						
Ore processed, Kt	496	474	+5%	1,463	1,458	+0%
Grade						
Gold, g/t	0.4	0.7	-42%	0.4	0.6	-29%
Silver, g/t	329	386	-15%	323	374	-14%
Recovery <sup>1</sup>						
Gold	87.9%	87.1%	+1%	86.2%	86.3%	-0%
Silver	89.1%	85.6%	+4%	88.6%	85.2%	+4%
Production						
Gold, Koz	5.9	9.2	-35%	17.7	23.9	-26%
Silver, Moz	4.6	4.9	-7%	13.2	14.8	+14%
<b>Lunnoye</b>						
Ore processed, Kt	118	107	+10%	346	325	+7%
Grade						
Gold, g/t	1.2	1.4	-12%	1.3	1.5	-18%
Silver, g/t	360	465	-23%	363	463	-22%
Recovery <sup>1</sup>						
Gold	91.3%	91.9%	-1%	91.1%	92.4%	-1%

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
Silver	93.3%	91.0%	+3%	92.6%	92.0%	+1%
Production						
Gold, Koz	4.3	4.5	-5%	12.7	15.2	-16%
Silver, Moz	1.3	1.5	-12%	3.7	4.5	-18%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	10.2	13.6	-25%	30.4	39.1	-22%
Silver, Moz	5.8	6.4	-8%	16.8	19.3	-13%

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

Q3 silver production at the Dukat hub decreased 8% to 5.8 Moz year-on-year as higher processing volumes and improved recoveries failed to offset declining grades. Grade declines are partially attributable to lower cut-off-grades which take into account lower mining costs, lower treatment charges and higher recoveries.

Ores from Dukat satellite deposits, Nachalny-2 and Terem, were introduced to the feed at the Omsukchan concentrator as the Goltsovoye mine is winding down. First ore from the polymetallic Perevalnoye deposit is expected to enter processing in Q4 2017.

At Lunnoye record amounts of ore were mined and processed as stoping commenced at the new Zone 5 vein. Lower silver grade is mostly attributable to depletion of high-grade portion of the Zone 7 vein.

## ALBAZINO-AMURSK

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
Waste mined, Kt	5,235	5,226	+0%	14,624	13,845	+6%
Underground development, m	2,125	1,447	+47%	5,610	4,379	+28%
Ore mined, Kt	475	482	-1%	1,467	1,367	+7%
Open-pit	387	409	-6%	1,217	1,163	+5%
Underground	89	72	+23%	250	205	+22%
<b>PROCESSING</b>						
<b>Albazino concentrator</b>						
Ore processed, Kt	436	409	+7%	1,291	1,239	+4%
Gold grade, g/t	4.9	5.1	-5%	4.8	5.1	-5%
Gold recovery <sup>1</sup>	88.3%	88.0%	+0%	87.5%	87.0%	+1%
Concentrate produced, Kt	34.3	34.2	+0%	105.8	102.8	+3%
Concentrate gold grade, g/t	54.5	53.6	+2%	51.5	53.2	-3%
Gold in concentrate, Koz <sup>2</sup>	60.1	58.9	+2%	175.2	175.8	-0%
<b>Amursk POX</b>						
Concentrate processed, Kt	47.3	43.9	+8%	113.5	117.1	-3%
Gold grade, g/t	62.1	53.3	+17%	58.2	52.1	+12%
Recovery	96.2%	94.1%	+2%	96.1%	94.1%	+2%
Gold produced, Koz <sup>3</sup>	89.2	71.9	+24%	197.3	189.9	+4%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	89.2	71.9	+24%	197.3	189.9	+4%

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

(3) 1H 2016 now includes gold produced from the third-party concentrate, previously accounted in Mayskoye production

At Albazino/Amursk, gold production in the third quarter of 2017 increased 24% year-on-year to 89.2 Koz, making up for the 7-week maintenance and retrofit shutdown in Q2 2017.

