



Investor Presentation

Troika Dialog

THE RUSSIA FORUM 2010

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Polymetal—key facts

| 2009 Production | | |
|--|--|-----------------|
| Gold | 311 | Koz (+9% Y-o-Y) |
| Silver | 17.3 | Moz (+1% Y-o-Y) |
| Gold eq. ¹ | 0.6 | Moz (+5% Y-o-Y) |
| Co-product Cash Costs (Gold equivalent) | | |
| 1H2009 | 442 | US\$/oz |
| 2008 Adj EBITDA | | |
| US\$ 193m | | |
| 2P Reserves (JORC)¹ | | |
| Gold eq. ¹ | 14 | Moz @ 4.1 g/t |
| Capital Structure | | |
| Market cap | US\$ 3.3 bn ² (358m shares) | |
| Net debt ³ | c. US\$ 580m | |

¹ Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios

² LSE price as of February 1, 2010. Market cap is calculated without accounting for treasury shares held by Polymetal's subsidiaries (c. 41m). Total ordinary shares account for 399.4 million.

³ As at December 31, 2009

Polymetal: Asset portfolio

Voro

Production: 150Koz Au
Reserves: 1.7Moz Au @ 2.8 g/t
Cash costs 1H09: US\$359/oz of Au

Dukat Operations

Production: 15.6 Moz Ag and 39 Koz Au
Reserves: 360Moz Ag @ 405 g/t
 0.85Moz Au @ 1.0 g/t
Cash costs 1H09: US\$7.2/oz of Ag

Mayskoye

Resources: 7.5 Moz Au @ 11.8 g/t

Omolon Operations

Reserves: 0.7Moz Au eq. @ 16 g/t
Resources: 3.3Moz Au @ 3.1 g/t

Khakanja

Production: 136Koz Au eq.
Reserves: 1.1Moz Au eq. @ 9.5g/t
Cash costs 1H09: US\$388/oz of Au

Amursk POX hub+Albazino

Reserves: 2.3Moz Au @ 4.1 g/t

Varvarinskoye

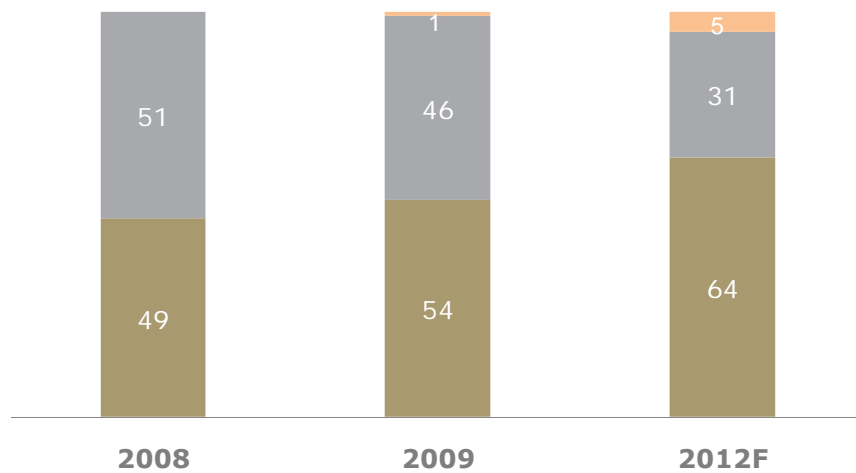
Reserves: 1.3Moz Au @ 1.1 g/t
 151m lb Cu @ 0.7%
Resources: 3.1Moz Au @ 1.1 g/t
 313m lb Cu @ 0.3%

Production numbers are given for the full year 2009
 Reserves and resources are as at January 1, 2009

