



POLYMETAL

KEY FACTS





## Growth and Dividends

Listed on the London Stock Exchange, Polymetal International plc has a world-class portfolio of nine operating gold and silver mines and an impressive pipeline of future growth projects in Russia, Kazakhstan and Armenia.

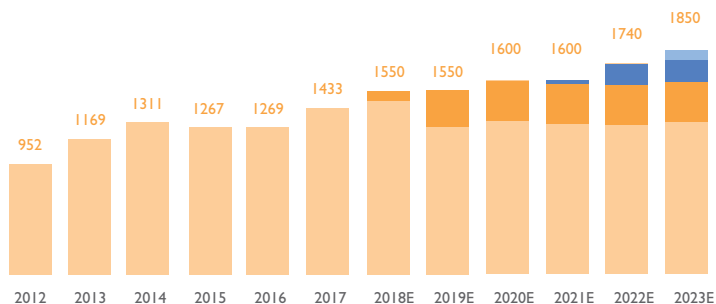
With a commitment to deliver **a superior dividend stream** to our shareholders, **we are driven to grow our business without diluting its quality** through the pursuit of high optionality M&A targets, brownfield exploration and the steady development of one of our key assets – Kyzyl.

**Our key strengths** include a strong operational track record, as well as one of the industry's highest reserve grades and dividend yields.

**Our business model focuses** on centralised processing facilities (hubs) to deliver significant capex and operating synergies, allowing us to reduce the risk profile of our portfolio and extend the life cycle of our projects. We are dedicated to upholding the highest standards of corporate governance and sustainable development.

## Gold equivalent production,

Koz



Existing operations Kyzyl Nezhda POX2



Chairman

**Bobby  
Godsell**

Group CEO

**Vitaly  
Nesis**

Senior INED

**M L S  
De Sousa Oliveira**



## Key financial figures

	FY 2017	FY 2016
	y-o-y change	
Revenue, US\$m	1,815 +15%	1,583
Adj. EBITDA, US\$m	745 -2%	759
Underlying net income, US\$m	376 -1%	382
Free cash flow pre M&A, US\$m	143 -44%	257
Net debt/Adj. EBTIDA	1.91 +9%	1.75
CAPEX, US\$m	383 +41%	570
Total cash cost, US\$/oz	658 +15%	538
AISC*, US\$/oz	893 +15%	776
Dividends**, US\$/share	0.32 -14%	0.37
Underlying EPS, US\$/share	0.88 -3%	0.90

\* All-in sustaining cash costs  
\*\* Dividends declared during the period.

## Production

	2017	2016
Gold, Koz	1,075	890
Silver*, Moz	26.8	29.2
GE, Koz Gold equivalent (80:1 Ag/Au conversion ratio)	1,433	1,269

## Reserves and resources\*, Moz, January 2018:

GE reserves:	<b>20.9</b>
	grade: 4.7 g/t
GE resources:	<b>18.2</b>
	grade 3.9 g/t



LSE, MOEX ticker  
**POLY**

ADR  
**AUCOY**

Market cap (22.10.2018)  
**US\$ 4.4 bn**

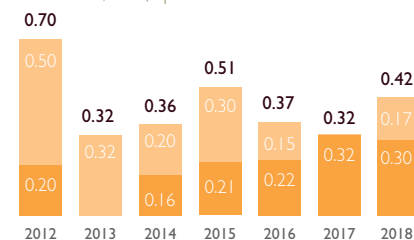
Shares outstanding  
**456m**

Free float  
**61%**

FTSE 250,  
FTSE Gold Mines,  
MSCI  
DJSI  
Stoxx600,  
Stoxx Global ESG,  
FTSE4GOOD,  
Vigeo EM 70, RTS

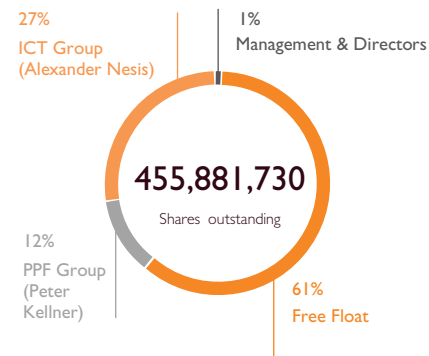
## History of dividend payments

Dividends, US\$ per share



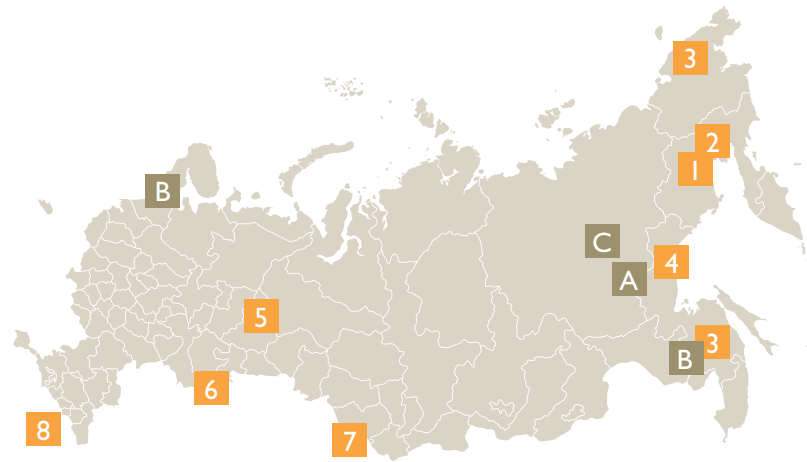
Special  
Regular at 50% underlying net earnings (30% before FY2017)

