Kyzyl enhances successful operations

In 2019, Polymetal continued to deliver a solid set of operating results. Production from continuing operations grew by 14% year-on-year to 1,609 Koz GE.

1,316 Koz
Gold production
2018: 1,216 Koz

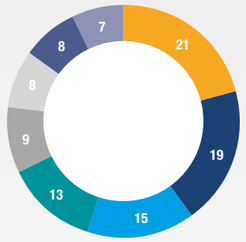
21.6 Moz
Silver production
(2018: 25.3 Moz)

Key operating highlights

	2019	2018	Change
Stripping, Mt	**158.6**	126.7	+25%
Underground development, km	**105.8**	130.0	-19%
Ore mined, Mt	**17.2**	14.0	+23%
Open-pit	**13.0**	9.3	+40%
Underground	**4.2**	4.7	-10%
Ore processed, Mt	**15.0**	15.2	-1%
Average grade in ore processed (gold equivalent, g/t)	**4.0**	3.9	+1%
Production			
Gold, Koz	**1,316**	1,216	+8%
Silver, Moz	**21.6**	25.3	-15%
Copper, Kt	**2.5**	3.9	-37%
Gold equivalent, Koz[1]	**1,614**	1,562	+3%
Sales			
Gold, Koz	**1,366**	1,198	+14%
Silver, Moz	**22.1**	25.7	-14%
Copper, Kt	**2.8**	3.3	-15%
Gold equivalent, Koz[2]	**1,631**	1,535	+6%
Average headcount	**11,611**	12,140	-4%
Health and safety			
Fatalities[3]	**2**	1	+100%
LTIFR	**0.19**	0.09	+111%

1 Based on 1:80 Ag/Au, 5:1 Cu/Au and 2:1 Zn/Au conversion ratios.
2 Based on actual realised prices.
3 Polymetal employees.

GOLD EQUIVALENT PRODUCTION BY MINE IN 2019
(%)



	12 months ended 31 December		
	2019	2018	Change
Kyzyl	**343**	96	257%
Dukat	**302**	306	-1%
Albazino/Amursk	**241**	308	-22%
Omolon	**205**	195	+5%
Varvara	**149**	142	+5%
Svetloye	**134**	136	-1%
Mayskoye	**129**	117	+10%
Voro	**107**	107	-1%
TOTAL (continuing operations)	**1,609**	1,407	+14%
Kapan	**5**	51	-90%
Okhotsk	**–**	104	NA
TOTAL (including discontinued operations)	**1,614**	1,562	+3%

Delivering on targets

In 2019, Polymetal exceeded both original and updated production guidance for the eighth year in a row. Robust production combined with positive gold price dynamics were the key drivers for strong free cash flow generation. The Company's GE production for 2019 amounted to 1,614 Koz, an increase of 3% over 2018 and 4% above the original production guidance of 1.55 Moz. A strong contribution from Kyzyl more than compensated for operating asset disposals (Okhotsk and Kapan), while the rest of the portfolio generated stable results.

Gold production for the full year was up 8%, while silver output decreased by 15% on the back of asset disposals and planned grade decline at Dukat. Gold sales of 1,366 Koz were up 14% year-on-year, while silver sales were down 14% year-on-year at 22.1 Moz, broadly in line with production dynamics and further supported by working capital release.

Analysis of production results

Mining

Stripping volumes in 2019 grew by 25% to 158.6 Mt of rock moved, driven mostly by stripping at Komar (Varvara), Kyzyl and Veduga. Following a successful in-fill drilling campaign, open-pit mining recommenced at the Birkachan mine (Omolon) with a view to extending the operation of the heap leach facility. Open-pit mining started at the Yolochka mine (Omolon).

Underground development decreased by 19% to 106 km (2018: 130 km), mainly due to the disposal of Kapan. However, this was partially offset by the increase in underground development at the Khrustalny and Smely ore zones (Dukat).

Total ore mined increased by 23% year-on-year to 17.2 Mt (2018: 14 Mt), mainly driven by open-pit mining restarting at Birkachan (Omolon), as well as increased volumes of open-pit mining at Kyzyl, which operated above its nameplate throughput capacity, and at the Komar mine (Varvara).

17.2 Mt
Ore mined
+23%

4.0 GE g/t
Average grade in ore processed
+1%

Processing

The volume of ore processed remained largely unchanged over the previous year at 15.0 Mt (2018: 15.2 Mt): increased throughput at Kyzyl fully compensated for the disposal of assets, while other mines operated at a stable pace.

The average gold equivalent grade in ore processed increased by 1% year-on-year to 4.0 g/t, slightly above the average reserve grade of 3.7 g/t. Scheduled moderate grade declines at Albazino (processing of lower grade ore from the Ekaterina-1 open pit) and Dukat (the Omsukchan concentrator processing larger volumes of lower-grade ore), as well as minor declines at Mayskoye and Voro, were offset by high-grade Kyzyl outperforming expectations on gold grade and Omolon (Kubaka mill processing larger volumes of higher grade ore from Birkachan and Olcha underground mines).

Production and sales

In 2019, Polymetal continued to deliver a solid set of operating results. Production from continuing operations grew by 14% year-on-year to 1,609 Koz GE.

The key driver behind this performance was Kyzyl: full-year gold production came in at 343 Koz, while the operation exceeded design specifications on throughput, grade and production. GE production at Dukat totalled 302 Koz, almost flat year-on-year. At Albazino/Amursk, the total gold output amounted to 241 Koz, a 22% decline year-on-year on the back of the decrease in production from Albazino concentrate (affected by processing of lower grade ore from the Ekaterina-1 open pit) and lower volumes of third-party feed processed at the POX plant. At Omolon, GE production was up 5% year-on-year to 205 Koz on the back of larger volumes of higher grade ore being processed. Varvara GE output increased to 149 Koz driven by higher mining and railing volumes at Komar. Gold production at Mayskoye totalled 129 Koz, a 10% increase over 2018, positively impacted by higher recoveries. Voro and Svetloye also delivered a solid set of results: GE production was 107 Koz and 134 Koz, respectively, and remained stable year-on-year.

Metal sales in 2019 were 1,631 Koz of gold equivalent, up 6% compared with 2018, broadly following production dynamics. While most of the sales comprised refined metals, we continue to sell concentrates from Dukat (gold/silver), Varvara (gold/copper), Mayskoye (refractory gold) and Kyzyl (double refractory gold) to offtakers. Offtake allows us to maximise our margins and achieve an optimal combination of transportation costs and treatment charges/recoveries; this being one of our core competencies.

