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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU, WHICH IS PART OF UK DOMESTIC LAW PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS (SI 2019/310) ("UK MAR").

Polymetal International plc

Update on the potential modification of its asset holding structure

Polymetal International plc (Polymetal or the Company) reports on progress in its efforts to de-risk on-going operations.

As announced earlier this year, the Company has been considering a potential modification of its asset holding structure which would ensure distinct ownership in the various jurisdictions in which the Company operates. The Company today announces that it is evaluating the potential disposal of the Company's assets located in the Russian Federation (the Russian Assets) (the Potential Transaction).

If completed, the Potential Transaction would result in the Company focusing primarily on its operations in Kazakhstan, which currently produce over 500 Koz of gold per year, with revenue in 2021 of US\$ 984 million.

The primary objective of the Potential Transaction is to restore shareholder value by seeking to allow the market to appropriately value the Company's Kazakhstani assets and de-risk its ongoing operations. The Company believes that the Potential Transaction would also increase the likelihood of the Company's ability to re-enter all the relevant equity and sustainability indices and regain a significantly wider institutional audience. However, the evaluation of the Potential Transaction is ongoing and there can be no certainty that the Company will proceed with the Potential Transaction.

In order to evaluate the Potential Transaction, a Special Committee of the Board (the Committee) has been set up in accordance with the Company's Articles of Association, comprising the Independent Non-Executive Directors of the Company. The Committee will review the Potential Transaction, acting at all times in the best interests of the Company, its shareholders and other stakeholders.

Appropriate advisers have been appointed in order to assist in respect of the Potential Transaction.

"The Committee is acting in the interests of all of the Company's shareholders with the ultimate goal of unlocking the Company's value by removing its exposure to the Russian Assets.

Our plan has evolved since the Company announced the genesis of these actions almost four months ago, and I am pleased with the good progress so far. While we are dealing with several legal and regulatory aspects across jurisdictional boundaries, our aim is to apply best corporate governance standards and achieve the best outcome for all stakeholders", said Paul J. Ostling, Independent Non-Executive Director and Chair of the Committee.

The Company confirms that the Potential Transaction will be compliant with all applicable international sanctions and regulatory requirements, including shareholder approval.

A further announcement will be made as appropriate.

The person responsible for the announcement is Tania Tchedaeva, Company Secretary.

Enquiries

Media	Investor Relations
Advisors to the Special Committee of the Board FTI Consulting +44 20 3727 1000 Leonid Fink Viktor Pomichal	Polymetal Evgeny Monakhov Timofey Kulakov Kirill Kuznetsov ir@polymetalinternational.com +44 20 7887 1475 (UK) +7 812 334 3666 (Russia)

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.