## Shareholder structure





## Assets overview



## OPERATING ASSETS

### 1 Dukat Hub

- Flagship operation and the largest silver mine in Russia
- Dukat, Lunnoye, Arylakh, Goltsovoye (underground mining)
- 2000 Ktpa Omuskchan concentrator and 450 Ktpa Lunnoye Merrill-Crowe plant
- GE reserves: 1.9 Moz; reserve grade: 4.3 g/t;
- GE resources: 1.1 Moz; resource grade: 9.0 g/t

### 5 Voro

- Open-pit gold mine, located in the Urals region with well developed infrastructure
- 950 Ktpa CIP and 1000 Ktpa heap leach with CIC
- GE reserves: 0.8 Moz; reserve grade: 2.3 g/t;
- GE resources: 1.0 Moz; resource grade: 4.9 g/t

### 2 Omolon Hub

- Tsokol, Oroch, Olcha, Sopka (open pits), Birkachan, Burgali (underground mining) operating mines and Nevenrekan, Irbychan, Yolochka development project
- 850 Ktpa Kubaka CIP and Merrill-Crowe plant, heap leaching
- GE reserves: 1.3 Moz; reserve grade: 3.7 g/t;
- GE resources: 0.6 Moz; resource grade: 7.8 g/t

### 6 Varvara Hub (Kazakhstan)

- Varvara gold and copper open-pit mine and a modern plant in Kazakhstan
- Komarovskoye gold mine (open-pit), located in Kazakhstan with direct railway access to Varvara
- 4.0 Mtpa Flotation + Leach
- GE reserves: 3.3 Moz; reserve grade: 1.7 g/t;
- GE resources: 2.4 Moz; resource grade: 1.7 g/t

### 3 Amursk POX (Albazino, Mayskoye)

- The only successful project of POX for refractory ore processing in the CIS. The hub includes Albazino mine and 1600 Ktpa concentrator, Mayskoye mine and 850 Ktpa concentrator and Amursk POX plant which is processing refractory concentrates from these two mines.
- Albazino GE reserves: 2.3 Moz, reserve grade: 4.7 g/t, GE resources: 1.2 Moz, resource grade: 4.6 g/t
- Mayskoye GE reserves: 1.4 Moz, reserve grade: 6.6 g/t, GE resources: 3.8 Moz, resource grade: 10.5 g/t

### 7 Kyzyl (Kazakhstan)

- A key project for the development of a large gold deposit with high grades in the Northeast of Kazakhstan
- Open pit mining followed by underground mining
- Processing: flotation + sale to third parties / Amursk POX
- Q2 2018 production launch, H2 2018 output to design capacity
- GE reserves: 7.3 Moz; reserve grade: 7.7 g/t;
- GE resources: 3.1 Moz; resource grade: 6.8 g/t

### 4 Okhotsk Hub

- Svetloye (open pit) and Avlayakan (underground) operating mines
- 600 Ktpa Merrill-Crowe plant and 1 Mtpa Svetloye HL
- GE reserves: 0.7 Moz; reserve grade: 3.3 g/t;
- GE resources: 0.7 Moz; resource grade: 4.7 g/t

### 8 Kapan (Armenia)

- Polymetal's first operating asset in Armenia.
- The mine produces gold-copper-silver and zinc concentrates sold to international markets.
- Enable synergies with Lichkvaz deposit (located in 70km, owned by Polymetal) by employing processing hub approach utilising excess capacity at the Kapan concentrator.
- 750 ktpa flotation concentrator
- GE reserves: 0.7 Moz; reserve grade: 4.2 g/t;
- GE resources: 1.9 Moz; resource grade: 5.9 g/t



## DEVELOPMENT PROJECTS

### A Nezhda

- GE reserves: 4.4 Moz; reserve grade: 3.6 g/t;
- GE resources: 8.1 Moz; resource grade: 5.1 g/t
- Commissioning and first production: Q4 2021

### B POX-2

- Construction of the second autoclave: additional capacity for refractory ore processing in the Far East.
- Possibility of processing both own and third party raw materials.
- Board "go-ahead" decision: Q2 2019

### C Prognoz

- Largest undeveloped primary silver deposit in Russia
- Mineral resources 256 Moz of AgEq at 789 g/t
- Board "go-ahead" decision: H2 2021

### D Viksha

- 6.6 Moz of platinum equivalent
- Board "go-ahead" decision: H1 2023



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