

Release time IMMEDIATE
Date 8 March 2019

Polymetal International plc

Ore Reserves, Mineral Resources and Exploration update as at 1 January 2019

Polymetal International plc announces its exploration update for the year ended 31 December 2018, and reports its Ore Reserves and Mineral Resources as at 1 January 2019 in accordance with the JORC Code (2012)¹.

“In 2018, Polymetal significantly expanded its mineral inventory on the back of a twofold increase in Ore Reserves at Nezhda, a 5-year life-of-mine extension at Mayskoye and confirmation of a world-class resource at Prognoz”, – said Vitaly Nesis, Group CEO of Polymetal, commenting on the results. “In 2019 we will continue to focus on extending the life-of-mine at producing assets”.

2018 HIGHLIGHTS

- Group Ore Reserves increased by 15% year-on-year and are now estimated at 24.0 Moz of gold equivalent (GE). The main drivers were the successful resource-to-reserve conversion at Mayskoye and the completion of a revised estimate at Nezhda following the Company’s consolidation of 100% ownership in the property. The share of gold in Ore Reserves increased to 93%.
- Mineral Resources (in addition to Ore Reserves) grew 44% year-on-year to 26.3 Moz of GE on the back of an initial Mineral Resource estimate at Prognoz and Bolshevik (Kyzyl), as well as the revised estimate at Nezhda. The share of gold in Mineral Resources stands at 80%, silver at 17%.
- The average grade in Ore Reserves remained largely unchanged over the previous year at 3.8 g/t of GE and remains one of the highest in the sector. The average grade in Mineral Resources increased 8% to 5.1 g/t of GE on the back of high-grade additions at Nezhda and Prognoz.
- In 2018, the Company continued to use conservative price assumptions of US\$ 1,200/oz for gold and lowered the silver price from US\$ 16/oz to US\$ 15/oz.
- GE Ore Reserves per share grew 6% year-on-year.
- Polymetal completed 350 km of exploration drilling in 2018.

¹⁾ Hereinafter Ore Reserves and Mineral Resources are reported as from continuing operations (Kapan mine sold in January 2019 was classified as a discontinued operation as at 1 January 2019).

Ore Reserves and Mineral Resources summary ⁽¹⁾⁽²⁾

	1 January 2019 ⁽¹⁾	1 January 2018	Change, %
Ore Reserves (Proved + Probable), gold equivalent Moz	24.0	20.9	+15%
Gold, Moz	22.3	18.4	+21%
Silver, Moz	135.0	158.0	-15%
Copper, Kt	49.1	81.6	-40%
Zinc, Kt ⁽²⁾	18.1	85.8	-79%
Average reserve grade, g/t	3.8	3.9	-2%
Ore Reserves per share, GE oz/per share	0.05	0.05	+6%
Mineral Resources (Measured + Indicated + Inferred), gold equivalent Moz	26.3	18.2	+44%
Gold, Moz	21.0	15.7	+34%
Silver, Moz	354.9	109.1	+225%
Copper, Kt	73.6	147.9	-50%
Zinc, Kt	42.6	221.8	-81%
Lead, Kt	197.8	-	+100%
Average resource grade, g/t	5.1	4.7	+8%

¹⁾ Ore Reserves and Mineral Resources from continuing operations (Kapan mine sold in January 2019 classified as a discontinued operation as at 1 January 2019).

²⁾ Mineral Resources are additional to Ore Reserves. 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.

2019 OUTLOOK

In 2019, Polymetal will continue to invest in both near-mine and green-field exploration projects. One key area of focus will be the implementation of new exploration techniques including airborne geophysics and 2-D seismics. The Company is also evaluating the benefits of investing in junior explorers through strategic cooperation agreements.

The key objectives are as follows:

- Complete a full revaluation of Ore Reserves and Mineral Resources at Kyzyl based on actual operating statistics and additional exploration results
- Achieve upgrade of inferred resources into higher categories and/or resource-to-reserve conversion at the following properties:
 - Saum and Pescherny at Voro
 - Levoberezhny at Svetloye
 - Perevalnoye and Lunnoye deep horizons at Dukat
 - Elevator at Varvara
 - Flanks and smaller ore bodies at Nezhda
 - Eastern extension of Bakyrchik at Kyzyl
- Prepare updated Mineral Resource estimates at Prognoz and Viksha
- Prepare an updated Ore Reserve and Mineral Resource estimate at Veduga

Ore Reserves and Mineral Resources by metal (excluding Kapan) ⁽¹⁾

	Ore Reserves	Mineral Resources
Gold	93%	80%
Silver	6%	17%
Copper	1%	2%
Zinc	0%	0%
Lead	-	1%
Total	100%	100%

¹⁾ Ore Reserves and Mineral Resources from continuing operations (Kapan mine sold in January 2019 was classified as a discontinued operation as at 1 January 2019). Discrepancies in calculations are due to rounding.

Ore Reserves reconciliation, gold equivalent, Moz ⁽¹⁾⁽²⁾

Ore Reserves, 01.01.2018	20.9	
Metals to gold equivalent conversion price ratio change ⁽¹⁾	-0.1	
Depletion	-1.8	
Revaluation	+1.9	
Change in ownership (continuing operations)	+3.7	
Ore Reserves, 01.01.2019	24.5	
Operations classified as discounted after the reporting date (Kapan mine sold in January 2019)	-0.5	
Ore Reserves from continuing operations	24.0	
Net change	+3.2	+15%

¹⁾ Discrepancies in calculations are due to rounding.

²⁾ For the gold equivalent conversion ratios and applicable processing technology please refer to the Appendix.

Mineral Resources and Ore Reserves as at 1 January 2019 (excluding Kapan) ⁽¹⁾

	Tonnage Mt	Grade GE, g/t	Content GE, Moz
Mineral Resources			
Measured	20.2	2.8	1.8
Indicated	48.1	4.9	7.6
Measured + Indicated	68.3	4.3	9.4
Inferred	91.6	5.7	16.9
Measured + Indicated + Inferred	159.9	5.1	26.3
Ore Reserves			
Proved	67.0	2.6	5.7
Probable	128.2	4.5	18.4
Proved + Probable	195.2	3.8	24.0

