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Date 21 July 2022

Polymetal International plc

Q2 2022 production results

Polymetal reports solid production results for the second quarter of 2022.

"In Q2, we hit our production targets and are on track to meet our full-year guidance. International sanctions against Russia continue to have a material impact on sales, procurement and logistics. The management is fully focused on maintaining operating and financial stability of the Company", said Vitaly Nesis, Group CEO of Polymetal.

HIGHLIGHTS

- No fatal accidents occurred among Group workforce and contractors in Q2 2022. During this period, two minor LTI incidents were recorded among employees. Lost time injury frequency rate (LTIFR) for the six-month period decreased by 53% year-on-year (y-o-y) to 0.08 (0.17 in H1 2021).
- Q2 gold equivalent production ("GE") decreased by 9% year-on-year to 326 Koz. Lower grades and planned long maintenance shutdown at the Amursk POX reduced output from Kyzyl and Albazino, more than offsetting fresh contribution from Nezhda.
- GE output for H1 was 697 Koz, down by 7% y-o-y, including 453 Koz in Russia and 244 Koz in Kazakhstan. COVID-related restrictions in China forced the Company to reduce shipments of gold concentrates from Nezhda and Kyzyl. The Company reiterates its full-year production guidance of 1.7 Moz of GE (1.2 Moz in Russia and 500 Koz in Kazakhstan), however notes a risk of underperformance given persistent lockdowns and logistical constraints in Chinese ports and railway.
- In Q2, 130 Koz of GE in gold and silver bullion inventory accumulated across the Group's Russian mines. This gap between sales and production is likely to be closed during Q3 as the Company ramps up export sales to various Asian markets.
- Revenue for the quarter recorded a 36% decline y-o-y to US\$ 433 million, while H1 revenue was down by 18% to US\$ 1,048 million (US\$ 605 million Russia and US\$ 443 million Kazakhstan). The negative dynamics was the result of lower sales volumes on the back of inventory accumulation, while the average realized price was marginally higher.
- Net debt as of the end of Q2 stood at approximately US\$ 2.8 billion. A quarterly increase of US\$ 0.8 billion was driven by bullion and concentrate inventory accumulation, accelerated purchases of equipment and spares, funding of the critically important contractors and suppliers, and upward US\$ re-valuation of ruble-denominated debt driven by significant Rouble strengthening during the quarter. The Company maintains sufficient liquidity with US\$ 0.5 billion in cash and US\$ 0.4 billion of undrawn credit lines with non-sanctioned banks.
- Given significant appreciation of Ruble against US Dollar, the Company will update its FY2022 cash costs and CAPEX guidance with the publication of its H1 2022 financial results on 22 September 2022.

OPERATING HIGHLIGHTS

	3 months ended June 30,		% change ¹	6 months ended June 30,		% change ¹
	2022	2021		2022	2021	
Waste mined, Mt	55.0	52.5	+5%	110.0	98.0	+12%
Underground development, km	25.1	23.3	+8%	48.9	46.3	+6%
Ore mined, Mt	5.1	3.8	+37%	9.4	7.5	+26%
Open-pit	4.1	2.8	+47%	7.4	5.6	+33%
Underground	1.0	0.9	+7%	2.0	1.9	+5%
Ore processed, Mt	4.3	4.0	+8%	8.4	7.6	+11%
Average GE grade processed, g/t	3.3	3.7	-9%	3.4	3.8	-11%
Production						
Gold, Koz	271	299	-9%	587	635	-8%
Silver, Moz	4.3	4.8	-10%	8.8	9.4	-6%
Gold equivalent, Koz ²	326	359	-9%	697	753	-7%
Sales						
Gold, Koz	189	315	-40%	456	595	-23%
Silver, Moz	4.4	4.3	+3%	8.7	8.0	+9%
Revenue, US\$m ³	433	681	-36%	1,048	1,274	-18%
Net debt, US\$m ⁴	2,801	1,978	+42%	2,801	1,647	+70%
LTIFR (Employees) ⁵	0.06	0.10	-40%	0.08	0.17	-53%
Fatalities	0	0	NA	0	0	NA

Notes: (1) % changes can be different from zero even when absolute numbers are unchanged because of rounding. Likewise, % changes can be equal to zero when absolute numbers differ due to the same reason. This note applies to all tables in this release.

