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Polymetal International plc

Completion of the acquisition of 45% stake in Prognoz silver property

Polymetal International plc (LSE, MOEX: POLY; ADR: AUCOY) (together with its subsidiaries – “Polymetal”, the “Company”, or the “Group”) is pleased to announce that the previously disclosed acquisition of a 45% stake from Polar Acquisition Limited (“Polar”) in the Prognoz silver property has been completed on April 13, following the receipt of all required regulatory approvals. As a result of the transaction, Polymetal now holds a 50% interest in Prognoz.

Prognoz is a large world-class deposit and the largest undeveloped primary silver deposit in Eurasia with JORC-compliant Indicated and Inferred Resources (estimated by Micon in 2009) of 292 Moz at 586 g/t silver.

The total consideration for the 45% stake in Prognoz at completion comprised US\$72 million paid through the issue of 6,307,000 new ordinary shares of the Company (the “Consideration Shares”). The number of Consideration Shares to be issued has been determined by dividing US\$72 million by US\$ 11.42, which is the arithmetic average closing price of ordinary shares of the Company on the Main Market of the London Stock Exchange in the six months ending two trading days before completion. 90% of the Consideration Shares will be subject to a lock-up period of 180 days.

An application has been made to the London Stock Exchange and UKLA on the official list and the Consideration Shares are expected to be admitted to trading on the London Stock Exchange on 17 April 2018. Following admission, the total issued share capital of the Company will comprise 436,571,041 ordinary shares of no par value, each carrying one vote.

Further details of the transaction were provided in the press release dated 19 February 2018.

PROJECT DEVELOPMENT

Polymetal will provide further guidance on its near and long-term plans for Prognoz in the second half of 2018.

- Project activities for 2018 include 46 km of diamond drilling and extensive in-house metallurgical test work. The updated JORC-compliant resource estimate is expected in Q4;
- PFS and JORC-compliant reserve estimate in Q4 2019;
- FS and Reserve update in Q4 2020 paving the way for potential investment decision in H1 2021;
- Subject to the positive investment decision, the full production run-rate can be achieved in 2024.

Enquiries

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