



Investor Presentation

April 2011



POLYMETAL

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Key Facts

2010 Production	
Gold eq. ¹	753 Koz (+25% Y-o-Y)
2010 Revenue	
US\$ 922m (+66% Y-o-Y)	
1H 2010 Co-product Cash Costs (Gold equivalent)	
US\$ 541/oz (+22% Y-o-Y)	
1H 2010 Adjusted EBITDA	
US\$ 187m (+112% Y-o-Y)	
2P Reserves (JORC)¹	
Gold eq. ¹	17.1 Moz at 4.5 g/t
Capital Structure	
Market cap	US\$ 6.9 bn ² (361 million shares)
Net debt ³	US\$ 616m



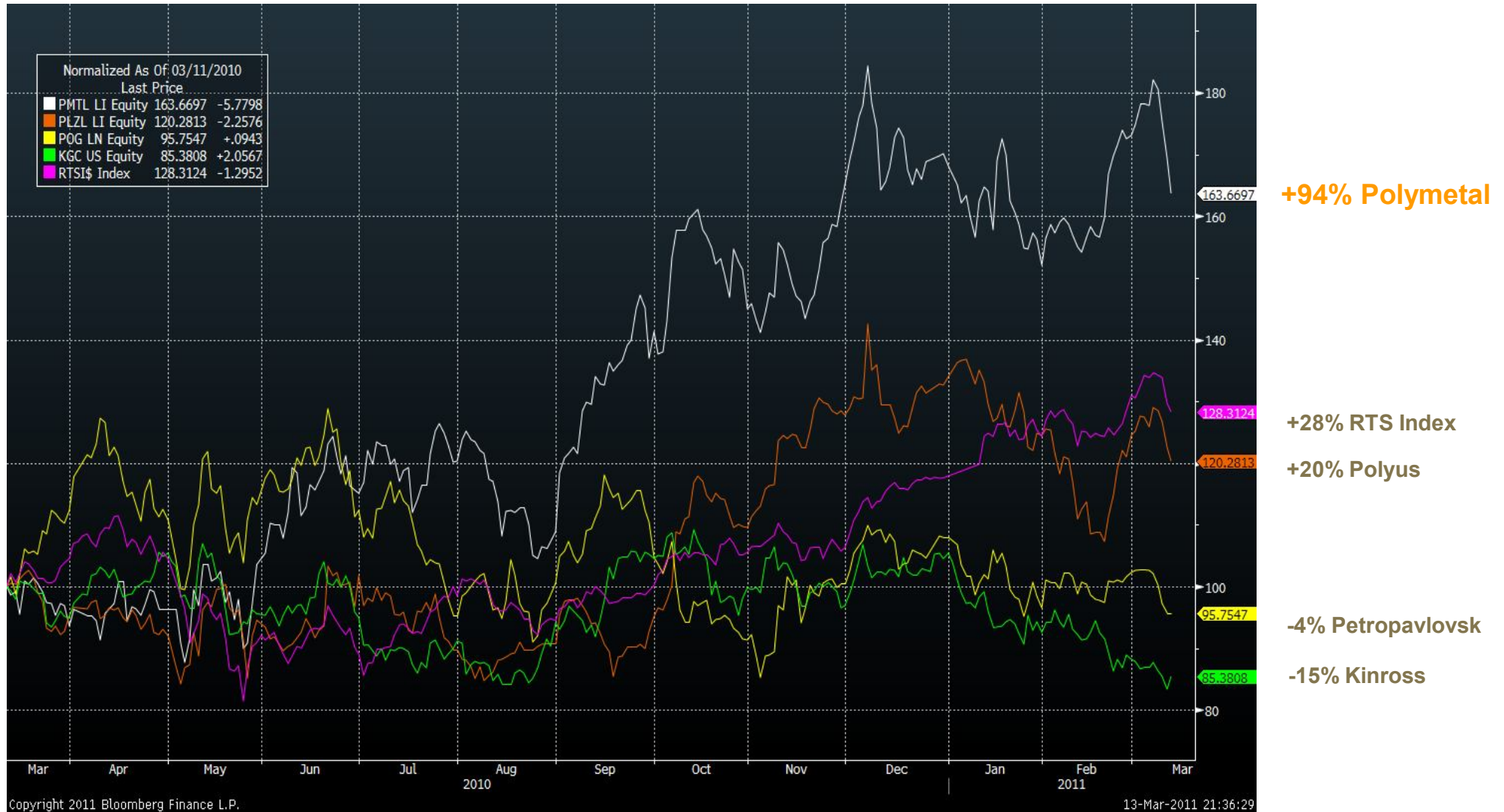
5 Operating Mines

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

² LSE price as of April 1, 2011. Market cap is calculated without accounting for treasury shares held by Polymetal's subsidiaries (c. 37.95 million). Total ordinary shares account for 399.4 million.

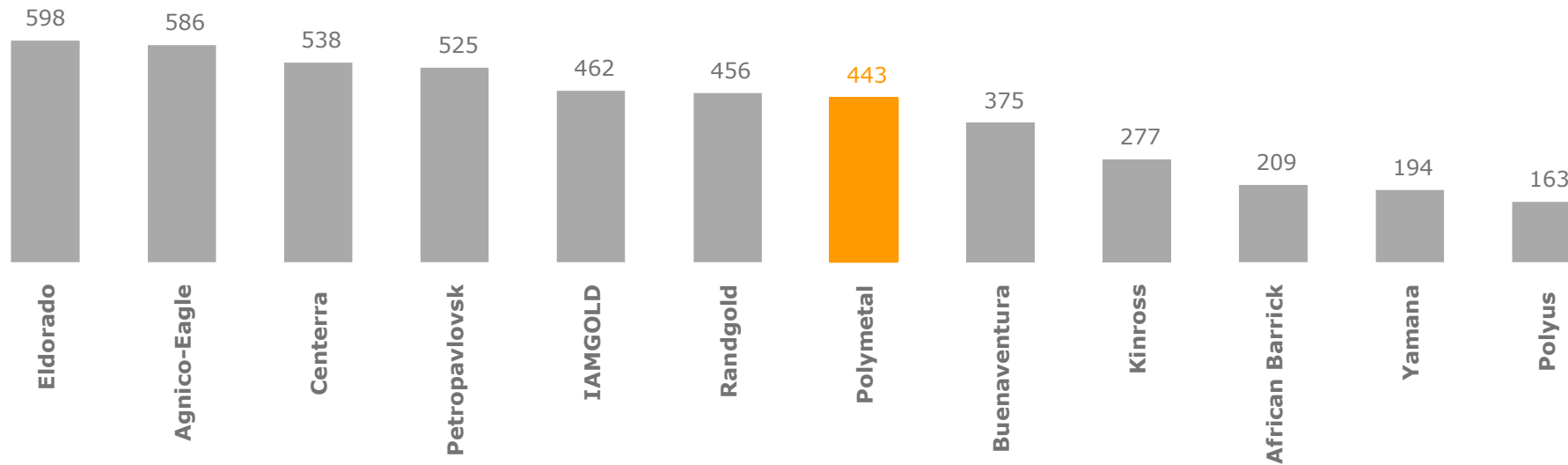
³ As of June 30, 2010.

