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Polymetal International plc

New exploration JV in Taimyr

Polymetal announces an initial investment of US\$ 0.5 million in exchange for a 35% stake in a joint venture with a junior holding an exploration license for the Pekinskaya area, Taimyr Peninsula, Russia (Pekinskaya JV), which adjoins the existing Taimyr JV.

“Through this new joint venture Polymetal has expanded its footprint in the highly prospective Taimyr region with the potential to discover a significant copper-gold porphyry mineralisation”, said Vitaly Nesis, Group CEO of Polymetal. “We continue to be committed to further development of our exploration portfolio through partnerships with juniors in the regions of our presence”.

TRANSACTION HIGHLIGHTS

- Polymetal may acquire up to a 70% interest in the Pekinskaya JV by funding RUB 173 million in cash (approximately US\$ 2.3 million) of exploration expenditures in three stages aligned with the relevant field seasons:
 - Stage 1 (completed) – an initial acquisition of 35% stake in the JV through a RUB 40 million (approx. US\$ 0.5 million) cash investment in newly issued share capital.
 - Stage 2 – increase stake up to 63% ownership for further investment of RUB 85 million (approx. US\$ 1.1 million) in newly issued share capital by March 2021 following the first field season results assessment.
 - Stage 3 – increase stake up to 70% ownership for further investment of RUB 48 million (approx. US\$ 0.6 million) in newly issued share capital by March 2022 following the second field season results assessment.
- Polymetal may also provide loans to the JV to fund extra exploration costs at stages 2 and 3, and finance three additional field seasons post 2022.
- Polymetal has been granted a call option exercisable in 2023-2026 to acquire the remaining interest in the JV following JORC-compliant Mineral Resource estimate.
- Pekinskaya exploration license covers an area of 97 sq. km. Together with the contiguous Taimyr JV they represent an area of 359 sq. km.

About Polymetal

Polymetal International plc (together with its subsidiaries – “Polymetal”, the “Company”, or the “Group”) is a top-10 global gold producer and top-5 global silver producer with assets in Russia and Kazakhstan. The Company combines strong growth with a robust dividend yield.

Enquiries

Media		Investor Relations	
FTI Consulting	+44 20 3727 1000	Polymetal	ir@polymetalinternational.com
Leonid Fink		Evgeny Monakhov	+44 20 7887 1475 (UK)
Viktor Pomichal		Timofey Kulakov	
		Kirill Kuznetsov	+7 812 334 3666 (Russia)
Joint Corporate Brokers			
Morgan Stanley & Co. International plc	+44 20 7425 8000	RBC Europe Limited	+44 20 7653 4000
Andrew Foster		Marcus Jackson	
Richard Brown		Jamil Miah	

Panmure Gordon +44 20 7886 2500
Daniel Norman
John Prior

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