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Polymetal International plc

Ore Reserves, Mineral Resources and Exploration update as at 1 January 2018

Polymetal International plc (LSE, MOEX: POLY, ADR: AUCOY) (together with its subsidiaries – "Polymetal", the "Company", or the "Group") provides an Exploration update for the year ended 31 December 2017, and reports its Ore Reserves and Mineral Resources as at 1 January 2018 in accordance with the JORC Code (2012).

2017 HIGHLIGHTS

- In 2017, the Company continued to use conservative gold and silver price assumptions from the previous year of US$ 1,200/oz and US$ 16/oz, respectively.
- The Company increased its Ore Reserves by 5% to 20.9 Moz of gold equivalent (GE) on the back of successful exploration at Albazino, Komar and Dukat, as well as initial reserve estimates at Kapan and Nezhda.
- Gold reserves were up 5% at 18.4 Moz, while silver reserves decreased 3% to 158 Moz. At the same time, copper reserves grew 25% to 82 Kt.
- Mineral Resources (in addition to Ore Reserves) increased 10% to 18.2 Moz of GE, mainly driven by initial resource estimates for the Pesherniy and Nezhda deposits, as well as resource additions at the deeper levels of Mayskoye and Dukat.
- The average grade in Ore Reserves was stable year-on-year at 3.9 g/t of GE and remains one of the highest in the sector. At the same time, the average grade in Mineral Resources increased 11% to 4.7 g/t of GE due to high-grade resource additions at new projects.
- Polymetal completed 421 km of exploration drilling in 2017, up 48% year-on-year as the scope of exploration expanded to include new assets, mostly Prognoz and Nezhda, in addition to continued exploration efforts at existing operations.

"In 2017, Polymetal succeeded in extending life-of-mine at producing assets and continued to invest in the next leg of our growth", – said Vitaly Nesis, Group CEO of Polymetal, commenting on the results. "We expect 2018 to result in further significant extensions of our reserves and resources".

Ore Reserves and Mineral Resources summary [1]

	1 January 2018	1 January 2017	Change, %
Ore Reserves (Proved + Probable), gold equivalent Moz	**20.9**	**19.8**	**5%**
Gold, Moz	18.4	17.6	5%
Silver, Moz	158.0	163.0	-3%
Copper, Kt	81.6	65.4	25%
Zinc, Kt [2]	85.8	NA	NA
Average reserve grade, g/t	**3.9**	**3.8**	**+1%**
Mineral Resources (Measured + Indicated + Inferred), gold equivalent Moz	**18.2**	**16.5**	**+10%**
Gold, Moz	15.7	14.4	+9%
Silver, Moz	109.1	87.5	+25%
Copper, Kt	147.9	206.7	-28%
Zinc, Kt[2]	221.8	NA	NA
Average resource grade, g/t	**4.7**	**4.2**	**+11%**

1) Mineral Resources are additional to Ore Reserves. Mineral Resources and Ore Reserves of Lead are not presented due to the immateriality and are not included in the calculation of the gold equivalent. PGM Mineral Resources are presented separately and are not included in the calculation of the gold equivalent.
Discrepancies in calculations are due to rounding.

2) Zinc was not included in the calculation of the gold equivalent for the Ore Reserves and Mineral Resource statement as at 01.01.2017 due to immateriality

2018 OUTLOOK

In 2018, Polymetal will continue to invest in exploration with the goal to expand the pace and scope of drilling, as well as prospect evaluation. The key objectives are as follows:

- To achieve resource-to-reserve conversions at existing operations with relatively shorter LOM
- Polymetal aims to complete initial ore reserves estimates for the following deposits in 2018:
    - Irbychan and Yolochka at Omolon
    - Saum and Pesherny at Voro
    - Levoberezhny and Kundumi at Okhotsk
    - Primorskoye and Perevalnoye (revaluation) at Dukat
- To prepare an updated mineral resource estimate and achieve resource-to-reserve conversion at Nezhda to include the southern flank of ore zone 1 and smaller mineralised zones
- To compete an audited JORC-compliant resource estimate for Prognoz largest ore zones, Main and Swamp
- To prepare an updated mineral resources estimate for Viksha based on new drilling data and metallurgical studies
- To continue step-out and in-fill drilling at Kyzyl to increase reserves for open pit mining

Ore Reserves and Mineral Resources by metal, 1 January 2018

	Ore Reserves	Mineral Resources
Gold	88%	86%
Silver	9%	7%
Copper	2%	5%
Zinc	1%	2%
Total	**100%**	**100%**

Ore Reserves reconciliation, gold equivalent, Moz

Ore Reserves, 01.01.2017	Gold/silver/copper price ratio change (1)	Depletion	Revaluation	Initial reserve estimates	Ore Reserves, 01.01.2018
19.8	0.05	-1.6	1.2	1.4	20.9

1) Please refer to the Appendix for the gold equivalent conversion ratios and applicable methodology.

Mineral Resources and Ore Reserves as at 1 January 2018 (1)

	Tonnage	Grade	Content
	Mt	GE, g/t	GE, Moz
Mineral Resources			
Measured	20.2	2.7	1.8
Indicated	30.7	3.8	3.7
Measured + Indicated	**50.9**	**3.3**	**5.5**
Inferred	69.1	5.7	12.8
Measured + Indicated + Inferred	**120.0**	**4.7**	**18.2**
Ore Reserves			
Proved	61.0	2.6	5.0
Probable	106.0	4.7	15.9
Proved + Probable	**167.0**	**3.9**	**20.9**

1) Mineral Resources and Ore Reserves in accordance with the JORC Code (2012). Mineral Resources are additional to Ore Reserves. Mineral Resources and Ore Reserves for Lead are not presented due to their immateriality and are not included in the calculation of the gold equivalent. PGM Mineral Resources are presented separately and are not included in the calculation of the gold equivalent.
Any discrepancies in calculations are due to rounding.

Exploration areas and volumes (mine site exploration excluded) [1]	Drilling, km	
	2017	2016
Brownfield		
Voro	**11.0**	**13.7**
Voro flanks	3.1	1.9
Tamunier	1.0	6.2
Other	6.8	5.6
Varvara	**108.5**	**75.8**
Varvara	35.6	23.6
Komar	71.4	44.6
Other	1.5	7.6
Dukat hub	**28.8**	**51.3**
Dukat flanks	15.8	17.2
Lunnoye flanks	2.3	13.8
Primorskoye	6.9	11.0
Terem	3.8	4.7
Other	-	4.5
Albazino	**30.2**	**27.9**
Mayskoye	**33.4**	**-**
Okhotsk hub	**48.0**	**28.2**
Khotorchan/Gyrbykan	6.4	7.0
Svetloye	2.0	0.6
Maimakan-Kundumi	12.8	2.5
Levoberezhny	15.2	8.3
Kumirniy	6.6	-
Other	5.1	9.8
Omolon hub	**18.4**	**32.8**
Olcha	2.6	-
Oroch	-	1.7
Yolochka	6.7	5.9
Irbychan	4.7	11.6
Nevenrekan	4.4	8.4
Other	-	5.1
Kyzyl project	**8.3**	**10.5**
Bakyrchik	8.3	5.7
Bolshevik	-	4.9
Subtotal	**286.7**	**240.1**
Greenfield		
Urals	**22.9**	**6.2**
Karelia (Viksha)	**39.6**	**12.8**
Yakutia	**70.9**	**39.4**
Nezhda	33.7	39.4
Prognoz	37.3	
Armenia	**0.8**	**25.2**
Lichkvaz	-	24.0
Other	0.8	1.2
Subtotal	**134.2**	**44.2**
Total	**420.9**	**284.3**

[1] Discrepancies in calculations are due to rounding.