Share Price Performance: 11.03.2010–11.03.2011

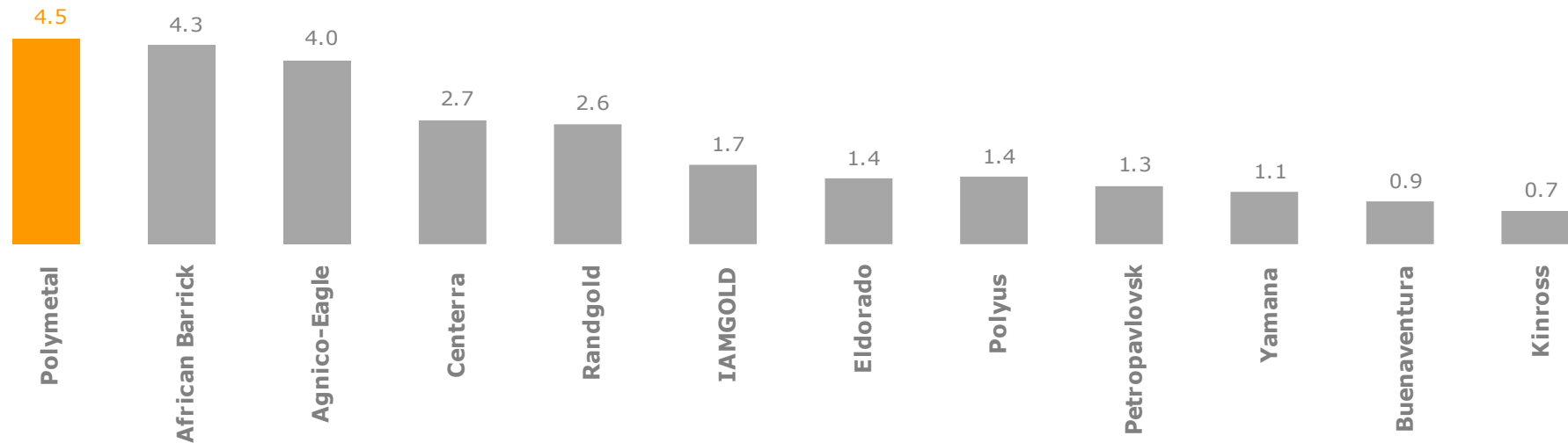


High-Grade Reserve Ounces at a Reasonable Price

EV/oz Reserves



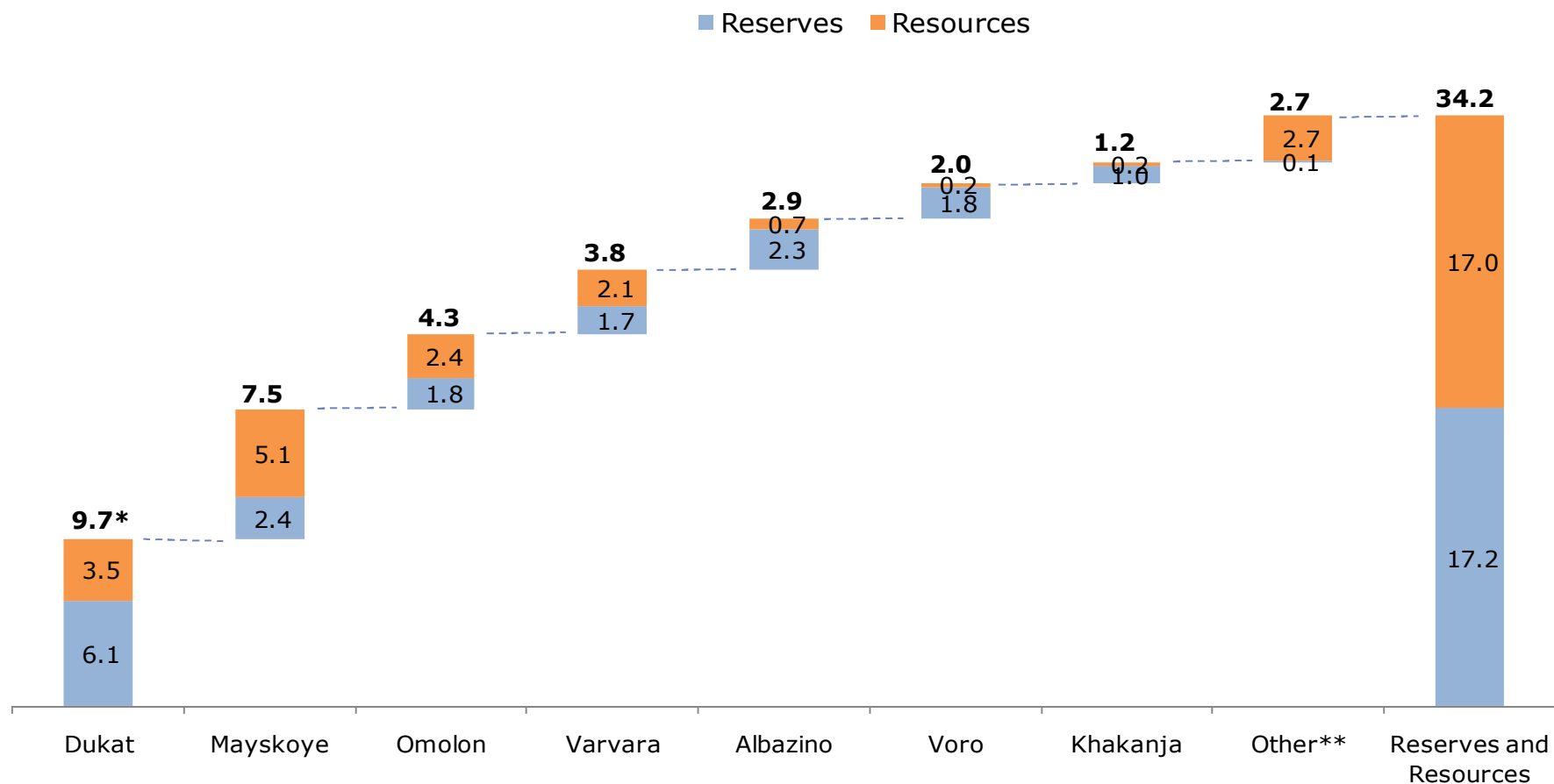
Average reserve gold eq. grade



Polymetal: Asset portfolio



Reserve and Resource Base (Au eq. Moz)