¹⁾ Ore Reserves and Mineral Resources from continuing operations (Kapan mine sold in January 2019 was classified as a discontinued operation as at 1 January 2019). Mineral Resources and Ore Reserves in accordance with the JORC Code (2012). Mineral Resources are additional to Ore Reserves. Ore Reserves for Lead are not presented due to their immateriality and are not included in the calculation of the gold equivalent. A detailed table of Mineral Resources and Ore Reserves on a by-mine basis are presented below. 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	
	2018	2017
Brownfield		
Kyzyl	7.3	8.3
Albazino	46.6	30.2
Mayskoye	29.5	33.4
Varvara	53.2	108.5
Varvara	-	35.6
Komar	15.9	59.3
Elevator	15.5	12.1
Other	21.8	1.5
Voro	30.8	11.0
Voro flanks	12.5	3.1
Tamunier	-	1.0
Pescherniy	18.3	6.8
Dukat hub	27.6	28.8
Dukat flanks	8.5	15.8
Lunnoye flanks	4.7	2.3
Primorskoye	8.6	6.9
Terem	0.7	3.8
Perevalnoye	5.1	-
Omolon hub	21.3	18.4
Olcha	4.5	2.6
Yolochka	-	6.7
Irbychan	6.0	4.7
Nevenrekan	5.2	4.4
Other	5.6	-
Svetloye	5.9	17.2
Svetloye	2.2	2.0
Levoberezhny	3.7	15.2
Okhotsk (sold December 2018)	15.9	30.8
Subtotal	238.3	286.7
Greenfield		
Yakutia	85.7	70.9
Nezhda	25.9	33.7
Prognoz	59.8	37.3
Karelia (Viksha)	14.7	39.6
Urals	11.4	22.9
Other	-	0.8
Subtotal	111.9	134.2
Total	350.2	420.9

¹⁾ Discrepancies in calculations are due to rounding.

EXPLORATION RESULTS

In 2018, exploration efforts were mostly focused on exploration projects in close proximity to the Company's producing assets in the Magadan, Sverdlovsk and Khabarovsk regions, and on new assets in Yakutia and Karelia. Exploration activities were carried out on 51 licensed properties with 350 km of drilling completed in the course of 2018.

Kyzyl

- At **Bolshevik** (7 km from the concentrator), the Company completed an initial Mineral Resource estimate comprising 704 Koz of gold with an average grade of 3.4 g/t.
- At **Bakyrchik**, exploration activities in 2018 were carried out with a goal to prepare an updated Ore Reserve estimate in 2019. Exploration drilling at the Promezhutochniy and Glubokiy Log ore zones (41 drill holes totaling 7.3 km) resulted in an increase in mineral resources according to the sum of the Inferred and Indicated categories.
- In 2019, Polymetal plans to complete a full revaluation of Ore Reserves and Mineral Resources at the Bakyrchik deposit based on actual operating data and fresh exploration results.

Albazino

- In 2018, exploration activities were focused on preparing open-pittable reserves at the Farida and Ekaterina 1&2 ore zones for mining. Drilling volumes increased 54% year-on-year, totaling 46.6 km.
- A 33% increase in additional mineral resources was achieved at Albazino, adding 403 Koz of gold. Total Mineral Resources now comprise 1.6 Moz of GE with an average grade of 4.6 g/t.
- In 2019, the Company plans to carry out prospecting and evaluation activities at the Syransk and Urkachik properties.

Mayskoye

- In 2018, Polymetal continued its exploration efforts at Mayskoye, adding 777 Koz of gold to reserves as a result of successful resource-to-reserve conversion and extending its life of mine by 5 years. The updated Ore Reserve estimate now comprises 10 Mt of ore at 6.9 g/t containing 2.2 Moz of gold. This represents a sizeable increase over the previous estimate with a 49% increase in tonnage, a 5% improvement in grade and a 55% jump in gold contained.
- Additional Mineral Resources at Mayskoye as at 1 January 2019 are estimated at 2.8 Moz of gold with an average grade of 11.4 g/t.
- In 2019, the Company continue exploration with the goal to further extend its life-of-mine. Exploration activities will focus on delineating ore bodies and further resource growth.

Varvara hub

- In 2018, at Komarovskoye, exploration efforts were mostly focused on the **Elevator** property, a new prospect situated 8 km east of the Komar deposit. The Company drilled a total of 31.4 km at Komarovskoye and completed the delineation of gold ore bodies at the northern and southern flanks. In 2019, exploration activities will be focused on the western flanks of the Elevator property.
- At **Komar**, additional Mineral Resources increased by 225 Koz of GE on the back of lower stripping and mining costs, and consequently, expansion of the open-pit.
- At the **East Tarutin** gold-copper deposit (owned by Polymetal since 2018), the Company intends to restart exploration activities with the goal to complete a JORC-compliant Ore Reserve estimate in 1H 2020. This will require more than 32 km of drilling at the property in 2019.

Voro hub

- In 2018, the Company increased Voro's mineral resources by 19% to 1.2 Moz GE, primarily driven by additions from the Saum and Pescherniy properties. This will allow for an extension of Voro's life of mine and halt the production decline.
- At **Pesherny** (30 km from the CIP plant), exploration activities drove a 12% increase in Mineral Resources, which now comprise 505 Koz of gold with an average grade of 7.7 g/t. In 2019, the Company plans to complete 10 km of drilling with the goal to upgrade open-pit and underground resources to the Indicated category.

- At **Saum**, the Company achieved a twofold increase in Mineral Resources, adding 400 Koz of GE with an average grade of 9.8 g/t. In 2019, efforts will focus on 0.8 km of in-fill drilling of conductivity anomalies, and the completion of geophysical surveys aimed at the discovery of new ore bodies.
- At the **Voro** open pit, exploration was mostly focused on the assessment of mineralization below the ultimate pit floor at the northern flanks of the property where ore bodies are not delineated down-dip and along strike. As a result, new ore bodies were discovered, and known ore bodies were traced. In 2019, the Company plans to finalize the assessment of mineralization below the pit.

Dukat hub

- At **Lunnoye**, depletion was partially offset by reserve additions of 37 Koz of GE, which was mainly driven by positive exploration results at the south-western flank of ore zone 9.
- In 2019, Polymetal plans to complete the assessment of Perevalnoye and prepare an updated Mineral Resource and Ore Reserve estimate for the property. Prospecting at the Dukat flanks and deeper levels of Lunnoye is set to continue. The Company also plans to complete an aerogeophysical survey at the Dukat ore field and its flanks with a total area of approximately 1000 km².

Omolon hub

- At **Olcha**, Mineral Resources (including Ore Reserves) increased by 39 Koz of GE as a result of the 2018 exploration campaign.
- At **Nevenrekan**, 62 Koz of GE were added to Mineral Resources, with the updated estimate now comprising 164 Koz of GE with an average grade of 12.4 g/t. In 2019, the Company plans to complete the delineation of ore body 1 and further prospecting activities aimed at identifying ore bodies under basalt.
- In 2019, Polymetal plans to complete prospecting activities at the north-western flank of the **Tsokol** property and prepare **Yolochka** for the start of open-pit mining.

Svetloye

- At **Svetloye**, an increase in additional Mineral Resources was achieved, adding 86 Koz of gold. In 2019, the Company plans to undertake additional prospecting drilling and trenching at the flanks of the Svetloye deposit.
- At **Levoberezhny** (35 km from Svetloye), the results of in-fill drilling confirmed the continuity of mineralisation and the viability of using heap-leaching to recover gold.

