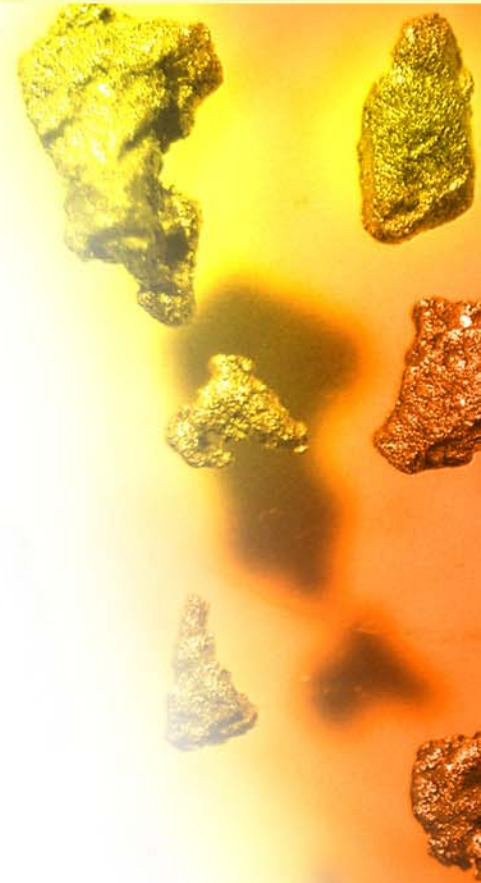


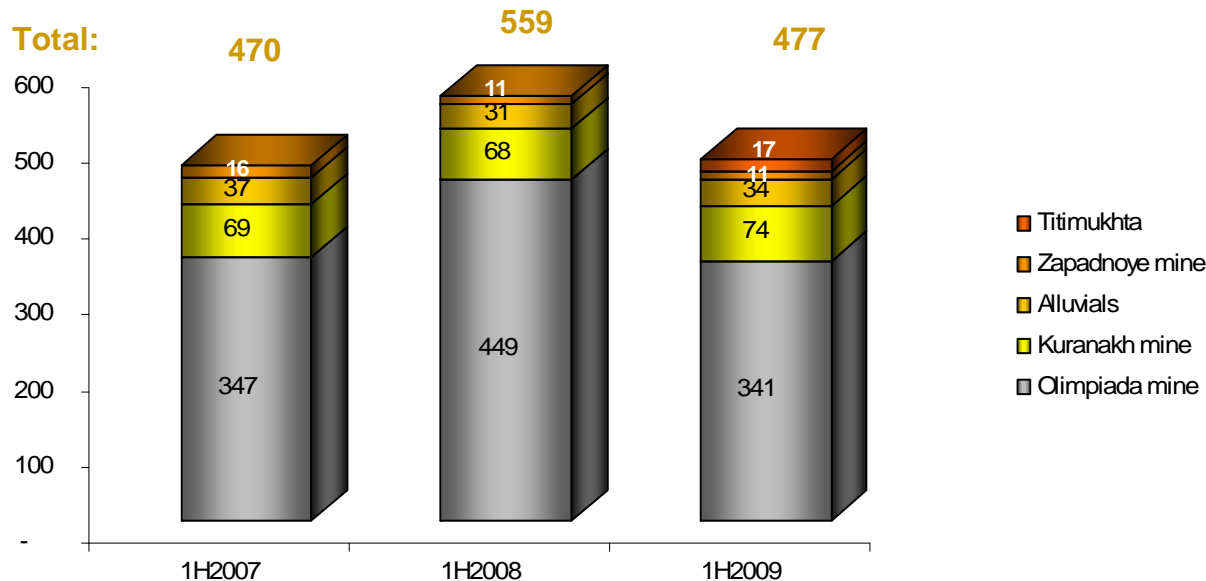
Polyus Gold:

1H 2009 Operating results

Moscow, 29 July 2009



Gold production, k oz



In the first half of 2009 the Polyus Group produced and sold **477 k oz** of refined gold.