The increase was mainly driven by the improvement of gold recovery levels at the Amursk Pox by 2% on the back of the water treatment and heat exchange section upgrades, as well as significantly higher grades in 3<sup>rd</sup>-party concentrates.

At the Albazino underground mine productivity continued to improve with the completion of the transition to partially consolidated backfill in primary stopes.

The debottlenecking project at the Amursk POX is on schedule with structural steel installation complete and all processing and auxiliary equipment on site.

## OMOLON OPERATIONS

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
<b>Sopka</b>						
Waste mined, Kt	1,960	-	NA	4,290	-	NA
Ore mined (open pit), Kt	160	-	NA	224	-	NA
<b>Tsokol</b>						
Underground development, m	962	1,022	-6%	2,859	2,954	-3%
Ore mined (underground), Kt	46	41	+10%	106	70	+52%
<b>Birkachan</b>						
Waste mined, Kt	-	792	-100%	-	2,174	-100%
Underground development, m	1,060	869	+22%	3,408	1,574	+117%
Ore mined, Kt	29	253	-89%	83	616	-86%
Open-pit	-	230	-100%	-	589	-100%
Underground	29	23	+26%	83	27	+209%
<b>Oroch</b>						
Waste mined, Kt	-	1,178	-100%	109	4,085	-97%
Ore mined (open pit), Kt	-	282	-100%	81	691	-88%
<b>Olcha</b>						
Waste mined, Kt	-	288	-100%	184	288	-36%
Underground development, m	968	-	NA	2,294	-	NA
Ore mined (open pit), Kt	-	40	-100%	73	40	+80%
<b>TOTAL HUB</b>						
Waste mined, Kt	1,960	2,257	-13%	4,583	6,546	-30%
Underground development, m	2,990	1,891	+58%	8,561	4,528	+89%
Ore mined, Kt	234	617	-62%	567	1,417	-60%
Open-pit	160	553	-71%	378	1,320	-71%
Underground	74	64	+16%	190	97	+95%
<b>PROCESSING</b>						
<b>Birkachan Heap Leach</b>						
Ore stacked, Kt	241	-	NA	362	-	NA
Gold grade, g/t	1.3	-	NA	1.3	-	NA
Gold production, Koz	3.4	-	NA	3.4	-	NA
<b>Kubaka Mill</b>						
Ore processed, Kt	217	212	+2%	646	629	+3%
Grade						
Gold, g/t	4.8	4.3	+12%	5.8	4.6	+26%
Silver, g/t	156	182	-15%	104	110	-6%
Recovery <sup>1</sup>						

	3 months ended Sep 30,		%	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
Gold	92.6%	92.5%	+0%	93.7%	90.7%	+3%
Silver	86.8%	91.3%	-5%	84.5%	86.2%	-2%
Gold production, Koz	29.1	27.4	+6%	113.4	85.7	+32%
Silver production, Moz	1.0	1.1	-6%	1.7	1.8	-4%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	32.5	27.4	+19%	116.8	85.7	+36%
Silver, Moz	1.0	1.1	-6%	1.7	1.8	-4%

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

In Q3, Omolon delivered a solid set of results with a 19% increase in gold production year-on-year. Gold grade in ore processed improved 12% to 4.8 g/t year-on-year as ore volumes from Tsokol and Birkachan underground mines continued to increase.

At Sopka, open-pit mining is proceeding ahead of schedule with 160 Kt of ore mined in Q3 to be transported to the Kubaka mill in Q1 2018.