Nezhda

- In 2018, exploration activities were focused on preparing open-pit reserves in ore zone 1 for open-pit mining. A total of 26 km was drilled at the property.
- An updated Ore Reserve and Mineral Resource estimate was prepared in accordance with the JORC Code (2012) as of April 1, 2018:
 - Mineral Resources (inclusive of Ore Reserves) comprise of 12.4 Moz of gold equivalent ("GE") with an average GE grade of 4.5 g/t, a 1.6 Moz increase compared with the previous estimate.
 - The estimate of Proved and Probable Ore Reserves increased by 2.4 Moz of GE and now contains 38 Mt at an average grade of 3.6 g/t GE for 4.4 Moz of GE contained.
 - Open-pit reserves increased by 55% from 2.0 Moz to 3.1 Moz; open-pit reserves now comprise 70% of total reserves.
 - The FS envisions 25 years of production from 2021 to 2045. The life of mine plan includes 19 years of conventional open-pit mining from 2019 to 2037, and 17 years of production from underground ore from 2029 to 2045.
- The estimate has been updated with 217 additional drill holes (39 km) and is based on data from a total 64,708 m of diamond drilling completed by Polymetal between 2015 and 2018 in addition to the 339,392 m of drilling completed by previous owners. Two hundred and ninety-four mineralised intersections were identified based on fire assay results.
- Mineral Resources for the open pit were estimated up to a depth of 250 m from the surface, with the underground portion estimated up to a depth of 440 m from the surface.

Prognoz

- In 2018, Polymetal increased its interest in Prognoz to 100% and completed 60 km of in-fill drilling that resulted in an updated JORC-compliant Mineral Resource estimate. The Mineral Resource estimate was prepared by Polymetal and independently audited by SRK Consulting (Russia) Ltd, effective as at 1 August 2018. In-fill drilling results exceeded our expectations and strengthened our belief that Prognoz may succeed Dukat as one of the largest primary silver deposits in the world. The new estimate incorporates data from 532 additional diamond drill holes (71,2 km) completed by Polymetal in 2017-2018.
- Compared with the previous Mineral Resource estimate completed by Micon in 2009, Polymetal added lead and used higher cut-off grades together with conservative extrapolation parameters to ensure a more robust and reliable estimate. As a result, the new estimate in comparison with the previous one has the following key characteristics:
 - Silver equivalent contained totaled 256 Moz at 789 g/t
 - Pure silver contained decreased by 19% from 293 Moz to 237 Moz
 - Average silver grade increased by 25% from 586 g/t to 731 g/t
 - Average vein width increased by 15% from 1.9 m to 2.2 m
 - The share of open-pit resources comprises 46%
 - The share of resources within the Indicated category increased from 50% to 61%
 - The share of resources in two largest veins (Main and Swamp) increased from 73% to 80%
- In 2019 Polymetal plans to complete:
 - 24.3 km of diamond drilling to upgrade the existing inferred resources to indicated category. Based on historic experience, the management expects at least 80% conversion rate
 - 15.7 km of diamond drilling to establish new resources on extensions of Main and Swamp Zones along the strike as well as at Lucky, Spring, Faraway, and Sunny veins. Polymetal expects to add at least 60 Moz of contained silver after completing this campaign.

Veduga

- In 2018, the Company increased its ownership in Veduga to 74.3%. As a result of additional exploration at the deeper levels of ore bodies 1 and 18, 125 Koz of gold were added to Mineral Resources.
- In 2019, Polymetal intends to reevaluate Ore Reserves and achieve reserve growth by including the flanks and deeper levels of the deposit in the estimate.

PGMs

- 9.3 km of exploration drilling was completed at Viksha in Karelia with the goal to prepare the deposit for a reserve estimate in the future. The Company expects to announce the updated Mineral Resource estimate for the property in Q3 2019.
- In 2019, exploration activities are set to continue at the flanks of the property with a view to upgrade resources from the Inferred category to Indicated, and update the estimate to reflect the growth in PGM prices.
- Polymetal intends to continue searching for and assessing prospective properties with the goal of discovering new PGM projects around Karelia that fit the Company's requirements in terms of size for a stand-alone operation.

Ore Reserves as at 1 January 2019 ⁽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	7,350					4.5	1,063	-	-	-	1,063
Albazino	5,460	3.8	-	-	-	3.8	667	-	-	-	667
Mayskoye	1,560	6.7	-	-	-	6.7	338	-	-	-	338
Kyzyl project (Bakyrchik) ⁽²⁾	330	5.5	-	-	-	5.5	58	-	-	-	58
Dukat hub	6,600					3.5	130	52,772	-	-	740
Dukat	4,960	0.4	240	-	-	3.1	72	38,190	-	-	491
Lunnoye	1,370	1.2	267	-	-	4.7	54	11,721	-	-	205
Goltsovoye	40	-	374	-	-	4.7	-	542	-	-	7
Arylakh	230	0.6	326	-	-	4.6	4	2,319	-	-	36
Varvara hub	19,710					1.4	791	-	12.7	-	858
Varvara ⁽³⁾	11,640	0.9	-	0.49	-	1.1	354	-	12.7	-	421
Komar	3,260	1.4	-	-	-	1.4	142	-	-	-	142
Maminskoye ⁽⁴⁾	4,810	1.9	-	-	-	1.9	295	-	-	-	295
Omolon hub	8,300					2.7	634	9,154	-	-	721
Birkachan	3,210	2.2	6	-	-	2.3	226	659	-	-	233
Sopka Kwartsevaya	3,170	1.2	57	-	-	1.8	128	5,842	-	-	182
Oroch ⁽⁵⁾	250	3.7	155	-	-	5.3	29	1,229	-	-	42
Olcha	200	9.9	19	-	-	10.1	62	120	-	-	63
Dalneye ⁽⁶⁾	860	1.9	32	-	-	2.1	52	879	-	-	58
Tsokol Kubaka	230	5.9	7	-	-	6.0	44	49	-	-	44
Burgali ⁽⁷⁾	380	7.9	31	-	-	8.2	95	375	-	-	98
Voro hub	9,450					1.6	491	891	-	-	500
Voro	9,450	1.6	3	-	-	1.6	491	891	-	-	500
Svetloye hub	1,930					2.5	157	229	-	-	157
Svetloye	1,930	2.5	4	-	-	2.5	157	229	-	-	157
Development and exploration projects	13,630					3.8	1,573	7,603	-	-	1,653
Nezhda ⁽⁹⁾	11,730	3.6	20	-	-	3.9	1,372	7,603	-	-	1,452
Veduga ⁽¹⁰⁾	320	3.1	-	-	-	3.1	32	-	-	-	32
Kutyn ⁽¹¹⁾	1,580	3.3	-	-	-	3.3	169	-	-	-	169
Total Proved	66,970					2.6	4,838	70,649	12.7	-	5,690
Kapan (discontinued) ⁽¹³⁾	50	1.6	30	0.34	1.17	3.2	2	44	0.2	0.5	5
Total Proved (including discontinued operations)	67,020					2.6	4,841	70,693	12.9	0.5	5,695
Probable											
Standalone Mines	47,680					6.9	10,556	-	-	-	10,556
Albazino	11,000	4.5	-	-	-	4.5	1,604	-	-	-	1,604
Mayskoye	8,340	6.9	-	-	-	6.9	1,843	-	-	-	1,843
Kyzyl project (Bakyrchik) ⁽²⁾	28,340	7.8	-	-	-	7.8	7,109	-	-	-	7,109
Dukat hub	5,560					3.9	131	49,735	-	-	702
Dukat	4,050	0.5	290	-	-	3.7	68	37,724	-	-	483
Lunnoye	1,030	1.8	234	-	-	4.8	60	7,715	-	-	159

