



Analysts' Workshop

October 25, 2010



POLYMETAL

1. Overview & highlights	3
2. Operating assets	9
3. Growth projects	16
4. Exploration	45

Key Facts

9M 2010 Production

Gold eq.¹ 564 Koz (+41% Y-o-Y)

9M 2010 Revenue

US\$ 655m (+87% 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\$ 6.0 bn² (361 million shares)

Net debt³ US\$ 616m



5 Operating Mines

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

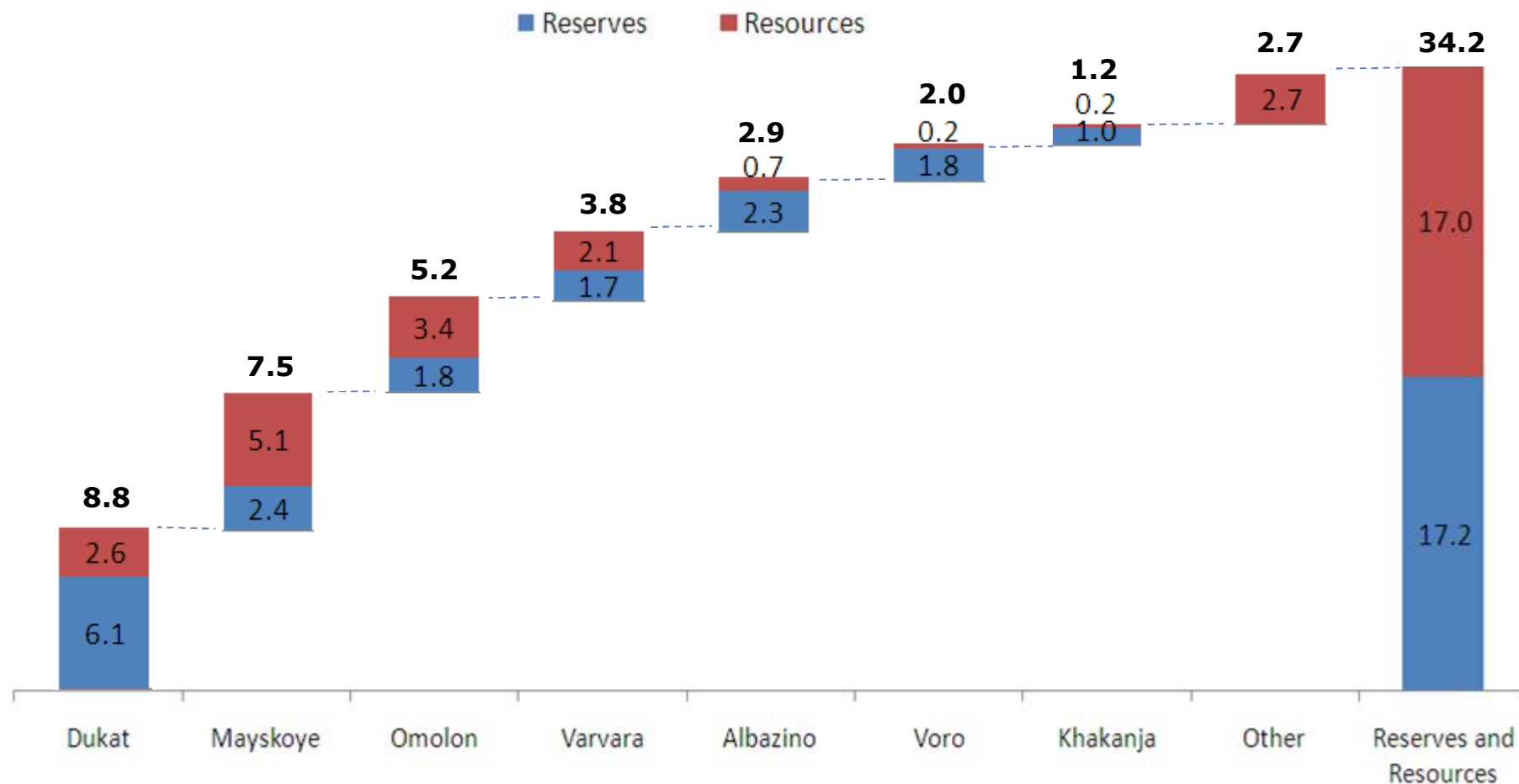
² LSE price as of October 21, 2010. Market cap is calculated without accounting for treasury shares held by Polymetal's subsidiaries (c. 37.95 million). Total ordinary shares account for 399.4 million.

³ As of June 30, 2010

Polymetal: Asset portfolio



Reserve and Resource Base (Au eq. Moz)



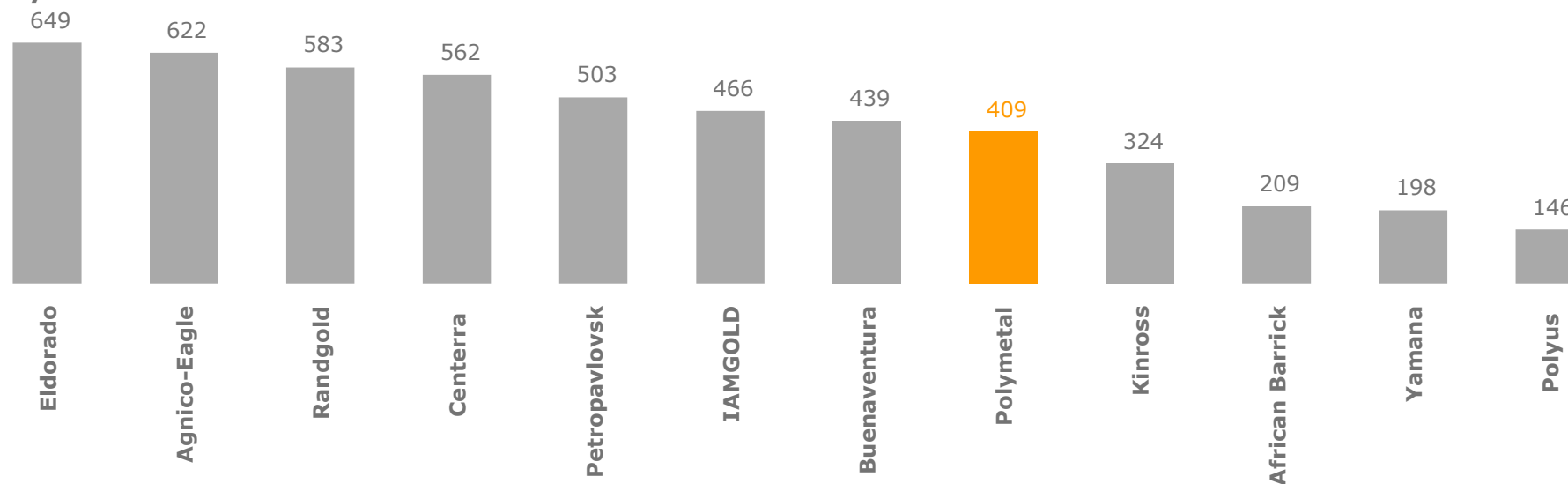
Average Reserve grade	9.0	9.6	4.3	1.4	4.1	2.9	9.2	-	4.5
Average Resource grade	8.7	9.3	4.6	1.3	4.3	3.1	8.9	2.4*	4.0
LOM, years	13	13	13	8	13	15/6	6		13