EXPLORATION RESULTS

Dukat hub

- At the **Dukat hub,** the Company achieved a 70% increase in additional mineral resources. This success was primarily driven by additional exploration at the deeper levels of the Lunnoye deposit and the discovery of previously unknown veins at the Dukat flanks. In 2018, prospecting activities are set to continue at the northern and eastern flanks of Dukat.
- At the **Primorskoye** property, 6.9 km of exploration drilling was completed at ore zones 1 and 3 with a goal to trace ore bodies along the strike and at depth. In 2018, the Company intends to conduct further prospecting activities at other ore zones with the goal to increase the resource base of the deposit and delineate ore bodies in zones 1 and 3.
- At **Perevalnoye,** exploration continued by in-fill drilling from the underground with trial ore stoping expected to lead to a material upgrade in resources at the deposit.

Omolon hub

- At **Omolon**, the completion of initial ore reserve estimates for new veins at Birkachan and Sopka open pit have largely offset reserve depletion in 2017.
- At **Irbychan**, exploration has previously focused on in-fill drilling at the Central and Northern ore zones. In 2018, the focus will shift to the Eastern zone.
- At **Yolochka**, 6.7 km of in-fill drilling was completed at the Central and Southern zones. Both zones remain open at depth. The Company also completed prospecting drilling at the flanks and the Promezhutochnaya zone.
- At **Nevenrekan,** exploration activities were previously focused on in-fill drilling at zone 2, with several high-grade intercepts confirming potential for profitable underground mining. As a result of prospecting drilling at ore zone 1 new high-grade ore zones were discovered. In 2018, the Company plans to complete regular drilling at zones 1 and 5 as well as surveying activities at the flanks of the deposit.

Okhotsk hub

- 48.0 km of exploration drilling has been completed in the **Okhotsk region** in 2017, a 70% increase compared to the previous year.
- At **Levoberezhny** (35 km from Svetloye), in-fill drilling confirmed the continuity of mineralisation and the option of using heap leaching to extract gold.
- 12.8 km were drilled at **Kundumi** within the Central and Western ore zones resulted in a material increase in mineral resources. In 2018, the Company plans to undertake an additional 15 km of core drilling targeting both resource-to-reserve conversion and further resource growth.
- **At Khotorchan and Gyrbykan**, multiple new veins have been discovered during the year. In 2018, Polymetal plans to complete resource definition drilling and start open-pit mining on previously discovered veins.

Albazino

- Ore reserves increased by 12% year-on-year to 2.3 Moz GE, driven by the initial ore reserve estimate for Farida open pit (169 Koz GE) and Anfisa underground (47 Koz GE).
- In 2018, exploration will focus on delineating resources and estimating mineral resources at new ore zones, namely Tatiana and Kuyan.

Mayskoye

- 610 Koz of gold were added to mineral resources following a 33 km drilling campaign. This brings total additional mineral resources for Mayskoye to 3.8 Moz of gold, up 19% year-on-year.

Voro hub

- In 2017, the Company increased Voro's mineral resources by 28% to 1.0 Moz GE with the discovery of a new gold deposit at Pesherny (30 km from the CIP plant). An initial resource estimate comprised 449 Koz of gold at an average grade of 6.7 g/t. In 2018, we plan to continue exploring this highly promising property that may significantly extend the life-of-mine and halt production decline at Voro.

- At **Saum,** mineral resource grew to reach 67.4 Kt of copper equivalent at an average grade of 2.9%. In 2018, we plan to complete the feasibility study for the property.

- At **Voro** open pit, exploration focused on the assessment of mineralisation below the ultimate pit floor. Mineral resources grew by 86 Koz of gold equivalent at 2.6 g/t. The results suggest feasibility of underground mining after open pit mining is completed. Ore bodies are open along strike with drilling to continue in 2018.

Varvara hub

- At **Komar**, 30 km of exploration drilling at the Central and Southern zones was completed in 2017, driving a significant ore reserves increase of 524 Koz of gold (+49%). In 2018, exploration activities are set to continue at the northern and south-eastern parts of the deposit.
- 12.1 km of drilling was completed at **Elevator -** a new prospect that is situated 8 km northeast of the Komar deposit. New thick ore bodies were discovered below the previously mined oxidized ore. Exploration will continue in 2018.

Kapan

- **At Kapan**, Polymetal prepared an initial JORC-compliant reserve estimate as at January 1, 2018, which comprises 558 Koz GE at an average grade of 4.3 g/t. Additional mineral resources were estimated at 1,632 Koz GE at an average grade of 6.1 g/t.
- **At Lichkvaz** (70 km from Kapan) an initial JORC-compliant reserve estimate was prepared by Polymetal and comprised 134 Koz GE at 3.9 g/t, while additional mineral resources amounted to 257 Koz GE at 5.0 g/t.

Kyzyl

- At **Bakyrchik,** 49 holes totaling 8.3 km were drilled at the eastern flank of the deposit with results indicating strong potential to increase open pit reserves. In-fill drilling leading to an updated ore reserve estimate is planned for 2018.

Nezhda

- 33.7 km of exploration drilling was completed. The drilling campaign resulted in an initial JORC-compliant ore reserve estimate for open pit mining at ore zone 1 that comprised 15.5 Mt of ore with an average grade of 4.0 g/t GE containing 2.0 Moz of GE (350 Koz pro rata to Polymetal's current ownership of 17.7%).
- Additional mineral resources for Nezhda were estimated at 55.9 Mt of ore with an average grade of GE 5.0 g/t, containing 8.9 Moz of GE (1,576 Koz of GE pro rata to Polymetal's current ownership of 17.7%).
- In 2018, Polymetal will focus on upgrading the open-pittable resources at the southern flank of ore zone 1 and producing the initial reserve estimate for underground mining at ore zone 56.

Prognoz

- In 2017, Polymetal acquired a 5% indirect interest in **Prognoz** - the largest undeveloped primary silver deposit in Russia with JORC mineral resources of 292 Moz at 586 g/t (estimated by Micon). During the year, Polymetal undertook 37.3 km of exploration drilling at the deposit to confirm the resources of Main and Swamp ore zones. The results of the drilling campaign have largely confirmed the parameters of mineralisation at the deposit.

- In 2018, Polymetal intends to expand the scope of drilling at the property to include South, Quiet and Spring ore zones as well as trace Main and Swamp ore zones along strike and down dip. The Company plans to increase its stake to 50% with the deal set to close in H1 2018.

Viksha

- 39.6 km of exploration drilling was completed at the **Viksha** PGM deposit in Karelia with a view to improve the understanding of geological controls and enable a future reserve estimate. An updated Mineral Resources estimate is expected in Q3 2018.