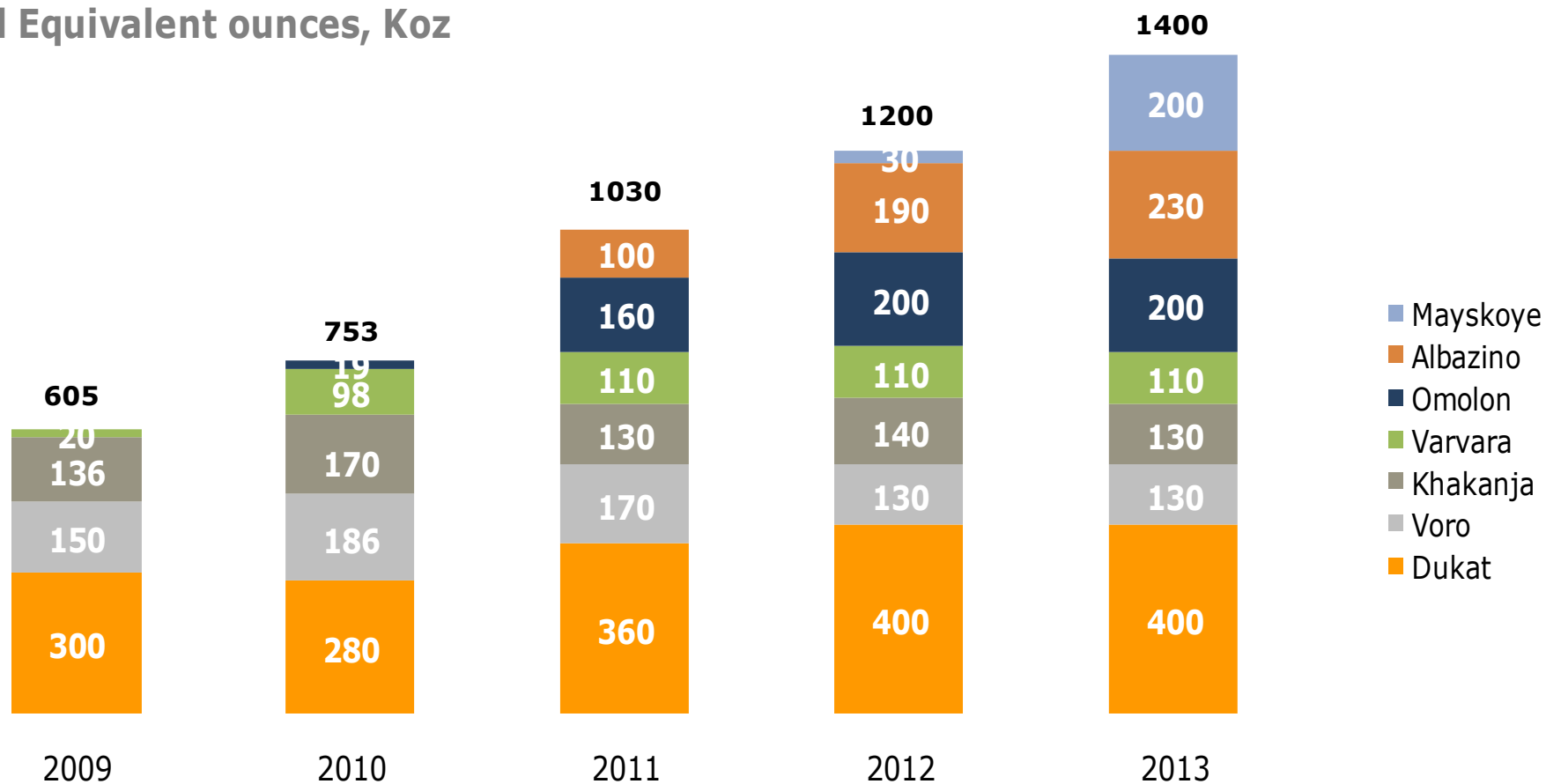
Average Reserve grade	9.0	9.6	4.3	1.4	4.1	2.9	9.2	-	4.5
Average Resource grade	8.7	9.3	4.6	1.3	4.3	3.1	8.9	2.4*	4.0
LOM, years	13	13	13	8	13	15/6	6		13

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

* Including Goltsovoye; ** Other includes Galka, Avlayakan-Kirankan project, pro-forma resources for Svetloye