(2) Based on 80:1 Au/Ag conversion ratio and excluding base metals. Comparative data for 2021 restated accordingly (120:1 Au/Ag conversion ratio was used previously).

(3) Calculated based on the unaudited consolidated management accounts.

(4) Non-IFRS measure based on unaudited consolidated management accounts. Comparative information is presented for 31 March 2022 (for the three months period) and 31 December 2021 (for the six months period).

(5) LTIFR = lost time injury frequency rate per 200,000 hours worked.

(6) DIS – days lost due to work-related injuries.

PRODUCTION BY MINE

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
GOLD EQ. (KOZ)¹						
Kazakhstan	105	144	-27%	244	293	-17%
Kyzyl	53	93	-43%	135	182	-26%
Varvara	52	51	+3%	109	110	-1%
Russia	220	215	+3%	453	460	-2%
Dukat	61	68	-11%	127	135	-6%
Albazino	39	46	-15%	95	123	-23%
Omolon	45	51	-12%	85	98	-14%
Nezhda	31	-	NA	61	-	NA
Svetloye	24	26	-8%	43	53	-19%
Voro	19	19	+2%	39	41	-4%
Mayskoye	1	4	-68%	4	10	-60%
TOTAL	326	359	-9%	697	753	-7%

Notes: (1) Based on 80:1 Au/Ag conversion ratio and excluding base metals. Comparative data for 2021 restated accordingly (120:1 Au/Ag conversion ratio was used).

CONFERENCE CALL AND WEBCAST

The Company will hold a conference call and webcast on Thursday, 21 July 2022 at 11:00 London time (13:00 Moscow time).

To participate in the call, please dial:

From the UK:

+44 (0) 330 165 4012 (local access)

0800 279 6877 (toll free)

From the US:

+1 646 828 8073 (local access)

800 289 0720 (toll free)

From Russia:

+7 495 646 5137 (local access)

8 10 800 2865 5011 (toll free)

To participate from other countries, please dial any of the local access numbers listed above.

Conference code: 1493984

To participate in the webcast follow the link: <https://www.webcast-egs.com/polymetal20220721>.

Please be prepared to introduce yourself to the moderator or register.

A recording of the call will be available at +44 (0) 20 3859 5407 (from the UK), +1 719 457 0820 (from the USA) and 8 10 800 2702 1012 (from Russia), access code 1493984, from 15:30 London time Thursday, 21 July, till 15:30 London time Thursday, 28 July 2022. Webcast replay will be available on Polymetal's website (www.polymetalinternational.com) and at <https://www.webcast-egs.com/polymetal20220721>.

Enquiries

Investor Relations

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.

KYZYL

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	21.0	20.6	+2%	41.7	40.9	+2%
Ore mined (open-pit), Kt	547	542	+1%	1,131	1,098	+3%
PROCESSING						
Ore processed, Kt	535	569	-6%	1,086	1,133	-4%
Gold grade, g/t	4.8	6.5	-26%	4.8	6.2	-23%
Gold recovery	89.0%	89.9%	-1%	88.3%	89.4%	-1%
Concentrate produced, Kt	24.5	34.2	-28%	49.3	69.3	-29%
Concentrate gold grade, g/t	94.5	97.0	-3%	93.0	90.9	+2%
Gold in concentrate, Koz ¹	75	107	-30%	148	202	-27%
Concentrate shipped, Kt	15	21	-27%	26	48	-45%
Payable gold shipped, Koz	28	40	-29%	48	86	-44%
Amursk POX						
Concentrate processed, Kt	7	13	-47%	21	25	-18%
Gold grade, g/t	131.2	130.8	+0%	132.1	133.9	-1%
Gold recovery	94.0%	90.2%	+4%	94.4%	91.3%	+3%
Gold produced, Koz	25	53	-54%	87	96	-10%
TOTAL PRODUCTION						
Gold, Koz	53	93	-43%	135	182	-26%

Note: (1) For information only; not considered as gold produced and therefore not reflected in the table representing total production. It will be included in total production upon shipment to off-taker or dore production at Amursk POX.