Ore Reserves as at 1 January 2018 [1]

	Tonnage	Grade					Content			
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Proved											
Standalone Mines	**6,690**					**4.8**	**1,035**	**-**	**-**	**-**	**1,035**
Albazino	4,570	3.9	-	-	-	3.9	571	-	-	-	571
Mayskoye	2,120	6.8	-	-	-	6.8	465	-	-	-	465
Dukat hub	**7,040**					**4.0**	**153**	**61,391**	**-**	**-**	**907**
Dukat	4,770	0.5	251	-	-	3.4	72	38,598	-	-	527
Lunnoye	1,760	1.3	286	-	-	5.1	72	16,194	-	-	288
Goltsovoye	160	-	335	-	-	4.5	-	1,714	-	-	23
Arylakh	350	0.7	435	-	-	6.2	8	4,884	-	-	70
Varvara hub	**20,800**					**1.3**	**843**	**-**	**8.4**	**-**	**896**
Varvara [3]	12,300	1.0	-	0.5	-	1.1	379	-	8.4	-	431
Komar	3,540	1.4	-	-	-	1.4	165	-	-	-	165
Maminskoye [4]	4,810	1.9	-	-	-	1.9	295	-	-	-	295
Dolinnoye	150	1.1	-	-	-	1.1	5	-	-	-	5
Omolon hub	**9,250**					**2.7**	**696**	**11,240**	**-**	**-**	**804**
Birkachan	3,910	2.0	6	-	-	2.1	255	777	-	-	263
Sopka Kvartsevaya	3,060	1.6	68	-	-	2.3	159	6,648	-	-	220
Oroch [7]	470	3.7	157	-	-	5.5	56	2,367	-	-	83
Olcha	50	8.9	16	-	-	9.1	14	26	-	-	15
Dalneye [8]	1,090	1.7	28	-	-	1.9	59	991	-	-	67
Tsokol Kubaka	290	6.2	6	-	-	6.3	57	56	-	-	57
Burgali [9]	380	7.9	31	-	-	8.2	95	375	-	-	98
Voro hub	**10,210**					**1.8**	**575**	**995**	**-**	**-**	**585**
Voro	10,210	1.8	3	-	-	1.8	575	995	-	-	585
Okhotsk hub	**3,120**					**3.1**	**291**	**2,401**	**-**	**-**	**313**
Svetloye	2,190	2.8	3	-	-	2.8	195	217	-	-	195
Avlayakan	150	13.7	117	-	-	15.2	68	576	-	-	75
Khakanja [11]	780	1.1	64	-	-	1.7	28	1,608	-	-	43
Armenia	**750**					**4.4**	**75**	**714**	**2.7**	**5.3**	**107**
Kapan [12]	220	2.9	42	0.5	2.5	5.8	20	289	1.1	5.3	40
Lichkvaz [13]	530	3.2	25	0.3	-	4.0	55	425	1.6	-	67
Development and exploration projects	**3,150**					**3.6**	**361**	**1,099**	**-**	**-**	**368**
Nezhda	1,350	4.0	25	-	-	4.2	174	1,099	-	-	182
Veduga [14]	220	2.3	-	-	-	2.3	17	-	-	-	17
Kutyn [17]	1,580	3.3	-	-	-	3.3	169	-	-	-	169
Total Proved	**61,010**					**2.6**	**4,028**	**77,841**	**11.1**	**5.3**	**5,015**
Probable											
Standalone Mines	**15,090**					**5.4**	**2,640**	**-**	**-**	**-**	**2,640**
Albazino	10,560	5.0	-	-	-	5.0	1,701	-	-	-	1,701
Mayskoye	4,530	6.4	-	-	-	6.4	939	-	-	-	939

	Tonnage	Grade					Content			
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Dukat hub	**6,540**					**4.7**	**132**	**70,197**	-	-	**982**
Dukat	5,050	0.5	337	-	-	4.5	83	54,694	-	-	727
Lunnoye	750	1.7	268	-	-	5.3	42	6,506	-	-	129
Goltsovoye	170	-	307	-	-	4.1	-	1,662	-	-	22
Arylakh	220	0.9	348	-	-	5.3	6	2,476	-	-	38
Perevalnoye [2]	350	-	428	-	-	5.9	-	4,860	-	-	67
Varvara hub	**37,870**					**1.9**	**2,145**	**359**	**34.0**	**-**	**2,357**
Varvara [3]	5,370	1.1	-	0.6	-	1.8	196	-	19.6	-	317
Komar	19,300	1.8	-	-	-	1.8	1,135	-	-	-	1,135
Maminskoye [4]	9,890	1.9	-	-	-	1.9	618	-	-	-	618
Dolinnoye [5]	2,420	2.5	-	-	-	2.5	193	-	-	-	193
Tarutin [6]	890	0.1	13	1.6	-	3.3	3	359	14.4	-	93
Omolon hub	**1,910**					**8.3**	**491**	**2,000**	**-**	**-**	**512**
Birkachan	1,210	8.8	24	-	-	9.1	339	937	-	-	349
Sopka Kvartsevaya	120	6.2	193	-	-	8.3	24	745	-	-	32
Olcha	230	8.8	15	-	-	9.0	65	113	-	-	67
Tsokol Kubaka	190	6.2	10	-	-	6.3	39	61	-	-	39
Burgali [9]	160	4.7	28	-	-	5.0	24	144	-	-	25
Voro hub	**450**					**13.0**	**80**	**1,074**	**18.9**	**18.1**	**188**
Voro	130	2.3	5	-	-	2.4	10	19	-	-	10
North Kaluga [10]	320	6.7	101	5.8	5.6	17.1	70	1,056	18.9	18.1	179
Okhotsk hub	**3,500**					**3.5**	**385**	**594**	**-**	**-**	**388**
Svetloye	3,440	3.3	4	-	-	3.3	360	430	-	-	361
Avlayakan	60	12.9	83	-	-	13.9	26	164	-	-	27
Armenia	**4,390**					**4.1**	**311**	**5,220**	**17.7**	**62.4**	**585**
Kapan [12]	3,850	2.1	40	0.4	1.6	4.2	254	4,905	16.3	62.4	518
Lichkvaz [13]	540	3.2	18	0.2	-	3.8	57	315	1.4	-	67
Development and exploration projects	**36,200**					**7.1**	**8,210**	**666**	**-**	**-**	**8,214**
Kyzyl project (Bakyrchik) [14]	29,150	7.7	-	-	-	7.7	7,254	-	-	-	7,254
Nezhda [15]	1,380	3.7	15	-	-	3.8	164	666	-	-	168
Veduga [16]	3,600	5.0	-	-	-	5.0	575	-	-	-	575
Kutyn [17]	2,070	3.3	-	-	-	3.3	217	-	-	-	217
Total Probable	**105,950**					**4.7**	**14,393**	**80,110**	**70.5**	**80.5**	**15,867**
Proved + Probable											
Standalone Mines	**21,780**					**5.2**	**3,675**	**-**	**-**	**-**	**3,675**
Albazino	15,130	4.7	-	-	-	4.7	2,272	-	-	-	2,272
Mayskoye	6,650	6.6	-	-	-	6.6	1,404	-	-	-	1,404
Dukat hub	**13,580**					**4.3**	**285**	**131,588**	**-**	**-**	**1,890**
Dukat	9,820	0.5	295	-	-	4.0	156	93,293	-	-	1,253
Lunnoye	2,510	1.4	281	-	-	5.2	114	22,700	-	-	417
Goltsovoye	330	-	321	-	-	4.3	-	3,376	-	-	45
Arylakh	570	0.8	401	-	-	5.9	15	7,360	-	-	108