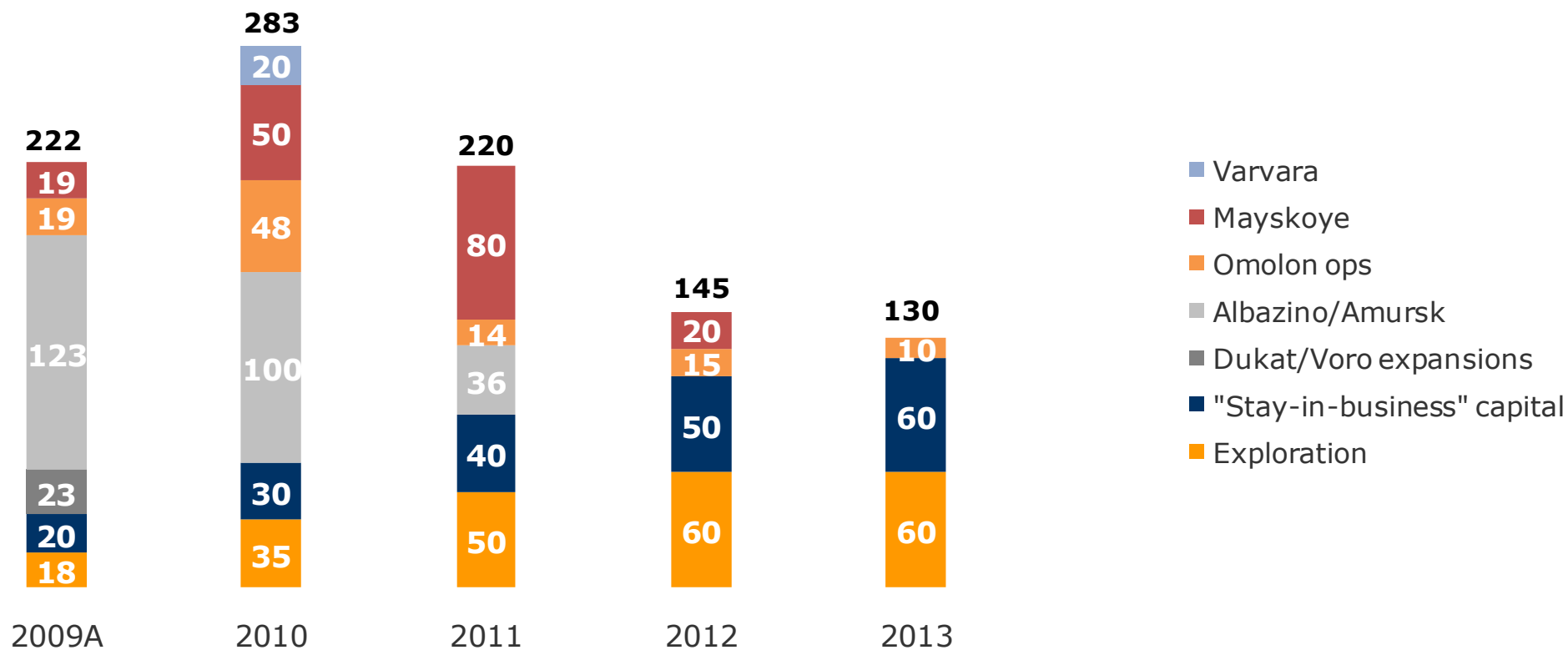
Compelling Growth Profile

Gold Equivalent ounces, Koz



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

Capital Expenditure, US\$ million



Operations

Company Performance: Income Statement Highlights

US\$ m	1H 2010	1H 2009	Change, %
Revenue	422	220	+92%
Cost of sales	217	112	+93%
Gross profit	204	107	+91%
Operating Income	144	69	+109%
Adjusted EBITDA	187	88	+112%
Net income	95	19	+399%
EPS	0.26	0.06	+333%
Cash flow from operating activities	121	88	+38%
2010 FY sales highlights			
Gold sold	441 Koz	309 Koz	+43%
Silver sold	17.9 Moz	16.5 Moz	+9%
Copper sold	4 kt	1 kt	-

Dukat

- 1.8Mt of ore will be processed at the Dukat and Lunnoye plants in 2011 (17% y-o-y expected growth) coming from:
 - Underground mine – 1Mt
 - Open pit – 0.2Mt
 - Ramping up Goltsovoye u/g mine - 0.1Mt
 - Stockpiles – 0.2Mt
 - Lunnoye and Arylakh – 0.3Mt
- Lower grades and recoveries as material comes from the metallurgically challenging Dukat ore zones and the stockpiles
- Measures to improve grades and recoveries:
 - launch of gravity circuit at the Dukat plant (commissioned)
 - introduction of Goltsovoye ore to the feed
 - replacement of the old Russian-made flotation cells with the new ones (produced by Outotek) and full automation of flotation, thickening, and filtering sections. To be completed in Q2 2011



Dukat/Lunnoye/Arylakh	2010 FY	2009 FY
Waste mined (kt)	4,726	4,625
Ore mined (kt)	1,378	1,478
Open pit	431	618
Underground	947	861
Ore processed (kt)	1,534	1,273
Gold head grade (g/t)	1.0	1.2
Silver head grade (g/t)	377	476
Gold recovery	74.7%	82.0%
Silver recovery	75.1%	80.4%
Gold produced (Koz)	37.9	39.1
Silver produced (Moz)	14.5	15.6
	1H 2010	2009 FY
Total cash costs / silver sold (\$/oz)	9.1	8.1
Total cash costs/ tonne milled (\$/t)	109	112
Capital expenditure (US\$ m)	18.4	31.6

Voro

- Stable, long-life cash generator
- +22% y-o-y gold production growth
- Additional new feed will come from the Company-owned Fevralskoye deposit starting Q2 2011
- Studies are under way to determine appropriate targeted investments to ensure the stability of high throughput and to improve recoveries
- Brownfield exploration targeting additional high-grade ore sources in the region



Voro/ Degtyarskoye	2010 FY	2009 FY
Waste mined (kt)	11,031	11,235
Ore mined, open pit (kt)	1,230	818
Oxidized	288	43
Primary	942	775
Ore stacked (kt), heap leach	1,024	938
Gold head grade (g/t), heap leach	1.6	1.7
Ore processed (kt), CIP	907	796
Gold head grade (g/t), CIP	6.1	6.0
Gold recovery, heap leach	72.50%	65.30%
Gold recovery, CIP	79.80%	79.20%
Gold produced (Koz)	183	150
	1H 2010	2009 FY
Total cash costs/ gold sold (\$/oz)	376	381
Total cash costs/ tonne milled (\$/t)	41	34
Capital expenditure (US\$ mm)	6.6	9.7

Khakanja

- Record growth for both gold and silver production (+18% and 54% accordingly)
- Additional feed will come from underground mines at Khakanja and Yurievskoye (2012) and newly acquired Avlayakan open pit deposit (Q3 2011)
- U/g reserves at Khakanja are estimated at c. 250 Koz @ 11.7 g/t of gold eq. Development will start in Q4 2011
Annual ore mined will be 120 Ktpa
- Preliminary estimation of u/g reserves at Yurievskoye is c.50Koz of gold @ 7.4 g/t. Development commenced in October
- Avlayakan reserves are estimated at 281 koz @ 17 g/t of gold eq.
Waste stripping started in December



Khakanja/ Yurievskoye/ Avlayakan	2010 FY	2009 FY
Waste mined (kt)	10,139	8,749
Ore mined (kt)	482	654
Ore processed (kt)	622	610
Gold head grade (g/t)	6.6	5.8
Silver head grade (g/t)	205	139
Gold recovery	94.9%	94.1%
Silver recovery	63.1%	61.1%
Gold produced (Koz)	127	108
Silver produced (Moz)	2.6	1.7
	<u>1H 2010</u>	<u>2009 FY</u>
Total cash costs/ ounces sold (\$/oz)	526	463
Total cash costs/ tonne milled (\$/t)	138	95
Capital expenditure (US\$ mm)	0.3	3.5

Varvara

- Steady operational improvements with annual production of gold setting a record
- Leaching of flotation tails was fully discontinued in mid-July. This reduced gold recovery in the high grade copper feed, but allowed to significantly cut operating costs and improve overall cash generation and profitability
- Net US\$10 million was generated from operations in Q4 2010
- Further improvement is expected in the first half of 2011 with the arrival of new mining equipment on site and acceleration of step-out drilling at pit margins.



