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POLYUS GOLD INTERNATIONAL LIMITED

(Incorporated and registered in Jersey under company number 91264)

Circular and Notice of Annual General Meeting to be held on 28 May 2012

This Circular should be read as a whole. Capitalised terms in this document have the meanings ascribed to them in the section of this document headed “Definitions” in Part II. References to times are to London time unless otherwise stated.

Your attention is drawn to the letter from the Chairman of Polyus Gold International Limited (“PGIL”) in Part I of this document, which provides background information to the Resolutions to be proposed at the Annual General Meeting (“AGM”) and contains the unanimous recommendation of the Board that you vote in favour of the Resolutions.

Notice of the AGM of PGIL to be held at 10:00am on **28 May 2012** at The London Hilton on Park Lane Hotel, 22 Park Lane, London W1K 1BE is set out in Part III of this Circular. The action to be taken by PGIL Shareholders in respect of the AGM is set out in Part I of this Circular.

A Form of Proxy for use at the AGM is enclosed. To be valid, Forms of Proxy for use at the AGM must be completed and returned in accordance with the instructions printed thereon as soon as possible but in any event to be received by PGIL at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES no later than 10:00 a.m. on 26 May 2012 or 48 hours before the time of any adjournment of the meeting. Completion and return of a Form of Proxy will not preclude a shareholder from attending and voting in person at the AGM, should it wish.

Copies of this Circular are available free of charge from PGIL’s registered office and PGIL’s principal place of business at Argyll, 18b Charles Street, London W1J 5DU, United Kingdom during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the date of the AGM. Copies of this Circular may also be downloaded from PGIL’s website: <http://www.polyusgold.com>.

CONTENTS

	<i>Page</i>
PART I Letter from the Chairman of PGIL	3
PART II Definitions	5
PART III Notice of Annual General Meeting	6
PART IV Form of Proxy	10

PART I - LETTER FROM THE CHAIRMAN

POLYUS GOLD INTERNATIONAL LIMITED

(Incorporated and registered in Jersey under company number 91264)

Board of Directors:

Mr. Robert Buchan	(Chairman)
Mr. German Pikhoya	(Chief Executive Officer)
Mr. Bruce Buck	(Independent Non-Executive Director)
The Earl of Clanwilliam	(Independent Non-Executive Director)
Mr. Adrian Coates	(Independent Non-Executive Director)
Ms. Anna Kolonchina	(Non-Executive Director)
Mr. Kobus Moolman	(Independent Non-Executive Director)
Mr. Alexander I. Mosionzhik	(Non-Executive Director)
Mr. Dmitry V. Razumov	(Non-Executive Director)

Registered Office:

Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Company Secretary:

Computershare Company Secretarial Services (Jersey) Limited

4 May 2012

To Shareholders of the Company

Dear Shareholder,

ANNUAL GENERAL MEETING TO BE HELD ON 28 MAY 2012

This document gives notice of this years' AGM. It also serves to explain the Resolutions to be considered at the AGM and why the Board considers the Resolutions to be in the best interests of the Company and its Shareholders as a whole.

EXPLANATORY NOTES ON THE RESOLUTIONS TO BE PROPOSED AT THE AGM

Approval of Accounts

The Board of Directors must present the Company's annual financial statements for the year ended 31 December 2011 to shareholders for approval. The annual financial statements include important information about the operational performance of the Company, the accounts and the auditor's report on those accounts.

The annual financial statements of the Company are available on the Company's website www.polyusgold.com.

Approval of Dividend

The Board of Directors propose to pay a final dividend in respect of the financial year ended 31 December 2011 in the amount of USD 0.041 per ordinary share.

If approved, the final dividend will be paid on 29 May 2012 to those shareholders who appeared on the register of the Company at 6:00pm (UK time) on 25 May 2012.

Re-election of the Directors

In accordance with best corporate governance practice, each director of the Company will put himself or herself up for election (or re-election) at the AGM. Each election (or re-election) will be considered as a separate resolution at the AGM.

Re-appointment of ZAO Deloitte & Touche CIS ("Deloitte") as Auditor of the Company

Deloitte was appointed as the Company's auditor by the Annual General Meeting of the Company on 23 June 2011.