	Tonnage	Grade					Content			
	Kt	**Au, g/t**	**Ag, g/t**	**Cu, %**	**Zn, %**	**GE, g/t**	**Au, Koz**	**Ag, Koz**	**Cu, Kt**	**Zn, Kt**	**GE, Koz**
Perevalnoye [2]	350	-	428	-	-	5.9	-	4,860	-	-	67
Varvara hub	**58,670**					**1.7**	**2,989**	**359**	**42.4**	**-**	**3,253**
Varvara [3]	17,670	1.0	-	0.6	-	1.3	575	-	28.0	-	748
Komar	22,840	1.8	-	-	-	1.8	1,300	-	-	-	1,300
Maminskoye [4]	14,700	1.9	-	-	-	1.9	913	-	-	-	913
Dolinnoye [5]	2,570	2.4	-	-	-	2.4	198	-	-	-	198
Tarutin [6]	890	0.1	13	1.6	-	3.3	3	359	14.4	-	93
Omolon hub	**11,160**					**3.7**	**1,186**	**13,240**	**-**	**-**	**1,316**
Birkachan	5,120	3.6	10	-	-	3.7	594	1,714	-	-	611
Sopka Kvartsevaya	3,180	1.8	72	-	-	2.5	183	7,393	-	-	253
Oroch [7]	470	3.7	157	-	-	5.5	56	2,367	-	-	83
Olcha	280	8.8	15	-	-	9.0	80	139	-	-	81
Dalneye [8]	1,090	1.7	28	-	-	1.9	59	991	-	-	67
Tsokol Kubaka	480	6.2	8	-	-	6.3	95	117	-	-	97
Burgali [9]	540	7.0	30	-	-	7.2	119	519	-	-	123
Voro hub	**10,660**					**2.3**	**655**	**2,070**	**18.9**	**18.1**	**774**
Voro	10,340	1.8	3	-	-	1.8	585	1,014	-	-	595
North Kaluga [10]	320	6.7	101	5.8	5.6	17.1	70	1,056	18.9	18.1	179
Okhotsk hub	**6,620**					**3.3**	**676**	**2,995**	**-**	**-**	**702**
Svetloye	5,630	3.1	4	-	-	3.1	555	647	-	-	556
Avlayakan	210	13.5	107	-	-	14.8	93	740	-	-	102
Khakanja [11]	780	1.1	64	-	-	1.7	28	1,608	-	-	43
Armenia	**5,140**					**4.2**	**385**	**5,934**	**20.3**	**67.7**	**692**
Kapan [12]	4,070	2.1	40	0.4	1.7	4.3	274	5,194	17.4	67.7	558
Lichkvaz [13]	1,070	3.2	21	0.3	-	3.9	111	740	2.9	-	134
Development and exploration projects	**39,350**					**6.8**	**8,571**	**1,764**	**-**	**-**	**8,582**
Kyzyl project (Bakyrchik) [13]	29,150	7.7	-	-	-	7.7	7,254	-	-	-	7,254
Nezhda [15]	2,730	3.8	20	-	-	4.0	338	1,764	-	-	350
Veduga [16]	3,820	4.8	-	-	-	4.8	592	-	-	-	592
Kutyn [17]	3,650	3.3	-	-	-	3.3	386	-	-	-	386
Total Probable	**166,960**					**3.9**	**18,422**	**157,951**	**81.6**	**85.8**	**20,883**

1) Ore Reserves in accordance with the JORC Code (2012). Discrepancies in calculations are due to rounding.
2) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Ag = US$15/oz. and Pb = US$1,700/t. Revised estimate was not performed due to lack of material changes.
3) Cu grade in Ore Reserves only represents average grade in flotation feed. Ore Reserves for flotation: 1.8 Mt Proved and 3.2 Mt Probable.
4) Initial estimate prepared by Polymetal as at 01.01.2014. Price: Au = US$1,300/oz. Revised estimate was not performed due to lack of material changes.
5) Initial estimate prepared by CSA as at 28.07.2016. Price: Au = US$1,100/oz. Revised estimate was prepared by Polymetal as at 01.01.2018 (accounts only for depletion and change in ownership). Ore Reserves are presented in accordance with the Company's ownership of 50%.
6) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Au = US$1,100/oz, Ag = US$15/oz and Cu = US$5,000/t. Revised estimate was prepared by Polymetal as at 01.01.2018 (accounts for change in ownership)
7) Stockpiled Ore Reserves.
8) Stockpiled Ore Reserves
9) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Au = US$1,100/oz and Ag = US$15/oz. Revised estimate was not performed due to lack of material changes.
10) Initial estimate prepared by Polymetal as at 01.07.2014. Price: Au = US$1,300/oz, Ag = US$20/oz, Cu = US$7,000/t and Zn = US$1,700/t. Revised estimate was not performed due to lack of material changes.
11) Stockpiled Ore Reserves.
12) Initial estimate prepared by Polymetal as at 01.01.2018.
13) Initial estimate prepared by Polymetal as at 01.01.2018.

14) Initial estimate prepared by RPA Inc. as at 01.01.2015. Price: Au = US$1,200/oz. Revised estimate was not performed due to lack of material changes.
15) Initial estimate prepared by Polymetal as at 01.07.2017. Ore Reserves are presented in accordance with the Company's ownership equal to 17.66%. Revised estimate was not performed due to lack of material changes.
16) Ore Reserves are presented in accordance with the Company's ownership equal to 42.65%.
17) Initial estimate prepared by Snowden as at 01.01.2015. Price: Au= US$1,300/oz. Only Ore Reserves estimate for Heap Leach. Revised estimate was not performed due to lack of material changes.

Mineral Resources as at 1 January 2018 [1]

	Tonnage	Grade					Content			
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Measured											
Standalone Mines	**3,740**					**5.1**	**616**	**-**	**-**	**-**	**616**
Albazino	2,540	1.7	-	-	-	1.7	143	-	-	-	143
Mayskoye	1,200	12.2	-	-	-	12.2	473	-	-	-	473
Dukat hub	**1,470**					**6.7**	**58**	**20,661**	**-**	**-**	**316**
Dukat	740	0.9	441	-	-	6.0	21	10,503	-	-	144
Lunnoye	610	1.8	327	-	-	6.2	36	6,413	-	-	122
Goltsovoye	100	-	976	-	-	13.0	-	3,285	-	-	44
Arylakh	20	1.1	626	-	-	9.0	1	458	-	-	7
Varvara hub	**11,170**					**1.2**	**268**	**-**	**23.6**	**-**	**414**
Varvara [4]	10,150	0.7	-	0.4	-	1.1	222	-	23.6	-	368
Komar	40	1.5	-	-	-	1.5	2	-	-	-	2
Maminskoye [5]	980	1.4	-	-	-	1.4	44	-	-	-	44
Omolon hub	**950**					**3.3**	**86**	**1,421**	**-**	**-**	**101**
Birkachan	40	12.7	39	-	-	13.1	14	45	-	-	15
Sopka Kvartsevaya	210	1.5	73	-	-	2.2	10	492	-	-	14
Oroch [8]	480	1.2	51	-	-	1.8	19	795	-	-	28
Olcha	150	4.1	13	-	-	4.2	19	65	-	-	20
Tsokol-Kubaka	70	10.4	11	-	-	10.5	23	24	-	-	23
Voro hub	**690**					**2.6**	**56**	**106**	**-**	**-**	**57**
Voro	690	2.5	5	-	-	2.6	56	106	-	-	57
Okhotsk hub	**670**					**3.5**	**68**	**696**	**-**	**-**	**75**
Svetloye	230	1.4	2	-	-	1.4	11	14	-	-	11
Avlayakan	130	10.0	84	-	-	11.0	42	355	-	-	46
Ozerny [15]	270	1.7	26	-	-	1.9	14	226	-	-	17
Khakanja [16]	40	0.7	73	-	-	1.4	1	101	-	-	2
Armenia	**410**					**4.6**	**48**	**397**	**1.3**	**0.6**	**60**
Kapan	20	5.2	74	0.9	4.1	10.0	3	38	0.2	0.6	5
Lichkvaz	390	3.5	28	0.3	-	4.3	45	359	1.2	-	55
Development and exploration projects	**1,130**					**3.8**	**136**	**87**	**-**	**-**	**136**
Nezhda [20]	210	5.4	13	-	-	5.4	37	87	-	-	37
Veduga [21]	180	0.4	-	-	-	0.4	3	-	-	-	3
Kutyn [22]	740	4.1	-	-	-	4.1	97	-	-	-	97
Total Measured	**20,230**					**2.7**	**1,335**	**23,367**	**24.9**	**0.6**	**1,776**
Indicated											
Standalone Mines	**2,240**					**7.0**	**504**	**-**	**-**	**-**	**504**
Albazino	1,520	5.2	-	-	-	5.2	253	-	-	-	253
Mayskoye	720	10.9	-	-	-	10.9	251	-	-	-	251
Dukat hub	**1,070**					**12.4**	**77**	**27,457**	**-**	**-**	**425**
Dukat	390	0.6	383	-	-	5.1	8	4,814	-	-	64