Varvara	2010
Waste mined (kt)	21,955
Ore mined - open pit (kt)	3,411
Ore processed (kt), HGCF	793
Gold head grade (g/t)	1.1
Copper head grade (%)	0.71%
Gold recovery, HGCF	54.6%
Copper recovery, HGCF	81.8%
Ore processed (kt), LGCF	2,283
Gold head grade (g/t), LGCF	1.1
Gold recovery, LGCF	77.2%
Gold produced (Koz)	78.3
Copper produced (t)	4,003
	1H 2010
Total cash costs/ gold eq. sold (\$/oz)	747
Total cash costs/ tonne milled (\$/t)	21
Capital expenditure (US\$ m)	4.9

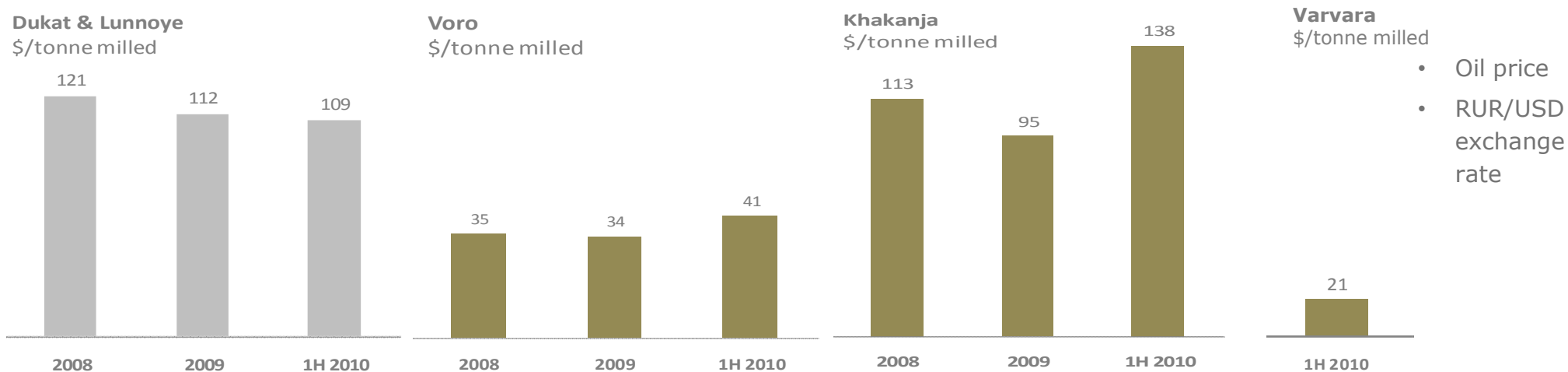
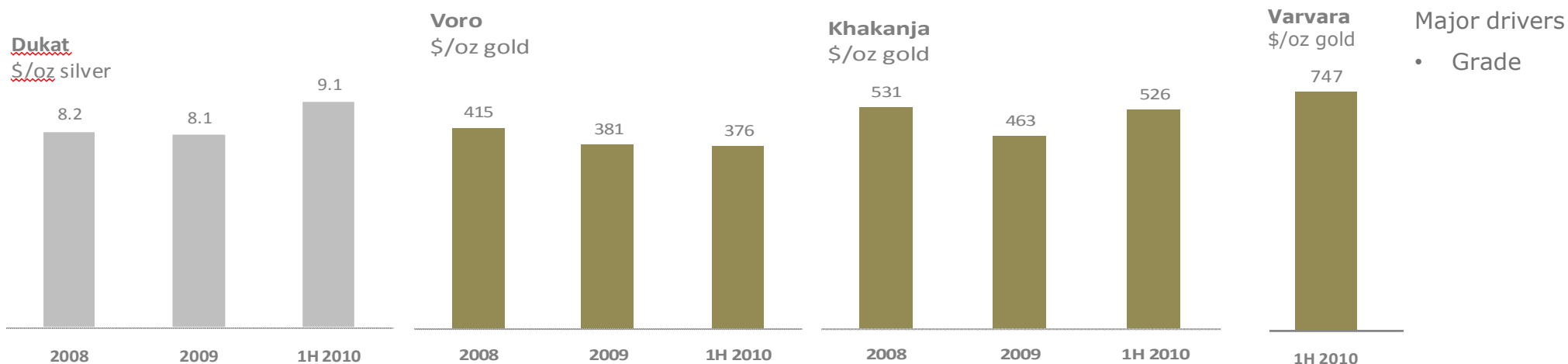
Omolon

- Recently started long-term operation with the processing center at the Kubaka plant
- CIP circuit successfully achieved its design parameters and the mill upgrade is in full swing (Merrill Crowe, expansion of leaching progresses on schedule; start-up is expected in August 2011)
- Grade processed is expected to improve as Birkachan pit gains access to higher-grade ore
- Transportation of the high-grade Sopka ore mined in 2009 and 2010 to Kubaka is expected to commence in February while its processing at the plant is scheduled for 2H 2011
- Heap leach production suffered from low temperatures throughout the year; this situation is planned to be improved in 2011 after the commissioning of coal-fired boilerhouse to warm up the solutions returned to the heap



Birkachan/Sopka Kwartsevaya	2010 FY	2009 FY
Waste mined (kt)	5,064	579
Ore mined, open pit (kt)	680	92
Low-grade (HL)	484	11
High-grade (Mill)	195	80
Ore stacked (kt), heap leach	459	639
Gold head grade (g/t), heap leach	1.6	1.9
Ore processed (kt), Kubaka mill	223	-
Gold head grade (g/t), Kubaka mill	2.2	-
Gold recovery, heap leach	24.90%	2.50%
Gold recovery, CIP	90.70%	-
Gold produced (Koz)	18.3	0.9

Cash costs (Gold Institute Standard Co-product)



■ Gold ■ Silver

Development projects

Amursk POX Hub

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



- Processing refractory concentrates from across the Russian Far East
- Amursk location:
 - Cheap power (4 ¢/kWh)
 - Skilled & stable workforce
 - Excellent transportation infrastructure (rail, auto, river)

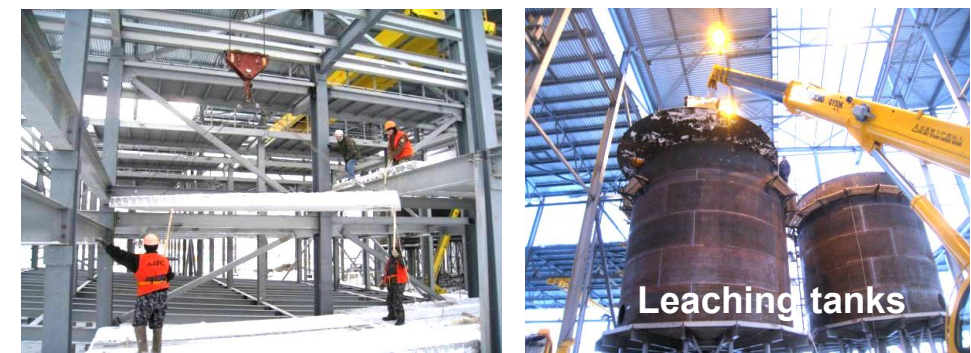


Amursk POX Facility

- Capex US\$ 120 million
- Concentrate processing capacity 250 ktpa
- Sulfide sulfur processing capacity 26 ktpa
- Opex 60-80\$/t of conc
(depending on sulfur grade)