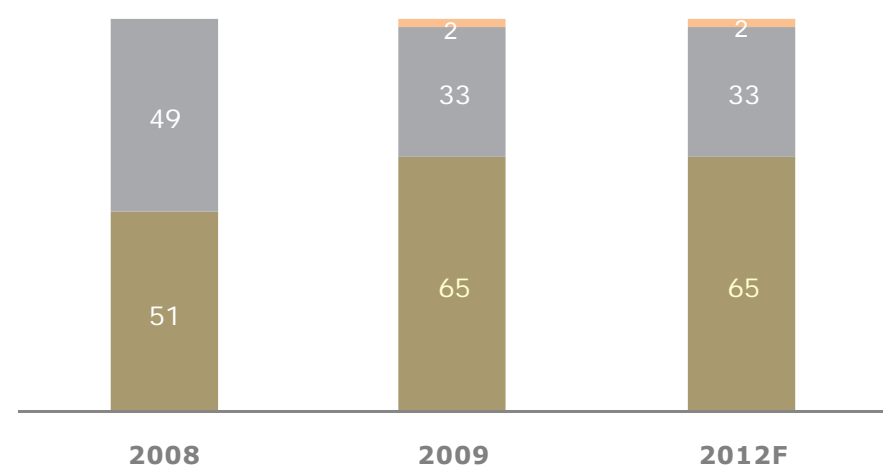


Moving towards gold

Revenue Split*, %



Resource Split*, %

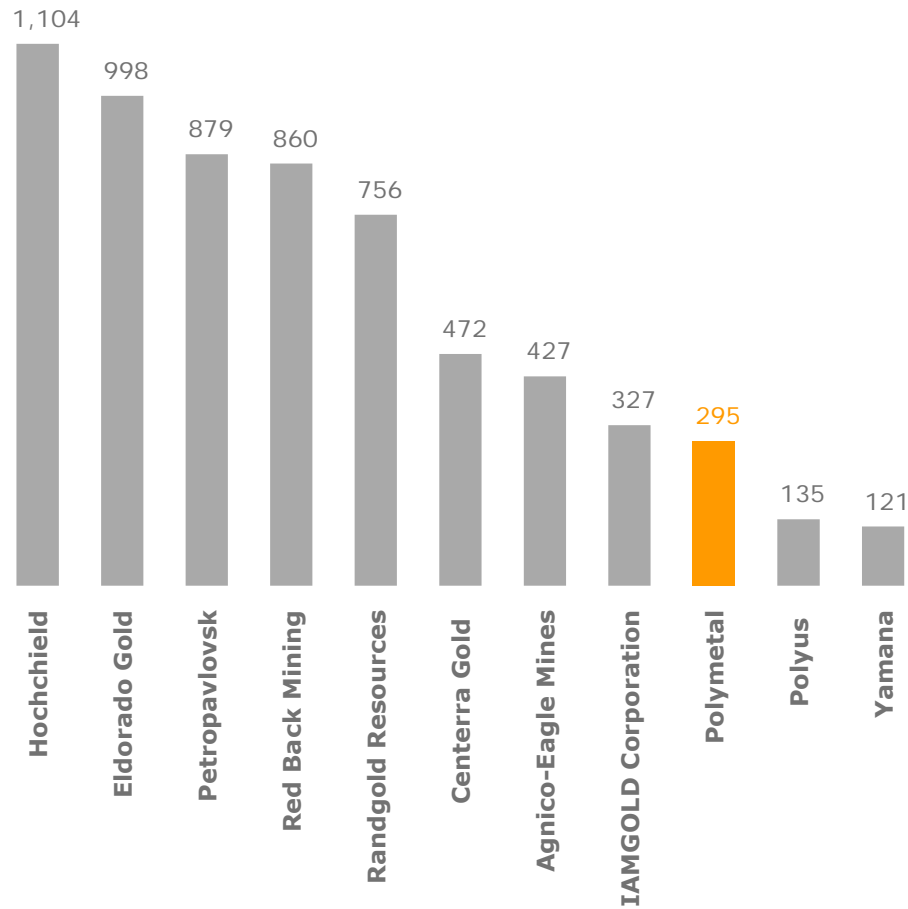


Gold Silver Copper

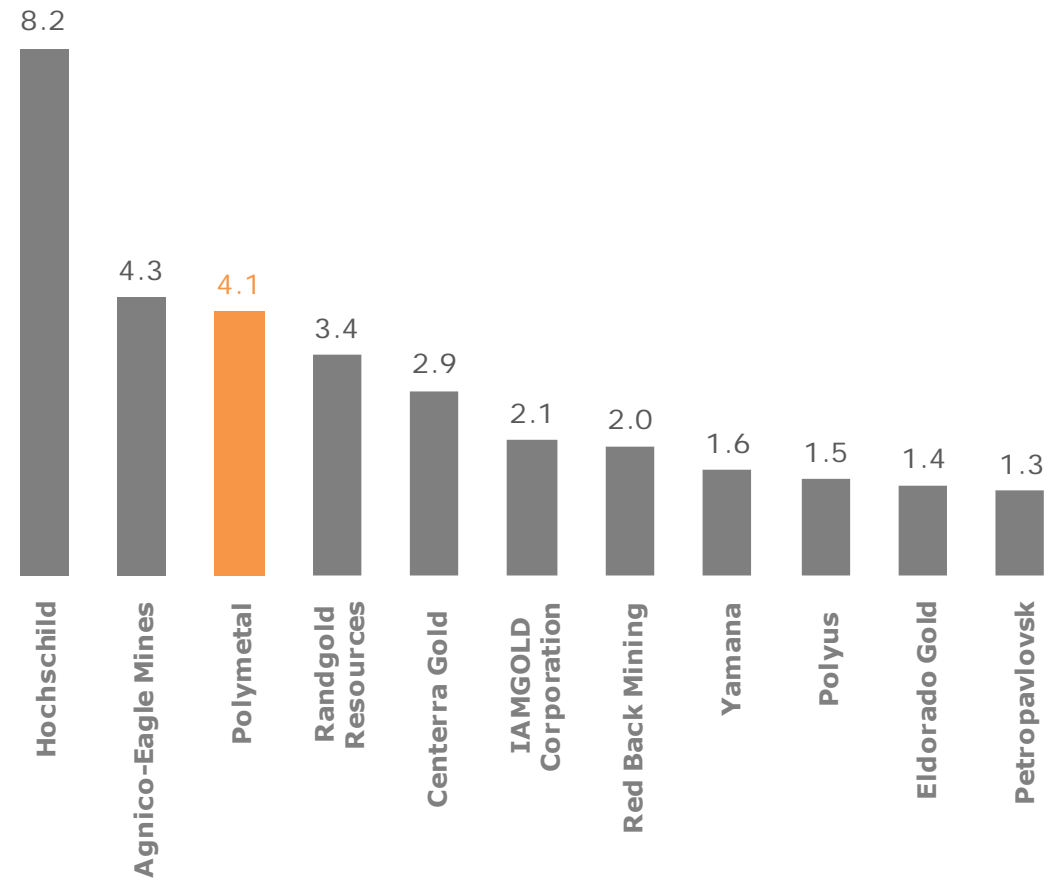
Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios

Cheap, High-grade reserve ounces

EV/Reserves



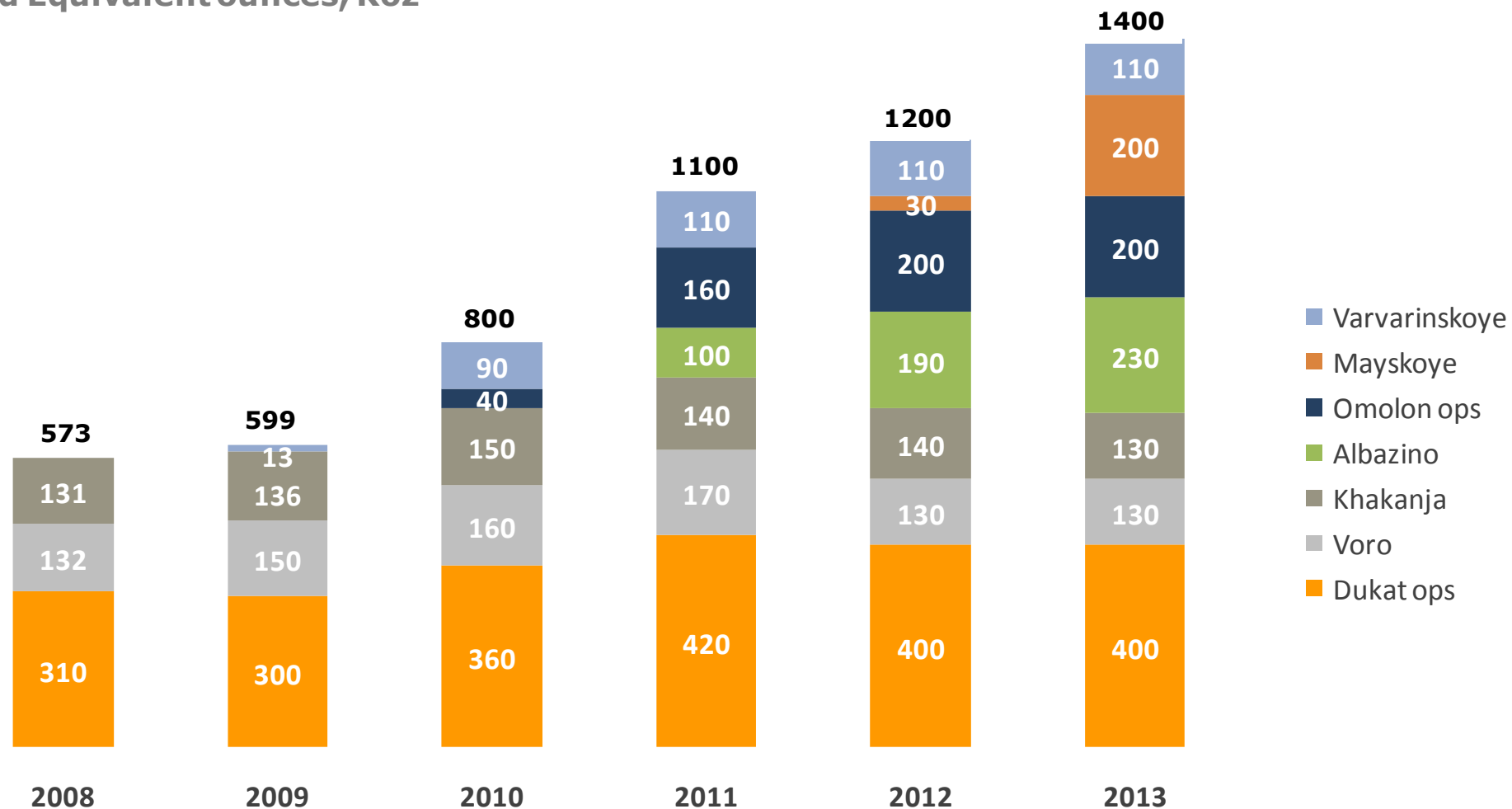
Average reserve gold eq. grade



Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios
Based on JORC reserves. Actual as at January 20, 2010