	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
Goltsovoye	120	-	329	-	-	4.1	-	1,269	-	-	17
Arylakh	100	0.9	306	-	-	4.6	3	972	-	-	16
Perevalnoye	260	-	247	-	-	3.3	-	2,056	-	-	27
Varvara hub	34,360					1.8	1,888	-	14.8	-	1,966
Varvara ⁽³⁾	5,980	1.2	-	0.64	-	1.6	237	-	14.8	-	315
Komar	18,490	1.7	-	-	-	1.7	1,033	-	-	-	1,033
Maminskoye ⁽⁴⁾	9,890	1.9	-	-	-	1.9	618	-	-	-	618
Omolon hub	1,560					8.3	400	1,540	-	-	416
Birkachan	1,020	8.7	25	-	-	9.0	284	824	-	-	292
Sopka Kwartsevaya	90	4.3	137	-	-	5.8	12	383	-	-	16
Olcha	180	9.5	25	-	-	9.8	55	147	-	-	57
Tsokol Kubaka	110	6.9	12	-	-	7.0	25	42	-	-	25
Burgali ⁽⁷⁾	160	4.7	28	-	-	5.0	24	144	-	-	25
Voro hub	330					16.9	71	1,057	18.9	18.1	180
Voro	10	3.6	4	-	-	3.6	1	1	-	-	1
North Kaluga ⁽⁶⁾	320	6.7	101	5.81	5.58	17.1	70	1,056	18.9	18.1	179
Svetloye hub	3,290					2.6	278	364	-	-	278
Svetloye	3,290	2.6	3	-	-	2.6	278	364	-	-	278
Development and exploration projects	35,420					3.7	4,119	11,692	-	-	4,256
Nezhda ⁽⁹⁾	26,290	3.4	13	-	-	3.5	2,844	10,981	-	-	2,960
Veduga ⁽¹⁰⁾	6,030	4.9	-	-	-	4.9	950	-	-	-	950
Kutyn ⁽¹¹⁾	2,070	3.3	-	-	-	3.3	217	-	-	-	217
Lichkvaz ⁽¹²⁾	1,030	3.3	21	0.27	-	3.9	108	711	2.8	-	129
Total Probable	128,200					4.5	17,443	64,387	36.4	18.1	18,354
Kapan ⁽¹³⁾	3,420	2.1	41	0.45	1.73	4.4	236	4,554	15.5	59.1	486
Total Probable (including discontinued operations)	131,620					4.5	17,679	68,941	51.8	77.2	18,839
Proved + Probable											
Standalone Mines	55,030					6.6	11,619	-	-	-	11,619
Albazino	16,460	4.3	-	-	-	4.3	2,271	-	-	-	2,271
Mayskoye	9,900	6.9	-	-	-	6.9	2,181	-	-	-	2,181
Kyzyl project (Bakyrchik) ⁽²⁾	28,670	7.8	-	-	-	7.8	7,167	-	-	-	7,167
Dukat hub	12,160					3.7	261	102,507	-	-	1,442
Dukat	9,010	0.5	262	-	-	3.4	140	75,914	-	-	974
Lunnoye	2,400	1.5	253	-	-	4.7	114	19,436	-	-	364
Goltsovoye	160	-	341	-	-	4.3	-	1,810	-	-	24
Arylakh	330	0.7	320	-	-	4.6	7	3,291	-	-	53
Perevalnoye	260	-	247	-	-	3.3	-	2,056	-	-	27
Varvara hub	54,070					1.6	2,679	-	27.5	-	2,823
Varvara ⁽³⁾	17,620	1.0	-	0.56	-	1.3	591	-	27.5	-	736
Komar	21,750	1.7	-	-	-	1.7	1,175	-	-	-	1,175
Maminskoye ⁽⁴⁾	14,700	1.9	-	-	-	1.9	913	-	-	-	913

	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
Omolon hub	9,860					3.6	1,034	10,693	-	-	1,136
Birkachan	4,230	3.8	11	-	-	3.9	509	1,483	-	-	525
Sopka Kwartsevaya	3,260	1.3	59	-	-	1.9	140	6,225	-	-	199
Oroch ⁽⁵⁾	250	3.7	155	-	-	5.3	29	1,229	-	-	42
Olcha	380	9.7	22	-	-	10.0	117	267	-	-	120
Dalneye ⁽⁶⁾	860	1.9	32	-	-	2.1	52	879	-	-	58
Tsokol Kubaka	340	6.2	8	-	-	6.3	69	91	-	-	70
Burgali ⁽⁷⁾	540	7.0	30	-	-	7.2	119	519	-	-	123
Voro hub	9,780					2.2	562	1,948	18.9	18.1	679
Voro	9,460	1.6	3	-	-	1.6	492	892	-	-	501
North Kaluga ⁽⁸⁾	320	6.7	101	5.81	5.58	17.1	70	1,056	18.9	18.1	179
Svetloye hub	5,220	2.6	4			2.6	435	593	-	-	435
Svetloye	5,220	2.6	4	-	-	2.6	435	593	-	-	435
Development and exploration projects	49,050					3.7	5,692	19,295	2.8	-	5,909
Nezhda ⁽⁹⁾	38,020	3.4	15	-	-	3.6	4,216	18,585	-	-	4,412
Veduga ⁽¹⁰⁾	6,350	4.8	-	-	-	4.8	982	-	-	-	982
Kutyn ⁽¹¹⁾	3,650	3.3	-	-	-	3.3	386	-	-	-	386
Lichkvaz ⁽¹²⁾	1,030	3.3	21	0.27	-	3.9	108	711	2.8	-	129
Total Proved + Probable	195,170					3.8	22,281	135,036	49.1	18.1	24,044
Kapan ⁽¹³⁾	3,470	2.1	41	0.45	1.72	4.4	238	4,597	15.6	59.6	490
Total Proved + Probable (including discontinued operations)	198,640					3.8	22,520	139,634	64.7	77.8	24,534

¹⁾ Ore Reserves in accordance with the JORC Code (2012). Discrepancies in calculations are due to rounding.

²⁾ Previous estimate prepared by RPA Inc. as at 01.01.2015. Price: Au = US\$1,200/oz. Revised estimate was prepared by Polymetal as at 01.01.2019 (accounts only for depletion).

