

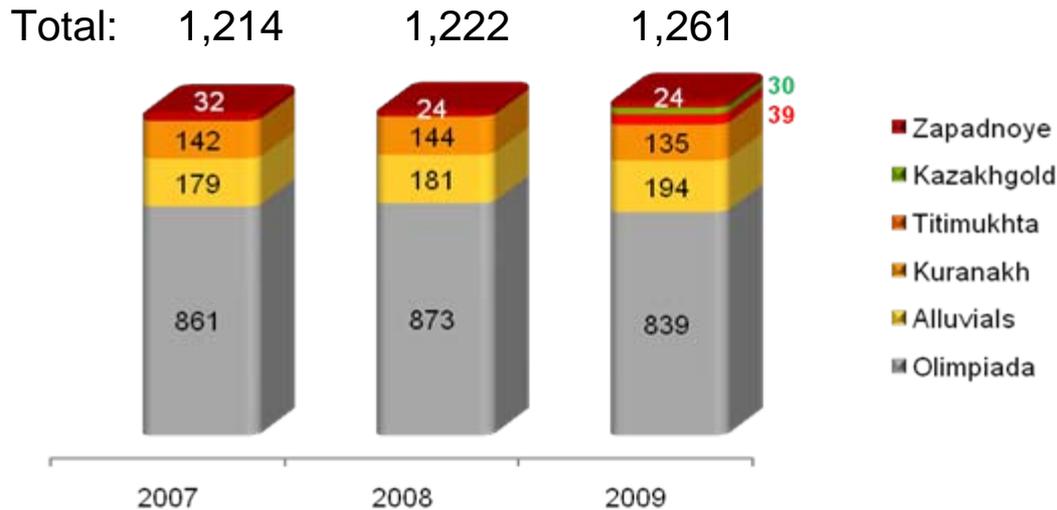


# Polyus Gold

**Preliminary operating results 2009**

**Moscow, 25 January 2010**

## Gold production, k oz\*



In 2009 the Polyus Group produced **1,261 k oz** of gold, showing a 3.2% y-o-y increase.

### Olimpiada mine:

- Transfer to production from refractory sulfide ores;
- Processing of various types of feed;
- Completion of Olimpiada expansion in the conditions of running production;
- Implementation of the program aimed at raising operating efficiency of Olimpiada.

### Kuranakh mine:

- Modernization works carried out at the mine to be finalized in the 2Q2010

### Alluvials:

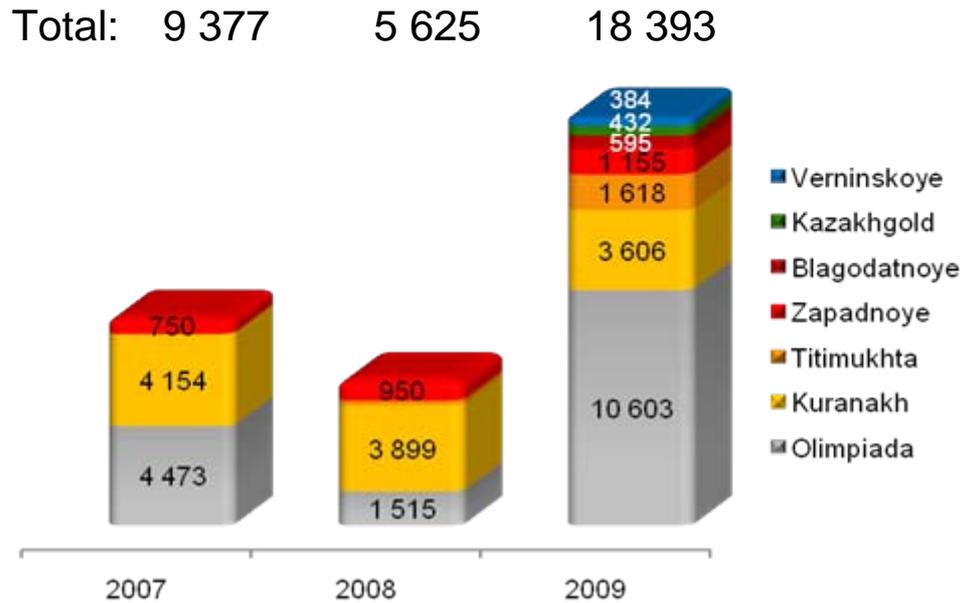
- Acquisition of a new alluvial enterprise in 2008.

### Zapadnoye mine:

- Stable production volumes at the level of 2008.