(2) To be further processed at Amursk POX.

In Q2, gold in concentrate production at Kyzyl contracted by 30% mostly due to the planned decline in grade as mining shifted to the eastern part of the pit.

Concentrate inventory continued to accumulate due to the Amursk POX shutdown and COVID-related logistical restrictions in China.

Recovery rate at POX grew by 4% y-o-y due to improvements in the flowsheet implemented during the maintenance shutdown (addition of conditioning slurry tanks).

VARVARA

	<u>3 months ended June 30,</u>		<u>%</u> <u>change</u>	<u>6 months ended June 30,</u>		<u>% change</u>
	<u>2022</u>	<u>2021</u>		<u>2022</u>	<u>2021</u>	
<u>MINING</u>						
Waste mined, Mt	10.3	10.0	+3%	21.3	19.5	+9%
Ore mined, Kt	1,113	850	+31%	2,070	1,906	+9%
<u>PROCESSING</u>						
<u>Leaching</u>						
Ore processed, Kt	829	794	+4%	1,598	1,558	+3%
Gold grade, g/t	1.6	1.7	-2%	1.7	1.7	-0%
Gold recovery ¹	91.1%	89.9%	+1%	90.3%	88.2%	+2%
Gold production (in dore), Koz	41	38	+8%	87	84	+3%
<u>Flotation</u>						
Ore processed, Kt	192	185	+4%	371	375	-1%
Gold grade, g/t	2.8	2.8	-2%	2.8	2.7	+4%
Recovery ¹	88.4%	83.9%	+5%	89.0%	84.3%	+6%
Gold in concentrate, Koz	11	12	-14%	22	26	-14%
<u>TOTAL PRODUCTION</u>						
Gold, Koz	52	51	+3%	109	110	-1%

Note: (1) Technological recovery, includes gold and copper within work-in-progress inventory. Does not include toll-treated ore.

Gold output at Varvara was largely stable y-o-y and exceeded the production plan.

Grade processed at the flotation circuit remained high on the back of prevailing share of better quality third-party ore. Gold recovery at the leaching circuit grew following the flowsheet improvements.

Ore mined increase is driven by the start of mining at the River pit.

At Varvara, a pilot rail-veyor project (the first one implemented in Eurasia) was commissioned to transport incoming ore from the railway spur to the crusher, thus reducing the greenhouse gas emissions and ore transportation cost.

Varvara Mine Supply Chain has become the first company in Kazakhstan (and third in Polymetal) which was certified in full compliance under the International Cyanide Management Code by the International Cyanide Management Institute (ICMI).

DUKAT

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	1.0	0.7	+53%	1.9	1.1	+79%
Underground development, km	12.0	11.1	+8%	23.5	22.8	+3%
Ore mined, Kt	601	638	-6%	1,234	1,283	-4%
Open-pit	109	119	-9%	215	223	-4%
Underground	492	518	-5%	1,019	1,060	-4%
PROCESSING						
Omsukchan concentrator						
Ore processed, Kt	506	508	-1%	1,021	1,021	-0%
Grade						
Gold, g/t	0.5	0.6	-14%	0.6	0.5	+12%
Silver, g/t	231	257	-10%	240	255	-6%
Recovery ¹						
Gold	83.5%	87.1%	-4%	83.6%	85.3%	-2%
Silver	85.4%	87.6%	-3%	85.1%	87.2%	-2%
Production						
Gold, Koz	6	8	-18%	15	14	+9%
Silver, Moz	3.1	3.6	-14%	6.5	7.1	-9%
Lunnoye plant						
Ore processed, Kt	117	122	-4%	232	237	-2%
Grade						
Gold, g/t	2.0	1.6	+24%	2.0	1.6	+26%
Silver, g/t	201	219	-8%	193	235	-18%
Recovery ¹						
Gold	90.5%	90.0%	+1%	91.0%	90.8%	+0%
Silver	93.1%	93.2%	-0%	92.9%	92.6%	+0%
Production						
Gold, Koz	7	6	+24%	13	11	+25%
Silver, Moz	0.7	0.8	-12%	1.4	1.6	-18%
TOTAL PRODUCTION						
Gold, Koz	13	13	-1%	29	25	+16%
Silver, Moz	3.8	4.4	-13%	7.8	8.8	-11%

Notes: (1) Technological recovery, includes gold and silver within work-in-progress inventory.

