



POLYMETAL

Results of Annual General Meeting of shareholders

Saint-Petersburg, Russia, June 29, 2010 – JSC “Polymetal” (LSE, MICEX, RTS: PMTL) (“Polymetal” or the “Company”) announces the results of the Annual General Meeting (“AGM”) of Polymetal’s shareholders that was held on June 29, 2010 at the Company’s headquarters.

All resolutions of the agenda were approved by the AGM, specifically:

1. The 2009 statutory annual report and annual statutory financial statements, including the income statement of the Company, were approved;
2. It was decided not to pay out any dividends for the financial year ended December 31, 2009;
3. The following members of the Board of directors of the Company were elected: Sergey Areshev, Jonathan Best, Marina Grönberg, Leonard Homeniuk, Ashot Khachataryants, Vitaly Nesis, Russel Skirrow, Martin Schaffer, Ilya Yuzhanov, and Konstantin Yanakov;
4. The following members of the Revision committee of the Company were elected: Alexander Kazarinov, Denis Pavlov, and Alexander Zarya;
5. ZAO HLB Vneshaudit was approved as the Company’s auditor of the Company’s 2010 statutory financial statements (according to the Russian Statutory Accounting Principles)
6. The amended Regulations on the Board of Directors of the Company was approved;

Comment: according to the previous version of the Regulations, a member of the Board of Directors nominated by a shareholder holding more than 20% of the total share capital of Polymetal, cannot be viewed as an independent director. The amended Regulations lower this threshold to 10%

7. Interested party transactions that may be entered into by the Company in the future were approved.

Comment: under Russian law, certain transactions entered into or to be entered into by a Joint Stock Company are considered to be interested party transactions and need to be approved by a majority of ‘non-interested’ shareholders (i.e. shareholders whose ownership in the Company does not exceed 20%). The Company received shareholders’ approval for the following interested party transactions:

- (1) *Loan agreements between the Company and any of its subsidiaries where the amount borrowed does not exceed 5 billion roubles (c. US\$162 million on the basis of the Bank of Russia exchange rate as of today) and the term of the relevant loan does not exceed 5 years;*
- (2) *Surety and pledge agreements securing obligations of any of its subsidiaries owed to third parties where the amount secured does not exceed 5 billion roubles (c. US\$162 million on the basis of the Bank of Russia exchange rate as of today);*
- (3) *Transactions related to increase of the charter capital of OOO “Resursi Albazino” (Albazino Resources Ltd.) and/or contributions to the property of OOO “Resursi Albazino” (Albazino Resources Ltd.) for the total amount not exceeding 2.5 billion roubles (c. US\$81 million on the basis of the Bank of Russia exchange rate as of today);*

- (4) *Transactions with any of the Company's subsidiaries aimed at acquisition by the Company of the rights in relation to OOO "Resursi Albazino" (Albazino Resources Ltd.) for the total amount not exceeding 2.5 billion roubles (c. US\$81 million on the basis of the Bank of Russia exchange rate as of today);*
- (5) *Loan and/or credit line agreements between the Company and NOMOS-BANK and pledge agreements securing the Company's obligations under such loan and/or credit line agreements where the amount borrowed or secured does not exceed 5 billion roubles (c. US\$162 million on the basis of the Bank of Russia exchange rate as of today) and the term of the relevant loan does not exceed 5 years;*
- (6) *Directors, officers and company corporate liability insurance policies with the minimum limit of liability of US\$50 million.*

ABOUT POLYMETAL

Polymetal is a Russian gold and silver miner with operations and development projects in Russia and Kazakhstan. The Company produced 0.6 million of gold equivalent ounces in 2009 and is targeting to double its total production by 2012 mostly as a result of commissioning of the new projects, all of which are now under construction. A key element of Polymetal's strategy is creation of processing hubs with the goal to ensure the most efficient and responsible utilization of financial and human capital by treating ores and concentrates from various sources at centralized locations.

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