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Polymetal International plc

Tomtor initial Mineral Resource estimate

Polymetal announces that its associate ThreeArc Mining Ltd. (ThreeArc, in which Polymetal owns 9.1%) has completed an initial Mineral Resource estimate in accordance with the JORC Code (2012) for the Buranny area of Tomtor niobium and rare-earth metals project (Tomtor).

“Tomtor’s initial Mineral Resource estimate confirmed its large scale and substantial potential value. The next two milestones on the path to investment decision are the initial reserve estimate and completion of the PFS, both expected in early 2021”, said Vitaly Nesis, Group CEO of Polymetal.

HIGHLIGHTS

- According to the JORC-compliant statement, Mineral Resources as at 31 December 2019 comprise 13.2 Mt of ore available for open-pit mining at 5.9% Nb₂O₅¹+15% REO² grade (including 2.8% of NdPr³ oxides) containing 0.8 Mt of Nb₂O₅ and 2.0 Mt of REO.
- The resource estimate is based on data from two exploration campaigns: a preliminary one in 1990-1997 including 448 drill holes with total length of 30 km followed by a detailed campaign in 2014-2018 comprising 204 drill holes with total length of 12 km.
- The Mineral Resource audit completed by SRK Consulting is the first independent audit of the Tomtor project.
- The initial Ore Reserve estimate and Pre-Feasibility Study are expected to be finalised in early 2021.

Tomtor Mineral Resources

	Tonnage		Grade			Content	
	Mt	Nb ₂ O ₅ %	REO %	Nb ₂ O ₅ Eq %	Nb ₂ O ₅ Kt	REO Kt	Nb ₂ O ₅ Eq Kt
Indicated	11.8	6.0	15.0	12.0	707	1,770	1,410
Inferred	1.4	4.7	15.3	10.6	68	220	150
Indicated + Inferred	13.2	5.9	15.0	11.9	775	1,990	1,570

Note: The extract from the Mineral Resource statement reported in accordance with the JORC Code (2012) as at 31 December 2019 using the following prices: US\$ 23.9/kg of Nb₂O₅, US\$ 53.5/kg of Pr₆O₁₁, US\$ 48.5/kg of Nd₂O₃, and at 7.8% Nb₂O₅ Eq cut-off grade. Discrepancies in calculations are due to rounding.

ABOUT TOMTOR

Tomtor is located in the north-west of Yakutia. It is one of the largest and highest grade rare earth elements (REE) projects in Russia and considered to be the highest grade development stage niobium (Nb) project globally. The deposit was discovered in 1977 with initial statutory reserves approved in 1999. In 2013, ICT established ThreeArc Mining Ltd., a subsidiary of which purchased the Tomtor license subsequently. In March 2020, Polymetal acquired a 9.1% stake in ThreeArc for US\$ 20 million. The proceeds were allocated to Pre-Feasibility Study and initial JORC-compliant Ore Reserve and Mineral Resource estimate preparation.

The project is comprised of the Tomtor open-pittable deposit and the Krasnokamensk Hydromet Facility (KHF) which will be built near the town of Krasnokamensk located in South-Eastern Siberia close to the border with China being the location of Russia’s largest uranium mine and associated processing and tailings storage infrastructure.

¹ Niobium oxide.

² Rare earth oxides.

³ Nd - Neodymium, Pr - Praseodymium.

COMPETENT PERSONS

This estimate was prepared by a full-time employee of SRK Consulting (Russia) Ltd, Mr. Robin Simpson. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code).

Competent Person has given his consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

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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.