Highlights:

- All equipment is on site with the autoclave and most of high-pressure circuit installed.
- Structural steel framework for the plant is in place
- Autoclave lining and installation of CIL and auxiliary equipment will commence in Q1 2011
- On track to start commissioning in August 2011 and pour gold in Q3 2011



Albazino

- 1.5 Mtpa open pit mine and on-site flotation concentrator for a capital cost of US\$186 million
- 17.4 Mt of ore @ 4.1 g/t for 2.3 Moz contained

Highlights

- Mining works have achieved design parameters with first 278kt of ore @ 3.7 g/t mined confirming existing tonnage and gold grade estimates.
- The concentrator is currently in the commissioning mode to be fully started in Q1 2011
- The remaining site infrastructure (repair shop, administrative building, and permanent lab) is expected to be commissioned in Q3 2011



Flotation concentrator and ore preparation complex



Flotation section



Open pit

Albazino – in the commissioning mode to be fully started in Q1 2011



Mayskoye

- 850ktpa underground mine and on-site flotation concentrator for a capital cost of ca US\$ 170 million. To be commissioned in Q1 2012
- First gold pour in Q4 2012
- Full mining and processing capacity to be reached by 2013

Reserves and Resources

	Tonnes (Mt)	Au grade (g/t)	Au (Moz)
2P	7.9	9.6	2.4
MI&I	25.0	9.3	7.5

Highlights

- Construction commenced in May 2010:
 - Underground development is in full swing. Extensive in-fill drilling consistently confirms existing reserve estimates in terms of grade and thickness of main ore bodies
 - Concentrator construction is in progress according to the schedule with foundations 60% complete and structural steel works having commenced in November 2010
 - Mill installation is planned for Q2 2011 with the majority of other equipment to arrive in Q3 2011 during the summer navigation period



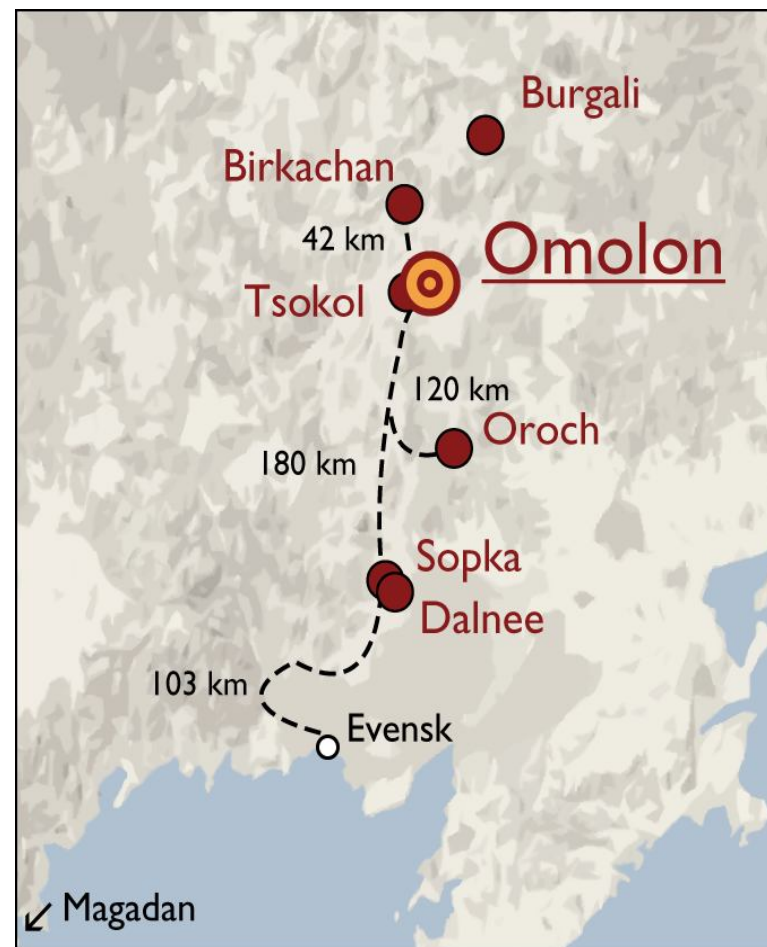
Metal constructions for the flotation concentrator



Omolon Regional Processing Hub

Processing plan

	Grade, g/t		Recovery		Ore processed, Kt				
	Au	Ag	Au	Ag	2011	2012	2013	2014	2015
Birkachan	3.5	10.0	95%	60%	550	550	450	400	350
Sopka	12.0	260.0	95%	88%	200	250	250	150	150
Tsokol	6.0	5.0	95%	60%	-	50	100	150	150
Oroch	3.5	200.0	90%	82%	-	-	50	100	100
Dalniy	8.0	150.0	95%	88%	-	-	-	50	100
Total ore processed, Kt					750	850	850	850	850
Gold equivalent production, Koz					160	193	201	181	191



Exploration Strategy

Target New Mine parameters

- Open-pit
- 15-year mine life
- At least 0.3 Moz per year for at least 10 years
- Mill grade
 - Heap leach > 1.5 g/t
 - Mill with grid power > 2.0 g/t
 - Mill with no grid power > 3.0 g/t



Target Discovery parameters

- 5 Moz of Reserves
- 7 Moz of Resources
- Resource statements for 2 new discoveries out by 4Q 2012