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

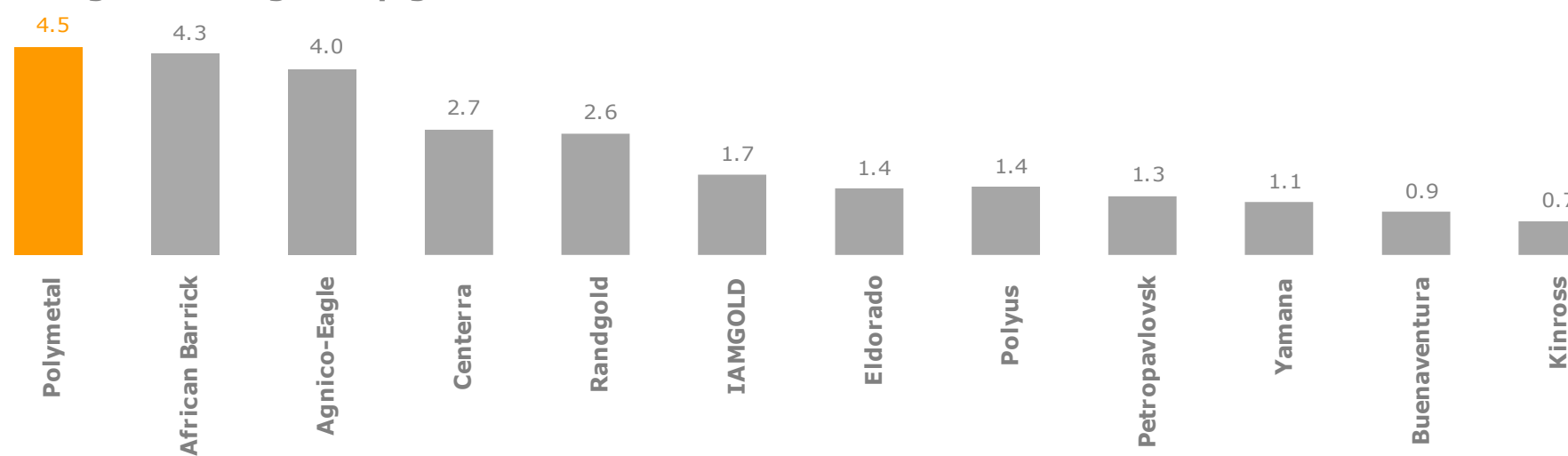
* Other includes Galka, Avlayakan-Kirankan project, pro-forma resources for Svetloye