³⁾ Cu grade in Ore Reserves only represents average grade in flotation feed. Ore Reserves for flotation: 2.6 Mt Proved and 2.3 Mt Probable.

⁴⁾ 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⁾ Stockpiled Ore Reserves.

⁶⁾ Stockpiled Ore Reserves.

⁷⁾ 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.

⁸⁾ 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.

⁹⁾ Initial estimate prepared by CSA as at 01.04.2018. Price: Au = US\$1,200/oz and Ag = US\$16/oz. Revised estimate was not performed due to lack of material changes.

¹⁰⁾ Ore Reserves are presented in accordance with the Company's ownership equal to 74.3%.

¹¹⁾ 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.

¹²⁾ Initial estimate prepared by Polymetal as at 01.01.2018. Price: Au = US\$1,200/oz, Ag = US\$16/oz, Cu = US\$5,500/t. Revised estimate was prepared by Polymetal as at 01.01.2019 (accounts only for depletion).

¹³⁾ Asset sold in January 2019. Initial estimate prepared by Polymetal as at 01.01.2018. Price: Au = US\$1,200/oz, Ag = US\$16/oz, Cu = US\$5,500/t and Zn = US\$2,200/t. Revised estimate was prepared by Polymetal as at 01.01.2019 (accounts only for depletion).

Mineral Resources as at 1 January 2019 ⁽¹⁾

	Tonnage		Grade					Content					
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	Pb, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	Pb, Kt	GE, Koz
Measured													
Standalone Mines	4,410						5.3	751	-	-	-	-	751
Albazino	2,990	2.1	-	-	-	-	2.1	206	-	-	-	-	206
Mayskoye	1,220	13.0	-	-	-	-	13.0	512	-	-	-	-	512
Kyzyl project (Bakyrchik) ⁽²⁾	200	5.1	-	-	-	-	5.1	33	-	-	-	-	33
Dukat hub	1,380						7.2	57	21,833	-	-	-	320
Dukat	680	0.9	496	-	-	-	6.4	20	10,898	-	-	-	140
Lunnoye	550	2.0	416	-	-	-	7.3	35	7,464	-	-	-	131
Goltsovoye	80	-	980	-	-	-	13.1	-	2,470	-	-	-	33
Arylakh	70	0.9	459	-	-	-	7.3	2	1,000	-	-	-	16
Varvara hub	11,480						1.1	292	-	23.9	-	-	418
Varvara ⁽⁴⁾	10,400	0.7	-	0.40	-	-	1.1	240	-	23.9	-	-	366
Komar	100	2.5	-	-	-	-	2.5	8	-	-	-	-	8
Maminskoye ⁽⁵⁾	980	1.4	-	-	-	-	1.4	44	-	-	-	-	44
Omolon hub	1,020						3.1	92	1,067	-	-	-	103
Birkachan	20	17.0	53	-	-	-	17.5	10	31	-	-	-	10
Oroch ⁽⁶⁾	480	1.2	51	-	-	-	1.7	19	795	-	-	-	27
Olcha	170	5.0	16	-	-	-	5.2	29	93	-	-	-	30
Dalneye ⁽⁷⁾	220	1.1	16	-	-	-	1.2	8	112	-	-	-	8
Tsokol-Kubaka	130	6.6	9	-	-	-	6.7	28	36	-	-	-	28
Voro hub	260						2.8	22	40	-	-	-	23
Voro	260	2.7	5	-	-	-	2.8	22	40	-	-	-	23
Svetloye hub	50						3.1	5	6	-	-	-	5
Svetloye	50	3.1	4	-	-	-	3.1	5	6	-	-	-	5
Development and exploration projects	1,640						3.6	178	420	1.2	-	-	188
Nezhda ⁽¹¹⁾	220	4.0	9	-	-	-	4.1	28	61	-	-	-	29
Veduga ⁽¹²⁾	290	0.8	-	-	-	-	0.8	7	-	-	-	-	7
Kutyn ⁽¹³⁾	740	4.1	-	-	-	-	4.1	97	-	-	-	-	97
Lichkvaz ⁽¹⁵⁾	390	3.5	28	0.30	-	-	4.3	45	359	1.2	-	-	55
Total Measured	20,240						2.8	1,397	23,367	25.1	-	-	1,807
Kapan ⁽¹⁶⁾	20	5.2	74	0.95	4.05	-	10.0	3	38	0.2	0.6	-	5
Total Measured (including discontinued operations)	20,260						2.8	1,400	23,404	25.2	0.6	-	1,813
Indicated													
Standalone Mines	7,280						6.1	1,426	-	-	-	-	1,426
Albazino	3,330	4.6	-	-	-	-	4.6	492	-	-	-	-	492
Mayskoye	1,210	10.0	-	-	-	-	10.0	390	-	-	-	-	390
Kyzyl project (Bakyrchik) ⁽²⁾	2,740	6.2	-	-	-	-	6.2	545	-	-	-	-	545