Compelling growth profile

Gold Equivalent ounces, Koz



Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios

2009 M&A activity: 4 deals closed

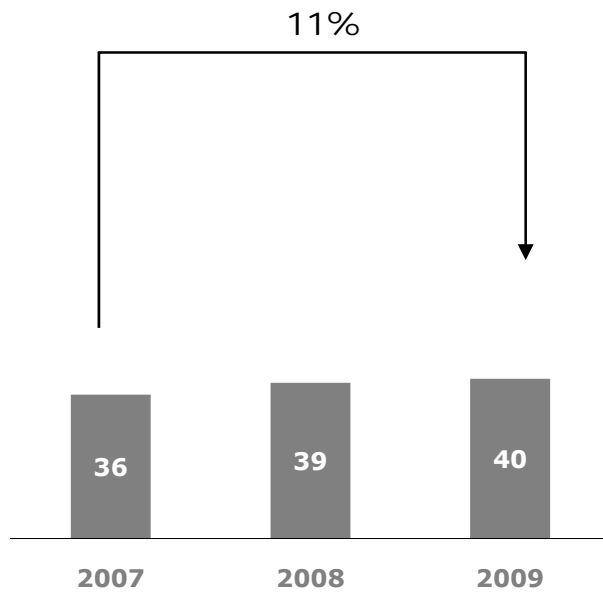
| Acquisition | Resource, Moz (Au eq.) | Full EV, US\$m | US\$/ oz resource | Strategic Rationale |
|-----------------------|------------------------|----------------|-------------------|---|
| Goltsovoye | 1.1 | 47 | 45 | Bolt-on to Dukat |
| Sopka | 1.4 | 95 | 67 | Bolt-on to Omolon |
| Mayskoye | 7.5 | 166 | 22 | World-class deposit fitting with Albazino |
| Varvarinskoye | 3.8 | 258* | 68 | Immediate cash flows and entrance to Kazakhstan |
| Total/ Average | 13.8 | 566 | 41 | |

Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios

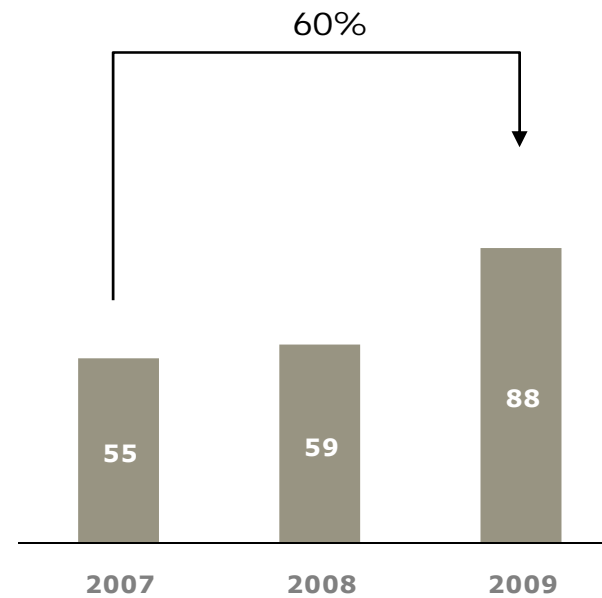
*With limited (US\$90m) recourse to Polymetal

Per share metrics demonstrate substantial shareholder value creation

Reserves (Au eq.), koz/share



Resources (Au eq.), koz/share



Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios
2009 calculated based on 358 million shares.

Existing Operations

Dukat Operations

Remaining LOM: Dukat – 17 years
Lunnoye/Arylakh – 14 years

- Dukat processing plant expanded from 0.9 to 1.5Mtpa at a capital cost of US\$60 million
- The ramp up of the plant is complete and the design capacity of 125 Kt per month is expected to be achieved in Q1 2010:
- The capacity of the underground mine will be increased to 900 Ktpa in 1H 2010.
- Stopping at Goltsovoye will commence in Q3 2010 (70Kt of ore is planned for 2010); development started in Q3 2009.
- Active near-mine exploration resumed in 2H 2009, \$8 million planned spending for 2010



Voro

Remaining LOM: oxidized ore reserves – 6 years
primary ore reserves – 15 years

- CIP Expansion successfully completed and ramped up on time and on budget at a capital cost of US\$22 million
- Mining of oxidized ore from the southern pit is expected to commence in Q2 2010.
- 200 Kt of ore to be mined at Degtyarskoye and processed at the Voro CIP plant during the year.
- 2010 production to reach peak 160 koz
- Regional exploration program to be resumed in 2010; Fevral'skoye to replace Degtyarskoye as the supplemental source of high-grade ore



Khakanja

Remaining LOM: 7 years

- 2010 is expected to be the peak year for Khakanja in terms of gold equivalent production due to a record contribution from Yurievskoye
- It is planned to mine, transport and process approximately 140 Kt of high-grade ore from Yurievskoye.
- High-grade underground mining at both Khakanja and Yurievskoye to supplement lower-grade open-pit starting from 2H2011
- Silver recoveries in 2009 increased from 52% to 57%. Further improvement expected
- Regional exploration to be resumed in 2010 with US\$4 million spend



Varvarinskoye

Asset

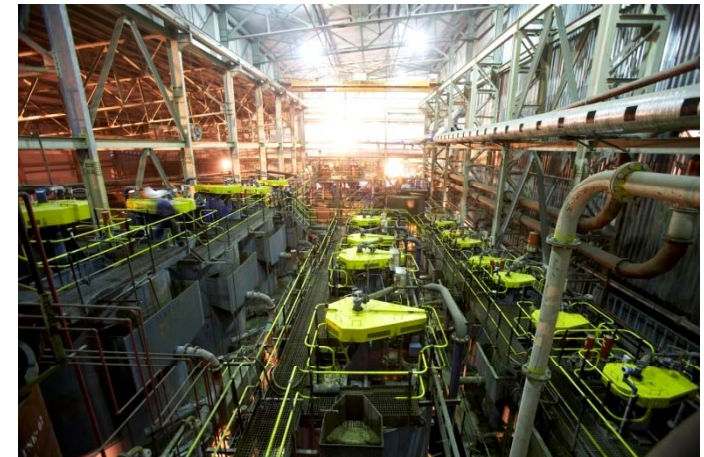
- Large gold/copper deposit located in established mining district with excellent infrastructure and significant exploration potential
- Turnaround plan formulated:
 - Strengthen grade control program
 - Additional investment in mining equipment to catch up with insufficient waste stripping
 - Streamlining and optimization of processing operations
- An opportunity to significantly improve operation economics through production increase and lower costs