High-Grade Reserve Ounces at a Reasonable Price

EV/oz Reserves



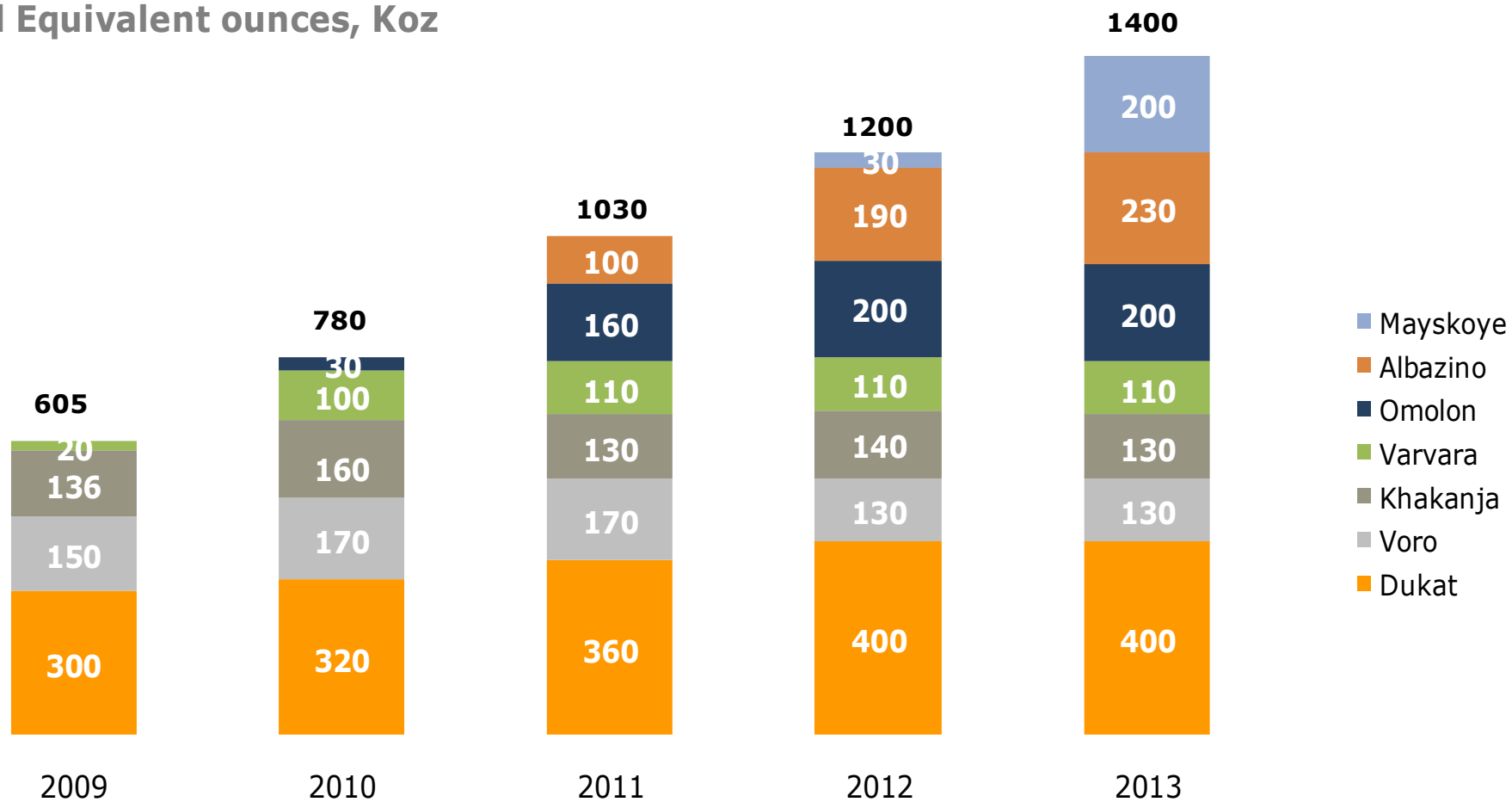
Average reserve gold eq. grade



Using 1:60 Ag/Au and 5:1 Cu/Au conversion ratios
Based on JORC reserves. Actual as of October 18, 2010

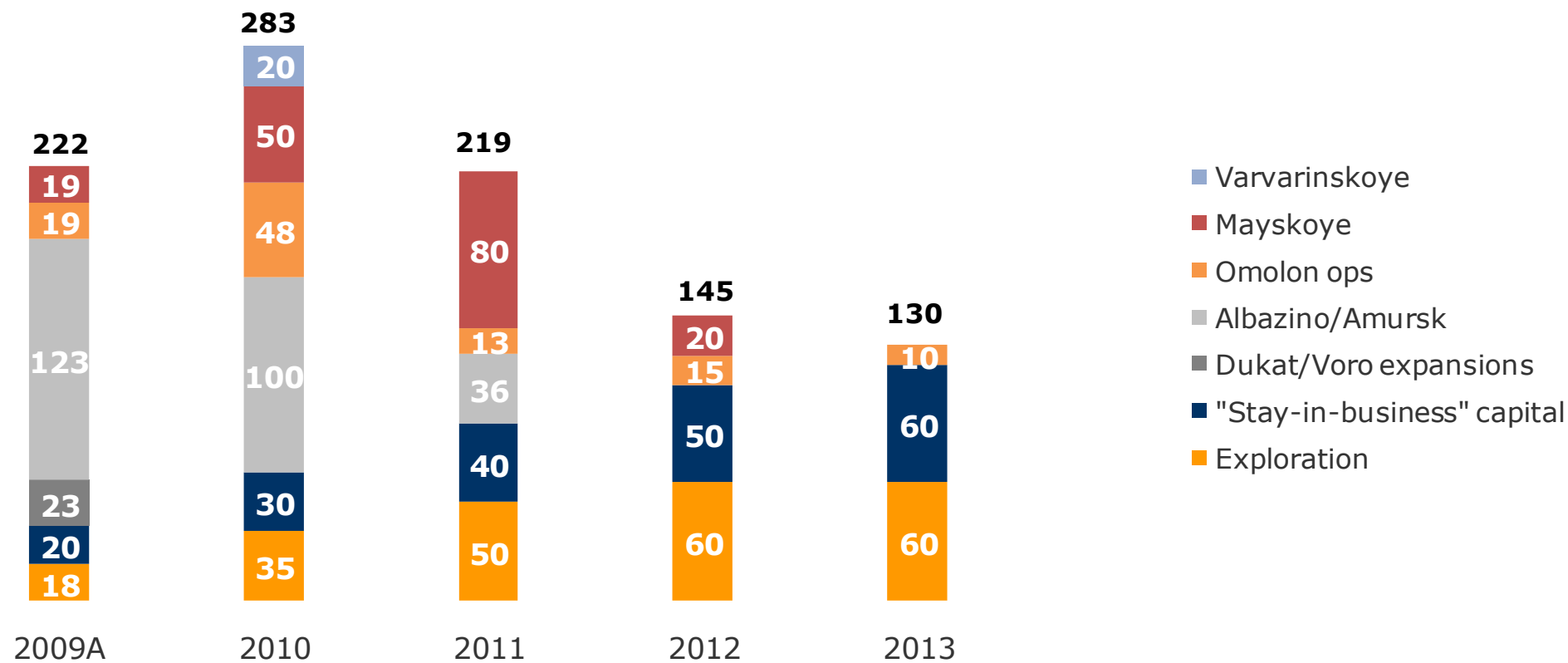
Compelling Growth Profile

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%
9M 2010 sales highlights			
Gold sold	325 Koz	202 Koz	+61%
Silver sold	14.2 Moz	11.8 Moz	+20%
Copper sold	3 kt	-	-

Dukat

- Lower grades and recoveries as now low-grade oxidized stockpiles are actively processed at Dukat
- Measures to improve grades and recoveries:
 - launch of gravity circuit at the Dukat plant in December
 - introduction of Goltsovoye ore to the feed. First ore from stope at Goltsovoye was mined last week
 - 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	9M 2010	9M 2009	2009 FY
Waste mined (kt)	3,629	3,589	4,625
Ore mined (kt)	1,028	1,109	1,478
Open pit	332	455	618
Underground	696	654	861
Ore processed (kt)	1,207	935	1,273
Gold head grade (g/t)	1.1	1.1	1.2
Silver head grade (g/t)	385	472	476
Gold recovery	75.6%	83.9%	82.7%
Silver recovery	74.9%	81.0%	80.1%
Gold produced (Koz)	29.8	29.0	39.1
Silver produced (Moz)	11.4	11.7	15.6
	1H 2010	1H 2009	2009 FY
Total cash costs / silver sold (\$/oz)	9.1	7.2	8.1
Total cash costs/ tonne milled (\$/t)	109	100	112
Capital expenditure (US\$ m)	18.4	8.7	31.6

Voro

- Stable, long-life cash generator
- 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