	Tonnage		Grade					Content					
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	Pb, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	Pb, Kt	GE, Koz
Dukat hub	1,270						11.7	91	31,002	-	-	-	479
Dukat	440	0.9	469	-	-	-	6.0	13	6,686	-	-	-	86
Lunnoye	180	2.4	325	-	-	-	6.6	14	1,877	-	-	-	38
Goltsovoye	110	-	829	-	-	-	11.1	-	3,025	-	-	-	40
Arylakh	60	1.3	320	-	-	-	5.7	2	622	-	-	-	11
Perevalnoye	10	-	405	-	-	-	5.4	-	181	-	-	-	2
Primorskoye ⁽³⁾	470	4.2	1,238	-	-	-	20.0	62	18,610	-	-	-	301
Varvara hub	17,130						1.8	907	-	12.2	-	-	971
Varvara ⁽⁴⁾	7,700	1.4	-	0.53	-	-	1.6	338	-	12.2	-	-	402
Komar	8,280	1.9	-	-	-	-	1.9	514	-	-	-	-	514
Maminskoye ⁽⁵⁾	1,150	1.5	-	-	-	-	1.5	55	-	-	-	-	55
Omolon hub	850						9.5	182	6,853	-	-	-	259
Birkachan	60	11.2	23	-	-	-	11.4	20	42	-	-	-	21
Olcha	70	9.1	28	-	-	-	9.5	20	61	-	-	-	21
Tsokol-Kubaka	20	6.2	11	-	-	-	6.3	3	6	-	-	-	3
Irbychan	360	4.7	130	-	-	-	6.1	54	1,502	-	-	-	71
Nevenrekan	340	7.8	476	-	-	-	13.1	86	5,243	-	-	-	144
Voro hub	5,130						6.3	731	2,539	26.8	42.6	-	1,038
Voro	180	2.6	4	-	-	-	2.7	16	22	-	-	-	16
Tamunier ⁽¹⁰⁾	2,190	3.4	10	-	-	-	3.5	242	690	-	-	-	245
Saum	1,260	2.4	45	2.14	3.39	-	9.9	96	1,827	26.8	42.6	-	399
Pesherny	1,500	7.8	-	-	-	-	7.8	378	-	-	-	-	378
Svetloye hub	3,680						3.4	404	139	-	-	-	404
Svetloye	1,500	2.3	3	-	-	-	2.4	113	139	-	-	-	114
Levoberezhny	2,180	4.1	-	-	-	-	4.1	291	-	-	-	-	291
Development and exploration projects	12,720						7.3	893	146,356	1.0	-	119.8	2,997
Nezhda ⁽¹¹⁾	2,770	3.7	16	-	-	-	3.9	331	1,423	-	-	-	346
Kutyn ⁽¹³⁾	3,030	4.0	-	-	-	-	4.0	389	-	-	-	-	389
Prognoz ⁽¹⁴⁾	5,570	-	808	-	-	2.15	11.6	-	144,710	-	-	119.8	2,081
Bolshevik	1,020	4.1	-	-	-	-	4.1	134	-	-	-	-	134
Lichkvaz ⁽¹⁵⁾	330	3.7	21	0.30	-	-	4.4	39	222	1.0	-	-	47
Total Indicated	48,060						4.9	4,635	186,889	40.0	42.6	119.8	7,574
Kapan ⁽¹⁶⁾	320	2.9	57	0.66	2.39	-	6.1	30	588	2.1	7.6	-	63
Total Indicated (including discontinued operations)	48,380						4.9	4,665	187,477	42.1	50.2	119.8	7,636
Measured + Indicated													
Standalone Mines	11,690						5.8	2,177	-	-	-	-	2,177
Albazino	6,320	3.4	-	-	-	-	3.4	697	-	-	-	-	697
Mayskoye	2,430	11.5	-	-	-	-	11.5	901	-	-	-	-	901
Kyzyl project (Bakyrchik) ⁽²⁾	2,940	6.1	-	-	-	-	6.1	578	-	-	-	-	578
Dukat hub	2,650						9.4	149	52,835	-	-	-	798
Dukat	1,120	0.9	485	-	-	-	6.2	33	17,584	-	-	-	226

	Tonnage		Grade					Content					
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	Pb, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	Pb, Kt	GE, Koz
Lunnoye	730	2.1	394	-	-	-	7.1	49	9,342	-	-	-	169
Goltsovoye	190	-	891	-	-	-	11.9	-	5,496	-	-	-	73
Arylakh	130	1.1	394	-	-	-	6.6	4	1,622	-	-	-	27
Perevalnoye	10	-	405	-	-	-	5.4	-	181	-	-	-	2
Primorskoye ⁽³⁾	470	4.2	1,238	-	-	-	20.0	62	18,610	-	-	-	301
Varvara hub	28,610						1.5	1,199	-	36.1	-	-	1,389
Varvara ⁽⁴⁾	18,100	1.0	-	0.43	-	-	1.3	578	-	36.1	-	-	768
Komar	8,380	1.9	-	-	-	-	1.9	522	-	-	-	-	522
Maminskoye ⁽⁵⁾	2,130	1.4	-	-	-	-	1.4	99	-	-	-	-	99
Omolon hub	1,870						6.0	274	7,920	-	-	-	363
Birkachan	80	12.6	31	-	-	-	12.9	30	73	-	-	-	31
Oroch ⁽⁶⁾	480	1.2	51	-	-	-	1.7	19	795	-	-	-	27
Olcha	240	6.1	19	-	-	-	6.4	48	154	-	-	-	50
Dalneye ⁽⁷⁾	220	1.1	16	-	-	-	1.2	8	112	-	-	-	8
Tsokol-Kubaka	150	6.5	9	-	-	-	6.6	31	41	-	-	-	31
Irbychan	360	4.7	130	-	-	-	6.1	54	1,502	-	-	-	71
Nevenrekan	340	7.8	476	-	-	-	13.1	86	5,243	-	-	-	144
Voro hub	5,390						6.1	754	2,580	26.8	42.6	-	1,061
Voro	440	2.7	4	-	-	-	2.7	38	63	-	-	-	39
Tamunier ⁽¹⁰⁾	2,190	3.4	10	-	-	-	3.5	242	690	-	-	-	245
Saum	1,260	2.4	45	2.14	3.39	-	9.9	96	1,827	26.8	42.6	-	399
Pesherny	1,500	7.8	-	-	-	-	7.8	378	-	-	-	-	378
Svetloye hub	3,730						3.4	409	144	-	-	-	409
Svetloye	1,550	2.4	3	-	-	-	2.4	118	144	-	-	-	118
Levoberezhny	2,180	4.1	-	-	-	-	4.1	291	-	-	-	-	291
Development and exploration projects	14,360						6.9	1,071	146,776	2.2	-	119.8	3,185
Nezhda ⁽¹¹⁾	2,990	3.7	15	-	-	-	3.9	359	1,484	-	-	-	375
Veduga ⁽¹²⁾	290	0.8	-	-	-	-	0.8	7	-	-	-	-	7
Kutyn ⁽¹³⁾	3,770	4.0	-	-	-	-	4.0	486	-	-	-	-	486
Prognoz ⁽¹⁴⁾	5,570	-	808	-	-	2.15	11.6	-	144,710	-	-	119.8	2,081
Bolshevik	1,020	4.1	-	-	-	-	4.1	134	-	-	-	-	134
Lichkvaz ⁽¹⁵⁾	720	3.6	25	0.30	-	-	4.4	84	581	2.2	-	-	102
Total Measured + Indicated	68,300						4.3	6,032	210,255	65.1	42.6	119.8	9,381
Kapan ⁽¹⁶⁾	340	3.0	58	0.67	2.47	-	6.3	33	626	2.2	8.2	-	68
Total Measured + Indicated (including discontinued operations)	68,640						4.3	6,065	210,882	67.3	50.9	119.8	9,449
Inferred													
Standalone Mines	21,290						7.9	5,388	-	-	-	-	5,388
Albazino	4,690	6.2	-	-	-	-	6.2	942	-	-	-	-	942
Mayskoye	5,180	11.3	-	-	-	-	11.3	1,884	-	-	-	-	1,884
Kyzyl project (Bakyrchik) ⁽²⁾	11,420	7.0	-	-	-	-	7.0	2,562	-	-	-	-	2,562