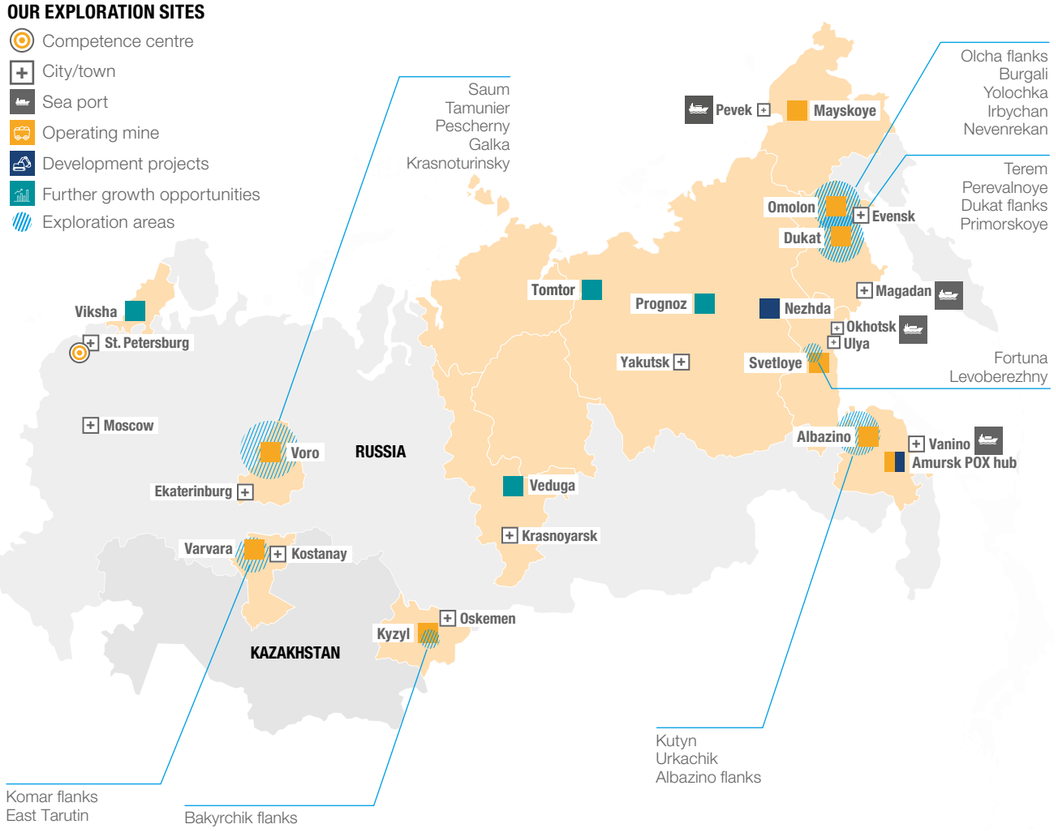
Exploration

Greenfield and brownfield exploration is a core element in our strategy for driving long-term growth and has proved to be one of the most efficient growth sources for Polymetal historically. Extending mine life through near-mine exploration at existing operations and new discoveries from greenfield exploration both contribute to the Company's long-term development prospects. Our exploration activities are focused on six regions in Russia (Khabarovsk, Magadan, Karelia, Yakutia, Chukotka and Ural) as well as on Kazakhstan.

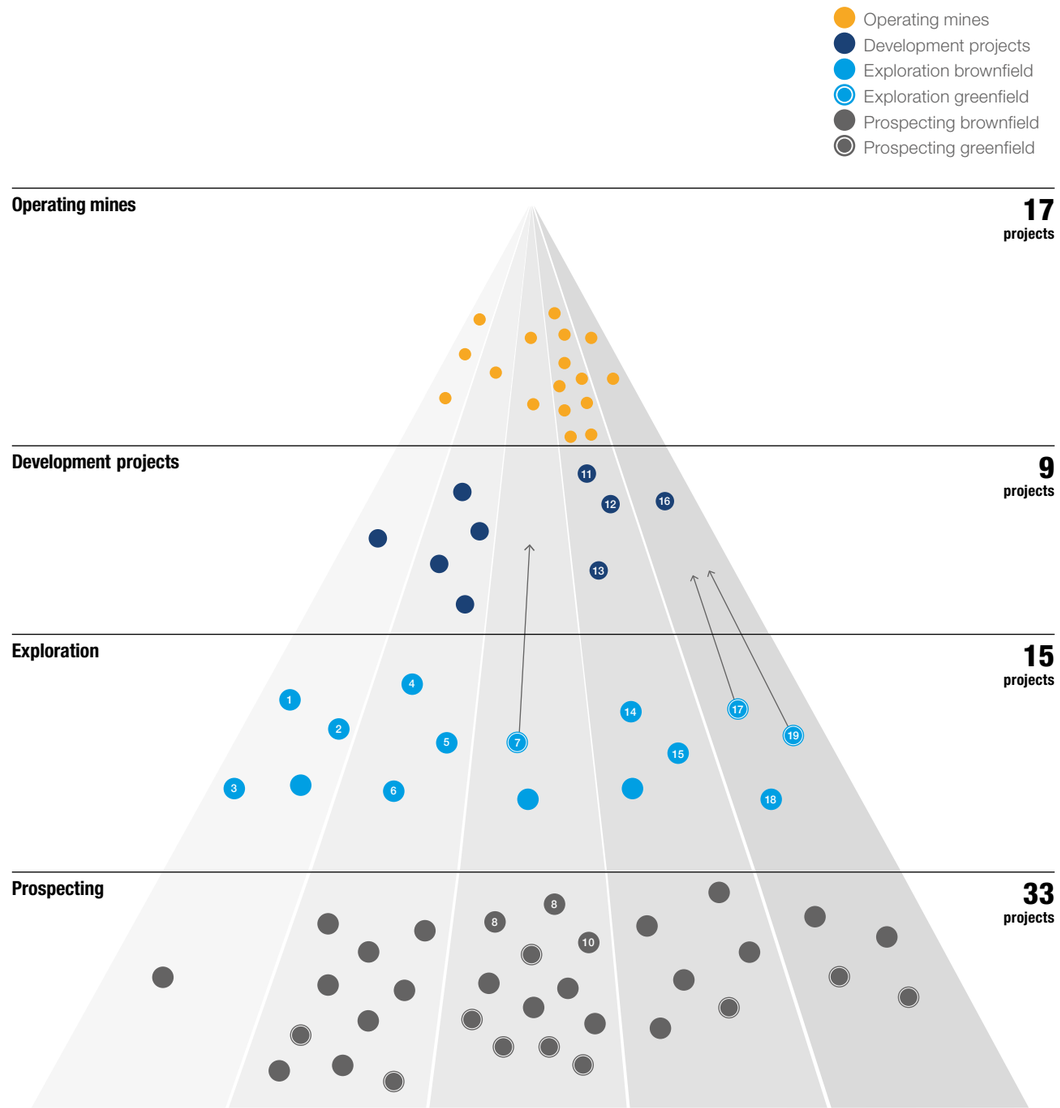
Our key exploration objectives in 2019 were:

- Brownfield exploration projects in close proximity to the Company's operating assets, notably: exploration drilling at Kyzyl's second ore zone, East Bakyrchik (5.3 km); Varvara (exploration drilling at the East Tarutin gold-copper deposit and Elevator totalling 28.3 km and 4.8 km, respectively); Omolon (5.6 km of exploration drilling at Nevenrekan): Voro (23 km of drilling at Pescherny and the Voro northern and western flanks).
- Full revaluation of ore reserves and mineral resources at Kyzyl, based on data from the drilling campaign (additional 239 diamond drill holes, 41.5 km of drilling).
- Updated ore reserves and mineral resources estimate at Veduga based on exploration activities conducted in 2017–2018.
- Updated mineral resources estimates at Viksha.
- Updated ore reserves and mineral resources estimate at the Kutyn gold project based on the results of drilling conducted in 2017–2019.
- Continued exploration activities at the southern flanks of the Nezhda deposit with the goal of identifying new mineralised zones and updating the mineralisation estimates of the known ore bodies.

OUR EXPLORATION SITES



Exploration and development projects



Key projects

KAZAKHSTAN	URAL	KHABAROVSK	MAGADAN	OTHER SEGMENTS
1 Bakyrchik flanks	4 Krasnoturinsky	7 Kutyn	11 Yolochka	16 Nezhda (Yakutia)
2 Komar flanks	5 Galka	8 Albazino flanks	12 Burgali	17 Viksha (Karelia)
3 East Tarutin	6 Voro	9 Svetloye	13 Perevalnoye	18 Veduga (Krasnoyarsk Region)
		10 Urkachik	14 Nevenrekan	19 Prognoz (Yakutia)
			15 Olcha flanks	

Key 2019 achievements

In 2019, Polymetal succeeded in extending life-of-mine at producing assets and continued to invest in the next generation of assets. Exploration activities were carried out at 52 licensed properties. Thirteen new licences were obtained for geological studies, exploration and production of gold, silver, PGMs and copper. In total, 198 km of drilling was completed. The total capital expenditure on exploration was $46 million; this is 10% lower than in 2018 because of the completion of major drilling campaigns at Nezhda and Dukat in 2018.