Reserves and Resources

| | Ore tonnes (Mt) | Au grade (g/t) | Au (moz) | Cu grade (%) | Cu (M lb) |
|------|-----------------|----------------|----------|--------------|-----------|
| 2P | 36 | 1.1 | 1.3 | 0.7 | 151 |
| MI&I | 92 | 1.1 | 3.1 | 0.3 | 313 |

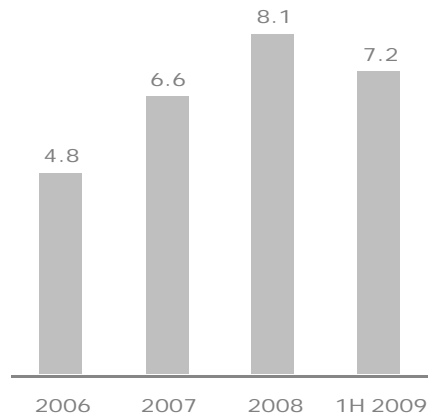
Strategic rationale

- Entry into Kazakhstan - one of the most attractive gold mining regions in the former Soviet Union with many further attractive targets;
- Acquisition of a large modern plant, located in the region with excellent infrastructure, cheap energy, and highly prospective geological settings.
- Tremendous reserve growth potential after the streamlining and optimization of mining and processing operations.

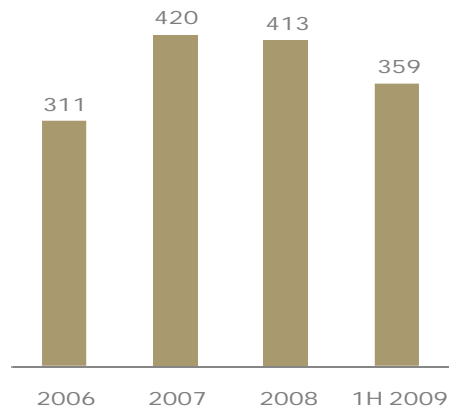


Cash costs (Gold Institute Standard)

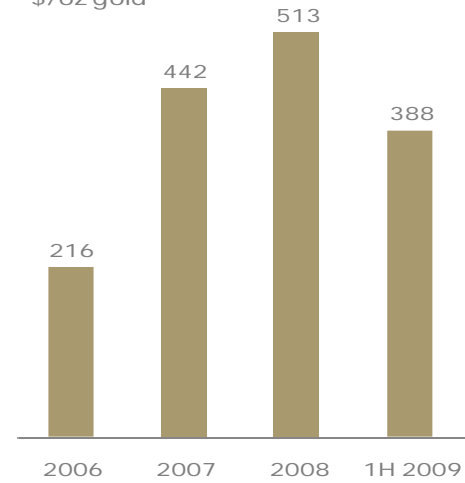
Dukat & Lunnoye
\$/oz silver



Voro
\$/oz gold

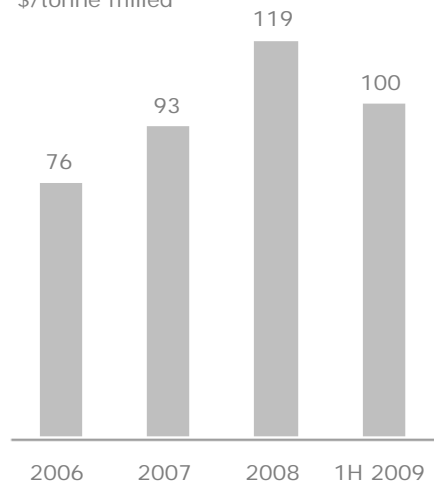


Khakanja
\$/oz gold

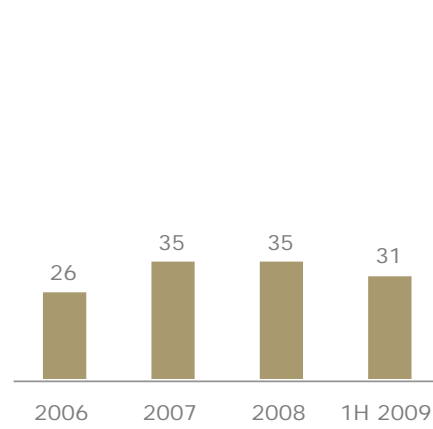


■ Gold ■ Silver

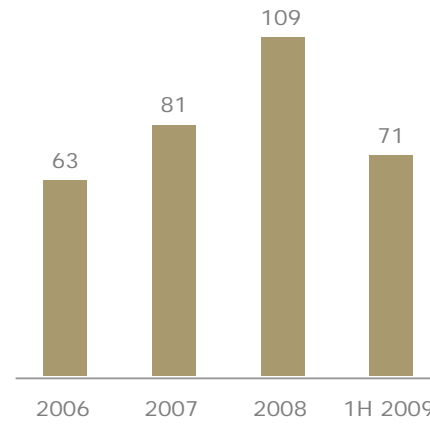
Dukat & Lunnoye
\$/tonne milled



Voro
\$/tonne milled



Khakanja
\$/tonne milled



■ Gold ■ Silver

Development projects

Polymetal's Advantage: Processing Hubs

- Financial capital and human capital synergies
- Risk mitigation
- Flexibility and long life
- Management concentration on limited number of projects



Creating centralized processing facilities for the treatment of materials from different sources

Amursk POX Hub

- Large amount of refractory ore bodies in the Far East Russia
- Absence of processing capacity for refractory ores in the region
- Very expensive energy and labor in remote areas