	Tonnage	Grade					Content			
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Lunnoye	70	2.4	234	-	-	5.5	6	555	-	-	13
Goltsovoye	130	-	750	-	-	10.0	-	3,251	-	-	43
Arylakh	10	1.5	502	-	-	7.9	1	226	-	-	4
Primorskoye [3]	470	4.2	1,238	-	-	20.0	62	18,610	-	-	301
Varvara hub	**16,150**					**1.7**	**726**	**120**	**24.2**	**-**	**877**
Varvara [4]	10,050	1.2	-	0.5	-	1.5	398	-	16.7	-	501
Komar	3,500	2.0	-	-	-	2.0	220	-	-	-	220
Maminskoye [5]	1,150	1.5	-	-	-	1.5	55	-	-	-	55
Dolinnoye [6]	850	1.9	-	-	-	1.9	52	-	-	-	52
Tarutin [7]	600	0.1	6	1.3	-	2.5	2	120	7.6	-	49
Omolon hub	**570**					**10.3**	**147**	**3,782**	**-**	**-**	**189**
Birkachan	90	10.4	21	-	-	10.6	28	56	-	-	29
Sopka Kvartsevaya	70	4.7	187	-	-	6.7	11	430	-	-	15
Olcha	70	8.1	20	-	-	8.3	18	45	-	-	19
Tsokol-Kubaka	30	5.9	9	-	-	6.0	6	9	-	-	6
Irbychan [10]	240	8.9	189	-	-	11.3	68	1,439	-	-	86
Nevenrekan [12]	70	7.1	784	-	-	15.1	16	1,803	-	-	35
Voro hub	**3,320**					**4.4**	**335**	**2,067**	**16.1**	**29.1**	**471**
Voro	340	2.5	5	-	-	2.6	28	51	-	-	28
Tamunier	2,190	3.4	10	-	-	3.5	242	690	-	-	245
Saum [13]	790	2.5	52	2.0	3.7	7.8	65	1,325	16.1	29.1	197
Okhotsk hub	**720**					**5.3**	**119**	**261**	**-**	**-**	**122**
Svetloye	530	2.0	3	-	-	2.0	34	44	-	-	34
Avlayakan	20	16.9	47	-	-	17.4	10	27	-	-	10
Maimakan-Kundumi	170	13.8	35	-	-	14.2	76	190	-	-	78
Armenia	**650**					**5.2**	**69**	**811**	**3.1**	**7.6**	**109**
Kapan	320	2.9	57	0.7	2.4	6.1	30	588	2.1	7.6	63
Lichkvaz	330	3.7	21	0.3	-	4.4	39	222	1.0	-	47
Development and exploration projects	**5,930**					**5.3**	**1,000**	**597**	**-**	**-**	**1,004**
Kyzyl project (Bakyrchik) [19]	2,740	6.2	-	-	-	6.2	545	-	-	-	545
Nezhda [20]	1,120	4.9	17	-	-	5.0	176	597	-	-	179
Kutyn [22]	2,070	4.2	-	-	-	4.2	279	-	-	-	279
Total Indicated	**30,650**					**3.8**	**2,977**	**35,094**	**43.4**	**36.7**	**3,701**
Measured + Indicated											
Standalone Mines	**5,980**					**5.8**	**1,120**	**-**	**-**	**-**	**1,120**
Albazino	4,060	3.0	-	-	-	3.0	396	-	-	-	396
Mayskoye	1,920	11.7	-	-	-	11.7	724	-	-	-	724
Dukat hub	**2,540**					**9.1**	**134**	**48,118**	**-**	**-**	**742**
Dukat	1,130	0.8	421	-	-	5.7	28	15,317	-	-	209
Lunnoye	680	1.9	317	-	-	6.1	42	6,969	-	-	135
Goltsovoye	230	-	849	-	-	11.3	-	6,537	-	-	87
Arylakh	30	1.2	579	-	-	8.6	1	685	-	-	10

	Tonnage	Grade					Content			
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Primorskoye [3]	470	4.2	1,238	-	-	20.0	62	18,610	-	-	301
Varvara hub	**27,320**					**1.5**	**994**	**120**	**47.8**	**-**	**1,291**
Varvara [4]	20,200	1.0	-	0.4	-	1.3	620	-	40.2	-	868
Komar	3,540	2.0	-	-	-	2.0	222	-	-	-	222
Maminskoye [5]	2,130	1.4	-	-	-	1.4	99	-	-	-	99
Dolinnoye [6]	850	1.9	-	-	-	1.9	52	-	-	-	52
Tarutin [7]	600	0.1	6.2	1.3	-	2.5	2	120	7.6	-	49
Omolon hub	**1,520**					**5.9**	**233**	**5,203**	-	**-**	**290**
Birkachan	130	11.1	26	-	-	11.4	43	101	-	-	44
Sopka Kvartsevaya	280	2.3	103	-	-	3.3	21	922	-	-	30
Oroch [8]	480	1.2	51	-	-	1.8	19	795	-	-	28
Olcha	220	5.3	16	-	-	5.5	38	110	-	-	39
Tsokol-Kubaka	100	9.1	10	-	-	9.2	29	33	-	-	29
Irbychan [10]	240	8.9	189	-	-	11.3	68	1,439	-	-	86
Nevenrekan [12]	70	7.1	784	-	-	15.1	16	1,803	-	-	35
Voro hub	**4,010**					**4.1**	**391**	**2,173**	**16.1**	**29.1**	**528**
Voro	1,030	2.5	5	-	-	2.6	84	157	-	-	86
Tamunier	2,190	3.4	10	-	-	3.5	242	690	-	-	245
Saum [13]	790	2.5	52	2.0	3.7	7.8	65	1,325	16.1	29.1	197
Okhotsk hub	**1,390**					**4.4**	**187**	**957**	**-**	**-**	**197**
Svetloye	760	1.8	2	-	-	1.8	44	58	-	-	44
Avlayakan	150	10.8	80	-	-	11.8	52	381	-	-	56
Ozerny [15]	270	1.7	26	-	-	1.9	14	226	-	-	17
Maimakan-Kundumi	170	13.8	35	-	-	14.2	76	190	-	-	78
Khakanja [16]	40	0.7	73	-	-	1.4	1	101	-	-	2
Armenia	**1,060**					**5.0**	**117**	**1,208**	**4.4**	**8.2**	**169**
Kapan	340	3.0	58	0.7	2.5	6.3	33	626	2.2	8.2	68
Lichkvaz	720	3.6	25	0.3	-	4.4	84	581	2.2	-	102
Development and exploration projects	**7,060**					**5.0**	**1,135**	**684**	**-**	**-**	**1,140**
Kyzyl project (Bakyrchik) [19]	2,740	6.2	-	-	-	6.2	545	-	-	-	545
Nezhda [20]	1,330	5.0	16	-	-	5.1	212	684	-	-	217
Veduga [21]	180	0.4	-	-	-	0.4	3	-	-	-	3
Kutyn [22]	2,810	4.2	-	-	-	4.2	376	-	-	-	376
Total Measured + Indicated	**50,880**					**3.3**	**4,312**	**58,461**	**68.3**	**37.4**	**5,477**
Inferred											
Standalone Mines	**13,690**					**9.0**	**3,964**	-	-	**-**	**3,964**
Albazino	4,240	6.1	-	-		6.1	839	-	-		839
Mayskoye	9,450	10.3	-	-		10.3	3,125	-	-		3,125
Dukat hub	**1,240**					**9.0**	**47**	**25,161**	-	**-**	**357**
Dukat	690	1.3	705	-	-	9.6	29	15,723	-	-	214
Lunnoye	290	1.6	430	-	-	7.3	15	3,971	-	-	68
Goltsovoye	110	-	772	-	-	10.3	-	2,722	-	-	36

