

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 or from another appropriately authorised independent financial adviser if you in a territory outside the United Kingdom.**

If you sell or otherwise transfer or have sold or otherwise transferred all of your Shares or any beneficial interest therein, you should immediately forward this document and the accompanying documents (including the Forms of Proxy) to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you sell or otherwise transfer or you have sold or otherwise transferred only part of your holding of, or beneficial interest in, Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

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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 30 May 2014**

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**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” or “Company”) 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 30 May 2014 at the London Hilton on Park Lane, Crystal Place suite, 22 Park Lane London W1K 1BE, United Kingdom, 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 the registered address at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES or by PGIL’s registrars, Computershare Investor Services (Jersey) Limited at: c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom no later than 10:00 a.m. on 28 May 2014 or 48 hours before the time of any adjournment of the meeting. Alternatively, you may also register your proxy appointment(s) and voting instructions electronically. Please refer to page 12 of the Notice for further details of how to appoint a proxy or proxies, the deadlines for submission and also how to vote electronically. Registration of a proxy appointment will not prevent you from attending and voting at the Meeting if you so wish. CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Notice.

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: [www.polyusgold.com](http://www.polyusgold.com).

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**PART I - LETTER FROM THE CHAIRMAN**  
**POLYUS GOLD INTERNATIONAL LIMITED**

(Incorporated and registered in Jersey under company number 91264)

*Board of Directors:*

Mr. Ilya Yuzhanov	(Chairman)
Mr. Pavel Grachev	(Non-Executive Director)/ (Interim CEO)
Mr. Bruce Buck	(Independent Non-Executive Director)
Mr. Edward Dowling	(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. Igor Gorin	(Non-Executive Director)

*Registered Office:*

Queensway House  
Hilgrove Street  
St Helier  
Jersey JE1 1ES

*Company Secretary:*

Computershare Company Secretarial Services (Jersey) Limited

15 April 2014

*To Shareholders of the Company*

Dear Shareholder,

**ANNUAL GENERAL MEETING TO BE HELD ON 30 MAY 2014**

This document gives notice of this year's 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**

**ORDINARY RESOLUTIONS**

**Annual Report and Accounts (Resolution 1)**

The Board of Directors must present the Company's annual financial statements for the year ended 31 December 2013 to Shareholders. The annual financial statements include important information about the operational performance of the Company, the accounts and the auditor's report on those accounts. These are included in the Company's Annual Report 2013.

The Company's Annual Report 2013 is available on the Company's website [www.polyusgold.com](http://www.polyusgold.com).

### **Approval of Directors' Remuneration Report (Resolution 2)**

Although it is not a requirement of Jersey company law to have the Directors' Remuneration Report approved by the Shareholders, the Board believes that as a Company with a Premium Listing, it is important in terms of its corporate governance for it to do so. The Company is therefore putting before Shareholders in general meeting a resolution to approve the Directors' Remuneration Report for the year ended 31 December, 2013.

The Directors' Remuneration Report is set out in full on pages 108-110 of the Company's Annual Report 2013.

### **Re-election of the Directors (Resolution 3-10)**

In accordance with best corporate governance practice, Mr. Yuzhanov, Mr Dowling and Mr. Grachev who have been appointed to the Board since the last AGM, will put themselves up for election at the AGM. Every other director of the Company, will put himself or herself up for re-election at the AGM. Each election or re-election will be considered as a separate resolution at the AGM.

Biographical details of all directors can be found on pages 130-132 of the Company's Annual Report 2013.

### **Re-appointment of Deloitte LLP ("Deloitte") as Auditor of the Company (Resolution 11-12)**

Deloitte was appointed as the Company's auditor by the Annual General Meeting of the Company on 31 May 2013.

Resolution 11 seeks to re-appoint Deloitte as auditor of the Company until the next meeting at which accounts are laid before the Company. Resolution 12 authorises the Board of Directors to fix the terms of the auditor's remuneration.

### **Authority to Allot Shares (Resolution 13)**

Resolution 13 renews the authority of the Directors, pursuant to the Articles, to allot ordinary shares for a period of five years from the date of the Resolution. The £15,160.74 nominal amount of relevant securities to which this authority will relate represents approximately 5 % of the nominal amount of the issued ordinary share capital of the Company as at 14 April 2014, the latest practicable date prior to the publication of this Notice of AGM. This amount is within guidelines issued by investor bodies. The Directors have no present intention of allotting ordinary shares.

The authority will expire on 30 May 2019 but, in accordance with usual practice for companies with a Premium Listing, the Directors intend to seek renewal of this authority at subsequent annual general meetings.