## MAYSKOYE

	3 months ended Sep 30,		%	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
Waste mined, Kt	1,477	-	NA	4,049	-	NA
Underground development, m	4,792	4,800	-0%	14,396	14,832	-3%
Ore mined, Kt	228	213	+7%	766	502	+53%
Open-pit	65	-	NA	208	-	NA
Underground	163	213	-23%	558	502	+11%
<b>PROCESSING</b>						
<b>Flotation</b>						
Flotation						
Ore processed, Kt	218	214	+2%	581	541	+7%
Gold grade, g/t	4.7	5.1	-8%	5.5	5.4	+1%
Gold recovery <sup>1</sup>	87.0%	87.1%	-0%	87.4%	87.6%	-0%
Concentrate produced, Kt	17.6	18.7	-6%	47.7	51.6	-8%
Gold in concentrate, Koz <sup>2</sup>	28.6	30.3	-6%	86.8	82.6	+5%
Concentrate sold, Kt	39.3	29.7	+32%	39.3	29.7	+32%
Payable gold in concentrate sold, Koz	67.1	43.2	+55%	67.1	43.2	+55%
<b>Leaching</b>						
Ore processed, Kt	3	-	NA	67	-	NA
Gold grade, g/t	10.1	-	NA	9.9	-	NA
Recovery	NM	-	NA	51.6%	-	NA
Gold in carbon, Koz <sup>3</sup>	4.1	-	NA	12.1	-	NA
Gold produced, Koz	11.3	-	NA	11.3	-	NA
<b>Amursk POX</b>						
Concentrate processed, Kt	0.9	2.0	-55%	6.1	13.7	-55%
Gold grade, g/t	46.9	51.9	-10%	49.5	54.8	-10%
Recovery	96.2%	94.0%	+2%	96.2%	94.0%	+2%
Gold produced, Koz <sup>4</sup>	2.1	4.1	-49%	11.1	25.0	-56%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	80.5	47.2	+70%	89.5	68.2	+31%



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  
 (3) Work in progress. For information only; not considered as gold produced and therefore not reflected in the table representing total production  
 (4) 2016 now excludes gold produced from the third-party concentrate, which is accounted in Albazino/Amursk production

In the third quarter, gold production at Mayskoye totalled 80.5 Koz, a 70% increase from the prior year period as most of Mayskoye concentrate was de-stockpiled, while the capacity of the Amursk POX plant has been taken up by third-party material.

After low CIL recoveries in Q2 at the crown pillar project, additional metallurgical testing was carried out during Q3. As a result, future oxide ore processing will be through a combined float-leach circuit with flotation removing the bulk of preg-robbing organic carbon. This circuit will commence operation in May 2018 and in the meantime, the processing plant will treat sulphide ore. Open-pit mining will be slowed-down during the winter months.

## VARVARA

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
<b>Varvara</b>						
Waste mined, Kt	1,471	4,866	-70%	8,130	14,320	-43%
Ore mined, Kt	192	701	-73%	1,070	1,937	-45%
<b>Komarovskoye</b>						
Waste mined, Kt	3,821	1,050	+264%	9,081	1,050	+765%
Ore mined, Kt	463	65	+614%	1,363	65	NM
<b>PROCESSING</b>						
<b>Flotation</b>						
Ore processed, Kt	103	1	NM	191	355	-46%
Grade						
Gold, g/t	2.1	3.6	-42%	2.2	1.3	+70%
Copper	0.71%	0.29%	+141%	0.66%	0.33%	+97%
Recovery <sup>1</sup>						
Gold	69.4%	75.0%	-7%	65.0%	70.2%	-7%
Copper	87.2%	75.0%	+16%	80.7%	72.6%	+11%
Production						
Gold (in concentrate), Koz	3.9	0.5	+771%	7.2	7.0	+3%
Copper (in concentrate), Kt	596	20	+2881%	998	836	+19%
Toll-treated ore processed, Kt <sup>2</sup>	28	-	NA	91	-	NA
<b>Leaching</b>						
Ore processed, Kt	731	731	+0%	2,140	1,954	+10%
Gold grade, g/t	1.2	1.1	+11%	1.3	0.9	+41%
Gold recovery <sup>1</sup>	84.0%	82.1%	+2%	82.1%	78.0%	+5%
Gold production (in dore), Koz	25.8	21.0	+23%	75.8	45.8	+66%
Total ore processed, Kt	862	732	+18%	2,422	2,310	+5%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	29.7	21.4	+39%	83.0	52.8	+57%
Copper, Kt	596	20	+2881%	998	836	+19%

Note: (1) Technological recovery, includes gold and copper within work-in-progress inventory. Does not include toll-treated ore  
 (2) To be further processed at Amursk POX.