Resolution 12 seeks to re-appoint Deloitte as auditor of the Company until the next meeting at which accounts are laid before the Company. It also authorises the Board of Directors to fix the terms of the auditor's remuneration.

ACTION TO BE TAKEN

Notice of the AGM is set out in Part III of this document together with the form of proxy appointment set out in Part IV.

A Form of Proxy for use by Shareholders in connection with the AGM accompanies this Circular. Whether or not you intend to be present at the AGM, you are requested to complete and sign the Form of Proxy and return it to Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES so as to be received no later than 6:00pm (UK time) on 25 May 2012.

Unless the Form of Proxy is received by the date and time mentioned in the instructions, it will be invalid. The completion and return of the Form of Proxy will not prevent you from attending the AGM and voting in person if you so wish. Please note that in accordance with emerging best practice it is intended that voting at the AGM will be conducted by way of a poll, at the request of the Chairman of the AGM.

The Directors unanimously recommend that Shareholders vote in favour of the Resolutions.

I look forward to welcoming you to the AGM.

Yours faithfully



Robert Buchan
Chairman of the Board of Directors

PART II – DEFINITIONS

The following definitions apply throughout this Circular and the accompanying Form of Proxy unless the context requires otherwise:

Term	Meaning
AGM	the annual general meeting of PGIL to be held at 10:00am on 28 May 2012, notice of which is set out in this Circular
Board	the board of directors of PGIL whose names are set out on page 3 of this Circular
Circular	this document dated 4 May 2012
Deloitte	has the meaning given on page 4 of this Circular
Directors	the members of the Board
Form of Proxy	the form of proxy accompanying this Circular for use in connection with the AGM
Notice of Annual General Meeting	the notice of the Annual General Meeting of PGIL set out in this Circular
PGIL or the Company	Polyus Gold International Limited
Shareholders	the holders of Shares
Shares	the ordinary shares of PGIL, each with a nominal value of £0.0001

PART III – NOTICE OF MEETING

POLYUS GOLD INTERNATIONAL LIMITED

(Incorporated and registered in Jersey under company number 91264)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 10.00 a.m. on 28 May 2012 at The London Hilton on Park Lane Hotel, 22 Park Lane, London W1K 1BE, United Kingdom for the following purposes:

To consider and if thought fit pass the following ordinary resolutions:

1. To receive the Company's financial statements and the Reports of the Directors and the Auditors for the accounting period ended 31 December 2011;
2. To declare a final dividend in respect of the financial year ended 31 December 2011 in the amount of USD 0.041 per ordinary share.
3. To re-elect Adrian Coates as a director of the Company;
4. To elect German Pikhoya as a director of the Company;
5. To elect Robert Buchan as a director of the Company;
6. To elect the Earl of Clanwilliam as a director of the Company;
7. To elect Bruce Buck as a director of the Company;
8. To elect Kobus Moolman as a director of the Company;
9. To elect Dmitry Razumov as a director of the Company;
10. To elect Alexander Mosionzhik as a director of the Company;
11. To elect Anna Kolonchina as a director of the Company; and
12. To re-appoint ZAO Deloitte & Touche CIS as auditor of the Company and to authorise the Board to fix its remuneration.

Dated: 4 May 2012

By order of the Board

Computershare Company Secretarial Services (Jersey) Limited
Company Secretary
Queensway House
Hilgrove Street
St. Helier
Jersey JE1 1ES

NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING

Only the registered holders of fully paid shares in the capital of the Company are entitled to attend and vote at the meeting.

Appointment of proxies

1. If you are a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the AGM or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete the requisite number of proxy forms and state clearly on each form how many shares it relates to. Failure to specify clearly the number of shares to which the proxy appointment relates, will result in the appointment being invalid.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Company at Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES; and
- received by the Company no later than 10:00 a.m. on 26 May 2012.

In the case of a member which is a company, the proxy form must be executed under its common seal or duly signed on its behalf by an agent or officer of the company authorised for that purpose.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company at Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an agent or officer of the company authorised for that purpose. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
9. The revocation notice must be received by the Company no later than six hours prior to the time of the meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Appointment of a corporate representative

10. Under the Companies (Jersey) Law 1991, a body corporate may only appoint one corporate representative. A Shareholder which is a body corporate that wishes to allocate its votes to more than one person should use the proxy arrangements.