## **SPECIAL RESOLUTIONS**

### **Disapplication of Pre-emption Rights (Resolution 14)**

Resolution 14, which is proposed as a special resolution, renews the authority of the Directors, pursuant to the Articles, to allot shares for cash when they consider it is in the best interests of the Company to do so and so that:

- (a) the Company can follow normal practices in the event of a rights issue; and
- (b) ordinary shares may be issued wholly for cash other than proportionately to existing ordinary share owners up to a maximum nominal amount of £15,160.74 representing approximately 5% of the Company's issued ordinary share capital as at 14 April 2014, the latest practicable date prior to the publication of this Notice of AGM.

There are presently no plans to allot ordinary shares wholly for cash.

The authority will expire on 30 May 2019 but, in accordance with usual practice for companies with a Premium Listing, the Directors intend to seek renewal of this authority at subsequent annual general meetings.

### **Authority to Purchase own Shares (Resolution 15)**

In certain circumstances, it may be advantageous for the Company to purchase its own ordinary shares and Resolution 15 seeks authority for the Directors, pursuant to the Articles, to make such purchases in the market.

The Directors consider it desirable for this general authority to be available to provide additional flexibility in the management of the Company's capital resources. The Directors would only implement the authority when, in the light of market conditions prevailing at the time, they believe that any such purchases will be in the best interests of the Company generally. Any shares purchased under this authority would ordinarily be cancelled and the number of shares in issue will be reduced accordingly though the Company has the option to hold them as treasury shares.

Resolution 15, which is proposed as a special resolution, specifies the maximum number of shares which may be purchased (representing approximately 10% of the Company's issued ordinary share capital as at 14 April 2014, the latest practicable date prior to the publication of this Notice of AGM), and the minimum and maximum prices at which they may be bought, reflecting the requirements of the UKLA. In accordance with usual practice for companies with a Premium Listing, the Directors intend to seek renewal of this authority at subsequent annual general meetings.

## **ACTION TO BE TAKEN**

Notice of the AGM is set out in Part III of this document.

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 PGIL's registered office at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES or PGIL's registrars,

Computershare Investor Services (Jersey) Limited at: c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom so as to be received no later than 10:00am (UK time) on 28 May 2014. Alternatively, you may also register your proxy appointment(s) and voting instructions electronically. Please refer to page 12 of this Notice of AGM for further details of how to appoint a proxy or proxies, the deadlines for submission and also how to vote electronically. CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to this Notice of AGM.

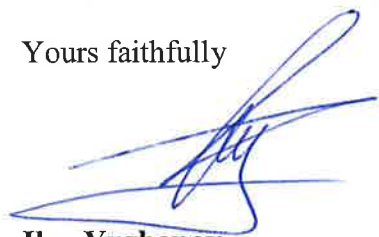
Unless the Form of Proxy is received by the date and time mentioned in the instructions, it will be invalid. The completion and return of the Form of Proxy will not prevent you from attending the AGM and voting in person if you so wish. Please note that in accordance with emerging best practice it is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

### **RECOMMENDATION**

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

I look forward to welcoming you to the AGM.

Yours faithfully



**Ilya Yuzhanov**  
**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:

<b>Term</b>	<b>Meaning</b>
<b>AGM</b>	the annual general meeting of PGIL to be held at 10:00 am on 30 May 2014, notice of which is set out in this Circular
<b>Articles</b>	the articles of association of the Company adopted on 8 June 2012
<b>Board</b>	the board of directors of PGIL whose names are set out on page 3 of this Circular
<b>Circular</b>	this document dated 15 April 2014
<b>CREST Proxy Instruction</b>	has the meaning given on page 11 of this Circular
<b>Deloitte</b>	has the meaning given on page 4 of this Circular
<b>Directors</b>	the members of the Board
<b>EUI</b>	has the meaning given on page 11 of this Circular
<b>FCA</b>	the Financial Conduct Authority
<b>Form of Proxy</b>	the form of proxy accompanying this Circular for use in connection with the AGM
<b>Jersey</b>	The Bailiwick of Jersey
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Notice of AGM</b>	the notice of the annual general meeting of PGIL set out in this Circular
<b>Official List</b>	the Official List of the UKLA
<b>PGIL or the Company</b>	Polyus Gold International Limited
<b>Premium Listing</b>	a listing of equity shares on the Premium Listing segment of the Official List
<b>Shareholders</b>	the holders of Shares
<b>Shares</b>	the ordinary shares of PGIL, each with a nominal value of £0.0001
<b>UKLA</b>	United Kingdom Listing Authority, a division of the FCA in its capacity as a competent authority under Part VI of the Financial Services and Markets Act 2000