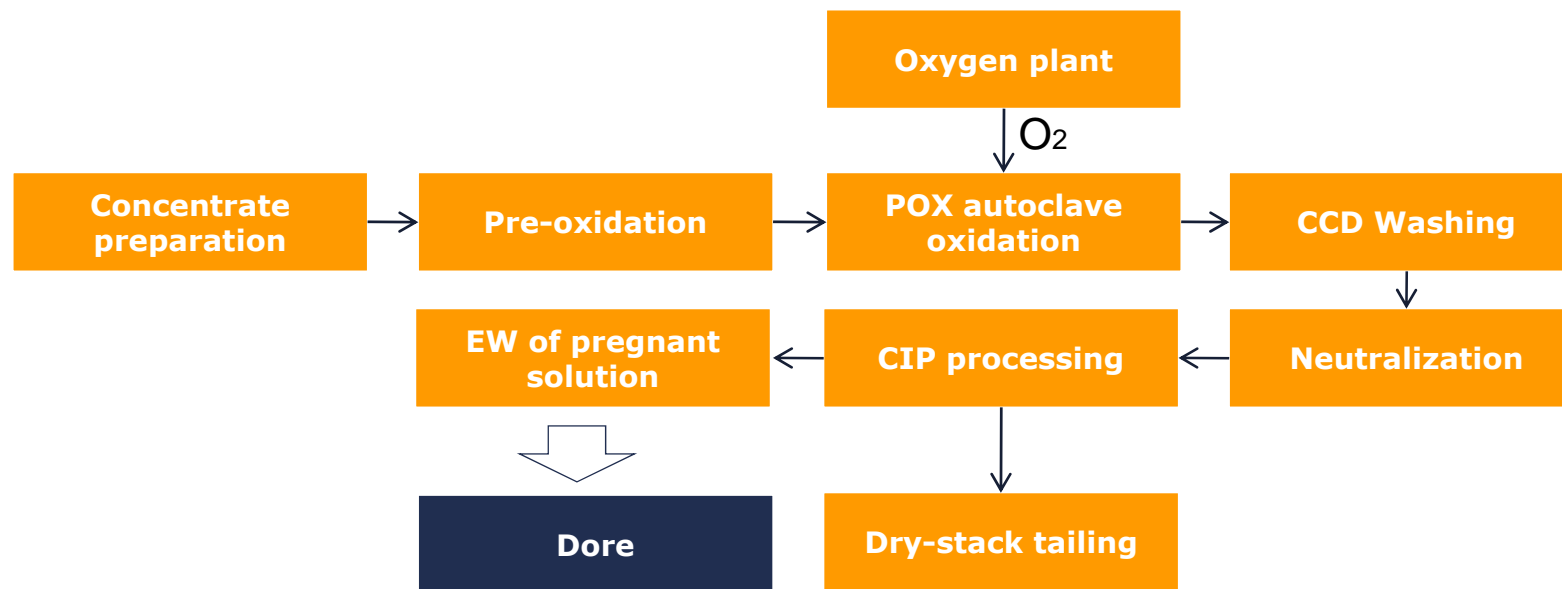


- Processing refractory concentrates from across the Russian Far East
- Amursk location:
 - Cheap power
 - Skilled & stable workforce
 - Excellent transportation infrastructure



Amursk POX Facility

- Capex \$US110 million
- Concentrate capacity 250 ktpa
- Sulfide sulfur capacity 26 ktpa
- Opex 35-70\$/ t of concentrate (depending on sulfur grade)



Status:

- Engineering complete (SNC Lavalin)
- All major equipment contracted
- Earthworks commenced
- 35Kw power line, gas main, water supply construction started

Albazino

- 1.5 mtpa flotation concentrator on site
- Construction commenced in November 2008, on schedule – expected to be completed in Q4 2010
- US\$160 million CAPEX
- Concentrate transportation cost of US\$70/mt
- Reserve expansion to 5 Moz by end-2011

Reserves and Resources

| | Ore tonnes (Mt) | Au grade (g/t) | Au (moz) |
|-----------------|-----------------|----------------|----------|
| 2P | 17.4 | 4.1 | 2.3 |
| MI&I | 21.3 | 4.3 | 3.0 |

Flotation concentrator in construction



Mine camp



Mayskoye

- CAPEX to be drastically reduced by treating ore concentrate in Amursk. Current estimate US\$130-170 million
- Concentrate transportation costs (US\$200-250/mt) more than compensated by a fall in treatment cost at Amursk:
 - Cheaper energy, labor and consumables



Reserves and Resources

| | Ore tonnes (Mt) | Au grade (g/t) | Au (moz) |
|-----------------|-----------------|----------------|----------|
| MI&I | 19.8 | 11.8 | 7.5 |

Outlook

- April – Feasibility study
- July – Start of construction
- Q4 2011—First concentrate production



- Sea route
- Deposit
- Settlement

Omolon Regional Processing Hub

A number of small to medium size high-grade deposits in the Northeast Magadan region

Numerous highly prospective epithermal Au-Ag ore occurrences in the region



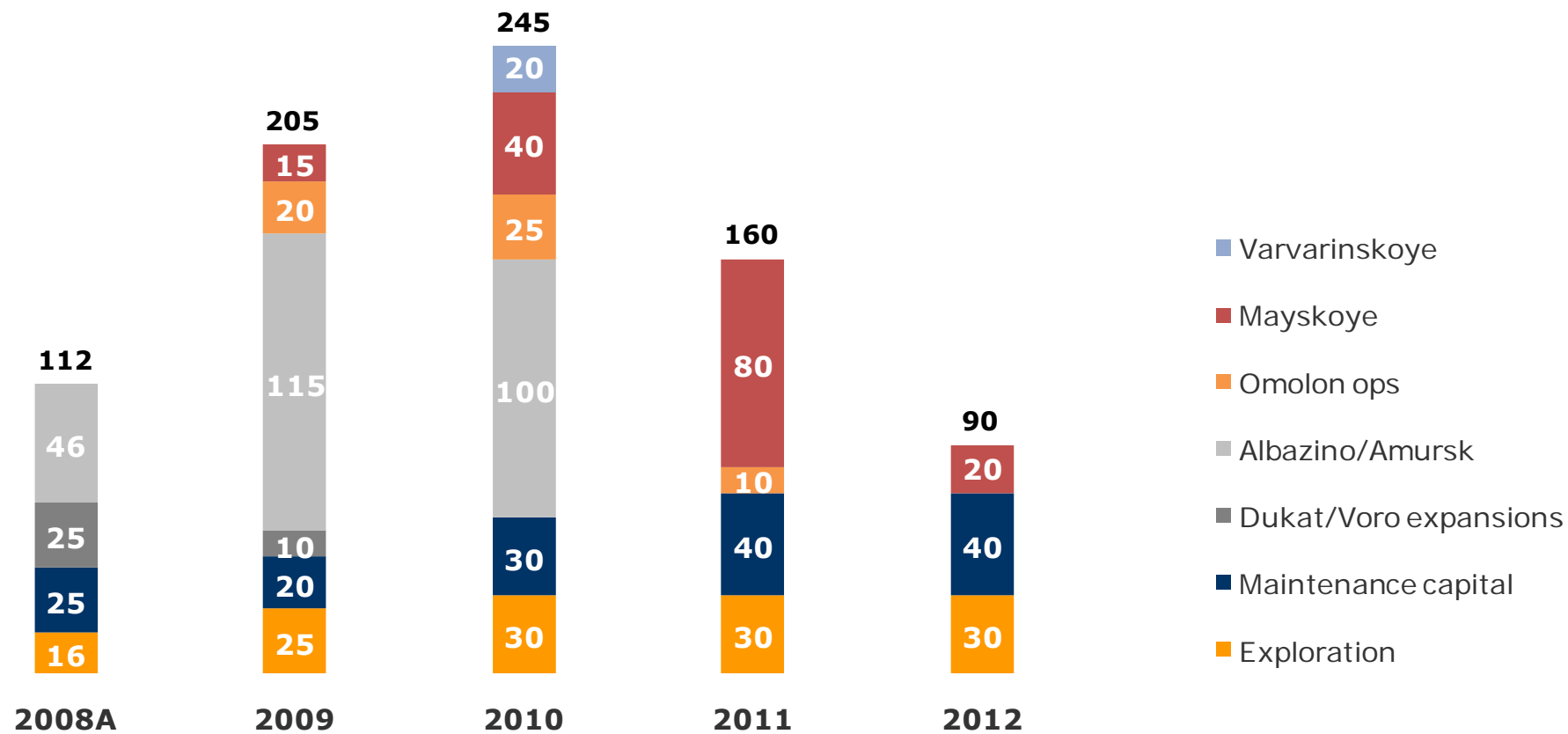
- Truck and mill high-grade ore
- Heap (dump) leach low-grade ore