As a result of our exploration efforts, meaningful reserve and resource estimates were completed during the year, including:

- An updated JORC-compliant ore reserves and mineral resources estimate at Kyzyl: 41.7 Mt of ore with an average grade of 6.3 g/t containing 8.5 Moz of gold. Open-pit reserves increased by 37% to 4.2 Moz of gold contained at an average grade of 5.7 g/t, while underground reserves were up 4% to 4.3 Moz of gold contained at an average grade of 7.1 g/t. Total life-of-mine extended by eight years (to 2047), while life-of-mine for the open pit increased by five years (to 2031) compared with the previous estimate conducted in 2015.
- An increase of more than double in ore reserves at Veduga. The updated ore reserves estimate comprises 18.9 Mt of ore with an average grade of 4.6 g/t containing 2.8 Moz of gold. Open-pit reserves increased by 31% to 0.8 Moz of gold contained (28% of total reserves) at an average grade of 3.8 g/t.
- An updated JORC-compliant open-pit ore reserves estimate at Kutyn: 8.4 Mt of ore with an average grade of 3.0 g/t containing 812 Koz of gold. This represents a 110% increase in gold contained in comparison with the previous reserve estimate prepared in 2015.
- An updated JORC-compliant mineral resource estimate at Viksha. The new estimate incorporates data from 359 additional diamond drill holes (44 km) completed by Polymetal in 2017–2018. The total amount of four metals contained is 5.7 Moz of PdE at an average grade of 1.1 g/t of PdE.
- Initial JORC-compliant mineral resource estimate at Elevator (Varvara). Resources amounted to 402 Koz of gold with an average grade of 1.8 g/t. This offset the decrease in resources at Varvara and Komar attributable to changes to the boundaries of the mineral resources.
- Initial ore reserves estimate at the Primorskoye deposit (Dukat) amounted to 12.2 Moz silver equivalent with an average grade of 3,113 g/t at a cut-off grade of 1,115 g/t of silver equivalent (for processing at the Lunnoye plant).
- An increase of additional mineral resources at Albazino by 159 Koz to 1.8 Moz GE with an average grade of 4.6 g/t; Nevenrekan (Omolon hub) by 78 Koz to 242 Koz of GE with an average grade of 19.3 g/t; and Emmy and Lyudmila ore zones (Svetloye) by 109 Koz

In 2019, we formed our first strategic partnerships with junior exploration companies for early-stage exploration in the Taimyr Peninsula and the Chaunsk District of Chukotka, Russia, with the goal of combining Polymetal's financial and permitting clout with the fresh thinking and fast decision-making of junior partners.

2020 targets

In 2020, Polymetal will continue to invest in both near-mine and greenfield exploration projects in order to increase ore reserves.

The key objectives are as follows:

- Prepare initial ore reserves estimate for East Bakyrchik (Kyzyl)
- Prepare initial ore reserves estimate for Prognoz
- Complete ore reserves estimate update at Veduga
- Prepare initial ore reserves estimate for Voro refractory ore
- Prepare initial mineral resources estimate at Talgiy (Urkachik site, Albazino)
- Upgrade mineral resources categories at Elevator.

The Company also plans to further develop its co-operation with junior exploration companies and enter into several new strategic partnerships. In 2020, the results of the first field season of working with existing junior partners are expected.

Exploration areas and volumes (mine site exploration excluded)

	Drilling, km	
	2019	2018
Brownfield		
Kyzyl	5.3	7.3
Albazino	13.2	26.8
Mayskoye	–	29.5
Varvara hub	45.3	53.2
Voro hub	23.3	32.9
Omolon hub	11.8	21.3
Svetloye hub	2.8	5.9
Dukat hub	0.6	27.6
Okhotsk (sold in December 2018)	–	15.9
Subtotal	**102.4**	**220.6**
Greenfield		
Yakutia	43.1	85.7
Nezhda	1.8	25.9
Prognoz	41.4	59.8
Veduga	19.2	–
Kutyn	16.1	19.8
Viksha	11.9	14.7
Urals	3.9	9.3
Other	1.9	–
Subtotal	**96.1**	**129.6**
Total	**198.5**	**350.2**

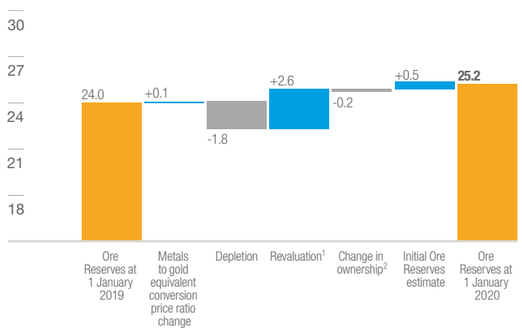
Reserves and Resources

In 2019, Group Ore Reserves increased by 5% year-on-year to 25.2 Moz of gold equivalent due to successful exploration results with the subsequent re-evaluation of ore reserves at Kyzyl, Veduga, Kutyn and an initial estimate at Primorskoye (Dukat hub). GE Ore Reserves per share also grew by 5%.

Ore Reserves and Mineral Resources summary[1,2]

	1 January 2020	1 January 2019	Change
Ore Reserves (Proved + Probable), gold equivalent Moz	**25.2**	**24.0**	**+5%**
Gold, Moz	23.7	22.3	+6%
Silver, Moz	116.0	135.0	-14%
Average reserve grade, GE g/t	**3.7**	**3.8**	**-2%**
Ore Reserves per share, GE oz/per share	**0.054**	**0.051**	**+5%**
Mineral Resources (Measured + Indicated + Inferred), gold equivalent Moz	**25.4**	**26.3**	**-4%**
Gold, Moz	20.3	21.0	-3%
Silver, Moz	337.7	354.9	-5%
Average resource grade, GE g/t	**5.2**	**5.1**	**+1%**

ORE RESERVES RECONCILIATION
(GE OZ)



1 Including the effect of the expected sale and stockpiles write-off of Sopka Kvartsevaya (-199 Koz) and Dalneye (-58 Koz) deposits.
2 Lichkvaz sale.

Gold reserves were up 6% at 23.7 Moz, while silver reserves decreased 14% to 116 Moz. The share of gold in Ore Reserves increased to 94%.

Mineral Resources (additional to Ore Reserves) declined by 4% year-on-year to 25.4 Moz of GE. The Lichkvaz disposal and conversion of Mineral Resources to Ore Reserves at Kyzyl, Primorskoye and Veduga were largely compensated by an initial Mineral Resources estimate of Elevator (Varvara hub) and an increase in resources at Albazino and Svetloye. The share of gold in Mineral Resources stands at 80%, with silver at 17%.

The average grade in Ore Reserves remained largely unchanged over the previous year at 3.7 g/t of GE. It continues to be one of the highest within the global sector. The average Mineral Resources grade also remained stable at 5.2 g/t of GE.

Outlook for 2020

Safety remains a top priority for Polymetal. We continue to focus on further improvements across health and safety metrics and reiterate our commitment to a zero-fatalities target in relation to all employees and contractors on our sites.

In 2020, we expect stable operating performance to ensure steady financial results, while continued progress with the Nezhda and POX-2 projects will enable us to resume production growth in 2022. The Company reiterates its current production guidance of 1.6 Moz of GE in both 2020 and 2021. Production in both years will be weighted towards the second half of the year due to seasonality.

At Kyzyl, the Company intends to push the throughput further to the 2.1 Mtpa level by the second half of 2020. We expect grade-driven production increases at Omolon and Albazino, as well as a sustained contribution from Varvara, Svetloye and Mayskoye. Production at Dukat and Voro will continue to decline gradually on the back of the planned depletion of higher-grade ore sources.

At the same time, we will focus on advancing our long-term project pipeline. At Nezhda, we plan to start equipment installation and complete the construction and commissioning of the power plant by the year-end. At POX-2, the goal is to receive all necessary permits and deliver the autoclave on-site. We will continue to advance Prognoz and Veduga, concentrating on additional drilling as well as initial and upgraded ore reserves estimates, which will inform our future investment decisions.

We will also continue running a number of development projects at existing operations, aimed at either extending the life-of-mine or reducing costs. This includes Mayskoye, where a new mining method and a conveyor ore transportation system will enable cost-effective and lower carbon footprint operations at deep underground levels. We are in the process of reducing our reliance on diesel power, and with it our environmental impact, through renewable energy projects at remote sites. Another large project, the flotation circuit at Voro, will extend the life-of-mine there by 10+ years.