## **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 30 May 2014 at the London Hilton on Park Lane, Crystal Place suite, 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 2013;
2. To approve the Directors' Remuneration Report for the year ended 31 December 2013;
3. To re-elect Adrian Coates as a director of the Company;
4. To re-elect Bruce Buck as a director of the Company;
5. To re-elect Kobus Moolman as a director of the Company;
6. To re-elect Anna Kolonchina as a director of the Company;
7. To re-elect Igor Gorin as a director of the Company;
8. To re-elect Ilya Yuzhanov as a director of the Company;
9. To re-elect Edward Dowling as a director of the Company;
10. To re-elect Pavel Grachev as a director of the Company;
11. To re-appoint Deloitte LLP as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company;
12. To authorise the Board to fix the amount of the auditors' remuneration; and
13. In accordance with Article 6 of the Articles, to authorise the Board to allot relevant securities (as defined in the Articles) up to a maximum nominal amount of £15,160.74 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on 30 May 2019, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot relevant securities pursuant to such offer or agreement as if the authority conferred on them hereby had not expired.

**And, to consider and if thought fit pass the following special resolutions:**

14. In accordance with Article 8 of the Articles, to authorise the Board to allot equity securities (as defined in the Articles) wholly for cash (including in connection with a rights issue (as defined in the Articles)) as if Article 7 of the Articles did not apply, provided that:
  - (a) for the purposes of paragraph (1)(b) of Article 8 only, the aggregate nominal amount to which this authority is limited is £15,160.74, and



- (b) this authority shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) on 30 May 2019 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities pursuant to such offer or agreement as if the authority conferred on them hereby had not expired.

15. To authorise the Company generally and unconditionally:

- (a) pursuant to Article 57 of the Companies (Jersey) Law 1991 to make market purchases of ordinary shares in the Company on such terms and in such manner as the directors of the Company may from time to time determine, provided that:
  - (i) the maximum number of ordinary shares hereby authorised to be purchased is 303,214,996;
  - (ii) the minimum price which may be paid for an ordinary share is £0.0001 (exclusive of expenses (if any) payable by the Company);
  - (iii) the maximum price which may be paid for an ordinary share is not more than the higher of an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased and the amount stipulated by Article 5 (1) of the Buyback and Stabilisation Regulation 2003 (exclusive of expenses (if any) payable by the Company); and
  - (iv) this authority, unless previously revoked or varied, shall expire at the conclusion of the annual general meeting of the Company to be held in 2015 (or, if earlier, 30 November 2015) save that a contract of purchase may be concluded by the Company before such expiry which will or may be executed wholly or partly after such expiry, and the purchase of shares may be made in pursuance of any such contract.
- (b) pursuant to Article 58A of the Companies (Jersey) Law 1991, and if approved by the Board, to hold as treasury shares any ordinary shares purchased pursuant to the authority conferred by resolution 15(a) above.

Dated: 15 April 2014

**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 or the Company's registrars Computershare Investor Services (Jersey) Limited at: c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom; and
- received by the Company or the Company's registrars as set out above no later than 10:00 a.m. on 28 May 2014.

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.

### **Electronic appointment of proxies**

6. As an alternative to completing this hard-copy proxy form, you can appoint a proxy electronically by logging on to the website of Computershare Investor Services (Jersey) Limited, the Company's registrar, at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy).
7. Shareholders will need their Voting ID, Task ID and Shareholder Reference Number which are printed in the face of the accompanying Form of Proxy. Full details of the procedures are given on the website and Shareholders are advised to read the terms and conditions relating to the use of this facility before appointing a proxy through it. For an electronic proxy appointment to be valid, your appointment must be received by Computershare Investor Services (Jersey) Limited no later than 10:00 a.m. on 28 May 2014. Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged in any way.

### **Appointment of proxies through CREST**

8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("**EUI**") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID number 3RA50) by 10:00 a.m. on 28 May 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special

procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

#### **Appointment of proxy by joint members**

12. 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**

13. 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**

14. 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 or the Company's registrars Computershare Investor Services (Jersey) Limited at: c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom . 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.

15. 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**

16. 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**

17. 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.

### **Voting rights**

18. As at 14 April 2014, being the last practicable date prior of the printing of this Notice of AGM, the Company's issued shares consisted of 3,032,149,962 ordinary shares with each ordinary share carrying one vote. The Company does not hold any shares in treasury.