Dukat H1 production was above the plan as throughput and grade exceeded the budget.

Waste mined increase in H1 is attributable to the mining of crown pillars at the Dukat open pit.

At Primorskoye, the Company is stockpiling crushed ore with shipments to customers expected to commence in August.

ALBAZINO

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	7.1	5.6	+27%	14.3	10.7	+34%
Underground development, km	5.0	3.9	+27%	9.5	7.1	+33%
Ore mined, Kt	1,065	455	+134%	1,837	949	+94%
Open-pit	855	268	+219%	1,424	576	+147%
Underground	211	187	+13%	413	373	+11%
PROCESSING						
Albazino concentrator						
Ore processed, Kt	454	444	+2%	907	871	+4%
Gold grade, g/t	3.2	4.0	-20%	3.2	4.1	-22%
Gold recovery ¹	86.2%	88.4%	-2%	86.5%	88.6%	-2%
Concentrate produced, Kt	32.8	33.7	-3%	65.1	66.5	-2%
Concentrate gold grade, g/t	38.6	46.7	-17%	38.8	48.1	-19%
Gold in concentrate, Koz ²	41	51	-20%	81	103	-21%
Amursk POX						
Concentrate processed, Kt	24	34	-29%	68	82	-18%
Gold grade, g/t	39.5	47.1	-16%	42.6	50.4	-16%
Gold recovery	93.5%	96.3%	-3%	95.4%	96.4%	-1%
Gold produced, Koz	39	46	-15%	95	123	-23%
TOTAL PRODUCTION						
Gold, Koz	39	46	-15%	95	123	-23%

Notes: (1) To concentrate.

(2) For information only; not considered as gold produced and therefore not reflected in the table representing total production. Included in total production after Dore production at the Amursk POX.

Mining at the largest high-grade Anfisa open pit has been completed at Albazino. Depletion of Anfisa is the main driver behind the planned production decline at the mine this year.

Volume of Albazino concentrate processed at Amursk POX decreased due to the long maintenance shutdown.

Waste and ore mining volumes in H1 were higher, driven by Farida pit (Albazino) and Kutyn development. Underground development advanced due to ramping-up of Ekaterina and Anfisa underground mines.

At Kutyn, ore crushing commenced. The project completion rate reached 90%. Start-up is scheduled for Q3 2022.

AMURSK POX

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
Concentrate processed, Kt	33	50	-34%	91	110	-17%
Albazino	23	33	-30%	66	77	-14%
Kyzyl	7	13	-47%	21	25	-18%
Nezhda	2	-	NA	3	-	NA
Mayskoye	-	2	-100%	0	3	-92%
Veduga	-	-	NA	-	4	-100%
Other ¹	1	1	+10%	1	1	+10%
Gold recovery	94.8%	93.0%	+2%	95.2%	94.0%	+1%
Average gold grade, g/t	59.1	69.8	-15%	62.8	69.7	-10%
Average sulphur grade	16.3%	14.1%	+16%	14.5%	13.8%	+6%
Total gold produced ² , Koz	64	103	-39%	184	224	-18%
Albazino	39	45	-14%	95	112	-16%
Kyzyl	25	53	-54%	87	96	-10%
Mayskoye	-	4	-100%	2	5	-70%
Nezhda	-	-	NA	1	-	NA
Veduga	-	-	NA	-	9	-100%
Other ¹	0	1	-93%	0	1	-89%

Notes: (1) Purchased concentrates which are included in reportable production in the Albazino segment.

(2) For information only. Already accounted for in production at operating mines.

POX production was down y-o-y due to the long maintenance shutdown (40 days) for the scheduled relining of the autoclave.