1 Ore Reserves and Mineral Resources from continuing operations. Kapan mine was classified as a discontinued operation as at 1 January 2019 and is not included in this estimate; Lichkvaz, Oroch, Sopka Kvartsevaya, Dalneye and Irbychan mines were classified as discontinued operations as at 1 January 2020 and are not included in this estimate.
2 Mineral Resources are additional to Ore Reserves. Total Ore Reserves and Mineral Resources numbers include base metals (copper, zinc and lead). 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.

Operating assets

Kyzyl

343 Koz
Payable production

8.2 Moz
Gold reserves

$399/GE oz
Total cash cost

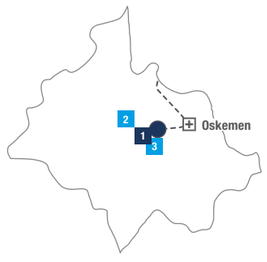
27 years
Estimated life-of-mine

Location: East Kazakhstan Region, Kazakhstan
Managing director: Kenbeyil Isaev
Employees: 1,245
Mining: Open-pit (~14 years) followed by underground
Processing: 2.0 Mtpa flotation + POX/concentrate offtake
Production start date: 2018
Life of mine: 2047

Mines
1 Bakyrchik
Processing
Kyzyl (flotation)
Concentrate to downstream
POX
Third parties

Exploration
2 Bolshevik
3 Bakyrchik flanks

Town
Railway



First year at full capacity with excellent results

In 2019, Kyzyl continued to exceed budget on throughput and grade, contributing one-third of the Group's EBITDA. In addition, in 2019 we concluded the first stage of extending the open-pit life-of-mine at this flagship operation.

Mining

At Kyzyl, stripping volumes increased to 67.5 Mt, up 11% compared with 60.9 Mt in 2018. The annual amount of ore mined was 2,000 Kt, average gold grade in ore mined was 7.4 g/t, up 33% year-on-year, driven by mining activity at the near-surface area with significant high-grade lenses.

Processing and production

Full-year gold production was at 343 Koz of gold, while gold in concentrate produced amounted to 404 Koz.

Concentrator throughput reached the nameplate capacity of 2.0 Mtpa, 11% above the original design of 1.8 Mtpa. The Company intends to push the throughput further to 2.1 Mtpa by the second half of 2020. Average gold grade in ore processed was 7.1 g/t, compared with 5.7 g/t in 2018.

The Company moved to increase the share of gold contained in low-carbon concentrate processed at Amursk POX to 70% (versus the planned 50%). This will ensure higher production and lower costs at Kyzyl.

Exploration and reserves update

The updated estimate for Bakyrchik conducted in 2019 incorporates data from an additional 239 diamond drill holes, 41.5 km of drilling. Open-pit reserves are now equal to 3.9 Moz of gold with an average grade of 5.6 g/t. Underground reserves increased to 4.3 Moz with an average grade of 7.1 g/t. The life of the open-pit mine increased from 10 years to 14 years.

In 2019, Polymetal continued exploration drilling at Kyzyl's second ore zone, East Bakyrchik (Promezhutochny and Gluboky Log sections), to study the possibility of an open-pit expansion. Twenty-four drill holes totalling 5.3 km of drilling were completed, which resulted in the identification of the contours of ore bodies and mineralisation boundaries.

In 2020, the Company plans to update the ore reserves and mineral resources estimates to include the results of the East Bakyrchik evaluation.

Priorities for 2020

- Sustained production and increased throughput
- Construction of the third stage of the tailings dam
- Initial ore reserves estimate at East Bakyrchik in Q4 2020
- Implementing automated fleet dispatch system.

Dukat

2nd
largest primary silver mine globally[1]

302 GE Koz
2019 production (-1%)

2.52 Mt
Ore processed (+2%)

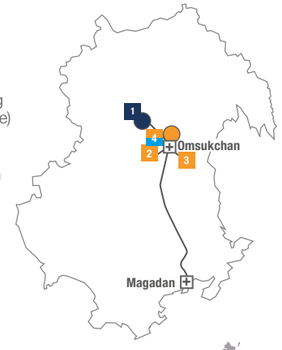
$10.0/SE oz
Total cash cost (2018: $9.3/SE oz)

Location: Magadan Region, Russia
Managing director: Dmitry Galtchuk
Employees: 1,757
Mining: Underground
Processing: 2.0 Mtpa flotation (Omsukchan) + 450 Ktpa Merrill-Crowe (Lunnoye)/ concentrate offtake
Production start date: 2000
Life of mine: 2024 (Lunnoye), 2026 (Dukat)

Mines
1 Lunnoye
Processing
Lunnoye (cyanide leaching and Merrill-Crowe)
Precipitate to downstream
Omsukchan (flotation/ gravity)
2 Dukat
3 Goltsovoye
4 Perevalnoye
Processing
Omsukchan (flotation/gravity)

Exploration
4 Perevalnoye

Town
Roads



Consistent contribution from Russia's largest primary silver mine

In 2019, the Dukat hub produced 19.3 Moz of silver, delivering according to plan. Despite planned grade declines at the underground mine, Dukat continues to be a steady contributor to the Group's EBITDA and free cash flow.

Mining

During 2019, underground mines at Dukat, Lunnoye and Goltsovoye operated at full capacity, and the total amount of ore mined at the Dukat hub increased by 4% year-on-year to 2.5 Mt. Underground development was flat year-on-year at 60 km.

At Dukat, the volume of ore mined remained virtually unchanged, recording another high level at 1,658 Kt. Underground development increased by 14% to 39 km. Average silver grade decreased by 8% to 253 g/t in accordance with the mine plan.

At Lunnoye, the amount of ore mined was down 5% to 512 Kt, while average silver grade decreased by 13% year-on-year to 248 g/t in line with budget on the back of the depletion of high-grade areas in zone 9. Underground development remained flat at 11 km.

At Goltsovoye, the volume of ore mined increased by 31% year-on-year to 253 Kt, and the average silver grade was 343 g/t, up 7% compared with the previous year. Mining at Goltsovoye has now been completed with the operation transferred to care and maintenance.

At Perevalnoye, positive exploration results led to a significant increase in the average widths of ore body and in reserve tonnage, leading to a possible life-of-mine extension. Underground development was 4.4 km, up 23% year-on-year.

Processing and production

Full-year silver production at the Dukat hub was 7% lower year-on-year at 19.3 Moz, on the back of planned moderate grade declines at the underground mine. The decline was primarily driven by the Omsukchan concentrator processing larger volumes of lower-grade ore as well as a fall in recoveries due to the processing of material from Goltsovoye crown pillars.

In 2019, the Omsukchan concentrator processed a record volume of more than 2 Mt of ore while maintaining stable recoveries for both gold and silver of 85.6% and 86.3% respectively. This was due to the successful operation of the ore quality control system, based on geological and process mapping. Average gold grade processed remained largely unchanged over the previous year at 0.5 g/t, while average silver grade decreased by 4% to 285 g/t. Gold production decreased by 7% to 27.4 Koz, while silver production at 15.8 Moz was down 4% year-on-year.

1 Based on published results of peer group.

Operating assets

Dukat continued

At Lunnoye, processing volumes remained flat at 461 Kt. Average gold grade increased by 5% to 1.4 g/t while average silver grade was down by 22% to 256 g/t. Average gold and silver recoveries were up by 2% and 1%, respectively. Gold production grew 8% year-on-year to 18.0 Koz. Reconstruction of the sixth stage of tailings dams has been finished.

During the year, several improvement projects aimed at ensuring stable operating performance at Lunnoye were undertaken: construction and entry into service of a chemical warehouse; technical refitting of the explosive materials warehouse; and installation of auxiliary mill drives.

Reserves and Resources

According to the initial estimate, ore reserves of the Primorskoye deposit amounted to 12.2 Moz silver equivalent with an average grade of 3,113 g/t at a cut-off grade of 1,115 g/t of silver equivalent (for processing at the Lunnoye plant). Additional mineral resources decreased by 20.3 Moz in silver equivalent as a result of the conversion.