The major factors influencing 1H2009 operating results:

Olimpiada mine:

- 1.2 tonnes of Dore gold (the metal before refining) were delivered to the refining plant, but were not refined in the reporting period;
- Completed switch to processing of sulphide ores, which have a lower grade, compared to the oxide ores.

Alluvials:

- Increase in volumes of sands washed.

Zapadnoye mine:

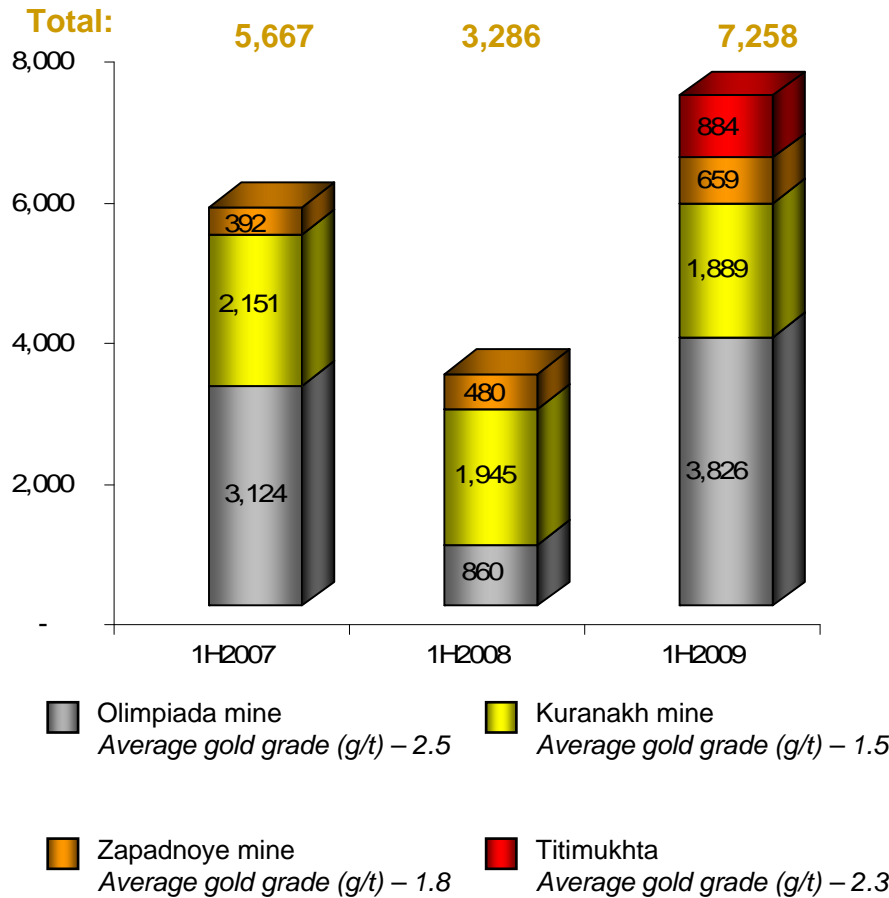
- Maintained the stable level of production compared to 1H2008.

Kuranakh mine:

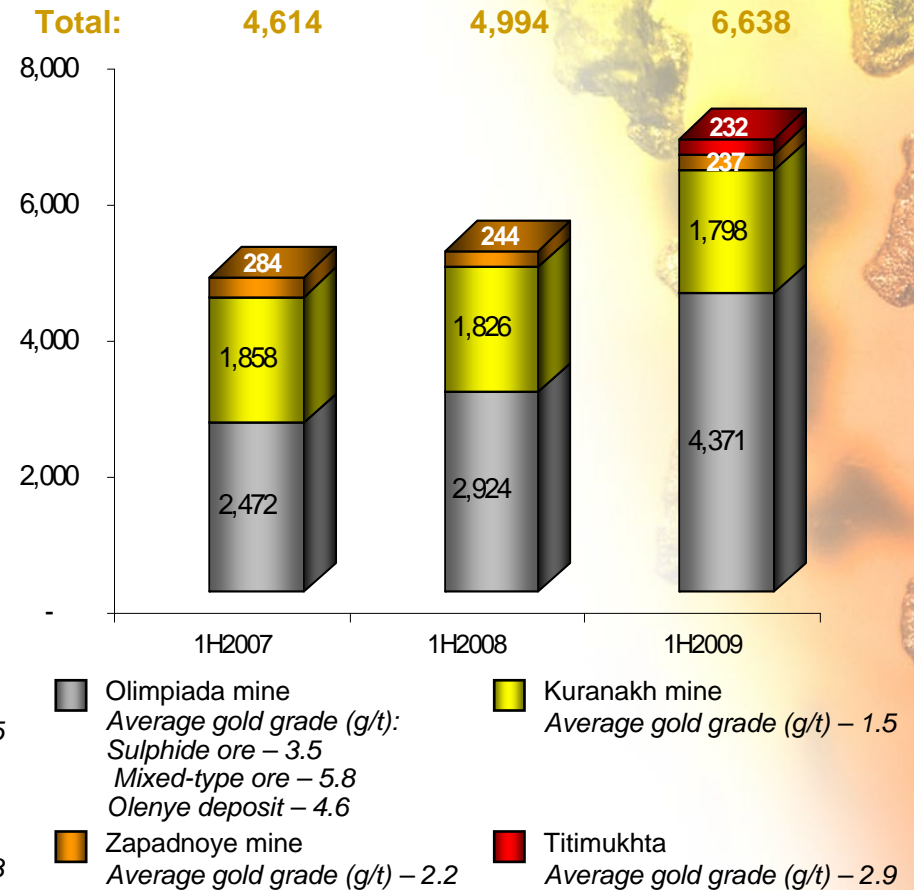
- Increase in gold grade of ore processed (up to 1.52 g/t).