	Tonnage	Grade				Content				
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Arylakh	100	0.6	558	-	-	7.7	2	1,737	-	-	24
Perevalnoye [2]	20	-	564	-	-	7.7	-	379	-	-	5
Primorskoye [3]	30	1.8	787	-	-	11.8	1	629	-	-	9
Varvara hub	**15,920**					**2.2**	**967**	**167**	**22.0**	**-**	**1,104**
Varvara [4]	8,460	1.4	-	0.7	-	1.7	374	-	14.2	-	462
Komar [5]	2,020	2.4	-	-	-	2.4	159	-	-	-	159
Dolinnoye [6]	4,990	2.7	-	-	-	2.7	432	-	-	-	432
Tarutin [7]	450	0.1	11	1.7	-	3.5	2	167	7.9	-	52
Omolon hub	**690**					**11.8**	**221**	**3,928**	-	**-**	**262**
Sopka Kvartsevaya	40	2.3	90	-	-	3.3	3	123	-	-	4
Olcha	140	11.0	39	-	-	11.4	48	169	-	-	50
Tsokol Kubaka	80	8.0	16	-	-	8.2	20	41	-	-	21
Burgali [9]	50	11.9	15	-	-	12.0	21	26	-	-	21
Irbychan [10]	20	19.3	265	-	-	22.6	10	141	-	-	12
Yolochka [11]	240	11.1	10	-	-	11.2	85	73	-	-	86
Nevenrekan [12]	120	8.6	861	-	-	17.3	33	3,355	-	-	68
Voro hub	**2,610**					**6.1**	**501**	**123**	**1.0**	**1.4**	**509**
Tamunier	480	3.2	4	-	-	3.3	50	69	-	-	50
Saum [13]	50	1.4	33	1.8	2.6	5.7	2	55	1.0	1.4	10
Pesherny [14]	2,080	6.7	-	-	-	6.7	449	-	-	-	449
Okhotsk hub	**3,102**					**4.8**	**466**	**1,392**	**-**	**-**	**482**
Svetloye	10	6.8	4	-	-	6.8	3	2	-	-	3
Avlayakan	10	28.6	84	-	-	29.6	8	24	-	-	9
Levoberezhny [17]	2,800	4.0	13	-	-	4.2	365	1,208	-	-	378
Kirankan [18]	142	6.5	8	-	-	6.7	30	39	-	-	30
Maimakan-Kundumi	140	13.7	27	-	-	14.0	60	119	-	-	62
Armenia	**8,900**					**6.0**	**866**	**17,063**	**56.6**	**183.0**	**1,719**
Kapan	8,020	2.9	62	0.7	2.3	6.1	739	16,012	53.4	183.0	1,564
Lichkvaz	880	4.5	37	0.4	-	5.5	128	1,052	3.2	-	155
Development and exploration projects	**22,980**					**5.9**	**4,337**	**2,845**	-	**-**	**4,357**
Kyzyl project (Bakyrchik) [19]	11,420	7.0	-	-	-	7.0	2,562	-	-	-	2,562
Nezhda [20]	8,580	4.9	10	-	-	4.9	1,340	2,845	-	-	1,360
Veduga [21]	870	5.8	-	-	-	5.8	162	-	-	-	162
Kutyn [22]	2,110	4.0	-	-	-	4.0	273	-	-	-	273
Total Inferred	**69,132**					**5.7**	**11,371**	**50,680**	**79.6**	**184.4**	**12,754**
Measured + Indicated + Inferred											
Standalone Mines	**19,670**					**8.0**	**5,084**	-	-	**-**	**5,084**
Albazino	8,300	4.6	-	-		4.6	1,236	-	-	-	1,236
Mayskoye	11,370	10.5	-	-		10.5	3,849	-	-		3,849
Dukat hub	**3,780**					**9.0**	**182**	**73,278**	-	**-**	**1,099**
Dukat	1,820	1.0	529	-	-	7.2	58	31,041	-	-	423
Lunnoye	970	1.8	350	-	-	6.5	57	10,940	-	-	203
Goltsovoye	340	-	825	-	-	11.0	-	9,259	-	-	123