- JORC-compliant reserve report and development plan for the entire Omolon hub (Birkachan, Tsokol Oroch, Sopka, Dalniy) in Q1 2010
- CIP plant restarted in Q3 2010
- Sopka to provide high grade ore feed to the mill starting from 3Q2011
- Total capital budget of US\$ 55_million



- Road
- Deposit
- Settlement

Capital Expenditure, US\$ million



Debt level and liquidity

- Current net debt approximately US\$580 million (as at December 31, 2009)
 - US\$ 250 million of Varvarinskoye liabilities maturing in 2013 (35%) and 2014 (65%)
 - US\$ 350 million of medium- and long-term bilateral loans with Russian banks*
 - US\$ 20 million of cash
- Undrawn facilities secured by sales of gold and silver are in place for the total amount of US\$ 270 million
 - US\$ 100 million with SBERBANK (2.5 years)
 - US\$ 100 million with NOMOS-BANK (2 years)
 - US\$ 70 million with Gazprombank (2 years)

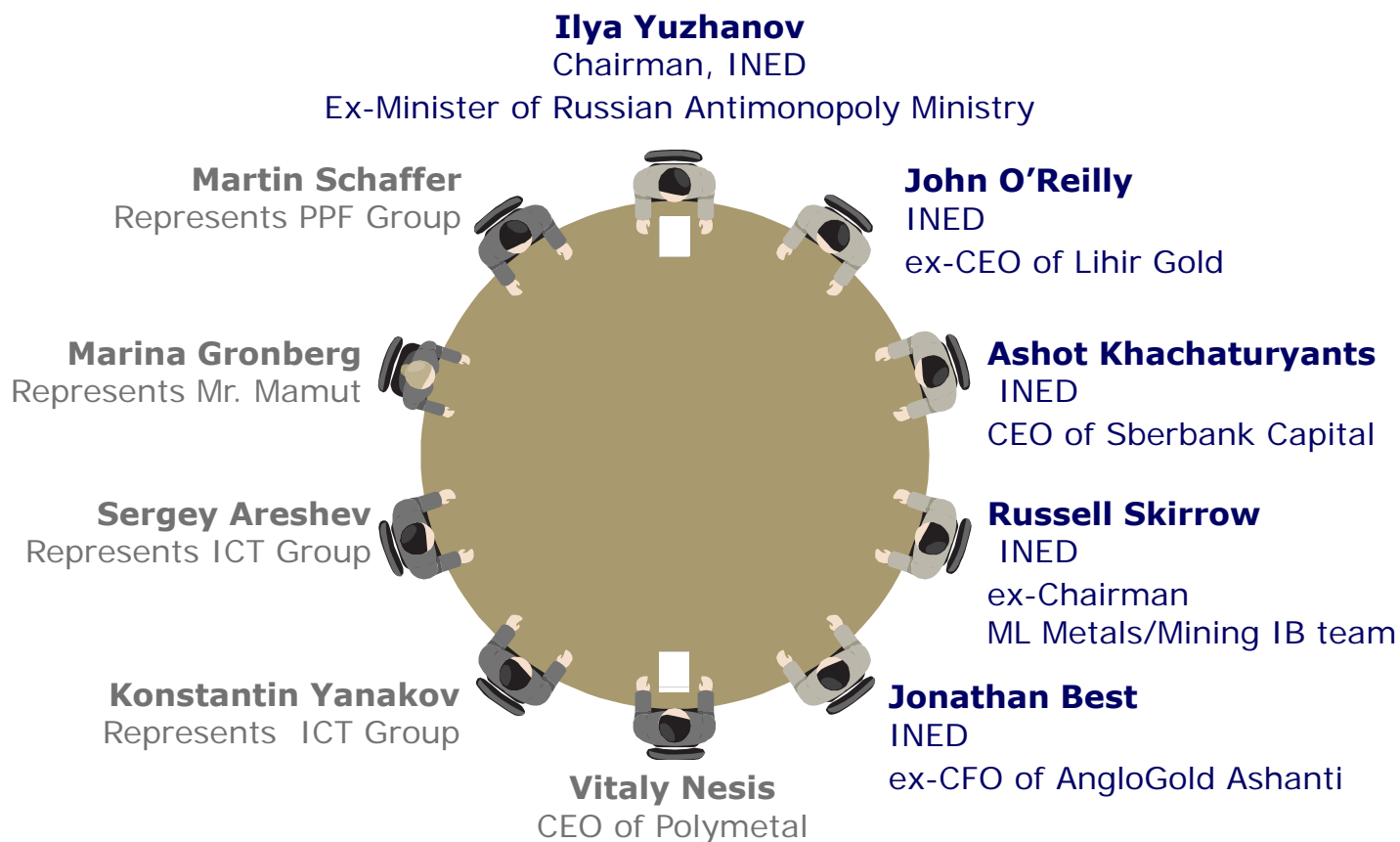
***Breakdown of long-term bilateral loans:**

- US\$ 23m with Raiffeisenbank at Libor + 5.75%, final maturity Oct 2010
- US\$ 70m with UniCredit Bank at Libor + 6%, final maturity Feb 2011
- US\$ 100m with Raiffeisenbank at Libor + 5%, final maturity Dec 2011
- US\$ 150m with VTB at Libor + 6.3%, final maturity Jun 2012
- EUR 5m with NOMOS-BANK at Libor + 5.5%, final maturity 2015-2016 (ECA-covered loans)