1H2009 results: ore mined and ore processed

Ore mined, k tonnes



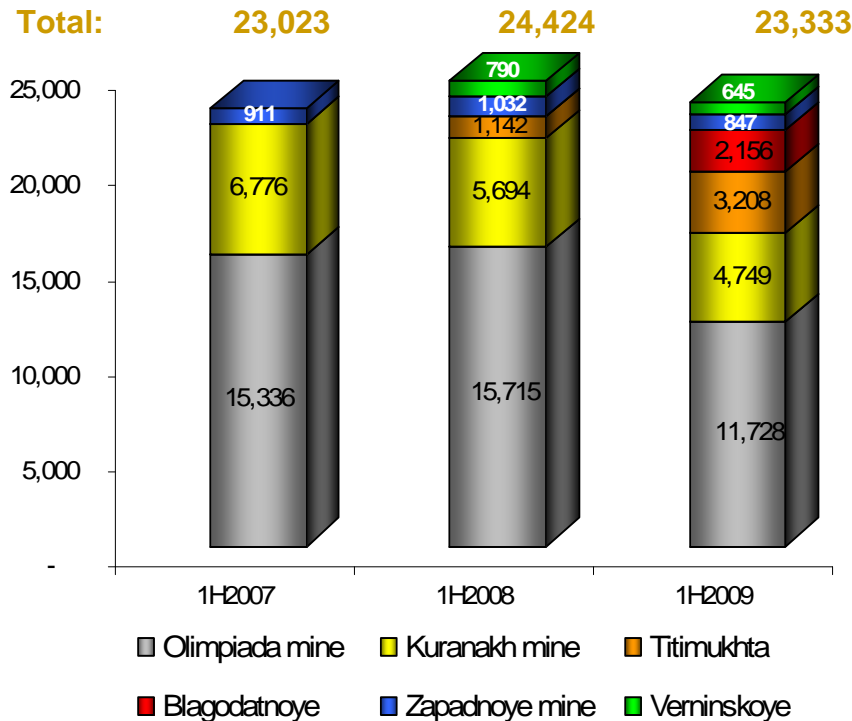
Ore processed, k tonnes



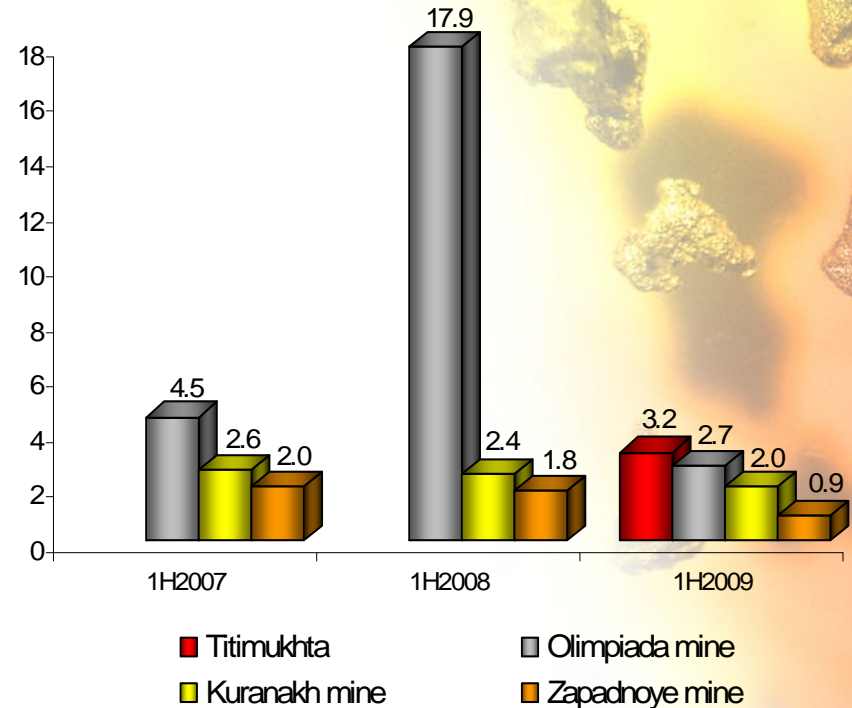
The volume of the ore mined during 1H 2009 amounted to **7,258 k tonnes (+121%)**,
 The volume of the ore processed during 1H2009 was **6,638 k tonnes (+33%)**.

1H2009 results: total rock moved and stripping ratio

Total rock moved, thousand m³



Stripping ratio (m³/tonne)



The volume of total rock moved amounted to **23,333 thousand m³**.
 Upon completion of capital mining works at the Vostochny pit of Olimpiada stripping ratios flattened at all of the Group's operating business-units.

Highlights of the feasibility study:

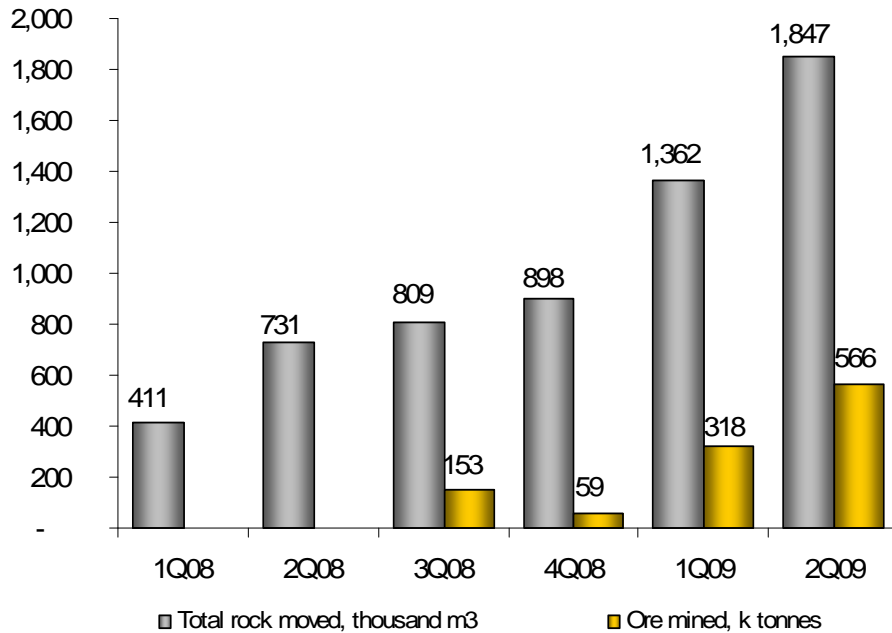
Mine life	2009 – 2021
P&P reserves	2.2 m oz at 3.3 g/t
Mill capacity	2.2 mtpa
Recovery	88%
Average annual gold production	170 k oz
Capex (ex VAT)	RUR 2.6 billion
Average TCC	260 US\$/oz