	Tonnage	Grade				Content				
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	GE, Koz
Arylakh	130	0.8	563	-	-	7.9	3	2,421	-	-	34
Perevalnoye [2]	20	-	564	-	-	7.7	-	379	-	-	5
Primorskoye [3]	500	4.0	1,216	-	-	19.6	64	19,239	-	-	311
Varvara hub	**43,240**					**1.7**	**1,961**	**287**	**69.8**	**-**	**2,395**
Varvara [4]	28,660	1.1	-	0.5	-	1.4	994	-	54.4	-	1,330
Komar	5,560	2.1	-	-	-	2.1	381	-	-	-	381
Maminskoye [5]	2,130	1.4	-	-	-	1.4	99	-	-	-	99
Dolinnoye [6]	5,840	2.6	-	-	-	2.6	484	-	-	-	484
Tarutin [7]	1,050	0.1	8	1.5	-	2.9	4	287	15.4	-	101
Omolon hub	**2,210**					**7.8**	**454**	**9,131**	**-**	**-**	**552**
Birkachan	130	11.1	26	-	-	11.4	43	101	-	-	44
Sopka Kvartsevaya	320	2.3	101	-	-	3.3	24	1,045	-	-	34
Oroch [8]	480	1.2	51	-	-	1.8	19	795	-	-	28
Olcha	360	7.5	24	-	-	7.8	86	279	-	-	89
Tsokol Kubaka	180	8.6	13	-	-	8.7	49	74	-	-	50
Burgali [9]	50	11.9	15	-	-	12.0	21	26	-	-	21
Irbychan [10]	260	9.6	194	-	-	12.0	78	1,580	-	-	98
Yolochka [11]	240	11.1	10	-	-	11.2	85	73	-	-	86
Nevenrekan [12]	190	8.0	832	-	-	16.5	50	5,157	-	-	102
Voro hub	**6,620**					**4.9**	**892**	**2,296**	**17.1**	**30.5**	**1,037**
Voro	1,030	2.5	5	-	-	2.6	84	157	-	-	86
Tamunier	2,670	3.4	9	-	-	3.4	292	759	-	-	296
Saum [13]	840	2.5	51	2.0	3.6	7.6	67	1,380	17.1	30.5	207
Pesherny [14]	2,080	6.7	-	-	-	6.7	449	-	-	-	449
Okhotsk hub	**4,492**					**4.7**	**653**	**2,349**	**-**	**-**	**679**
Svetloye	770	1.9	2	-	-	1.9	47	60	-	-	47
Avlayakan	160	11.9	80	-	-	12.8	60	406	-	-	65
Ozerny [15]	270	1.7	26	-	-	1.9	14	226	-	-	17
Khakanja [16]	40	0.7	73	-	-	1.4	1	101	-	-	2
Levoberezhny [17]	2,800	4.0	13	-	-	4.2	365	1,208	-	-	378
Kirankan [18]	142	6.5	8	-	-	6.7	30	39	-	-	30
Maimakan-Kundumi	310	13.8	31	-	-	14.1	136	310	-	-	140
Armenia	**9,960**					**5.9**	**983**	**18,271**	**61.0**	**191.3**	**1,889**
Kapan	8,360	2.9	62	0.7	2.3	6.1	771	16,638	55.6	191.3	1,632
Lichkvaz	1,600	4.1	32	0.3	-	5.0	212	1,633	5.4	-	257
Development and exploration projects	**30,040**					**5.7**	**5,473**	**3,529**	**-**	**-**	**5,497**
Kyzyl project (Bakyrchik) [19]	14,160	6.8	-	-	-	6.8	3,107	-	-	-	3,107
Nezhda [20]	9,910	4.9	11	-	-	5.0	1,552	3,529	-	-	1,576
Veduga [21]	1,050	4.9	-	-	-	4.9	165	-	-	-	165
Kutyn [22]	4,920	4.1	-	-	-	4.1	649	-	-	-	649
Total Measured + Indicated + Inferred	**120,012**					**4.7**	**15,682**	**109,141**	**147.9**	**221.8**	**18,231**

1) Mineral Resources are reported in accordance with the JORC Code (2012) and are additional to Ore Reserves. Discrepancies in calculations are due to rounding.

2) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Ag = US$15/oz, Pb = US$1,700/t. A revised estimate was not performed due to a lack of material changes.

3) Estimate prepared by CSA Global Pty Ltd as at 01.01.2017. Price: Au = US$1,250/oz, Ag = US$16 /oz. Revised estimate was not performed due to lack of material changes.
4) Cu estimate is listed for fresh ore and powder ore that has high Cu grade (total Mineral Resources for fresh ore and powder ore with high Cu grade of 4.7 and 6.8 Mt of ore respectively).
5) Initial estimate prepared by Polymetal as at 01.01.2014. Price: Au = US$1,300/oz. Revised estimate was not performed due to lack of material changes.
6) Initial estimate prepared by CSA as at 28.07.2016. Price: Au= US$1,100/oz. Revised estimate prepared by Polymetal as at 01.01.2018 (accounts only for depletion and change in ownership). Mineral Resources are presented in accordance with the Company's ownership equal to 50%.
7) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Au= US$1,100/oz, Ag = US$15/oz, Cu = US$5,000/t. Revised estimate was prepared by Polymetal as at 01.01.2018 (accounts only for change in ownership).
8) Stockpiled Ore Reserves.
9) Estimate prepared by Polymetal as at 01.01.2016. Price: Au = US$1,100/oz, Ag = US$15/oz. Revised estimate was not performed due to lack of material changes.
10) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Au = US$1,100/oz, Ag = US$15/oz. Revised estimate was not performed due to lack of material changes.
11) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Au = US$1,100/oz, Ag = US$15/oz. Revised estimate was not performed due to lack of material changes.
12) Initial estimate prepared by Polymetal as at 01.01.2016. Price: Au = US$1,100/oz, Ag = US$15/oz. Revised estimate was not performed due to lack of material changes.
13) Initial estimate prepared by Polymetal as at 01.01.2017. Price: Au = US$1,200/oz, Ag = US$16/oz, Cu = US$4,500/t and Zn = US$1,900/t. Ore Reserves are presented in accordance with the Company's ownership equal to 80%. Revised estimate was not performed due to lack of material changes.
14) Initial estimate prepared by Polymetal as at 01.01.2018.
15) Stockpiled Ore Reserves.
16) Stockpiled Ore Reserves.
17) Initial estimate prepared by Polymetal as at 01.01.2017. Revised estimate was not performed due to lack of material changes.
18) Estimate prepared by Snowden as at 01.07.2011. Price: Au = US$1,150/oz, Ag = US$18.5/oz. Revised estimate was not performed due to lack of material changes.
19) Estimate prepared by RPA Inc. as at 01.01.2015. Price: Au = US$1,200/oz. Revised estimate was not performed due to lack of material changes.
20) Initial estimate prepared by Polymetal as at 01.07.2017. Mineral Resources are presented in accordance with Company's ownership equal to 17.66%. A revised estimate was not performed due to lack of material changes.
21) Mineral Resources are presented in accordance with Company's ownership equal to 42.65%.
22) Initial estimate for open pit prepared by Snowden, for underground by CSA Global Pty Ltd as at 01.01.2015. Price: Au = US$1,300/oz. Revised estimate was not performed due to lack of material changes.

PGM Mineral Resources as at 1 January 2018 [1]

	Tonnage	Grade					Content				
	Mt	Pd, g/t	Pt, g/t	Au, g/t	Cu, %	PdEq[2], g/t	Pd, Moz	Pt, Moz	Au, Moz	Cu, Kt	PdEq, Moz
Indicated											
Viksha project [3]											
Viksha	27	0.6	0.2	0.1	0.10	1.4	0.5	0.1	0.1	29.6	1.3
Kenti	-	-	-	-	-	-	-	-	-	-	-
Shargi	-	-	-	-	-	-	-	-	-	-	-
Total Indicated	**27**	**0.6**	**0.2**	**0.1**	**0.10**	**1.4**	**0.5**	**0.1**	**0.1**	**29.6**	**1.3**
Inferred											
Viksha project [3]											
Viksha	52	0.6	0.2	0.1	0.09	1.3	1.0	0.3	0.2	49.5	2.3
Kenti	98	0.6	0.2	0.1	0.11	1.3	1.9	0.6	0.4	109.6	4.3
Shargi	36	0.6	0.2	0.1	0.08	1.3	0.7	0.2	0.1	31.7	1.5
Total Inferred	**186**	**0.6**	**0.2**	**0.1**	**0.10**	**1.3**	**3.6**	**1.1**	**0.7**	**190.8**	**8.1**
Indicated + Inferred											
Viksha project [3]											
Viksha	79	0.6	0.2	0.1	0.10	1.4	1.5	0.4	0.3	79.1	3.6
Kenti	98	0.6	0.2	0.1	0.11	1.3	1.9	0.6	0.4	109.6	4.3
Shargi	36	0.6	0.2	0.1	0.08	1.3	0.7	0.2	0.1	31.7	1.5
Total Indicated + Inferred	**213**	**0.6**	**0.2**	**0.1**	**0.10**	**1.3**	**4.2**	**1.4**	**0.9**	**220.6**	**9.5**

1) Mineral Resources are reported in accordance with the JORC Code (2012). Mineral Resources are additional to Ore Reserves. Discrepancies in calculations are due to rounding.
2) PdEq is calculated using the following formula: PdEq = Pd(g/t) + Pt(g/t) *1.57 + Au(g/t) * 1.61 + Cu(%) * 2.33.
3) Initial estimate prepared by AMC Consultants as at 01.03.2015 using COG (PdEq) = 0.50 g/t/. Price for Pd = 750 US$/oz, Pt = 1,180 US$/oz, Au = 1,200 US$/oz and Cu = 5,700 US$/oz per tonne. Revised estimate was not performed due to lack of material changes.