Priorities for 2020

- Further upgrade of the tailings dam at Dukat
- Optimisation programme aimed at improving the quality of concentrate
- Life-of-mine extension through advancing the Perevalnoye and Primorskoye projects, start of infrastructure construction
- A change in the processing scheme for selective flotation, driven by the start of Perevalnoye ore processing.

Omolon

205 Koz
GE production (+5%)

$749/GE oz
Total cash costs (2018: $647/GE oz)

2,973 Kt
Ore mined (2018: 1,014 Kt)

$123m
Adjusted EBITDA (+16%)

Location: Magadan Region, Russia

Managing director: Samat Kozhakaev

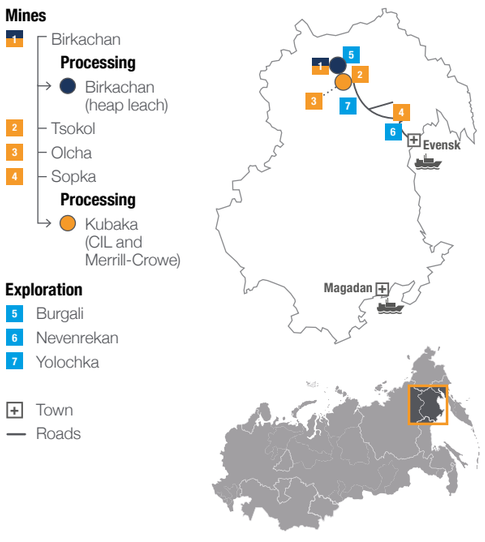
Employees: 1,107

Mining: Open-pit/ underground

Processing: 850 Ktpa CIP/Merrill-Crowe (Kubaka), 1 Mtpa heap leach (Birkachan)

Production start date: 2010

Life of mine: 2024



Flexible ore feedstock mix

In 2019, Omolon delivered stable financial and operating results, with GE production of 205 Koz, a 5% increase compared with 2018 driven by larger volumes of higher grade ore processed at the Kubaka mill.

Mining

In 2019, the total ore mined was up three-fold year-on-year to 2,973 Kt due to open-pit mining recommencing at Birkachan and the start of open-pit mining at Yolochka. Underground development was 13 km and remained unchanged compared with the previous year.

Following a successful in-fill drilling campaign, open-pit mining recommenced at the Birkachan mine with a view to extending the operation of the heap leach facility and replacing the ore from the Sopka open pit, which was fully depleted in Q2 2019. Total ore mined from the open pit comprised 1,629 Kt, with average gold grade at 1.4 g/t. The underground mine delivered 169 Kt of ore mined, up 19% year-on-year, with average gold grade increased by 10% to 10.6 g/t. Underground development was flat at 5 km for the year.

Open-pit mining at Sopka was completed. Total ore mined was 418 Kt, down 33% year-on-year. The mining fleet has re-located to a new satellite deposit, Yolochka (80 km from the Kubaka mill), where mining commenced in 2019.

At Yolochka, the volume of ore mined amounted to 474 Kt, with the average gold grade at 4.5 g/t.

At Tsokol, the underground development increased by 8%, with 165 Kt of ore mined and a 29% decrease in the average gold grade to 5.2 g/t.

At Olcha, total mining volumes increased by 27% to 117 Kt, while underground development was down 9% year-on-year. The average gold grade decreased to 7.5 g/t, down 23% year-on-year.

Processing

Full-year gold production increased by 8% year-on-year to 178 Koz as the Kubaka mill processed larger volumes of higher grade ore from the Birkachan and Olcha underground mines.

The volume of ore processed at the Kubaka mill decreased by 3% to 834 Kt. Gold recovery remained stable at 95.5% and silver recovery decreased by 9% to 79%, driven by the change in feedstock mix. Average silver grade was down 3% to 95 g/t, while average gold grade increased by 13% to 6.4 g/t.

Gold production at the Birkachan heap leach increased to 14.1 Koz, 9% above the 2018 level. The total volume of ore stacked decreased to 897 Kt, down 10% year-on-year.

Exploration and resources

Exploration drilling of 5.6 km was completed at the Nevenrekan deposit to close the ore bodies along the strike at zone 1 and assess their extension. Mineral resources increased by 78 Koz to 242 Koz of GE with an average grade of 19.3 g/t.

Priorities for 2020

- Grade-driven production increase
- Completion of project documentation and start of construction of dry-stack storage at Kubaka
- Advancing the solar power station project (project design, equipment procurement)
- Expected sale of Sopka low grade ore stockpiles and related mining and exploration licences.

Operating assets

Amursk POX Hub

430 Koz
Total gold production through POX (+36%)

211 Kt
Concentrate processed (+20%)

94.1%
POX recovery

Location: Khabarovsk Territory, Russia

Managing director: Vadim Kipot

Employees: 485

Feed: Albazino, Mayskoye, Kyzyl, 3rd party concentrate

Processing: Concentrate POX + cyanidation

Production start date: 2012

Mines

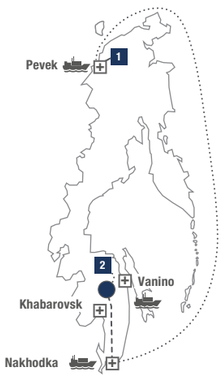
1 Mayskoye
2 Albazino
3 Kyzyl

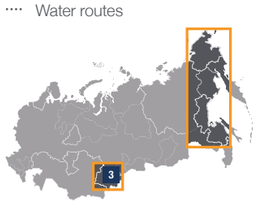
Concentrate to downstream

Processing

Amursk POX (POX + cyanidation)

Town
Sea port
Road
Railway
Water routes





Leveraging our core technical capabilities

Gold production at the Amursk POX increased by 36% year-on-year driven by the 2018 expansion (commissioning of the second oxygen plant) that allowed us to introduce high-grade Kyzyl concentrate into the feed. The processing of large volumes of double-refractory Kyzyl concentrate, starting from Q2 2019, has significantly changed the operating parameters and led to a 3% year-on-year decline in recoveries. The POX plant currently runs at its expanded design capacity.

The Amursk POX plant became the second gold production operation in Russia and FSU that has been certified as fully compliant with the International Cyanide Management Code (Cyanide Code) as both a gold mining company and separately as a cyanide transporter by the International Cyanide Management Institute (ICMI).

2019 highlights

In 2019, the Amursk POX plant achieved record operating results. The volume of concentrate processed increased by 20% to 211 Kt, while total gold production amounted to 430 Koz, 36% up year-on-year, due to the successful and timely launch of the POX debottlenecking project in Q4 2018. Increased POX capacity enables higher gold recoveries from concentrate and reduces downstream processing costs, thus improving the economics at Kyzyl and broadening the scope for the profitable treatment of third-party feedstock.

The volume of Albazino concentrate processed was down slightly by 3% at 142 Kt. The average grade in concentrate was 51.2 g/t, down 10% year-on-year. Recoveries from Albazino concentrate exceeded the design level at 95.4%.

52 Kt of high-grade low-carbon Kyzyl concentrate were introduced to the feed during 2019, with a recovery level of 92.4%. By implementing tight feed management procedures, the POX team managed to stabilise the average POX recovery ratio at a level above 94%.

The output from Veduga concentrate amounted to 28 Koz for the full year. There was no treatment of Mayskoye concentrate at Amursk POX in 2019 as the capacity was taken up by higher-grade and higher-margin material.

The operation meets ISO 14001 and 45001 requirements for environmental and safety management.

Priorities for 2020

- Processing concentrate from Kyzyl, Albazino and Veduga with designed recoveries
- Technical re-equipment of cake warehouse (phase 4)
- Laboratory reconstruction.