Facts:

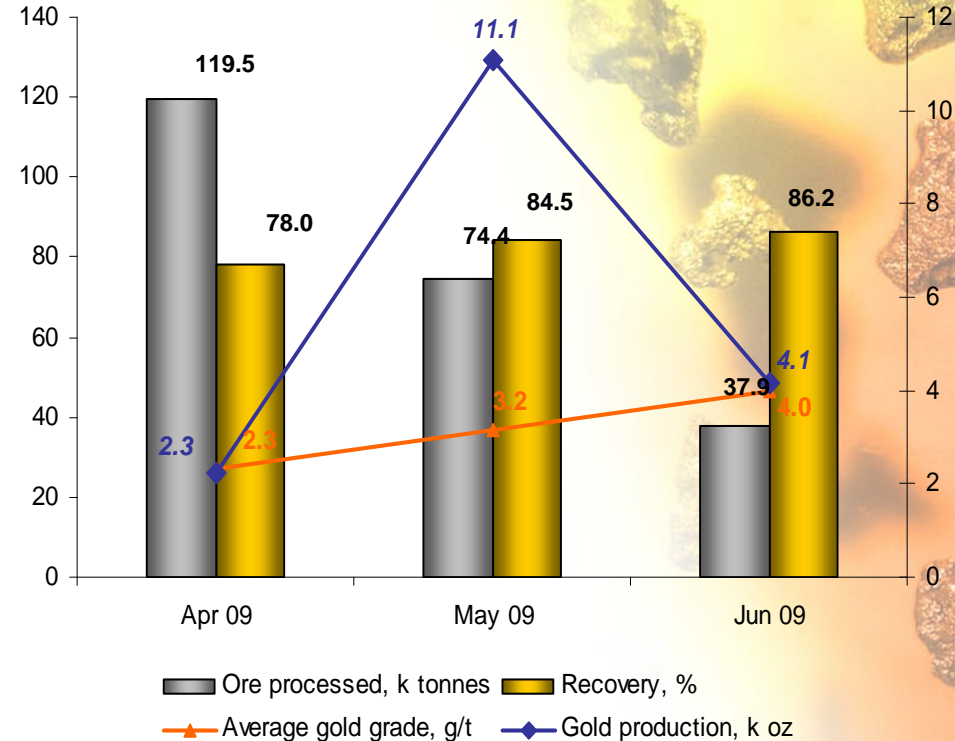
- Located 9 km to the northwest from the Olimpiada mine;
- November 2007 – the feasibility study was approved by the Board of Directors;
- July 2008 – JORC reserves audit completed;
- January 2009 – the examination of GlavGosExpertiza (Federal State Enterprise Senior Department of State Expertise) passed;
- April 2009 – mining started;
- The Titimukhta's ores are processed at Mill-1 of the Olimpiada mine, which was reconstructed after depletion of oxide ores of Olimpiada.



Total rock moved and ore mined



Ore processed and gold output



During the 1H2009 the volume of total rock moved at the Titimukhta deposit equaled to **3,209** thousand m³, the volume of ore mined was **884 k tonnes**. The volume of the ore processed totalled **232 thousand tonnes**. Gold production at Titimukhta at 1H2009 amounted to **17 k oz**.

Ttimukhta project: 1H2009 capex update

- In 1H2009 reconstruction of the **main building of Mill-1** continued, installation and wiring works were implemented.



- Within the framework of tailings dam preparation the engineering works were executed at the pump station of the **concentration unit**.



- Construction and assembling went on in the **crushing unit** of the mill.



- Construction and finishing works on **camp** for 285 persons is under way.



Investor Relations Department

Tel.: +7 (495) 641 33 77 ext 37-45

+7 (495) 785 40 31

E-mail: ir@polyusgold.com