This estimate was prepared by employees of JSC Polymetal Management Company and JSC Polymetal Engineering, subsidiaries of the Company, led by Mr. Valery Tsyplakov, who assumes overall responsibility for the Mineral Resources and Ore Reserves Report.

Mr. Tsyplakov is the employed full-time as the Managing Director of JSC Polymetal Engineering and has more than 17 years' experience in gold, silver and polymetallic mining. He is a Member of the Institute of Materials, Minerals & Mining (MIMMM), London, and a Competent Person under the JORC Code.

Listed below are other Competent Persons employed by the Company that are responsible for relevant research on which the Mineral Resources and Ore Reserves estimate is based:

- *Geology and Mineral Resources – Roman Govorukha, Head of Geologic Modelling and Monitoring Department, MIMMM, with 17 years' relevant experience;*
- *Mining and Ore Reserves - Igor Epshteyn, Head of Mining Process Department, FIMMM, with 36 years' relevant experience;*
- *Concentration and Metals – Igor Agapov, Deputy Director of Science and Technology, MIMMM, with 20 years' relevant experience;*

All the above mentioned Competent Persons have sufficient experience that is relevant to the style of mineralisation and types of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

All Competent Persons have given their consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Metals prices used in estimating Mineral Resources and Ore Reserves are listed below (unless otherwise indicated in the footnotes):

Au = US$1,200/oz;

Ag = US$16.0/oz;

Cu = US$5,500/t;

Zn = US$2,200/t.

Gold equivalent data is based on "Conversion ratios of metals into gold equivalent" provided in the Appendix below. Lead Ore Reserves and Mineral resources have not been assessed due to immateriality and are not included in the calculation of the gold equivalent.

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FORWARD-LOOKING STATEMENTS

THIS RELEASE MAY INCLUDE STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "FORWARD-LOOKING STATEMENTS". THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS AT THE DATE OF THIS RELEASE. THESE FORWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY, INCLUDING THE WORDS "TARGETS", "BELIEVES", "EXPECTS", "AIMS", "INTENDS", "WILL", "MAY", "ANTICIPATES", "WOULD", "COULD" OR "SHOULD" OR SIMILAR EXPRESSIONS OR, IN EACH CASE THEIR NEGATIVE OR OTHER VARIATIONS OR BY DISCUSSION OF STRATEGIES, PLANS, OBJECTIVES, GOALS, FUTURE EVENTS OR INTENTIONS. THESE FORWARD-LOOKING STATEMENTS ALL INCLUDE MATTERS THAT ARE NOT HISTORICAL FACTS. BY THEIR NATURE, SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS BEYOND THE COMPANY'S CONTROL THAT COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. SUCH FORWARD-LOOKING STATEMENTS ARE BASED ON NUMEROUS ASSUMPTIONS REGARDING THE COMPANY'S PRESENT AND FUTURE BUSINESS STRATEGIES AND THE ENVIRONMENT IN WHICH THE COMPANY WILL OPERATE IN THE FUTURE. FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE. THERE ARE MANY FACTORS THAT COULD CAUSE THE COMPANY'S ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN SUCH FORWARD-LOOKING STATEMENTS. THE COMPANY EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO DISSEMINATE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN TO REFLECT ANY CHANGE IN THE COMPANY'S EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENTS ARE BASED.

Appendix

Reporting of Metal Equivalents

Gold equivalent conversion ratio

GE=Me/k

Where *Me* is the evaluated metal content (silver g/t, copper or zinc %)

Where k is the silver to gold equivalent conversion rate that is calculated considering the difference in metals value issuing the following formula:

For silver: k= ((Au price/31.1035 - (Au price /31.1035 – Treatment charge Au)*(Royalty Au)/100 - (Treatment charge Au))*(Recovery Au)/((Ag price/31.1035 - (Ag price/31.1035 – Treatment charge Ag)*(Royalty Ag)/100 - (Treatment charge Ag))*(Recovery Ag)),

for copper or zinc k = 100*((Au price/31.1035) – (Au price/31.1035 - Treatment charge Au)*(Royalty Au)/100 – (Treatment change Au))*(Recovery Au))/(((Me price) - (Me price - Treatment charge Me)*(Royalty Me)/100 – (Treatment charge Me))*Recovery Me)).

where Royalty is the mineral extraction tax at applicable rate, recovery – the life-of-mine expected recovery of the respective metal in the processing technology applied.

Metal equivalent conversion ratios:

Deposit	Ore processing technology	k		
		Ag	Cu	Zn
Dukat	Gravitational flotation	85		
Lunnoye	Cyanidation+Merrill Crowe process	75		
Goltsovoye	Conventional flotation	75		
Arylakh	Cyanidation+Merrill Crowe process	79		
Perevalnoye	Conventional flotation	73		
Primorskoye	Conventional flotation	78		
Varvara	Powder ore with high copper content [1]		0.52	
	Primary ore with high copper content - conventional flotation		0.52	
Tarutin	Primary ore - conventional flotation	94	0.53	
	Oxidised ore - conventional flotation	94	0.53	
Birkachan	Cyanidation carbon-in-pulp	97		
	Heap leaching+carbon-in-colon	103		
Sopka Kvartsevaya	Cyanidation+Merrill Crowe process	86		
	Heap leaching+Merrill Crowe process	141		
Oroch	Cyanidation+Merrill Crowe process	88		
Olcha	Cyanidation+Merrill Crowe process	87		
Dalneye	Cyanidation+Merrill Crowe process	86		
	Heap leaching+Merrill Crowe process	125		
Tsokol Kubaka	Cyanidation carbon-in-pulp	97		
Burgali	Cyanidation+Merrill Crowe process	115		
Irbychan	Cyanidation+Merrill Crowe process	80		
Yolochka	Cyanidation carbon-in-pulp	91		
Nevenrekan	Cyanidation+Merrill Crowe process	98		
Voro	Heap leaching+Merrill Crowe process	393		
	Cyanidation carbon-in-pulp	97		
North Kaluga	Conventional flotation	91	0.68	7.76
Tamunier	Conventional flotation	199		
Saum	Conventional flotation	67	0.60	3.54
Svetloye	Heap leaching+Merrill Crowe process	479		
Avlayakan	Cyanidation+Merrill Crowe process	83		
Ozerny	Cyanidation+Merrill Crowe process	108		
Khakanja	Cyanidation+Merrill Crowe process	105		
Levoberezhny	Cyanidation carbon-in-pulp	88		
Kirankan [2]	Cyanidation+Merrill Crowe process	60		
Maimakan-Kundumi	Cyanidation+Merrill Crowe process	86		
Kapan	Conventional flotation	83	0.60	1.70
Lichkvaz	Conventional flotation	81	0.70	
Nezhda	Gravitational flotation	147		

1) This type of ore is currently not being processed, it is stockpiled and reflected only in Mineral Resources.
2) Silver to gold equivalent conversion ratios were not recalculated to deposits that were evaluated in 2011-2012.