



## About Polymetals

Polymetals Mining Limited is an Australian mining company focused on precious and base metal production.

Polymetals has a 25-year history of delivering profitable resource production projects.

Over that time the Company has generated significant returns for shareholders.

Polymetals' successful track record is built on acquisition, exploration, development and operation of precious and base metals projects.

The Company has current production, positive cashflow and tenements in some of Australia's most prospective mining regions.

Polymetals has strong growth potential.

Polymetals Mining Limited  
(ASX:PLY)  
ACN: 075 664 961

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Australia

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[www.polymetals.com.au](http://www.polymetals.com.au)

## ASX ANNOUNCEMENT / MEDIA RELEASE

13 October 2011

### Boorara sale – Sale and Purchase Agreement signed

Polymetals Mining Limited (ASX:PLY) is pleased to announce the signing of a Sale and Purchase Agreement (SPA) following completion of due diligence on Polymetals' Boorara project by MacPhersons Reward Gold Limited (ASX:MRP). The PLY non-core asset was subject to a due diligence period following the signing of a Heads of Agreement on 9 August 2011.

The sale involves disposal of PLY subsidiary Polymetals (WA) Pty Ltd for consideration equivalent to three million dollars comprising:

- a non-refundable 50,000 dollar deposit which has been paid; and
- cash of 2.45 million dollars and fully-paid MRP shares to the value of 500,000 dollars - payable within 7 days of entering the SPA.

The Boorara project, 17km from Kalgoorlie in Western Australia, covers 33km<sup>2</sup> of land holdings. This transaction completes Polymetals' divestment of assets at this location following the disposal of the closely related Nimbus silver mine in 2009. Polymetals successfully produced 3.2 million ounces of silver from Nimbus from 2004 to 2007.

As previously noted, funds raised from the sale of the Boorara project, along with funds released from the planned Boorara exploration program, will be directed towards further exploration on Polymetals' core projects at Drew Hill and Canbelego plus acquisition activities.



David Sproule  
Chairman

Fulton Smith  
Chief Executive Officer

## Corporate Directory

### Board of Directors

David Sproule  
Chairman

Fulton Smith  
Chief Executive Officer

Jon Parker  
Non-executive Director

David Carland  
Non-executive Director

### Company Secretary

David Kinsman

### Share Capital

36.356 million Ordinary shares

### Share price activity

To 12 October 2011

	High	Low	Last
2011	\$1.12	\$0.65	\$0.75

### Registered office

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### Postal address

Polymetals Mining Limited  
PO Box 570  
Samford, Queensland 4520

### Share registry

Link Market Services Limited  
Level 15  
324 Queen Street  
Brisbane, Queensland, 4000  
P: 1300 554 474

Please direct shareholding enquiries to the share registry.

### Forward Looking and Competent Persons Statement

This announcement contains forward looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

All references to dollars, cents or \$ in this announcement are to AUD currency, unless otherwise stated.

The information in this announcement that relates to Mt Boppy Mineral Resources is based on information compiled by Mr Paul Blackney who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists and is a fulltime employee of Optiro Pty Ltd.

The information in this announcement that relates to White Dam Mineral Resources is based on information compiled by Mr Troy Lowien, Polymetals Senior Resource Geologist who is a Member of The Australasian Institute of Mining and Metallurgy and is a fulltime employee of Polymetals Mining Limited.

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Jess Oram, Polymetals Exploration Manager who is a Member of the Australian Institute of Geoscientists and is a fulltime employee of Polymetals Mining Limited.

Messer's Blackney, Lowien and Oram have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities which they undertook to qualify as a Competent Persons as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Messer's Blackney, Lowien and Oram consent to the inclusion of matters based on their information in the form and context in which it appears in this report.

### Company Resources

The table below notes the Company's Resources as at 30 June 2011.

#### Canbelego (incl Mt Boppy) resource statement

(2.5g/t cut-off)

	kt	g/t	koz
Measured	30	5.0	4.8
Indicated			
in-situ	45	4.5	6.5
backfill	195	3.6	22.6
Inferred	365	4.6	54.0
Total	635	4.3	87.9

#### Drew Hill (incl White Dam and Vertigo) resource statement

(White Dam: 0.3g/t cut-off, Vertigo: 0.4g/t cut-off, depleted to end June 2011)

	kt	g/t	koz
Indicated	2,728	1.1	94.7
Inferred	3,283	0.9	94.0
Total	6,011	1.0	188.7

For further enquiries please refer to the company website

[www.polymetals.com.au](http://www.polymetals.com.au)

or contact:

**Fulton Smith**  
Chief Executive Officer

**David Kinsman**  
CFO/Company Secretary

**Polymetals Mining Limited**  
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