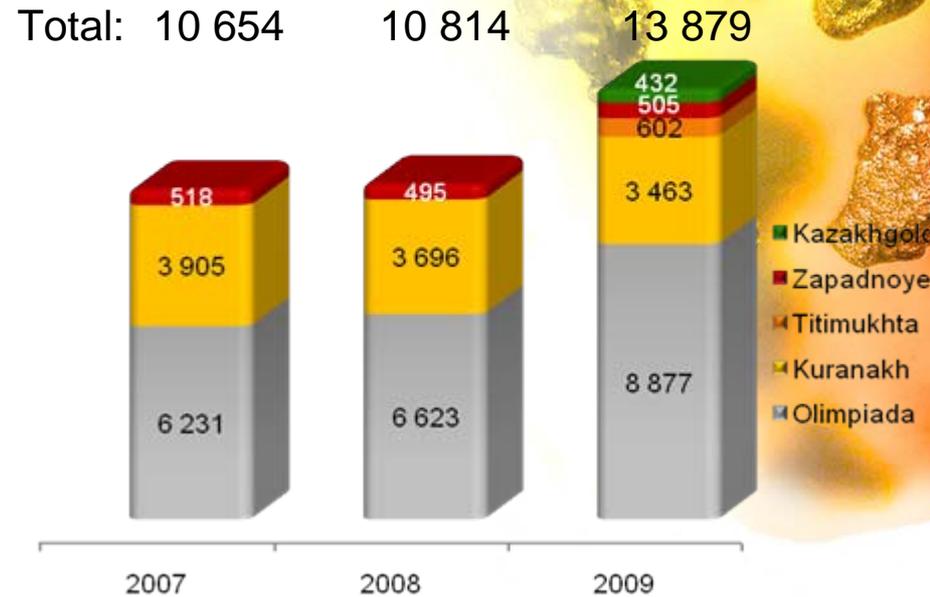
# 2009 results: ore mined and ore processed

## Ore mined, k tonnes\*



The multiple growth of ore mining is related to transfer to sulfide ores processing at the Olimpiada mine, as well as commencement of mining works at the Group's new projects – Titimukhta, Blagodatnoye and Verninskoye.

## Ore processed, k tonnes\*

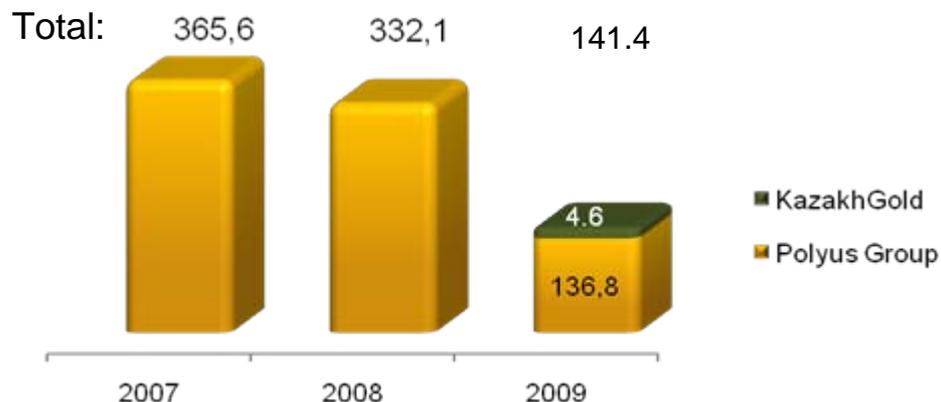


The increase in ore processing resulted from Mill-3 of the Olimpiada mine reaching its designed capacity.

\*Including the volumes of the ore mined and the ore processed by KazakhGold Group in August – December 2009.

# 2009 results: volume of drilling and mineral resources base

## The volume of drilling, rm



The total volume of drilling in 2009 equaled to **141.4 thousand rm**.

The planned reduction in drilling works is related to the most exploration projects reaching their final stages.

## Mineral resources base expansion

- Gold reserves of 108 t (3.5m oz) of the **Bamskoye deposit** listed with the State Reserves Committee (GKZ), including 39 t for open-pit and 69 t for underground mining. B+C1+C2 reserves additions amounted to 94.3 t of gold (3.0 m oz).
- **Nezhdaninskoye** reserves approved. Balance reserves amount to 628.6 t (20.2 m oz) of gold, including 611.6 t for underground and 16.8 t for open-pit mining). Reserves additions - 151.5 t (4.9 m oz).
- Reserves recalculation at the **Olimpiada deposit** led to the expected growth of reserves under categories B+C1+C2 in the amount of 111.7 tonnes (3.6 m oz).
- Total **reserves growth** in 2009 under categories B+C1+C2 is expected at the level of **370 tonnes** (11.9 m oz).\*

\* Not including KazakhGold Group.

