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## Polymetal International plc Kutyn start-up

### Polymetal announces first gold production at Kutyn mine (Amursk-Albazino hub).

*“Remote location, severe climate, and unprecedented supply chain disruptions presented major challenges at Kutyn. The project team successfully overcame all difficulties to deliver first production six months ahead of the original schedule. This achievement underscores Polymetal’s outstanding track record in project execution”, said Vitaly Nesis, Group CEO of Polymetal.*

Following successful completion of construction and commissioning activities, Kutyn heap leach facility produced first 6 Koz of gold. In 2022, production is expected to amount to 40 Koz of gold. Full heap leach processing capacity of 1.3 Mtpa of ore will be reached in 2023. Processing of the refractory ore at Albazino concentrator will commence in 2025. Average annual output from 2023 to 2030 will be approximately 100 Koz of gold with average AISC of approximately US\$ 950/oz.

The construction was completed in 24 months after the Board’s project approval, six months ahead of the initial plan. Accelerated development was made possible by effective planning, tight project management, and creative approaches to supply chain issues. Project CAPEX of approximately US\$ 110<sup>1</sup> million is US\$ 30 million (38%) above the plan. CAPEX overrun was mostly due to expanded scope (addition of refractory ore mining and ore haulage road), higher fuel prices and COVID-19 impact on logistics, labor costs.

JORC-compliant Ore Reserves at Kutyn are estimated at 12 Mt of open-pit oxide and refractory ore containing 1.1 GE Moz at gold equivalent grade of 2.9 g/t. Additional Mineral Resources amount to 2.5 Mt of ore containing 414 Koz of GE at 5.1 g/t.

Kutyn deposit is located in the Tugur-Chumikan District of the Khabarovsk Territory, Far East Russia, 114 km north-west of the Albazino mine and 600 km from Khabarovsk. The Kutyn site can be accessed using a winter road from Albazino or by sea through the seasonal port of Ulban on the Sea of Okhotsk.

## Enquiries

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<sup>1</sup> Excluding capitalized stripping and exploration costs.

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