	9M 2010	9M 2009	2009 FY
Waste mined (kt)	7,886	8,020	11,235
Ore mined, open pit (kt)	1,002	542	818
Oxidized	272	35	43
Primary	730	507	775
Ore stacked (kt), heap leach	865	794	938
Gold head grade (g/t), heap leach	1.6	1.7	1.7
Ore processed (kt), CIP	691	574	796
Gold head grade (g/t), CIP	6.2	5.8	6.0
Gold recovery, heap leach	-	-	65.3%
Gold recovery, CIP	80.0%	79.3%	79.2%
Gold produced (Koz)	132.4	103.6	150
	1H 2010	1H 2009	2009 FY
Total cash costs/ gold sold (\$/oz)	376	359	381
Total cash costs/ tonne milled (\$/t)	41	31	34
Capital expenditure (US\$ mm)	6.6	7.4	9.7

Khakanja

- Record growth for both gold and silver production
- Additional feed will come from underground mines at Khakanja (starting - Q4 2012), Yurievskoye (Q1 2011) 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 will start in November



	9M 2010	9M 2009	2009 FY
Waste mined (kt)	7,400	6,585	8,749
Ore mined, open pit (kt)	395	439	654
Ore processed (kt)	465	457	610
Gold head grade (g/t)	6.7	5.5	5.8
Silver head grade (g/t)	210	119	139
Gold recovery	95.2%	94.4%	94.1%
Silver recovery	60.4%	59.1%	61.1%
Gold produced (Koz)	95.4	76.9	108
Silver produced (Moz)	1.9	1.1	1.7
	1H 2010	1H 2009	2009 FY
Total cash costs/ ounces sold (\$/oz)	526	388	463
Total cash costs/ tonne milled (\$/t)	138	71	95
Capital expenditure (US\$ mm)	0.3	1.6	3.5

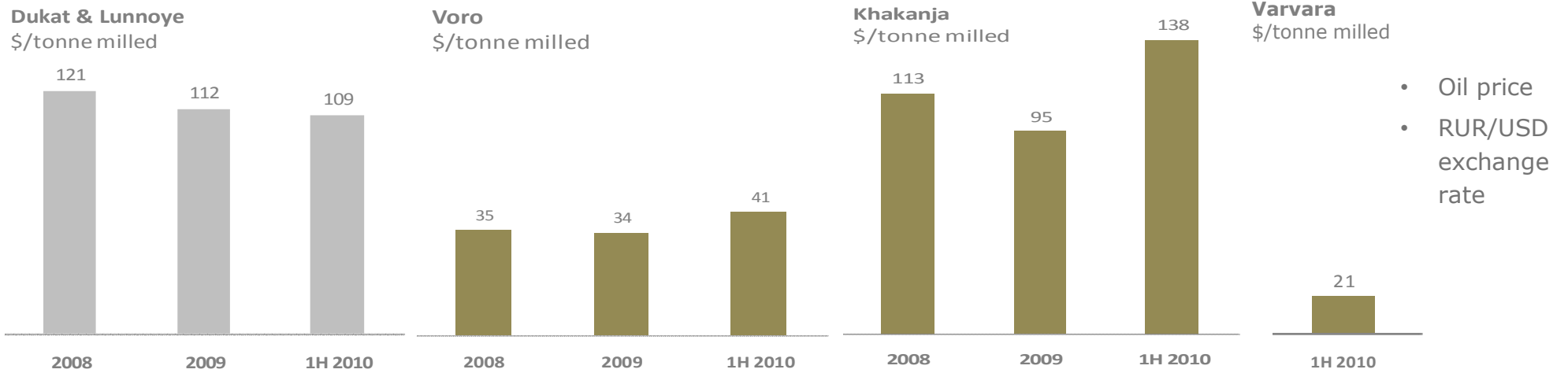
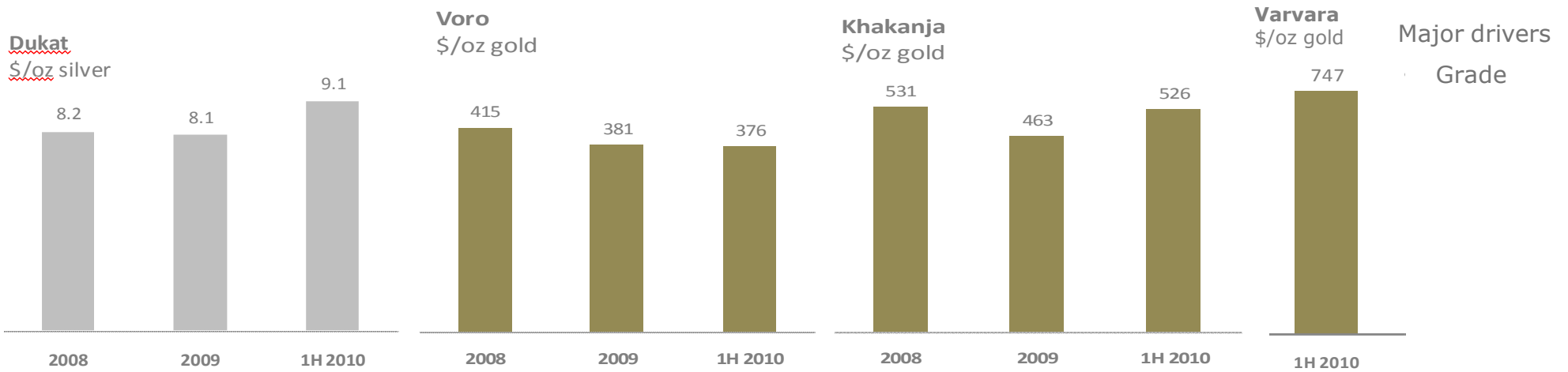
Varvara

- Steady operational improvements with quarterly 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
- Testwork is underway to introduce pyrite flotation with the objective of improving gold recovery without incurring significant additional reagent costs
- 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.