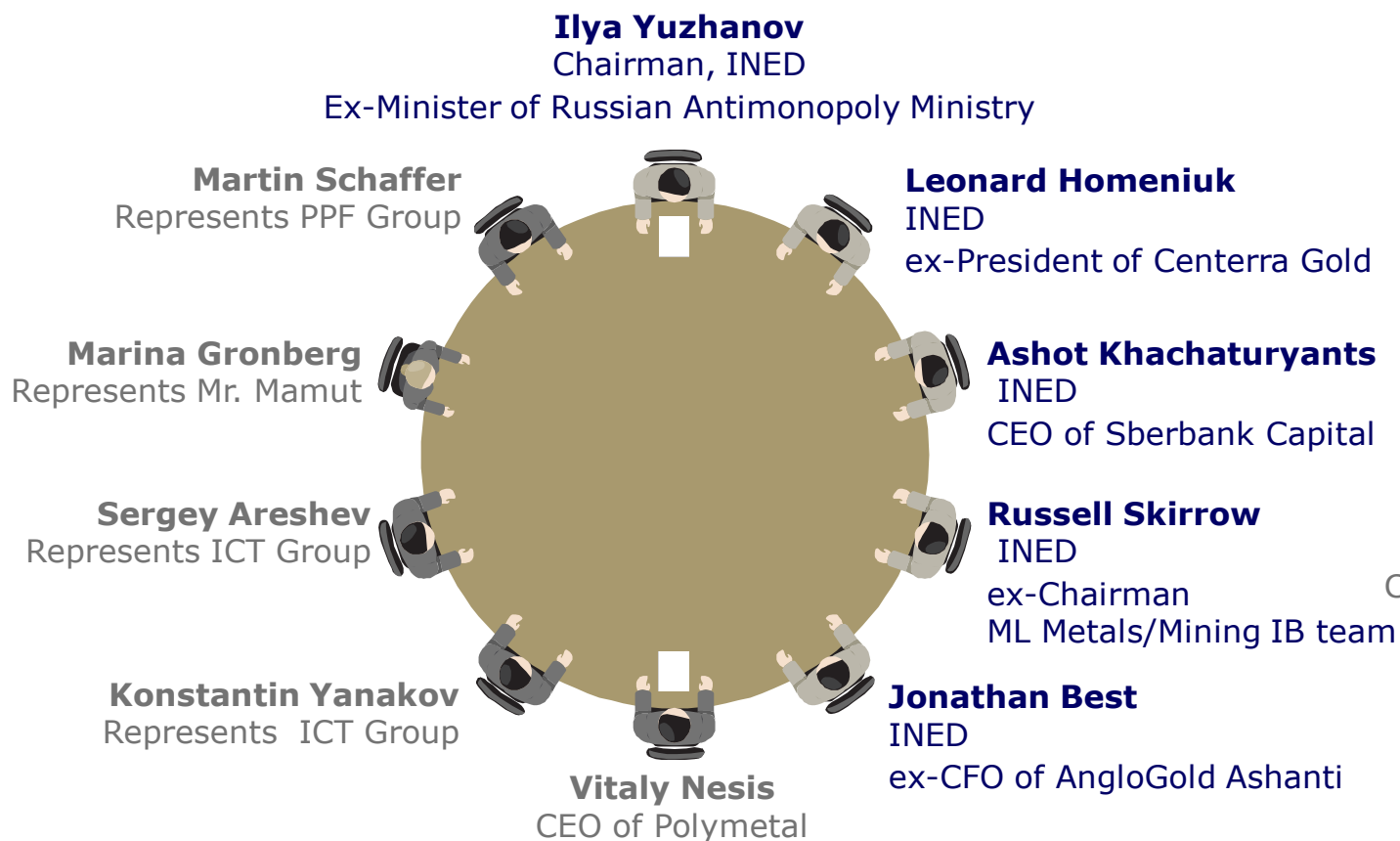
Polymetal— Investment Thesis

- 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
- Professional and motivated workforce

Appendixes

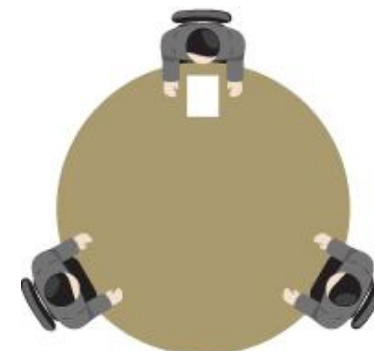
Governance structure

Board of Directors

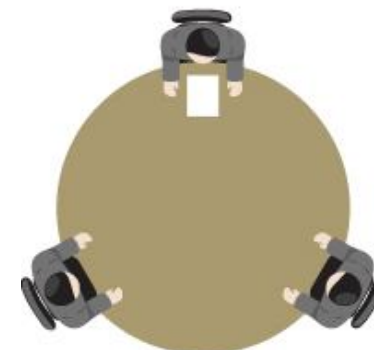


Committees

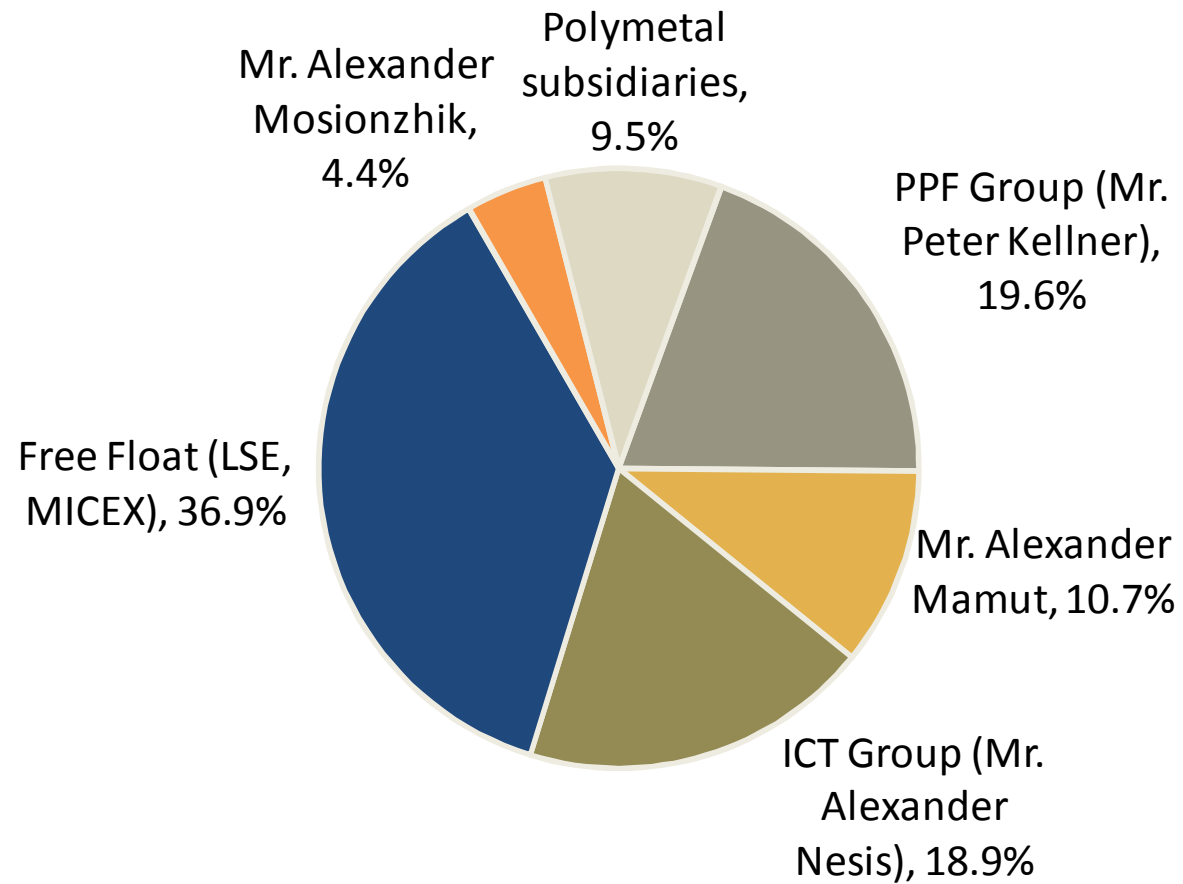
Audit Committee
Chaired by Jonathan Best
3 members