Amursk POX-2

600 Koz
Expected annual gold production

$431m
Start-up capital expenditure fully funded from operating cash flow

250–300 Kt
Annual concentrate capacity

Location: Khabarovsk Region, Russia

Feed: Kyzyl, Nezhda, Mayskoye, Voro, 3rd party concentrate

Processing: High-temperature POX, intensive cyanidation

Production start date: Q3 2023

Full ramp-up: End of Q4 2023

Mines

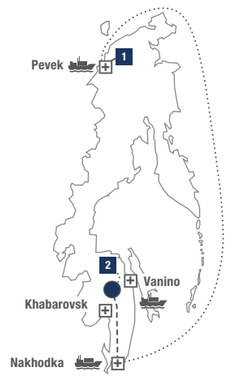
1 Mayskoye
2 Albazino
3 Kyzyl

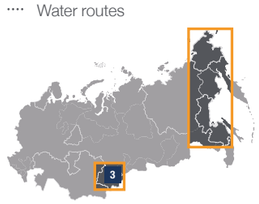
Concentrate to downstream

Processing

Amursk POX (POX + cyanidation)

Town
Sea port
Road
Railway
Water routes





Unlocking the value of refractory reserves and ensuring strategic security

POX-2 leverages our core technical capabilities and is expected to generate significant economic benefits as all refractory concentrates will be retained for in-house processing as opposed to selling to third-party offtakers. The project will ensure the strategic security of downstream processing against the backdrop of tightening environmental regulation in China, as well as enabling Polymetal to create the capacity for treatment of third-party refractory concentrates.

POX-2 also fits well with our sustainable development strategy. The environmental footprint of the Company's value chain will decrease significantly because of the substantial reductions in air pollution, water usage, and solid toxic waste and as a consequence of the change in downstream processing technology (POX instead of roasting), zero-water discharge and dry storage of process tailings. To read more about our engagement with stakeholders in connection with the development of POX-2 see page 102. The operation is expected to be commissioned in Q3 2023 and fully ramped up by the end of that year.

2019 highlights

In early 2019, the Board approved the POX-2 project on the basis of the recently completed feasibility study and authorised the start of construction.

The 2019 feasibility study results confirmed that the second POX line will significantly increase the value of Polymetal's refractory reserve base, comprising approximately 55% of total ore reserves. The facility will process concentrates from Polymetal's mines at Kyzyl, Nezhda, Mayskoye, and the refractory part of Voro. The plant's design throughput capacity is 250–300 Ktpa of concentrate.

In 2019, contracts were signed for the main processing equipment including the autoclave vessel (Coek Engineering) and the oxygen station (Linde), as well as desorption, electrolysis, carbon reactivation and smelting units, equipment for the concentrate preparation section (roll crushers, acid-resistant mills, steep-angle conveyors) and intensive cyanidation unit, high-pressure auxiliary equipment, and the front-end section of the water treatment plant. Polymetal also signed a comprehensive contract for the detailed engineering of high-pressure sections of the facility with Hatch.

Construction of a new concentrate storage facility is under way.

The autoclave foundation was completed. The vessel to carry the autoclave from the port of Antwerp to the mouth of the Amur river was chartered and is expected to sail in late July.

Priorities for 2020

- Receipt of all permits
- Delivery of the autoclave on-site.

Operating assets

Albazino

2,133 Kt
Ore mined (+20%)

$167m
Adjusted EBITDA (-9%)

241 Koz
Total gold production (-22%)

159 Kt
Concentrate processed at the Amursk POX (-6%)

Location: Khabarovsk Region, Russia

Managing director: Oleg Voronin

Employees: 1,203

Mining: Open-pit/ underground

Processing: 1.6 Mtpa flotation + POX and CIL processing at Amursk

Production start date: 2009

Life of mine: 2035

High-grade profile and underground development

In 2019, Albazino performance was affected by processing of lower grade ore from the Ekaterina-1 open pit, resulting in an Adjusted EBITDA decrease by 9% year-on-year to $167 million.

Mining

At Albazino, the amount of ore mined from the open pit was up 13% to 1,555 Kt, while average gold grade was down 25% to 3.9 g/t.

Underground mine productivity continued to improve with ore mined up 43% year-on-year to 578 Kt. Ekaterina-2 should become the main source of higher grade ore from the second half of 2020.

As a result, the total amount of ore mined increased 20% year-on-year to 2,133 Kt.

Processing and production

Ore processed remained largely unchanged at 1,736 Kt, above nameplate capacity, with average grades processed of 4.6 g/t, down 13% year-on-year.

Gold recoveries at the Albazino concentrator improved to 86.6% compared with 85.7% in 2018, while concentrate yield was 8%. Concentrate of 144 Kt with an average grade of 47.7 g/t was produced, up 1% year-on-year. Gold in concentrate volume was down 12% to 221 Koz, driven by processing lower grade ore from Ekaterina-1.

The total gold output for 2019 amounted to 241 Koz, a 22% decline year-on-year. Apart from the decrease in production from Albazino concentrate, this was because of lower volumes of third-party feed being processed at the POX plant.

Exploration and resources

In 2019, exploration activities were focused on additional prospecting for mineral resources at the Ekaterina-2 mine. Additional mineral resources increased by 159 Koz to 1.8 Moz GE with an average grade of 4.6 g/t.

Exploration was carried out at the Talgiy section of the Urkachik area (47 thousand m^3 of trenches, 4.7 km of drilling). In 2020, Polymetal plans to continue exploration drilling at Talgiy in order to prepare an initial mineral resources estimate. Additional resources are expected to be established on the flanks of the deposit due to the identification of new ore bodies and the evaluation of new prospective areas (Pikhtovy site).

Priorities for 2020

- Commencement of open-pit mining at Farida
- Commencement of underground mining at Ekaterina-2
- Determining optimum development parameters for Olga Zone underground
- Implementing a cable rock support system for underground mining.

Varvara

149 Koz
GE production (+5%)

$93m
Adjusted EBITDA (+21%)

3,663 Kt
Total ore processed (+1%)

Location: Kostanay Region, Kazakhstan

Managing director: Igor Nikolishin

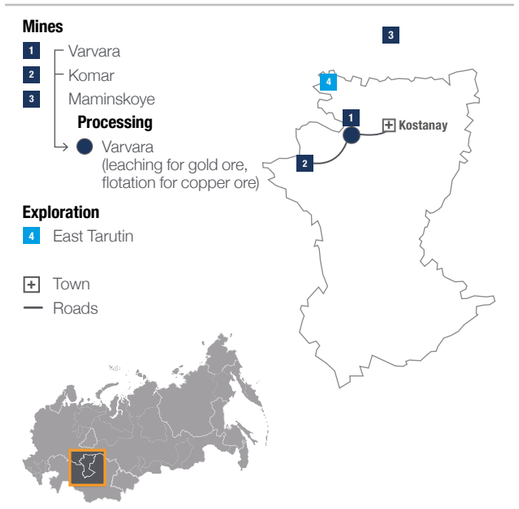
Employees: 1,273

Mining: Open-pit

Processing: 3.0 Mtpa leaching for gold ore, 1.0 Mtpa flotation for copper ore

Production start date: 2007 (operated by Polymetal since 2009)

Life of mine: 2032



Increased capacity at Komar confirms solid performance

In 2019, Varvara hub delivered a record level of GE production of 149 Koz, up 5% year-on-year, driven by increased railing capacity at Komar.

Mining

Total mining volumes were 3,943 Kt, an increase of 26% year-on-year. The average grades in float and leach ore were 1.3 g/t and 1.2 g/t, up 3% and down 5%, respectively. At Komar, the average grade was 1.4 g/t, down 2% year-on-year.

Processing and production

GE production grew by 5% to 149 Koz. This was primarily due to higher mining and railing volumes at Komar. In 2019, Varvara continued to toll-treat high-grade ore from Veduga, a total amount of 113 Kt with an average gold grade of 11.6 g/t.

The total ore processed remained stable at 3,663 Kt. At the flotation circuit the volume processed grew by 23% to 559 Kt, while at the leaching circuit it decreased by 3% to 2,991 Kt.

Gold grade in ore processed improved to 1.5 g/t, a 5% increase year-on-year.

A new Company-owned locomotive has been successfully commissioned and is expected to further drive down Komar ore transportation costs.