OMOLON

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	2.2	1.3	+79%	4.0	1.6	+157%
Underground development, Km	2.8	3.0	-5%	5.9	5.7	+4%
Ore mined, Kt	110	113	-2%	214	186	+15%
Open-pit	-	34	-100%	-	34	-100%
Underground	110	78	+40%	214	151	+42%
PROCESSING						
Kubaka Mill						
Ore processed, Kt	213	217	-2%	426	429	-1%
Grade						
Gold, g/t	6.3	6.5	-3%	6.0	6.7	-10%
Silver, g/t	21	64	-67%	23	44	-48%
Recovery ¹						
Gold	94.3%	95.0%	-1%	93.6%	93.9%	-0%
Silver	76.6%	81.0%	-5%	76.2%	79.5%	-4%
Gold production, Koz	40	43	-8%	76	88	-13%
Silver production, Moz	0.1	0.3	-66%	0.2	0.5	-48%
Birkachan Heap Leach						
Ore stacked, Kt	151	308	-51%	151	353	-57%
Gold grade, g/t	1.0	1.3	-18%	1.0	1.2	-16%
Gold production, Koz	4	4	-2%	5	4	+18%
TOTAL PRODUCTION						
Gold, Koz	43	47	-8%	82	93	-12%
Silver, Moz	0.1	0.3	-64%	0.2	0.5	-47%

Note: (1) Technological recovery, includes gold and silver within work-in-progress inventory.

At Omolon, Kubaka mill recorded a planned decline in gold grade and production. In 2022, the plant processes lower-grade silver ore, Merrill-Crowe circuit remains idle, hence silver production is also down.

At the heap leach facility, Q2 stacking volumes decreased due to rehandling of the previously stacked ore. Grade was lower according to the mine plan – depletion of the Birkachan heap leach ore reserves.

Underground development commenced at Burgali underground, first ore is expected to be delivered in H2 2023. Open-pit ore mining at the deposit will recommence in Q3 2022, currently stripping is in progress.

The 2.5 MWh solar power plant reached planned capacity and now generates 20% of the required electricity for Kubaka mill.

NEZHDA

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	5.1	5.6	-10%	10.0	11.0	-9%
Ore mined, Kt	720	365	+98%	1324	710	+86%
PROCESSING						
Ore processed, Kt	491	-	NA	976	-	NA
Grade						
Gold, g/t	3.6	-	NA	3.6	-	NA
Silver, g/t	40.8	-	NA	35.7	-	NA
Recovery ¹						
Gold	72.2%	-	NA	72.7%	-	NA
Silver	77.8%	-	NA	76.5%	-	NA
Gold in concentrate, Koz	41	-	NA	83	-	NA
Silver in concentrate, Moz	0.5	-	NA	0.9	-	NA
Concentrate shipped, Kt	6	-	NA	7	-	NA
Payable gold in concentrate, Koz	27	-	NA	52	-	NA
Amursk POX						
Concentrate processed, Kt	2	-	NA	3	-	NA
Gold grade, g/t	40.7	-	NA	40.2	-	NA
Gold recovery	90.3%	-	NA	89.5%	-	NA
Gold produced, Koz	-	-	NA	1	-	NA
TOTAL PRODUCTION¹						
Gold, Koz	27	-	NA	53	-	NA
Silver, Moz	0.3	-	NA	0.6	-	NA

Notes: (1) Includes concentrate produced and stockpiled for future sale, and excludes low-grade material. Expected 90% gold payable ratio is applied.

At Nezhda, the majority of the production volume came from the payable gold in concentrate. Amursk POX continued to process trial batches of concentrate to study its technological parameters before processing at the future POX-2 plant.

The 110-kV line linking Nezhda mine to the regional grid, powered by the combination of hydro and gas, has been successfully commissioned. Previously operating diesel-powered gensets have been transferred to stand-by emergency mode.

SVETLOYE

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	1.5	1.1	+41%	3.2	1.8	+80%
Ore mined (open pit), Kt	638	536	+19%	1,007	926	+9%
PROCESSING						
Ore stacked, Kt	356	366	-3%	668	648	+3%
Gold grade, g/t	2.2	2.8	-23%	2.0	3.7	-45%
Gold recovery	80.8%	80.8%	-	80.8%	81.5%	-1%
Gold production, Koz	24	26	-8%	43	53	-19%
TOTAL PRODUCTION						
Gold, Koz	24	26	-8%	43	53	-19%

H1 gold production contracted y-o-y on the back of stacking of stockpiled lower-grade ore from the depleted Lyudmila main pit. However, q-o-q grade dynamics has normalized after a sharp decline in Q1.