Communication

11. Except as provided above, members who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted): writing to the Company at Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES or calling the Company on +44 (0) 1534 281 837.

You may not use any electronic address provided either in this notice of general meeting or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

Nominated Persons

12. A person who is not a member of the Company, but has been nominated by a member of the Company (the 'relevant member') in accordance with the Company's current Articles of Association to enjoy information rights (the 'nominated person'), does not have a right to appoint any proxies under notes 1 and 4 above. A nominated person may have a right under an agreement with the relevant member to be appointed or to have somebody else appointed as a proxy for the meeting. If a nominated person does not have such a right, or has such a right and does not wish to exercise it, he may have a right under an agreement with the relevant member to give instructions as to the exercise of voting rights. It is important to remember that a nominated person's main contact in terms of their investment remains as the relevant member (or perhaps the custodian or broker who administers the investment) and a nominated person should continue to contact them (and not the Company) regarding any changes or queries relating to their personal details and holding (including any administration thereof). The only exception to this is where the Company writes to a nominated person directly for a response.

PART IV – FORM OF PROXY

Polyus Gold International Limited
(the ‘Company’)

Annual General Meeting

FORM OF PROXY

**BEFORE COMPLETING THIS FORM, PLEASE READ THE
EXPLANATORY NOTES BELOW.**

I/We

.....

of

.....

.....

(PLEASE INSERT FULL NAME AND ADDRESS IN BLOCK CAPITALS)

being (a) member(s) of the Company, hereby appoint:

.....

of

.....

or failing him/her the Chairman of the Annual General Meeting (Note 3) as my/our proxy to vote for me/us on my/our behalf in respect of all the shares/the shares numbered [] to [] held by me/us (Note 4) as directed below at the Annual General Meeting of the Company to be held at 10.00 a.m. on **28 May 2012** at London Hilton on Park Lane Hotel, 22 Park Lane, London W1K 1BE, United Kingdom and at any adjournment of it. I/We request such proxy to vote on the following resolutions as we have indicated by marking the appropriate box with an ‘X’. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote as he or she thinks fit in relation to any other matter which is properly put before the meeting.

	Resolutions	For	Against	Vote Withheld	Discretionary
1.	To receive the Company’s financial statements and the Reports of the Directors and the Auditors for the year ended 31 December 2011.				
2.	To declare a final dividend in respect of the financial year ended 31 December 2011 in the amount of USD 0.041 per ordinary share.				

	Resolutions	For	Against	Vote Withheld	Discretionary
3.	To re-elect Adrian Coates as a director of the Company.				
4.	To elect German Pikhoya as a director of the Company.				
5.	To elect Robert Buchan as an independent director of the Company.				
6.	To elect the Earl of Clanwilliam as an independent director of the Company.				
7.	To elect Bruce Buck as an independent director of the Company.				
8.	To elect Kobus Moolman as an independent director of the Company.				
9.	To elect Dmitry Razumov as a director of the Company.				
10.	To elect Alexander Mosionzhik as a director of the Company.				
11.	To elect Anna Kolonchina as a director of the Company.				
12.	To re-appoint ZAO Deloitte & Touche CIS as auditor of the Company and to authorise the Board to fix its remuneration.				

Names of joint holders (if any)

.....

Date.....2012

Signed.....

Notes to the proxy form:

1. As a member of the Company you are entitled to appoint a proxy to attend and vote on your behalf at the Annual General Meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.

2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name and address on the form. If you sign and return this proxy form with no name inserted, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete a separate form for each proxy and clearly indicate the shares to which the appointment relates.
5. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. To abstain from voting on a resolution, select the relevant "Vote Withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using this form, the form must be:
 - completed and signed;
 - sent or delivered to the Company at Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES; and
 - received by the Company no later than 10:00 a.m. on 26 May 2012 using the envelope provided addressed to Computershare Company Secretarial Services (Jersey) Limited.
7. In the case of a member that is a company, this proxy form must be executed under its common seal or signed on its behalf by an agent or officer of the company authorised for that purpose.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. Any alteration made to this form of proxy should be initialled.
10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of

the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

11. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
12. For details of how to revoke your proxy appointment see the notes to the notice of the Annual General Meeting.