- Ore processing started in April 2009.
- Mining plan fully implemented.
- Reconstruction of the main building and hydro-metallurgical workshop completed.
- Construction and assembling of the crushing complex, pump station and thickener completed.
- Construction of the tailings facilities continued.
- 2009 gold production - **39 k oz.**
- 2009 Capex amounted to **USD15 mln.**



# Projects update: Blagodatnoye

## Main building:

- Mill and flotation plant installation under way,
- Metalware and frame filling assembled.



## Crushing plant:

- Stock house constructed;
- Excavation works and basement laying under way,
- Processing equipment installation in progress.



## Hydro-metallurgical workshop:

- Floor concreting in process;
- Sorption and neutralization tanks installed;
- Metalware and premises walls assembled.

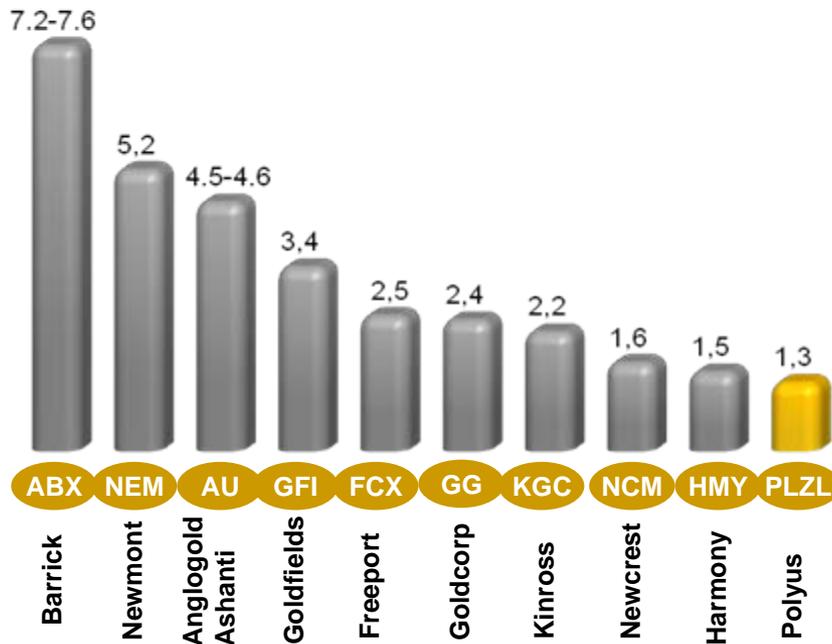


## Power station:

- Boiler house built,
- Equipment installation under way,
- In Oct 09 the boiler was launched, the heat was supplied to the workshops under construction.

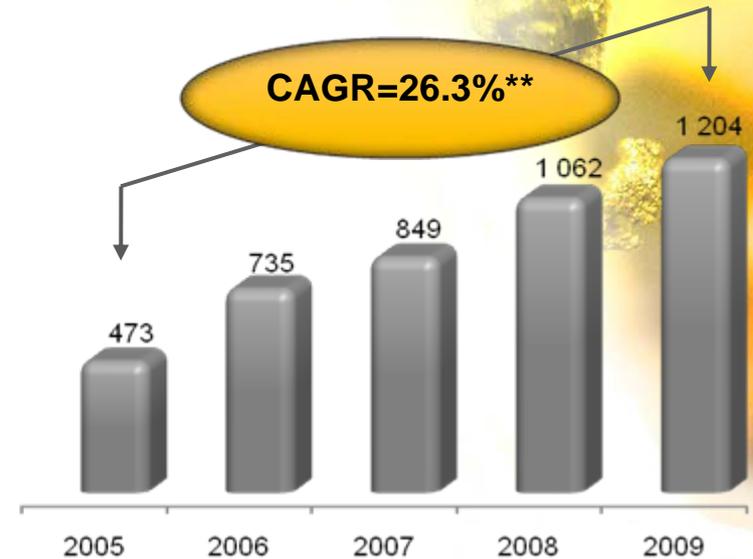
**2009 Capex amounted to USD 152 mln.**

## The major gold mining companies' production in 2009, m oz\*



Basing on 2009 operating results Polyus maintained its position in the global Top-10 gold mining companies.