In the third quarter, Varvara delivered a 39% increase in gold production compared to the previous year thanks to the quick ramp-up in ore railed from Komar. The successful streamlining of Komar ore logistics prompted the decision to shift more mining and processing volumes from Varvara to Komar.

The results of a significant in-fill and step-out drilling campaign at Komar together with the updated cost estimates based on the recent performance yielded positive results. An updated reserve estimate was prepared by Polymetal under JORC standards, adding 535 Koz of gold with stable grades of 1.8 g/t. The upgraded estimate represents a significant increase over the previous estimate with a 60% increase in tonnage and a 57% increase in gold content, further extending the Varvara hub mine life by 3 years, until 2032.

The Company now plans to mine, transport by rail and process approximately 2Mt of Komar ore per year at the Varvara processing plant, which constitutes a substantial increase over the 1Mt that was first envisaged at the time of the acquisition.

## VORO

	3 months ended Sep 30,		%	9 months ended Sep 30,		%
	2017	2016		2017	2016	
<b>MINING</b>						
<b>Voro</b>						
Waste mined, Kt	2,643	2,679	-1%	7,700	7,993	-4%
Ore mined, Kt	337	353	-4%	1,159	986	+18%
<b>PROCESSING</b>						
<b>Voro Heap Leach</b>						
Ore stacked, Kt	123	232	-47%	302	295	+2%
Gold grade, g/t	1.1	1.7	-35%	1.2	1.6	-26%
Gold production, Koz	5.9	6.7	-13%	11.6	12.2	-5%
<b>Voro CIP</b>						
Ore processed, Kt	254	252	+1%	752	750	+0%
Gold grade, g/t	4.1	4.3	-3%	4.2	4.3	-3%
Gold recovery <sup>1</sup>	79.2%	78.3%	+1%	80.8%	78.4%	+3%
Gold production, Koz	23.8	29.4	-19%	76.5	80.2	-5%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	29.7	36.1	-18%	88.1	92.4	-5%

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

Q3 gold production at Voro decreased 18% over 2016 to 29.7 Koz, primarily driven by anticipated lower head grades at both the HL and CIP operations.

Processing volumes and recovery levels at the CIP plant during the quarter remained relatively unchanged over the previous year.

Oxide ore is nearing depletion, while production at the CIP plant is expected to remain stable in mid-term.

## OKHOTSK OPERATIONS

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
<b>Avlayakan</b>						
Underground development, m	1,271	1,107	+15%	3,738	3,438	+9%
Ore mined (underground), Kt	30	34	-11%	98	94	+4%
<b>Svetloye</b>						
Waste mined, Kt	66	259	-75%	321	764	-58%
Ore mined (open pit), Kt	339	324	+5%	935	976	-4%
<b>TOTAL HUB</b>						
Waste mined, Kt	66	259	-75%	321	764	-58%
Underground development, m	1,271	1,107	+15%	3,738	3,438	+9%
Ore mined, Kt	369	357	+3%	1,032	1,070	-4%
Open-pit	339	324	+5%	935	976	-4%
Underground	30	34	-11%	98	94	+4%
<b>PROCESSING</b>						
<b>Khakanja</b>						
Ore processed, Kt	161	157	+3%	467	466	+0%
Grade						
Gold, g/t	7.7	6.2	+23%	3.6	3.8	-4%
Silver, g/t	121	94	+29%	107	76	+41%
Recovery <sup>1</sup>						
Gold	97%	96%	+1%	97%	95%	+2%
Silver	81%	83%	-2%	77%	77%	-1%
Gold production, Koz	33.9	29.2	+16%	48.8	53.2	-8%
Silver production, Moz	0.5	0.4	+23%	1.2	0.9	+36%
<b>Svetloye Heap Leach</b>						
Ore stacked, Kt	455	401	+13%	921	401	+129%
Gold grade, g/t	4.8	3.7	+27%	4.6	3.7	+23%
Gold production, Koz	57.3	14.7	+290%	83.7	14.7	+470%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	91.2	43.9	+108%	132.5	67.9	+95%
Silver, Moz	0.5	0.4	+24%	1.2	0.9	+37%