Exploration and resources

At Elevator, 4.8 km of drilling was completed, exploring for primary gold ore suitable for open-pit mining. Based on exploration activity in 2019 and previous years, an initial mineral resources estimate was prepared. Resources amounted to 402 Koz of gold with an average grade of 1.8 g/t. The inclusion of Elevator's resources offset the decrease in resources at Varvara and Komar attributable to changes in the mineral resources boundaries. Total additional mineral resources for the hub decreased by 150 Koz to 1.5 Moz of GE.

At the East Tarutin copper-gold deposit, 28.3 km was drilled, including 21.7 km of exploration drilling, in order to prepare an initial mineral resources estimate.

In 2020, the Company plans to continue exploration on the flanks of the Elevator deposit with the aim of upgrading the categories of mineral resources and converting them into ore reserves.

Priorities for 2020

- Starting the construction of the new tailings storage facility
- Processing ores from Komar and Yubileynoye, using the full capacity of the processing plant
- Upgrade mineral resources categories at Elevator.

Operating assets

Svetloye

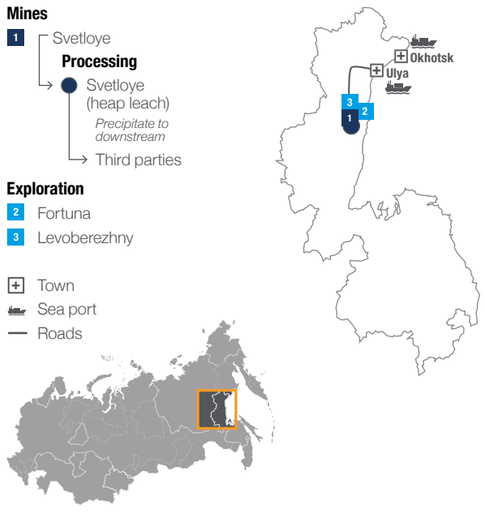
1,573 Kt
Total ore mined (+19%)

134 Koz
Gold production (-1%)

$142m
Adjusted EBITDA (+15%)

$310/GE oz
Total cash cost (+3%)

Location: Khabarovsk Territory, Russia
Managing director: Vasilina Tarabarova
Employees: 611
Mining: Open-pit
Processing: 1.4 Mtpa heap leach
Production start date: 2016
Life of mine: 2022



Reliable lowest cost operation

Svetloye continued to contribute significantly to Polymetal's operating performance while being the lowest cash-cost operation of the Group.

Mining

In 2019, total ore mined at Svetloye increased by 19% to 1,573 Kt, while average gold grade stabilised at 3.8 g/t. At the Emmy open-pit mine, the positioning system has been implemented.

Processing and production

Svetloye delivered a solid set of results: the amount of ore stacked was at the planned level of 1,301 Kt, a decrease of 6% compared with 2018. Gold production was stable at 134 Koz and was additionally supported by Svetloye's excellent cash-cost performance with TCC of $310/oz and AISC of $449/oz.

In 2018, we were the first mining company in Russia to install a solar power plant, with a capacity of 1 MW to supply the main production site at Svetloye, as well as a 100 kW wind turbine at Unchi seaport, the local supply hub for Svetloye. The new solar power plant and wind turbine are both now fully operational, generating renewable energy and preventing the release of 731 tonnes of CO_2 emissions.

Exploration and resources

In 2019, exploration was carried out on the remote flanks of the Svetloye deposit. An increase in additional mineral resources of 109 Koz at the Emmy and Lyudmila ore zones was obtained due to the improvement in quality of the ore and wider ore bodies.

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.

In 2020, the Company plans to continue exploration drilling and trenching on the flanks of the Emmy and Lyudmila ore zones with the aim of further increasing the mineral resources base.

Priorities for 2020

- Preparation of pre-feasibility study for the Levoberezhny ore zone
- Feasibility study for the Lyudmila ore zone
- Piloting X-ray radiometric sorting
- Start of mining at Emmy, construction and commissioning of infrastructure.

1 From solar power plant at Svetloye and a wind turbine at the seaport of Unchi.

Mayskoye

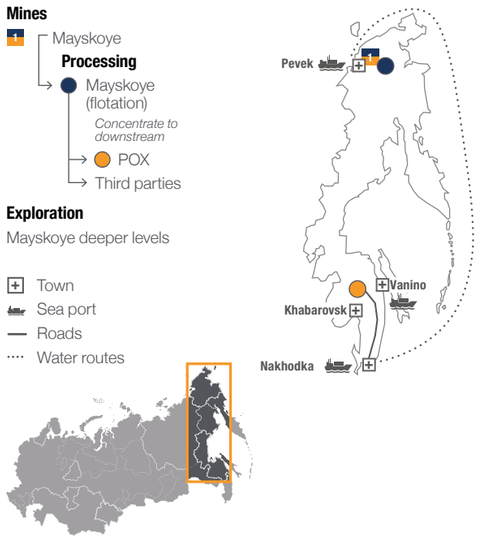
129 Koz
Total gold production (+10%)

6.1 g/t
Average gold grade (-14%)

878 Kt
Ore processed (+2%)

2.8 Moz
Additional mineral resources

Location: Chukotka, Russia
Managing director: Tagir Ibragimov
Employees: 1,014
Mining: Open-pit/ underground
Processing: 850 Ktpa flotation + POX/concentrate offtake
Production start date: 2013
Life of mine: 2037



Long-life high-grade refractory gold mine

In 2019, Mayskoye produced 129 Koz of gold, a 10% increase compared with 117 Koz in 2018, making a sustained contribution to the Group's strong operating performance.

Mining

In 2019, the volume of ore mined comprised 813 Kt, with volume of ore mined from underground remaining stable at 635 Kt, while open-pit mining halved to 178 Kt. The average gold grade in ore mined was down 5% year-on-year to 6.1 g/t.

Processing

In 2019, ore processed was up 2% year-on-year to 878 Kt, with an average gold grade of 6.1 g/t (2018: 7.1 g/t). Recoveries increased to 82.1% (2018: 79.1%). In the second half of the year, Mayskoye switched back to processing sulphide ore from the underground mine; consequently, grade fell and recoveries jumped.

The gold in concentrate produced increased by 10% year-on-year and comprised 132 Koz, reflecting higher recoveries and higher volume of ore processed at the circuit.

Total payable gold production at Mayskoye increased by 10% to 129 Koz. In 2019, all Mayskoye concentrate was sold to China, as the capacity at the Amursk POX was taken up by higher-margin material.

At Mayskoye, we are running development projects for a new mining method and a conveyor ore transportation system, which will enable cost-effective and lower carbon footprint operations at deep underground levels. A backfill system aimed at reducing dilution and improving grade is expected to start in 2022 with a positive effect of a $100/GE oz reduction in AISC. A new haulage system includes conveyors plus an electric fleet to reduce ventilation, fuel consumption and carbon footprint.

Priorities for 2020

- Development of backfilling system: basic engineering and design, equipment contracting
- Start construction of conveyor ore transportation system
- Stable throughput and production.

Operating assets

Voro

106 Koz
Gold production (0%)

1,050 Kt
Ore processed at CIP (+5%)

$383/GE oz
Total cash cost (-2%)

69%
Adjusted EBITDA margin (2018: 66%)

Location: Sverdlovsk Region, Russia

Managing director: Boris Balykov

Employees: 741

Mining: Open-pit

Processing: 950 Ktpa CIP circuit, 1 Mtpa heap leach circuit

Production start date: 2000 (HL), 2005 (CIP)

Life of mine: 2028 (CIP)

Mines

1 Voro
Processing
Voro (heap leach/ CIL/Merrill-Crowe)

Exploration

2 Pescherny
3 Saum
4 Tamunyer
5 Voro flanks

Town

Focus on life-of-mine extension through flotation circuit

In 2019, the Voro plant became the second Polymetal gold production operation to be certified as fully compliant with the International Cyanide Management Code.

Mining

Open-pit mining at Voro has been concluded. Technical studies to determine the feasibility of underground mining are under way and are expected to be finalised in Q1 2021.

The Company is currently preparing the initial ore reserves estimate for the Pescherny satellite deposit with the results of both to be presented in Q2 2020.