	9M 2010
Waste mined (kt)	16,227
Ore mined - open pit (kt)	2,378
Ore processed (kt), HGCF	561
Gold head grade (g/t)	1.2
Copper head grade (%)	0.72%
Gold recovery, HGCF	72.7%
Copper recovery, HGCF	81.0%
Ore processed (kt), LGCF	1,665
Gold head grade (g/t), LGCF	1.1
Gold recovery, LGCF	76.7%
Gold produced (Koz)	59.1
Copper produced (t)	2,966
	1H 2010
Total cash costs/ gold eq. sold (\$/oz)	747
Total cash costs/ tonne milled (\$/t)	21
Capital expenditure (US\$ m)	4.9

Cash costs (Gold Institute Standard Co-product)



Gold Silver

Growth projects

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

Amursk POX Facility

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: why POX

		POX	BIOX
Environmental risks	Low	Dry stacking possible Little cyanide used	High Dry stacking difficult due to water balance issues High cyanide consumption
Technology efficiency & adaptability	High	Higher recovery due to high pyrite and arsenopyrite oxidation Could be used for different types of refractory ore without modifying technological process	Low Lower recovery (<70% at Olimpiada) Require significant technological modifications to process materials from various sources
Energy intensity	High	~ 300-320 kwh/t of concentrate (including ~920 kwh/t of sulphur)	Very high ~ 350-400 kwh/t of concentrate and very expensive cyanide destruction required
Operating cost	Relatively high	Lower cyanide usage (1-3kg/t) Lower energy consumption Higher maintenance cost	High Higher cyanide usage (up to 15 kg/t) Higher energy consumption Lower maintenance cost
Capital intensity	Very high	Autoclave and other HP equipment very expensive	Relatively high Atmospheric pressure equipment Very large footprint

Amursk: Capital Expenditure, US\$ million

		Relevant capacity
Design	10	lump sum
External infrastructure (gas, water, road, power)	12	lump sum
High-pressure circuit	50	25 ktpa of S, 250 ktpa of concentrate
Low-pressure circuit	26	250 ktpa of concentrate
Oxygen plant	10	25 ktpa of S
Site facilities	13	lump sum
Tailings (w/osmosis)	9	25 ktpa of S
TOTAL	120	

Amursk: Operational Expenses

Low-sulfur (6%, Albazino) and high-sulfur (18%, Mayskoye)

Cost element	Usage ratio		Unit cost	Cost per mt of concentrate	
	Low-sulfur	High-sulfur		Low-sulfur	High-sulfur
Power	250	350	4 cent/kwH	10	14
Lime	40	50	US\$ 160/ mt	6	8
Limestone	150	350	US\$ 30/mt	4	11
Labor		200	US\$ 1000/mth		12
Cyanide		2.5	US\$ 2,500/ mt		6
Other				15	25
				<hr/>	<hr/>
				53	76
Concentrate mass pull				9%	12%
Cost per mt of ore, \$				5	9



Structural steel framework for the POX plant



Fundament preparation for the POX circuit



Gas boiler house



Grid connection and substation (35Kw)



Maintenance shop



Autoclave in the port

18 9 2010

Key events

October 2010

Arrival of autoclave on site

May 2011

Mechanical completion

June 2011

Start of commissioning

August 2011

First gold pour

December 2011

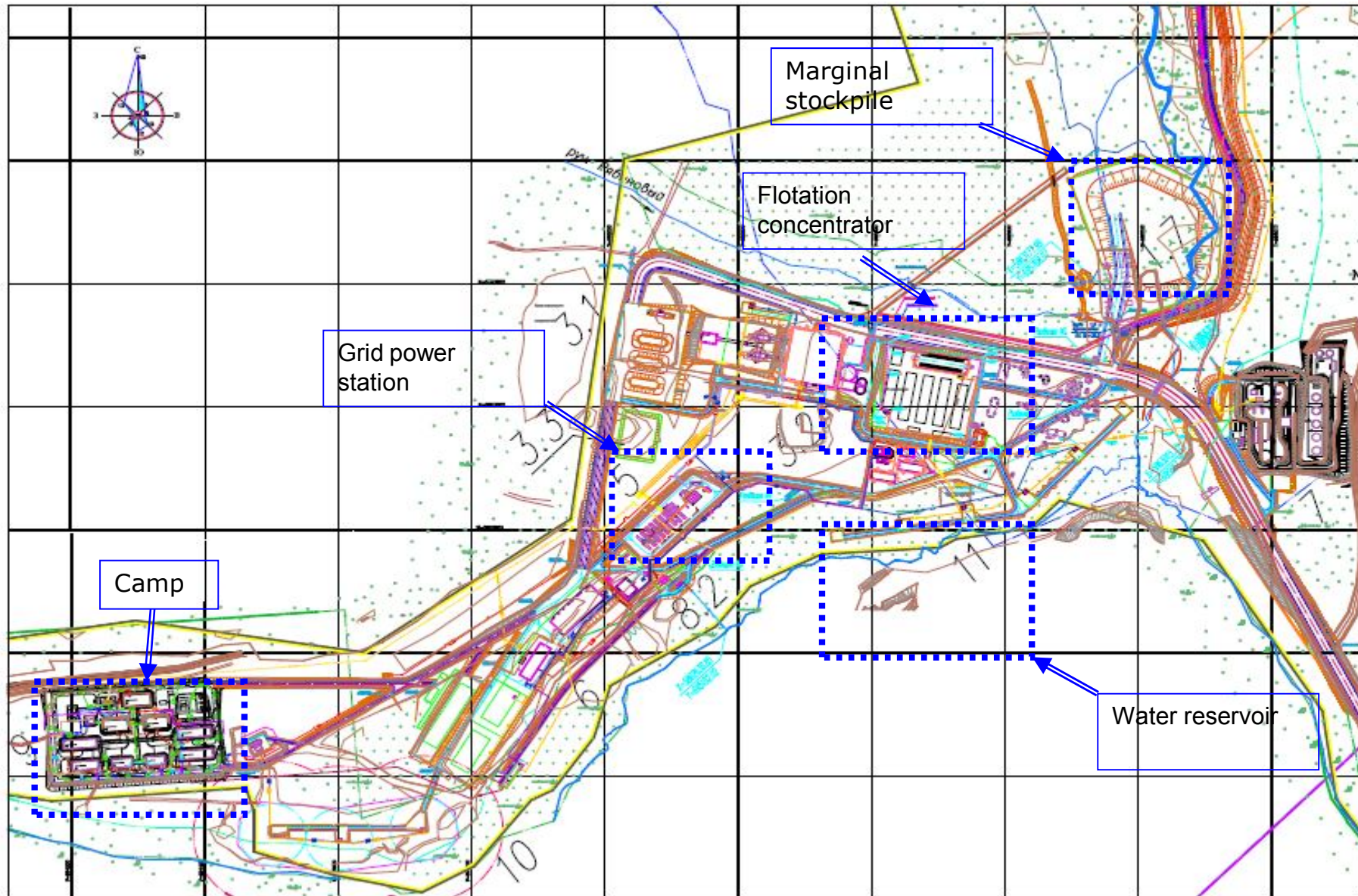
Ramp-up to design capacity

Albazino

Albazino: Capital Expenditure, US\$ million

Mining equipment	32
Ore Preparation Complex	8
Flotation concentrator	68
Tailings	12
Mine camp	11
Project design	4
Infrastructure	43
Other	9
Total	186