Corporate Governance

Governance structure

Board of Directors



Committees

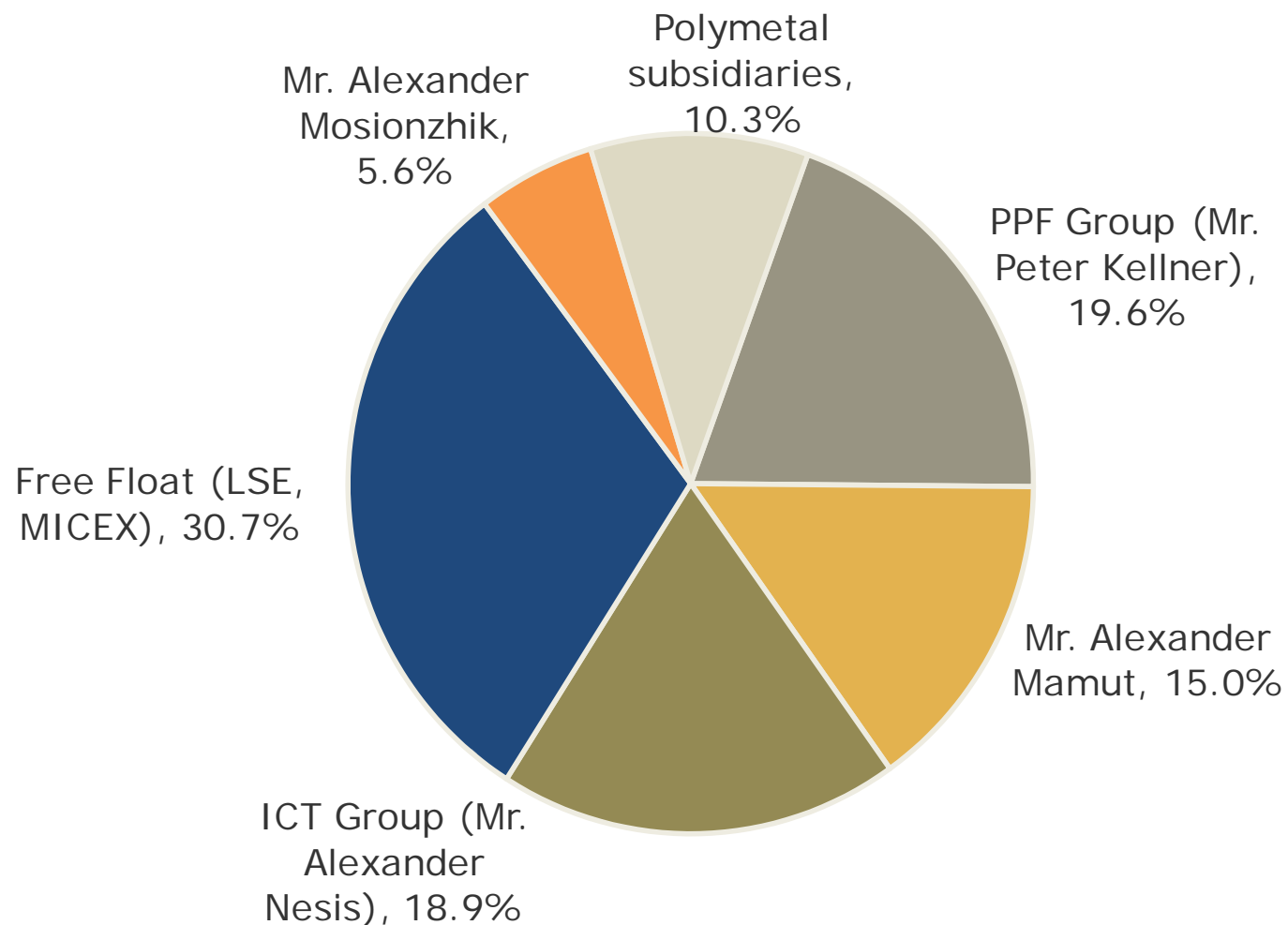
Audit Committee
Chaired by Jonathan Best
3 members



Remuneration and Nomination Committee
Chaired by John O'Reilly
3 members



Ownership structure

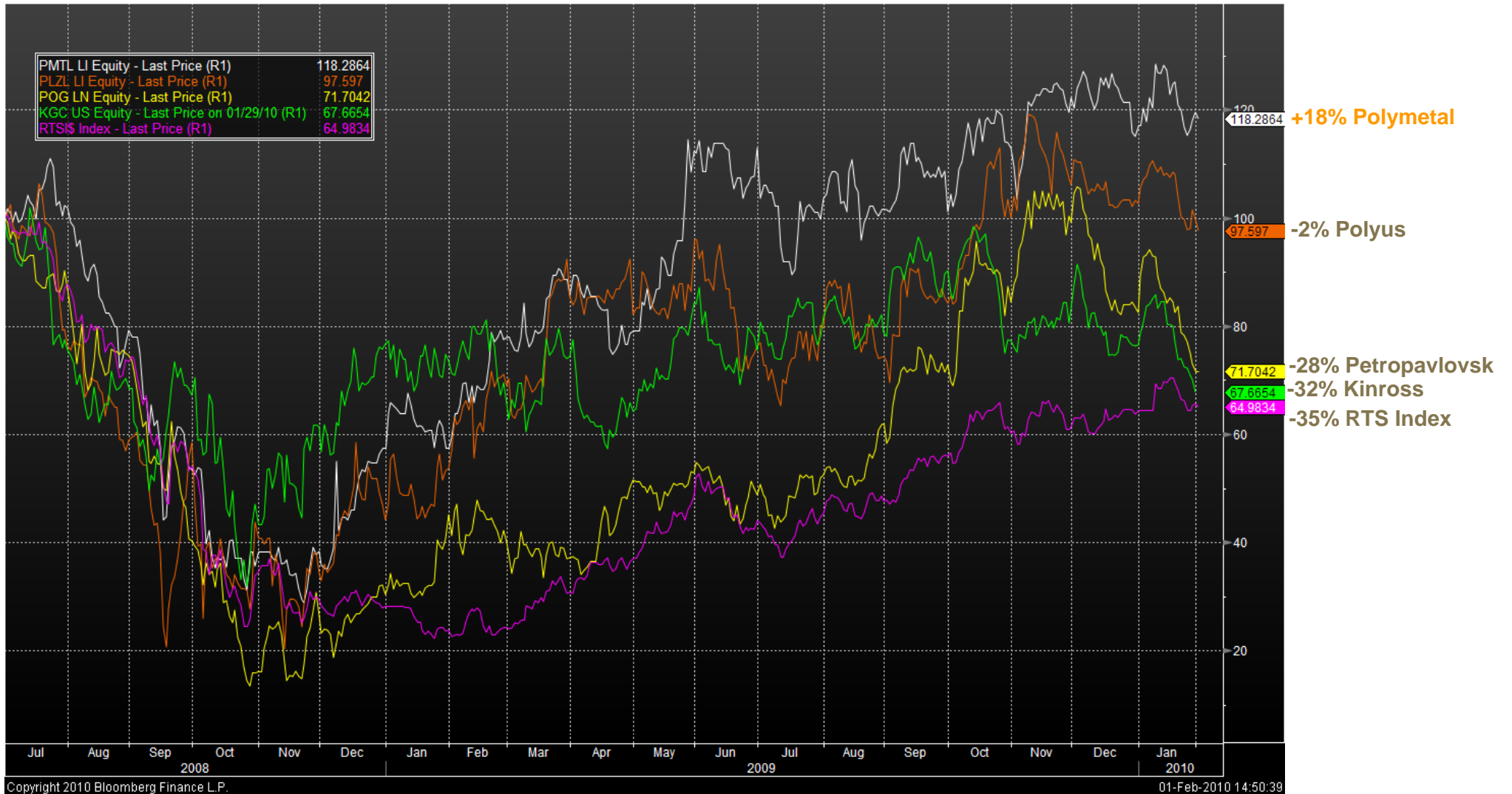


Polymetal— Investment Thesis

- Quality assets with strong cash flows from operations
- Proven development and operational track record
- Unique strategy focused on processing hubs
- Strong production growth
- Strong corporate governance