In 2019, the total volume of ore mined was 18% lower year-on-year at 946 Kt. Average gold grades for primary and oxidised ore were 3.2 g/t and 1.6 g/t, respectively.

Processing and production

Total gold production at Voro remained flat year-on-year at 106 Koz, on the back of higher staking volumes, which offset the lower ore grades processed at the CIP facility.

In 2019, the CIP plant delivered a record throughput of 1,050 Kt of ore processed, up 5% year-on-year, while gold recovery edged up to 86.3% compared with 81% in 2018. The average gold grade in ore processed was 3.5 g/t, a 10% decrease from 2018.

At the heap leach plant, gold production was up two-fold year-on-year at 14.6 Koz, maintaining gold recovery at 76.6% (73.2% in 2018).

Resources and exploration

Additional mineral resources at the Voro hub remained mostly unchanged over the previous year at 1.3 Moz of GE with an average grade of 4.9 g/t.

At Voro, a total of 10.5 km of exploration drilling was completed in 2019 in order to estimate underground mineral resources on the northern flank and mineral resources of oxidised ores for open-pit mining on the western flank.

At Pescherny, 12.4 km was drilled. Technological studies and a set of field and laboratory hydrogeological and engineering geological studies were completed.

Priorities for 2020

- Advancing Voro flotation project: refractory processing to complement the treatment of ore stockpiles
- Preparation of pre-feasibility study for Voro underground mine to replace low-grade stockpiles
- Intensive near-mine exploration
- Initial ore reserves estimate for the Pescherny satellite deposit.

Nezhda

4.4 Moz
Ore Reserves

$234m
Start-up capital expenditure

25 years
Life-of-mine

1.8 Mtpa
Concentrator capacity

Location: Republic of Sakha (Yakutia), Russia

Managing director: Alexander Simon

Employees: 495

Mining: 25 years (19 years of conventional open-pit mining 2019-2037, 17 years of underground mining 2029-2045)

Processing: Flotation/Gravity concentration + off-take/ Amursk POX

Production start date: Q4 2021

Life of mine: 2045

Mines

1 Nezhda
Processing
Nezhda (flotation + gravity)
Precipitate to downstream
POX-2
Third parties

Town
Roads
Railway

A world-class long-life gold deposit

Nezhda is Russia's fourth largest gold property with excellent exploration potential. The project is capital light and will contribute to dividends per share in 2022.

Development

In 2019, pre-stripping and construction proceeded according to plan. Full design documentation was approved by the Chief Environmental Expertise, a government agency in charge of environmental permitting.

All of the main and auxiliary equipment has been contracted. Construction and installation works at the concentrator, crusher and cake storage are proceeding according to plan. Construction of the mine camp and storage facilities has been completed.

Repairs to the road between the Kolyma federal highway and the mine site were completed and the road made ready for the delivery of technological equipment for the plant and the power station in Q1 2020.

The concentrator building was fully winterised and the installation of equipment began in January 2020. Construction of the foundations for flotation and thickening sections is under way with the tails thickener foundation completed. The haulage road between the mine and the concentrator has been built but the construction of two bridges along this road is ongoing.

In 2019, exploration activities focused on the southern flanks of the Nezhda deposit. According to the preliminary estimates, an increase in open-pit mineral resources is possible. In 2020, Polymetal plans to continue exploration activities on the flanks of the deposit to identify new mineralised zones and update the mineralisation estimates of the known ore bodies.

Priorities for 2020

- Start of equipment installation
- Construction and commissioning of the power plant to be completed
- Update the mineralisation estimates of known ore bodies.

Key exploration projects

Veduga

2.0 Moz
Ore reserves at 4.5 g/t Au

≈ $250m
Capital expenditure

≈ 200 Koz
Production of gold per annum

Location: Krasnoyarsk Region, Russia
Managing director: Victor Demeschik
Employees: 221
Ownership: 74.3%
Mining: Open-pit (4 years) followed by underground (15 years)
Processing: 1.5 Mtpa conventional flotation + Amursk POX

Mines
1 Veduga
Processing
Veduga (conventional flotation)
Concentrate to downstream
POX

Town
Roads
Railway

Substantial increase in reserves prompting change in asset development approach

In 2019, Polymetal more than doubled ore reserves at the Veduga gold deposit following an extensive exploration campaign.

Development

In 2019, the Company prepared an updated mineral resources and ore reserves estimate, based on exploration activities (57 additional diamond drill holes, 24 km of drilling) conducted from 2017–2018. At 31 December 2019, the deposit's ore reserves totalled 2.7 Moz of gold with an average grade of 4.5 g/t, which is 1.4 Moz more than in the previous evaluation. Additional mineral resources have halved to 200 Koz due to the conversion to ore reserves.

The bulk of new reserves is located at depths of 500 m to 790 m below the surface. Mineralisation is represented by two contiguous sub-vertical ore bodies with an average true width of 14 m and 21 m. The thickness of the ore bodies varies from 1 m to 65 m.

During 2019, the Company carried out 19.2 km of exploration drilling at the deeper levels of the known ore bodies.

In 2020, Polymetal plans to evaluate the potential Ore Body 1 to a horizon of 650 m below surface level and also continue to identify new resources at the Strelka ore zone. The Company expects to achieve an increase of at least 1 Moz of gold in mineral resources as a result of this exploration campaign.

Currently, mining at Veduga focuses on a high-grade open-pit mine, which supplies ore for processing at Polymetal's Varvara or Kyzyl mill with concentrate subsequently treated at the Amursk POX. The output from Veduga concentrate amounted to 28 Koz for the full year.

Due to the increase in reserve during 2019 and the potential of a significant extension of further underground reserves, the Company has decided to continue with the development of this asset. The conceptual project schedule assumes an investment decision in Q4 2021. The processing plant would then be launched in the second half of 2024, with the start of underground mining scheduled for 2028. Polymetal's preliminary assessment presumes capital expenditure of $250 million for the initial project.

Priorities for 2020

- Evaluating the potential Ore Body 1
- Continuing exploration at Strelka ore zone
- Ore reserves updated estimate in 2020 and investment decision in 2021.

Prognoz

256 Moz
Mineral resources at 789 g/t

≈ $250m
Start-up capital expenditure

20 Moz
of silver annual production

Location: Republic of Sakha (Yakutia), Russia
Managing director: Alexander Akamov
Employees: 93
Mining: Open-pit (5–8 years), followed by underground (10 years)
Processing: Flotation + Leaching + Merrill-Crowe
Resources: 256 Moz of SE at 789 g/t (JORC)

Mines
1 Prognoz
Processing
Prognoz (flotation + leaching + Merrill-Crowe)

Town
Roads

Strengthening of our long-term growth pipeline

Prognoz is the largest undeveloped primary silver deposit in Russia and currently one of the world's top silver development projects.

In 2019, the Company conducted 41.4 km of drilling comprising 31.1 km of exploration drilling, 5.3 km of geotechnical drilling for plant construction, 2.5 km of hydrogeological drilling and 2.4 km of technological drilling.

In 2020, Polymetal plans to prepare initial ore reserves and updated mineral resources estimates of the Prognoz deposit as well as carrying out additional exploration activity.

Viksha

165 Mt
Mineral resources

2H 2021
Initial ore reserves estimate

5.7 Moz
of PdE

Palladium – 67%
Platinum – 12%
Gold – 10%

Location: Republic of Karelia, Russia
Managing director: Vladimir Dunaev
Employees: 93
Mining: Open-pit
Processing: Flotation + offtake/hydrometallurgic plant
Additional resources: 5.7 Moz of PdE at 1.1 g/t (JORC)

Mines
1 Viksha
Processing
Viksha

Town

Our first PGM asset and one of the world's largest open-pittable PGM resources

Viksha is Polymetal's first PGM (platinum group metals) project with high potential as a large open-pittable deposit.

In 2019, the resource model of the Viksha deposit was updated: total mineral resources decreased to 5.7 Moz of PdE, while the share of measured and indicated resources increased from 13% to 65%.

In 2020, exploration activities are set to continue with a view to upgrading the deposit's resources.