Albazino: site layout





Grinding section



Plant building



Internal metal frames



Riddle



Power station



Kherpuchi – Oglongi road

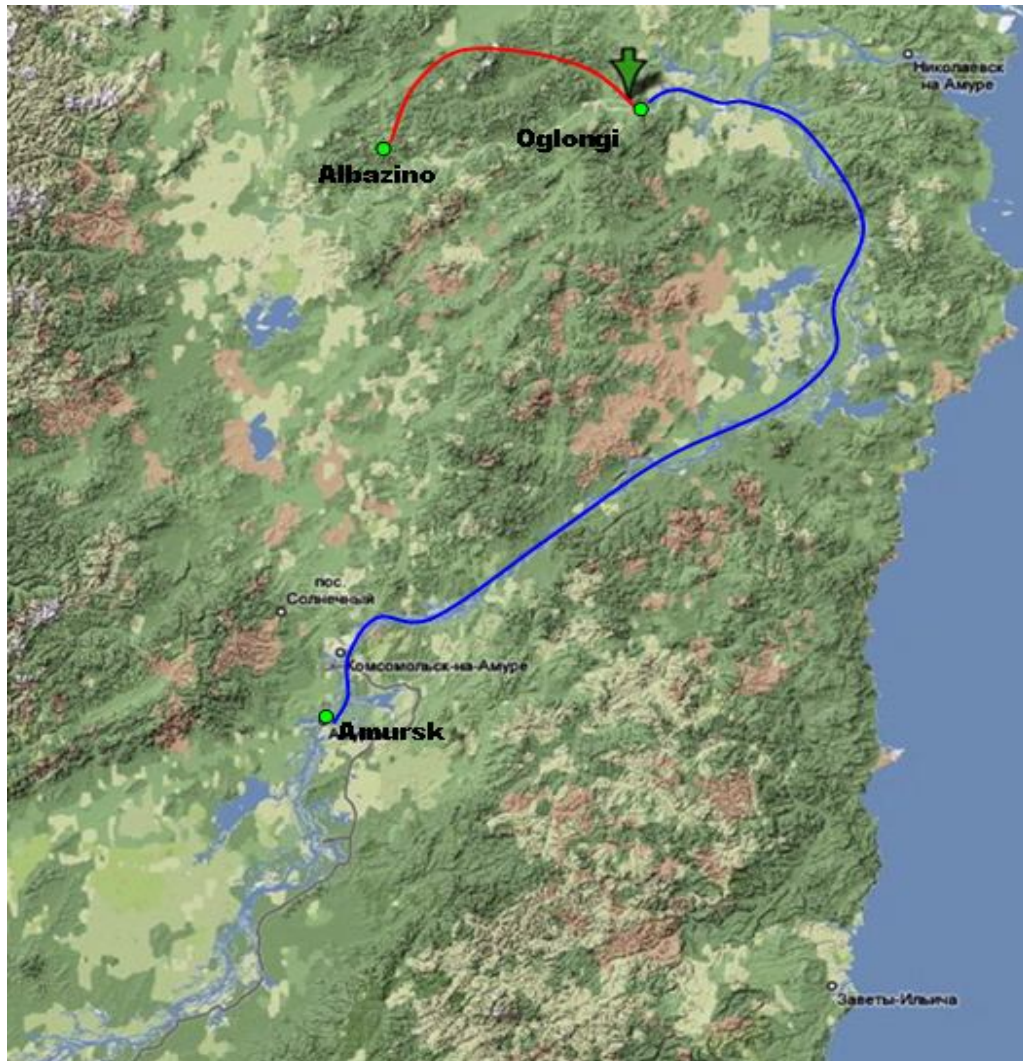


Fuel tanks



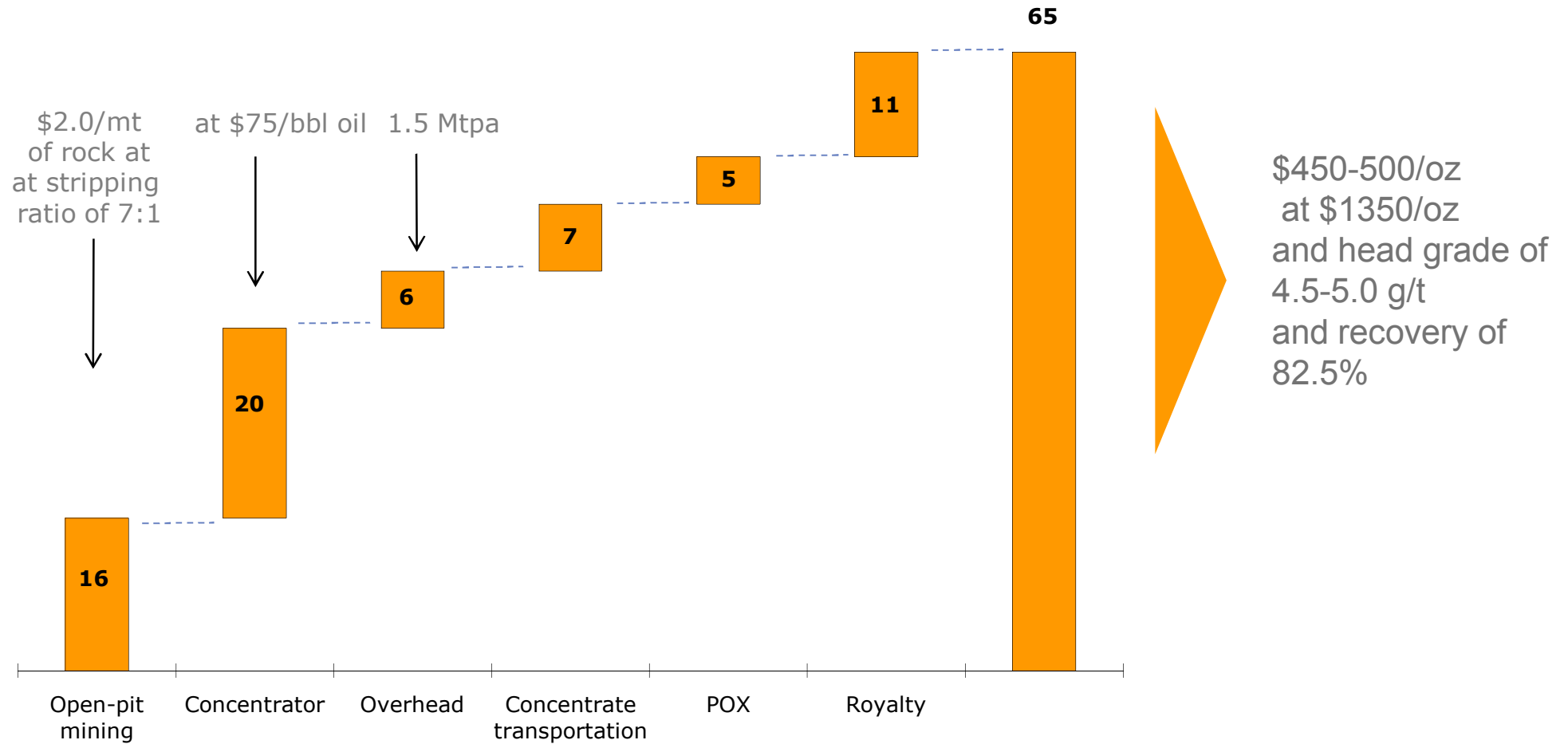
Cable rack

Albazino Concentrate Transportation



	\$/mt of concentrate
Bigbag	10
Truck (mine- river port)	25
River barge (incl. loading and unloading)	40
Truck (river port-side)	5
Total	80
<hr/>	
Concentrate yield	9%
Cost per mt of ore	\$7

Albazino: Operational Expenses, \$/mt of ore



Key events

October 2010

Mechanical completion

November 2010

Start of commissioning

December 2010

First concentrate bagged

June 2011

Full ramp-up to design capacity

September 2012

Feasibility study with reserve audit for underground mine

Mayskoye

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 progress. First stopes expected to be ready for production by the end of 2010
 - Water reservoir and tailings impoundment construction is in progress
 - Foundation works for the flotation concentrator commenced
 - Steel frames have been already delivered and would be installed in the winter of 2010/2011
- The FS and Reserve statement released in August 2010 confirming 13 years of mine life