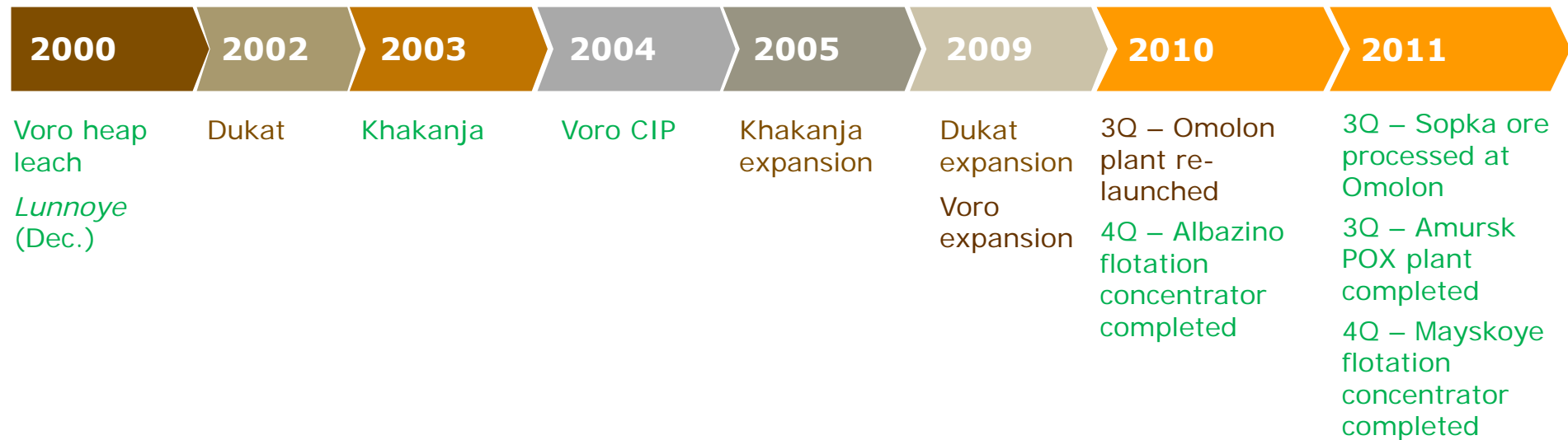
Appendix

Share price performance: July 01, 2008– Feb 1, 2010



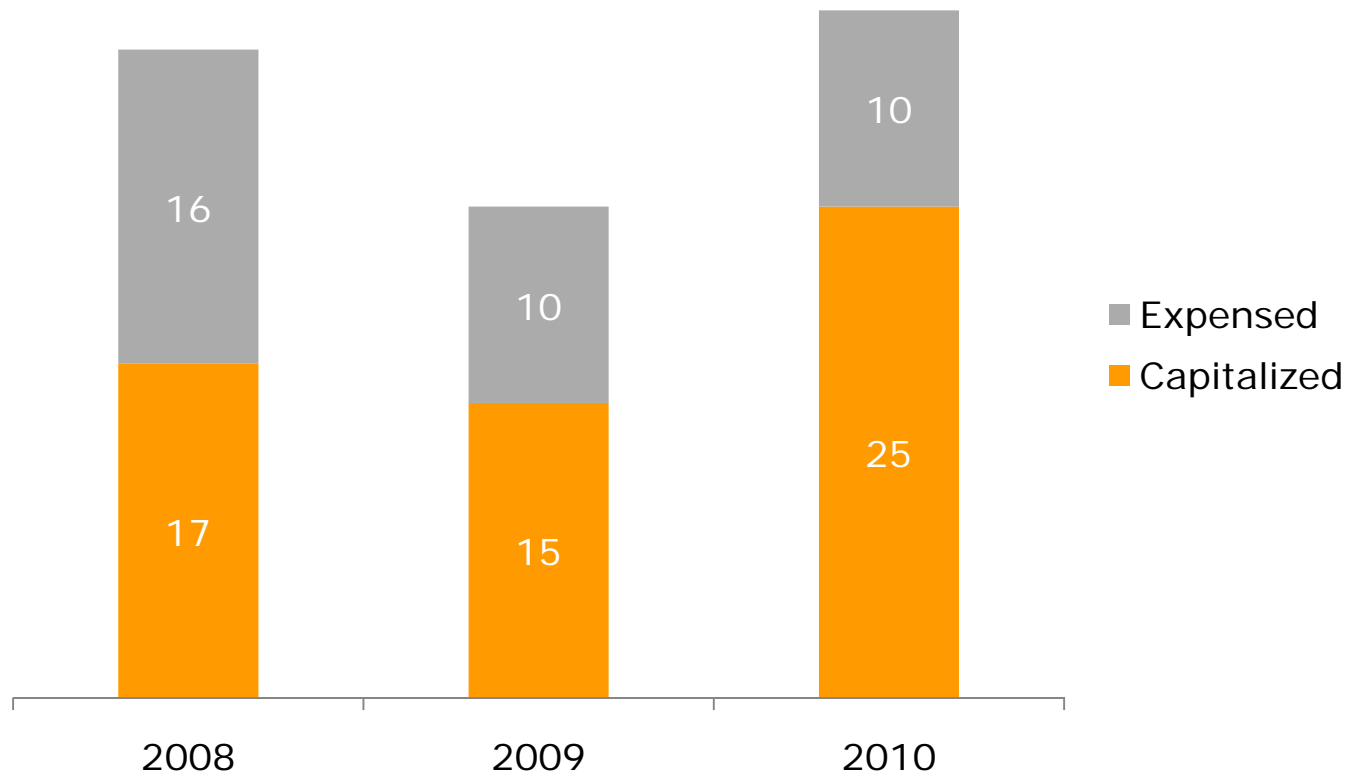
Track Record and the Pipeline

- Outstanding track record in commissioning new mines
- All engineering and construction performed in-house by Polymetal Engineering
- In-house engineering expertise provides a key competitive advantage



Greenfield projects
Brownfield projects

Exploration spending



Varvarinskoye

Transaction structure

- Purchase price: up to US\$ 20 million
 - US\$ 8 million in cash at completion
 - Deferred consideration of up to a maximum of US\$ 12 million (plus any deferral interest), contingent on and calculable in reference to future prices of gold and copper.
- Existing debt and hedge liabilities (US\$ 250 million) have been restructured and transferred to the Varvarinskoye asset level, with limited recourse to Polymetal (US\$ 90 million).
 - Debt obligations in the principal amount of US\$83.6 million, comprising of a US\$34.3 million Export Credit Insurance Corporation, South Africa Loan and a US\$49.3 million Commercial Loan
 - Liabilities resulted from crystallization of gold forward sales contracts (entered into historically at a strike price of US\$574.25 per ounce) in the amount of US\$166.4 million in present value terms.
- The resulting obligations become due in 2013 (35% of the total) and 2014 (65% of the total) respectively, with interest accruing at a rate of LIBOR + 3% per annum during the term.