Remuneration and Nomination Committee
Chaired by Leonard Homeniuk
3 members

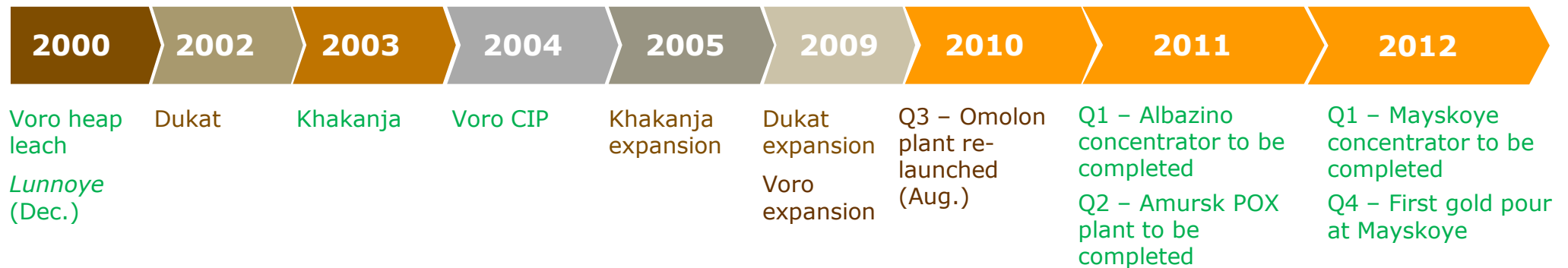


Ownership structure



Track Record and the Pipeline

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



Greenfield projects
Brownfield projects

2009-2011 M&A activity: 6 deals closed, 1 is pending

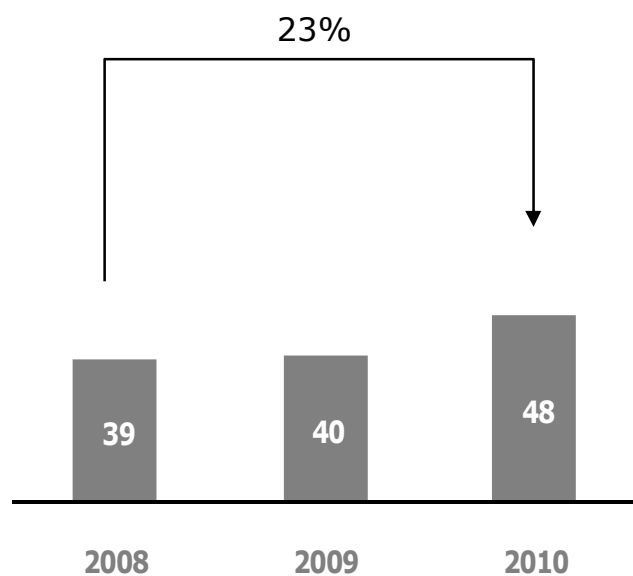
Acquisition	Resource, Moz (Au eq.)	Full EV, US\$m	US\$/ oz resource	Strategic Rationale
Goltsovoye	1.1	47	45	Bolt-on to Dukat
Sopka	1.4	95	67	Bolt-on to Omolon
Mayskoye	7.5	166	22	World-class deposit; strategic fit with Albazino
Varvara	3.8	258*	68	Immediate cash flows and entry into Kazakhstan
Avlayakan and Kirankan	0.5	65	142	Immediate cash flows Bolt-on to Khakanja
Svetloye	1.4	9	7	Bolt-on to Khakanja
Kutyn (pending)	1.2	67	56	Advanced exploration property in the strategic region
Total/ Average	16.9	707	42	

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

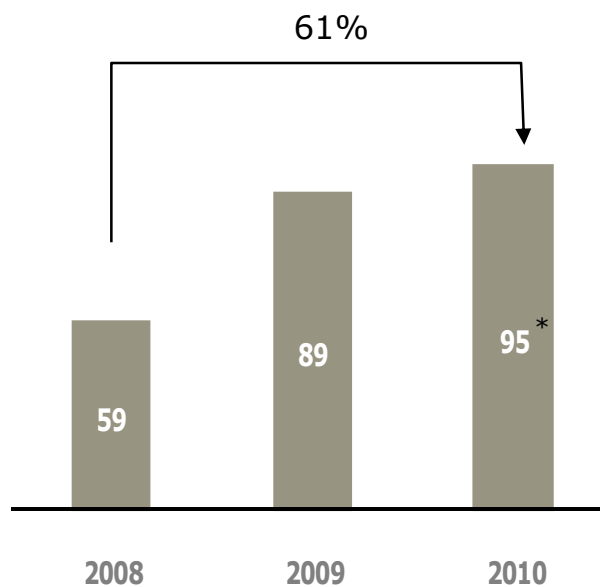
*With limited (US\$90m) recourse to Polymetal

Per share metrics demonstrate substantial shareholder value creation

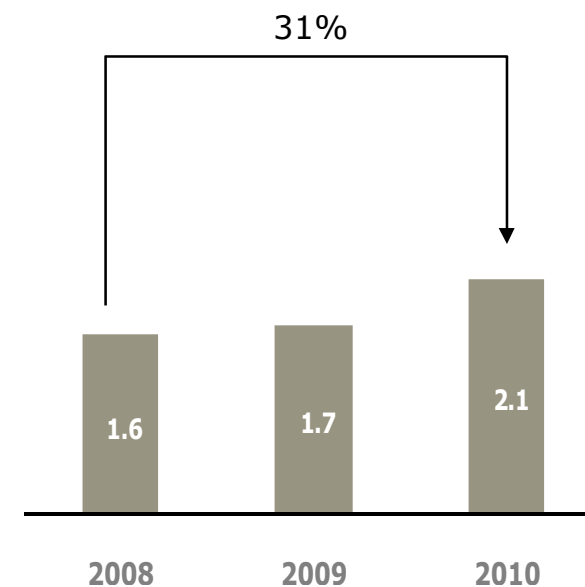
Reserves (Au eq.), koz/share



Resources (Au eq.), koz/share



Production (Au eq.), koz/share



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

2009 calculated based on 358 million shares.

2010 calculated based on 361 million shares.

* Pro Forma for Svetloye and Avlayakan project

Polymetal's Strategy: Processing Hubs

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



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