Mayskoye: Capital Expenditure, US\$ million

Flotation concentrator	67
Grinding circuit	10
Mining equipment	10
Underground development	4
Tailings	6
Amursk capex	11
Boiler house	3
Project design	2
Other infrastructure	22
Contingency	35
Total	170

The total pre-production capital expenditures for the project are estimated at US\$170 million with further US\$140 million to be invested over the life of mine (from 2013 on) mostly on underground development and maintenance CAPEX

Key events

April 2011

First ore from stopes

December 2011

Mechanical completion

January 2012

Start of commissioning

March 2012

First concentrate bagged

October 2012

First gold pour

December 2012

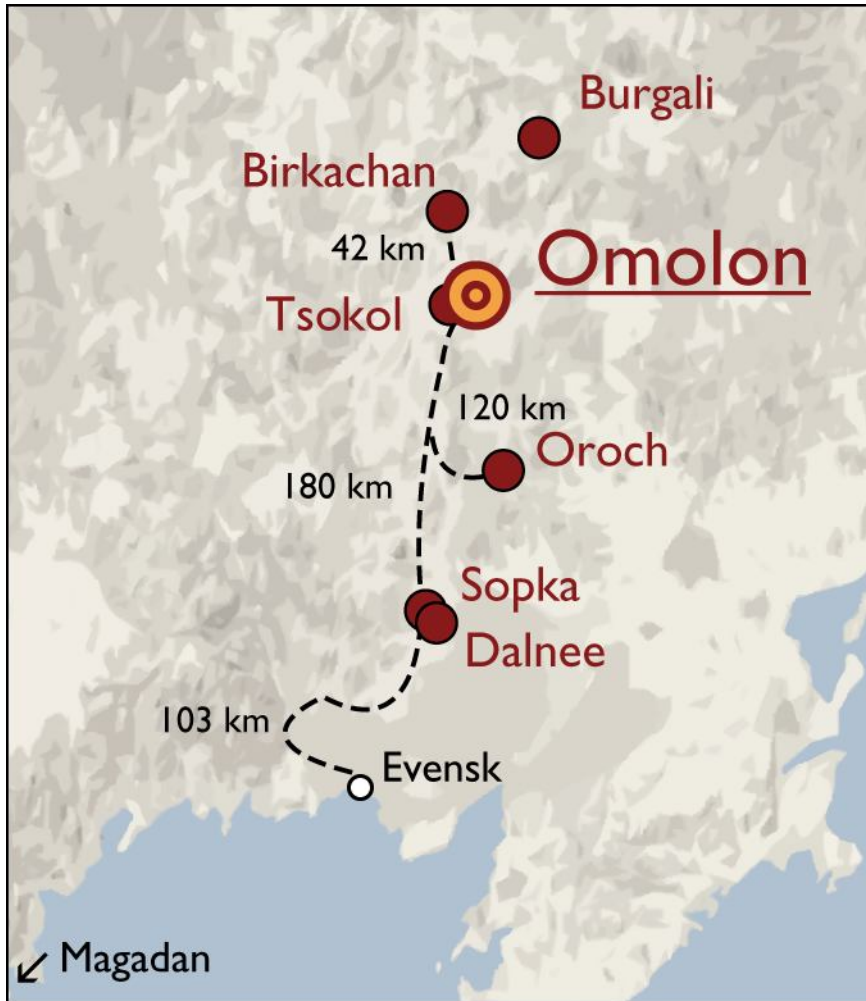
Concentrator fully ramped up

July 2013

Underground mine fully ramped up

Omolon

Omolon Regional Processing Hub



	Tonnage, Mt	Au grade, g/t	Ag grade, g/t	Au content, Koz	Ag content, Moz
Reserves					
Birkachan	12.1	2.7	10.4	1,043	4.0
Sopka	1.4	12.0	260	547	11.6
Resources (excl. Reserves)					
Birkachan	14.0	2.2	10.9	993	4.9
Sopka	1.8	4.7	156	273	9.0
Oroch	1.9	3.2	167	201	10.3
Tsokol	1.3	8.1	13.1	337	0.5
Dalniy	0.8	5.9	152	152	3.9