Ore mining advanced after the Company increased the velocity of mining decline in the open pit by addition of the reserve excavator and engaging with a mining contractor.

VORO

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	3.1	3.0	+3%	6.5	3.6	+80%
Ore mined, Kt	105	57	+83%	180	62	+191%
PROCESSING						
CIP						
Ore processed, Kt	254	262	-3%	500	522	-4%
Gold grade, g/t	2.3	1.9	+23%	2.2	2.0	+9%
Gold recovery ¹	84.6%	84.6%	-0%	85.1%	84.2%	+1%
Gold production, Koz	17	16	+3%	35	36	-3%
Heap Leach						
Ore stacked, Kt	-	-	NA	-	-	NA
Gold grade, g/t	-	-	NA	-	-	NA
Gold production, Koz	0.9	1.7	-48%	1.5	3.7	-59%
TOTAL PRODUCTION						
Gold, Koz	19	18	+3%	38	40	-5%

Note: (1) Technological recovery, includes gold within work-in-progress inventory.

At Voro, quarterly production saw a y-o-y increase driven by higher volumes of third-party high-grade material in the feed.

Voro flotation plant construction is 80% complete. Start-up is targeted for Q1 2023.

MAYSKOYE

	3 months ended June 30,		% change	6 months ended June 30,		% change
	2022	2021		2022	2021	
MINING						
Waste mined, Mt	1.0	1.0	-2%	2.0	2.0	+3%
Underground development, km	5.3	4.7	+12%	10.0	9.8	+2%
Ore mined, Kt	234	197	+19%	429	388	+11%
Open-pit	42	38	+8%	54	51	+6%
Underground	192	158	+21%	375	336	+11%
PROCESSING						
Ore processed, Kt	229	218	+5%	459	435	+6%
Gold grade, g/t	5.5	5.7	-4%	5.6	6.0	-7%
Gold recovery ¹	91.8%	92.0%	-0%	91.3%	92.3%	-1%
Gold in concentrate, Koz ²	37	37	+1%	75	77	-3%
Amursk POX						
Gold produced in dore from concentrate (POX), Koz	-	4.2	-100%	1.6	5.2	-70%
Gold produced in dore from carbon, Koz ³	1.3	-	NA	2.5	4.9	-49%
TOTAL PRODUCTION						
Gold, Koz	1	4	-68%	4	10	-60%

Notes: (1) To concentrate.

(2) For information only; not considered as gold produced and therefore not reflected in the table representing total production. Included in total production upon sale to off-taker or dore production at Amursk POX.

(3) Gold produced from carbon at Amursk POX.

At Mayskoye, Q2 gold in concentrate production was broadly stable y-o-y.

An underground ore conveyor was successfully commissioned and entered the ram-up period. The US\$ 30 million project is expected to cut costs (AISC by up to US\$ 150/oz) and reduce GHG emissions. Importantly, it frees up the substantial fleet of underground trucks that can be used to support other mines in the absence of sanctions-related fleet replacement.

POX-2

At POX-2, installation of concentrates pulp blending vessels, intensive cyanidation reactor and slurry cooling section was complete. Thickener installation continues. The plant start-up is expected Q2 2024 according to the revised schedule.

SUSTAINABILITY, HEALTH AND SAFETY

There were no fatal accidents among Polymetal's employees and contractors during the first half of the year (consistent with H1 2021). Lost time injury frequency rate (LTIFR) among the Group's employees decreased by 40% y-o-y to 0.08 for the quarter (0.10 in Q2 2021) and by 53% to 0.08 in H1 (0.17 in H1 2021). In Q2 2022, two incidents resulting in lost-time injuries occurred among Polymetal employees and five among contractors' workers, all of the injuries were classified as minor. The incidents were followed by proper investigations aimed at improving safety of workplaces.

Following the latest review by Vigeo Eiris, a global leader in ESG assessments, data, research and analytics, Polymetal's ESG overall score has been updated to 67/100 (69/100 in 2021), corresponding to the Advanced level of performance and placing Polymetal on the 2nd place among 41 industry peers.