	Tonnage		Grade					Content					
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	Pb, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	Pb, Kt	GE, Koz
Dukat hub	2,270						6.8	51	36,775	-	-	-	499
Dukat	1,030	1.0	527	-	-	-	6.8	33	17,418	-	-	-	224
Lunnoye	290	1.6	417	-	-	-	7.0	15	3,742	-	-	-	62
Goltsovoye	130	-	688	-	-	-	9.2	-	2,927	-	-	-	39
Arylakh	110	0.6	525	-	-	-	7.8	2	1,889	-	-	-	28
Perevalnoye	680	-	467	-	-	-	6.2	-	10,171	-	-	-	136
Primorskoye ⁽²⁾	30	1.8	787	-	-	-	11.8	1	629	-	-	-	9
Varvara hub	5,330						1.9	298	-	5.3	-	-	326
Varvara ⁽⁴⁾	4,110	1.6	-	0.60	-	-	1.8	213	-	5.3	-	-	241
Komar	1,220	2.2	-	-	-	-	2.2	85	-	-	-	-	85
Omolon hub	600						10.4	187	1,191	-	-	-	200
Sopka Kwartsevaya	20	3.9	122	-	-	-	5.2	1	43	-	-	-	2
Olcha	100	11.7	43	-	-	-	12.2	38	141	-	-	-	40
Tsokol Kubaka	80	8.7	16	-	-	-	8.9	22	42	-	-	-	23
Burgali ⁽⁸⁾	50	11.9	15	-	-	-	12.0	21	26	-	-	-	21
Irbychan	40	4.6	142	-	-	-	6.2	6	202	-	-	-	9
Yolochka ⁽⁹⁾	240	11.1	10	-	-	-	11.2	85	73	-	-	-	86
Nevenrekan	70	5.4	293	-	-	-	8.7	12	664	-	-	-	20
Voro hub	1,030						5.4	177	88	-	-	-	178
Tamunier ⁽¹⁰⁾	480	3.2	4	-	-	-	3.3	50	69	-	-	-	50
Saum	10	1.9	45	-	-	-	2.3	1	20	-	-	-	1
Pesherny	540	7.3	-	-	-	-	7.3	127	-	-	-	-	127
Svetloye hub	200						2.9	18	23	-	-	-	19
Svetloye	160	2.9	4	-	-	-	2.9	15	23	-	-	-	15
Levoberezhny	40	2.3	-	-	-	-	2.3	3	-	-	-	-	3
Development and exploration projects	60,860						5.3	8,816	106,553	3.2	-	77.9	10,315
Nezhda ⁽¹¹⁾	46,440	5.1	9	-	-	-	5.2	7,552	13,679	-	-	-	7,696
Veduga ⁽¹²⁾	1,500	5.8	-	-	-	-	5.8	282	-	-	-	-	282
Kutyn ⁽¹³⁾	2,200	4.0	-	-	-	-	4.0	284	-	-	-	-	284
Prognoz ⁽¹⁴⁾	4,500	-	635	-	-	1.73	9.2	-	91,822	-	-	77.9	1,327
Bolshevik	5,340	3.3	-	-	-	-	3.3	570	-	-	-	-	570
Lichkvaz ⁽¹⁵⁾	880	4.5	37	0.36	-	-	5.5	128	1,052	3.2	-	-	155
Total Inferred	91,580						5.7	14,936	144,631	8.5	-	77.9	16,925
Kapan ⁽¹⁶⁾	8,020	2.9	62	0.67	2.28	-	6.1	739	16,012	53.4	183.0	-	1,564
Total Inferred (including discontinued operations)	99,600						5.8	15,674	160,642	61.9	183.0	77.9	18,488
Measured + Indicated + Inferred													
Standalone Mines	32,980						7.1	7,565	-	-	-	-	7,565
Albazino	11,010	4.6	-	-	-	-	4.6	1,639	-	-	-	-	1,639
Mayskoye	7,610	11.4	-	-	-	-	11.4	2,786	-	-	-	-	2,786
Kyzyl project (Bakyrchik) ⁽²⁾	14,360	6.8	-	-	-	-	6.8	3,140	-	-	-	-	3,140

	Tonnage		Grade					Content					
	Kt	Au, g/t	Ag, g/t	Cu, %	Zn, %	Pb, %	GE, g/t	Au, Koz	Ag, Koz	Cu, Kt	Zn, Kt	Pb, Kt	GE, Koz
Dukat hub	4,920						8.2	199	89,610	-	-	-	1,297
Dukat	2,150	0.9	505	-	-	-	6.5	65	35,002	-	-	-	450
Lunnoye	1,020	1.9	400	-	-	-	7.1	64	13,083	-	-	-	231
Goltsovoye	320	-	808	-	-	-	10.8	-	8,423	-	-	-	112
Arylakh	240	0.8	455	-	-	-	7.2	6	3,511	-	-	-	55
Perevalnoye	690	-	466	-	-	-	6.2	-	10,351	-	-	-	138
Primorskoye ⁽³⁾	500	4.0	1,216	-	-	-	19.6	64	19,239	-	-	-	311
Varvara hub	33,940						1.6	1,497	-	41.3	-	-	1,715
Varvara ⁽⁴⁾	22,210	1.1	-	0.45	-	-	1.4	791	-	41.3	-	-	1,009
Komar	9,600	2.0	-	-	-	-	2.0	607	-	-	-	-	607
Maminskoye ⁽⁵⁾	2,130	1.4	-	-	-	-	1.4	99	-	-	-	-	99
Omolon hub	2,470						7.1	461	9,112	-	-	-	563
Birkachan	80	12.6	31	-	-	-	12.9	30	73	-	-	-	31
Sopka Kwartsevaya	20	3.9	122	-	-	-	5.2	1	43	-	-	-	2
Oroch ⁽⁶⁾	480	1.2	51	-	-	-	1.7	19	795	-	-	-	27
Olcha	340	7.7	26	-	-	-	8.0	87	295	-	-	-	90
Dalneye ⁽⁷⁾	220	1.1	16	-	-	-	1.2	8	112	-	-	-	8
Tsokol Kubaka	230	7.3	12	-	-	-	7.4	53	84	-	-	-	54
Burgali ⁽⁸⁾	50	11.9	15	-	-	-	12.0	21	26	-	-	-	21
Irbychan	400	4.7	132	-	-	-	6.1	60	1,704	-	-	-	79
Yolochka ⁽⁹⁾	240	11.1	10	-	-	-	11.2	85	73	-	-	-	86
Nevenrekan	410	7.4	445	-	-	-	12.4	98	5,907	-	-	-	164
Voro hub	6,420						6.0	931	2,668	26.8	42.6	-	1,239
Voro	440	2.7	4	-	-	-	2.7	38	63	-	-	-	39
Tamunier ⁽¹⁰⁾	2,670	3.4	9	-	-	-	3.4	292	759	-	-	-	296
Saum	1,270	2.4	45	2.11	3.36	-	9.8	97	1,846	26.8	42.6	-	400
Pesherny	2,040	7.7	-	-	-	-	7.7	505	-	-	-	-	505
Svetloye hub	3,930						3.4	427	167	-	-	-	428
Svetloye	1,710	2.4	3	-	-	-	2.4	133	167	-	-	-	134
Levoberezhny	2,220	4.1	-	-	-	-	4.1	294	-	-	-	-	294
Development and exploration projects	75,220						5.6	9,887	253,329	5.4	-	197.8	13,500
Nezhda ⁽¹¹⁾	49,430	5.0	10	-	-	-	5.1	7,911	15,164	-	-	-	8,071
Veduga ⁽¹²⁾	1,790	5.0	-	-	-	-	5.0	290	-	-	-	-	290
Kutyn ⁽¹³⁾	5,970	4.0	-	-	-	-	4.0	770	-	-	-	-	770
Prognoz ⁽¹⁴⁾	10,070	-	731	-	-	1.96	10.5	-	236,533	-	-	197.8	3,408
Bolshevik	6,360	3.4	-	-	-	-	3.4	704	-	-	-	-	704
Lichkvaz ⁽¹⁵⁾	1,600	4.1	32	0.34	-	-	5.0	212	1,633	5.4	-	-	257
Total Measured + Indicated + Inferred	159,880						5.1	20,968	354,886	73.6	42.6	197.8	26,306
Kapan ⁽¹⁶⁾	8,360	2.9	62	0.67	2.29	-	6.1	771	16,638	55.6	191.3	-	1,632
Total Measured + Indicated + Inferred (including discontinued operations)	168,240						5.2	21,739	371,524	129.2	233.9	197.8	27,937