## Polyus Gold's sales revenue in 2005-2009, USD mln



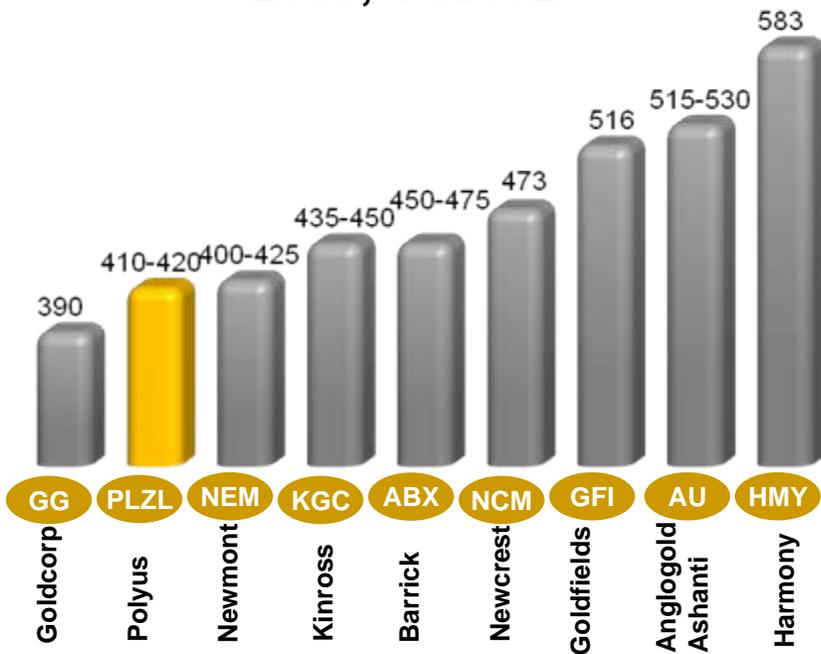
**13.4%** y-o-y growth of sales revenue.  
4-year GAGR of **26.3%**.

\*Anglogold, Barrick, Freeport, Newmont, Polyus – the companies' own production forecasts for 2009.

Gold Fields, Harmony and Newcrest – operating data for the year ended 30/06/09.

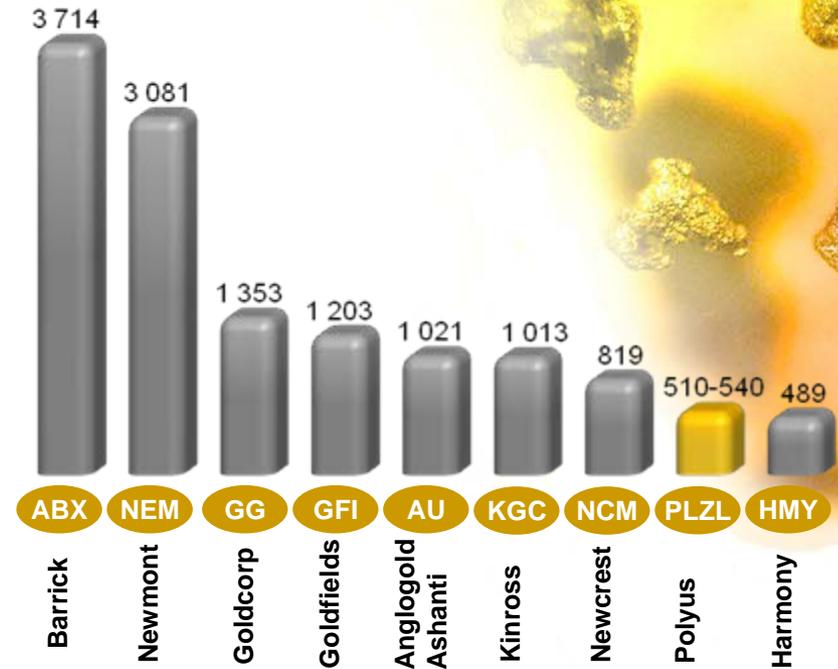
\*\* CAGR - Compound annual growth rate.

## Total cash costs of the world's largest gold mining companies in 2009, USD/oz\*



According to preliminary estimates, Polyus Gold's TCC in 2009 will be at the level of USD410-420/oz remaining one of the lowest indicators in the global gold mining industry.

## EBITDA 2009 forecast, USD mln\*\*



Growing gold price combined with effective cost control leads to high EBITDA levels.

\*AngloGold, Barrick, Freeport, Newmont, Polyus – the companies' own TCC forecasts for 2009. Gold Fields, Harmony and Newcrest – TCC for the fiscal year ended 30/06/09.

\*\* Bloomberg forecast as of 11/01/2010, except Polyus Gold.