Omolon Consolidated CAPEX

	<u>2009A</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Total</u>
Birkachan						
Mining equipment	8	3	-	-	-	11
Heap Leach plant	-	9	-	-	-	9
CIP plant restart	-	4	-	-	-	4
Roads	1	8	-	-	-	9
Subtotal Birkachan	9	24	-	-	-	33
Sopka						
Mining equipment	-	4	-	-	-	4
CIP plant upgrade	10	4	-	-	-	14
Infrastructure	-	5	-	-	-	5
Roads	-	11	8	-	-	19
Subtotal Sopka	10	24	8	-	-	42
Tsokol	-	-	5	10	-	15
Oroch	-	-	-	5	5	10
Dalniy	-	-	-	-	5	5
Total Hub	19	48	13	15	10	105

Omolon (mining/processing plan)

	Grade, g/t		Recovery		Processed, Kt					
	Au	Ag	Au	Ag	2010	2011	2012	2013	2014	2015
Stockpiles	1.9	8.0	90%	40%	150	-	-	-	-	-
Birkachan	3.5	10.0	95%	60%	100	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					250	750	850	850	850	850
Gold equivalent production, Koz					20	160	193	201	181	191



Kubaka plant



Construction of a new leaching circuit



Construction of CCD (counter current decantation)



Merrill-Crow. Foundations preparation. Kubaka plant



Sopka Kwartsevaya. Fuel tanks



Mine



102 km Evensk - Sopka road



Mine

Exploration

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

2009-2010 M&A activity: 5 deals closed

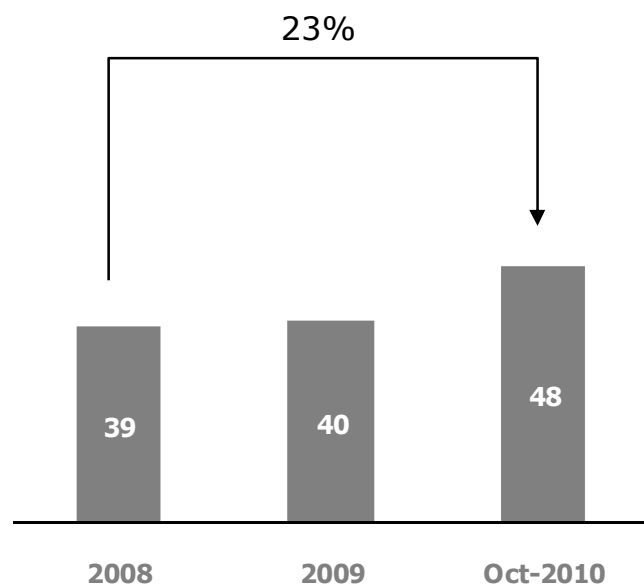
Acquisition	Resource, Moz (Au eq.)	Full EV, US\$m	US\$/ oz resource	Strategic Rationale
Goltsovoye	1.1	47	45	Bolt-on to Dukat
Sopka	1.4	95	67	Bolt-on to Omolon
Mayskoye	7.5	166	22	World-class deposit; strategic fit with Albazino
Varvarinskoye	3.8	258*	68	Immediate cash flows and entry into Kazakhstan
Avlayakan and Kirankan	0.5	65	142	Immediate cash flows Bolt-on to Khakanja
Svetloye	1.4	9	7	Bolt-on to Khakanja
East Tarutin	-	<5	-	Strategic fit with Varvara
Total/ Average	15.7	640	41	

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

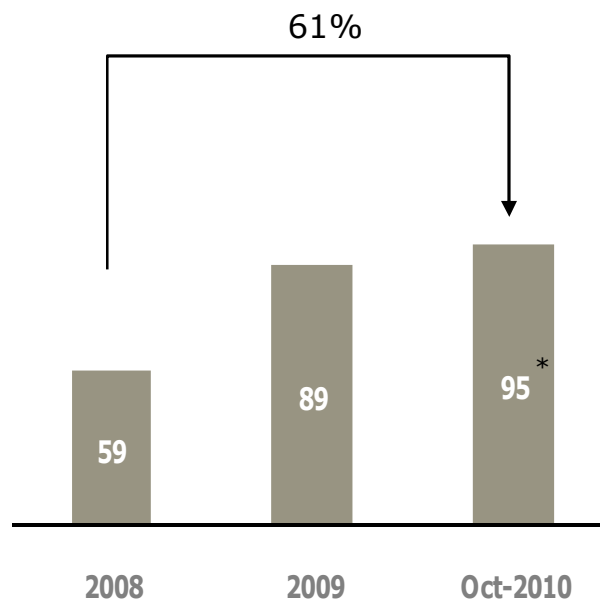
*With limited (US\$90m) recourse to Polymetal

Per share metrics demonstrate substantial shareholder value creation

Reserves (Au eq.), koz/share



Resources (Au eq.), koz/share



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

Key Standalone Exploration Properties

Name	Location	Mining	Metallurgy	Current reserve/resource, Moz	Grid power
Tamunyer	300 km from Voro	open pit	n/a	-/-	yes
Avlayakan	600 km from Khakanja	open pit and underground	free milling	-/0.5	no
Svetloye	310 km from Khakanja	open pit	potentially heap leach	-/1.4	no
Agniye-Afanasyevskiy	450 km from Amursk	n/a	n/a	-/-	no
Rogovik	200 km from Dukat	open pit	free milling	-/-	no
Prognozniy	95 km from Omolon	open pit	potentially heap leach	-/-	no

Share Price Performance: 19.10.2009–19.10.2010