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 RPA Inc. as at 01.01.2015. Revised estimate prepared by Polymetal as at 01.01.2019 (accounts only for depletion).
- 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 3.2 and 6.0 Mt of ore respectively).
- 5) 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) Stockpiled Ore Reserves.
- 7) Stockpiled Ore Reserves.
- 8) 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.
- 9) 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.
- 10) Estimate prepared by Polymetal as at 01.01.2018. Price: Au = US\$1,200/oz, Ag = US\$16/oz. Revised estimate was not performed due to lack of material changes.
- 11) Initial estimate prepared by CSA as at 01.04.2018. Price: Au= US\$1,200/oz, Ag = US\$16/oz. Revised estimate was not performed due to lack of material changes.
- 12) Mineral Resources are presented in accordance with Company's ownership equal to 74.3%.
- 13) 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. Initial estimate for ore zone Delinskay at Kutyn deposit prepared by Polymetal as at 01.01.2019.
- 14) Estimate prepared by SRK Consulting (Russia) Limited as at 01.08.2018. Price: Ag = US\$16/oz, Pb = US\$2,200/t. Revised estimate was not performed due to lack of material changes. Recalculation into gold equivalent was made by Polymetal based on Au= US\$1,200/oz, Ag = US\$15/oz.
- 15) Initial estimate prepared by Polymetal as at 01.01.2018. Price: Au = US\$1,200/oz, Ag = US\$16/oz, Cu = US\$5,500/t. Revised estimate prepared by Polymetal as at 01.01.2019 (accounts only for depletion).
- 16) Asset sold in January 2019. Initial estimate prepared by Polymetal as at 01.01.2018. Price: Au = US\$1,200/oz, Ag = US\$16/oz, Cu = US\$5,500/t and Zn = US\$2,200/t. Revised estimate prepared by Polymetal as at 01.01.2019 (accounts only for depletion).

PGM Mineral Resources as at 1 January 2019 ⁽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 18 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 18 years' relevant experience;*
- *Mining and Ore Reserves - Igor Epshteyn, Head of Mining Process Department, FIMMM, with 37 years' relevant experience;*
- *Concentration and Metals – Igor Agapov, Deputy Director of Science and Technology, MIMMM, with 21 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\$ 15.0/oz;

Cu = US\$ 5,500/t;

Zn = US\$ 2,200/t.

Pb = US\$ 2,200/t

Gold equivalent data is based on "Conversion ratios of metals into gold equivalent" provided in the Appendix below.

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Appendix

Reporting of Metal Equivalents

Gold equivalent conversion ratio

$$GE=Me/k$$

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

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

For silver: $k = ((Au \text{ price}/31.1035 - (Au \text{ price}/31.1035 - \text{Treatment charge Au}) \cdot (\text{Royalty Au})/100 - (\text{Treatment charge Au}) \cdot (\text{Recovery Au})) / ((Ag \text{ price}/31.1035 - (Ag \text{ price}/31.1035 - \text{Treatment charge Ag}) \cdot (\text{Royalty Ag})/100 - (\text{Treatment charge Ag}) \cdot (\text{Recovery Ag}))$,

for copper or zinc $k = 100 \cdot ((Au \text{ price}/31.1035) - (Au \text{ price}/31.1035 - \text{Treatment charge Au}) \cdot (\text{Royalty Au})/100 - (\text{Treatment charge Au}) \cdot (\text{Recovery Au})) / (((Me \text{ price}) - (Me \text{ price} - \text{Treatment charge Me}) \cdot (\text{Royalty Me})/100 - (\text{Treatment charge Me}) \cdot \text{Recovery Me}))$.

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	Pb
Dukat	Gravitational flotation	91			
Lunnoye	Cyanidation+Merrill Crowe process	78			
Goltsovoye	Conventional flotation	75			
Arylakh	Cyanidation+Merrill Crowe process	72			
Perevalnoye	Conventional flotation	75			
Primorskoye	Conventional flotation	78			
Varvara	Powder ore with high copper content ⁽¹⁾		0.61		
	Primary ore with high copper content: conventional flotation		0.61		
Birkachan	Cyanidation +carbon-in-pulp	102			
	Heap leaching+carbon-in-colon	80			
Sopka Kwartsevaya	Cyanidation+Merrill Crowe process	89			
	Heap leaching+Merrill Crowe process	116			
Oroch stockpiles	Cyanidation+Merrill Crowe process	94			
Olcha	Cyanidation+Merrill Crowe process	86			
Dalneye stockpiles	Cyanidation+Merrill Crowe process	136			
Tsokol Kubaka	Cyanidation carbon-in-pulp	96			
Burgali	Cyanidation+Merrill Crowe process	115			
Irbychan	Cyanidation+Merrill Crowe process	89			
Yolochka	Cyanidation carbon-in-pulp	91			
Nevenrekan	Cyanidation+Merrill Crowe process	89			
Voro	Heap leaching+Merrill Crowe process	178			
	Cyanidation carbon-in-pulp	98			
North Kaluga	Conventional flotation	91	0.68	7.76	
Tamunier	Conventional flotation	199			
Saum	Oxide ore: Cyanidation + carbon-in-pulp	111			
	Cu-Zn primary ore: Conventional flotation	113	0.54	1.91	
	Cu-Zn loose ore: Conventional flotation	63	0.38	1.38	
	Zn – Conventional flotation	168		0.62	
Svetloye	Heap leaching+Merrill Crowe process	812			
Kapan	Conventional flotation	83	0.60	1.70	
Lichkvaz	Conventional flotation	81	0.70		
Nezhda	Gravitational flotation	95			
Prognoz	Conventional flotation (open-pit)	75			3.32
	Conventional flotation (underground)	75			1.91

¹⁾ This type of ore is currently not being processed, it is stockpiled and reflected only in Mineral Resources.