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

At Okhotsk, gold production in Q3 jumped more than two-fold over the previous year, as the Svetloye heap leach operation continued to enjoy positive grade reconciliation. In addition, a record 135 Kt of Avlayakan ore was shipped to Okhotsk during the summer navigation period.

Silver production grew 24% to 0.5 Moz as 3<sup>rd</sup> party ore with higher silver grades was introduced to the feed at the Khakanja plant.

Avlayakan's life-of-mine has been extended to H2 2018 on the back of positive down-dip exploration results earlier this year.

## KAPAN

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016 <sup>1</sup>		2017	2016 <sup>1</sup>	
<b>MINING</b>						
<b>Kapan</b>						
Underground development, m	4,548	3,537	+29%	12,270	5,938	+107%
Ore mined (underground), Kt	149	112	+33%	399	181	+120%
<b>PROCESSING</b>						
Ore processed, Kt	143	116	+23%	389	180	+116%
Grade						
Gold, g/t	2.0	2.3	-15%	2.3	2.3	-3%
Silver, g/t	35	47	-27%	41	46	-11%
Copper, %	0.27%	0.31%	-14%	0.29%	0.30%	-3%
Zinc, %	1.32%	1.59%	-17%	1.32%	1.56%	-15%
Recovery						
Gold	84.6%	85.8%	-1%	84.9%	85.2%	-0%
Silver	81.6%	83.8%	-3%	83.3%	83.9%	-1%
Copper	92.5%	91.7%	+1%	91.7%	91.9%	-0%
Zinc	91.4%	91.4%	+0%	90.3%	91.3%	-1%
<b>TOTAL PRODUCTION</b>						
Gold, Koz	6.7	6.5	+4%	21.1	9.9	+113%
Silver, Moz	0.1	0.1	-11%	0.4	0.2	+97%
Copper, Kt	0.3	0.3	+8%	0.9	0.4	+111%
Zinc, Kt	1.3	1.3	+1%	3.6	2.0	+77%

Note: (1) Since the acquisition date (28 April 2016)

During the third quarter, Kapan delivered 6.7 Koz of gold, up 4% year-on-year driven by increased processing volumes on the back of ongoing improvement measures to debottleneck the underground mine. In August, the Kapan concentrator achieved a new throughput record, processing 51 Kt of ore in a single month.

At Lichkvaz, preparatory activities for underground mining are currently underway, and are aimed at widening the underground tunnels for consecutive underground and stope development in 2018.

## KYZYL PROJECT

	3 months ended Sep 30,		% change	9 months ended Sep 30,		% change
	2017	2016		2017	2016	
<b>MINING</b>						
<b>Bakyrchik</b>						
Waste mined, Kt	12,784	7,521	+70%	35,962	13,616	+164%

In the third quarter, stripping volumes at Kyzyl increased 70% over the previous year to 12,784 Kt as the preparation of the open-pit is underway. All mining activities are proceeding in line with the schedule to produce first ore in March of 2018.

Installation of all major processing equipment has been finalised with the bulk of construction activities now focused on the tailings storage facility. All external electrical infrastructure (substation, power lines, switchboxes) is now operational and the project remains on track to deliver its first concentrate in Q3 2018.