



PETROPAVLOVSK

PRESS RELEASE

27 May 2020

Petropavlovsk PLC

Appointment of Independent Non-Executive Directors and Retirement of Chairman

Petropavlovsk PLC ("Petropavlovsk" or the "Company"), is pleased to announce the appointments of Ms Fiona Paulus and Mr Tim McCutcheon as Independent Non-Executive Directors with immediate effect. It also announces that Sir Roderic Lyne will retire from the Board following the Company's Annual General Meeting on 30 June 2020 and will be succeeded by Ms Paulus as Chairman.

Sir Roderic has served on the Company's Boards for twelve of the last fourteen years and informed the Board last autumn of his intention to retire if a suitable successor could be found. Mr Harry Kenyon-Slaney, Senior Independent Director, led an extensive selection process, assisted by a leading firm of recruitment consultants, to identify the person best qualified to lead the Board through the next phase of the Company's development. On behalf of the Company and its shareholders and stakeholders, the Board is delighted that Ms Paulus has accepted the appointment.

Ms Paulus has over 37 years' global investment banking experience, having held senior management roles with a number of leading international investment banks based in London, Europe and North America. Over the past 15 years she has specialised in the energy and resources sectors where she has advised companies on many capital market transactions, including corporate financing, strategic and risk management initiatives. In December 2018 she was appointed as an independent board member of RHI-Magnesita, a global industrial company listed on the FTSE 250, where she serves on the Audit and Sustainability Committees.

Ms Paulus will also replace Sir Roderic Lyne as the Chair of the Nominations committee from 30 June 2020.

In addition, the Company is pleased to announce that Mr Tim McCutcheon will be appointed as an Independent Non-Executive Director of the Company with immediate effect.

Mr McCutcheon is a mining and finance professional with over 20 years of international business experience. He is currently President of Wealth Minerals Ltd, a lithium asset development company focused on assets in Chile, with its primary listing on the TSX Venture Exchange, Canada.

Mr McCutcheon has led several mining development companies with assets in Russia, Slovakia and Ghana. Additionally, he has served as an adviser to a wide range of natural resource companies, playing key roles in administration and capital market strategy.

Prior to moving to the mining sector, Mr McCutcheon previously worked with several capital markets groups, including Bear Stearns, Aton Capital and Pioneer Investments, as an award-winning metals and mining sector analyst and as an investment banker. He was also a founder/partner of DBM Capital Partners Ltd, a leading boutique metals finance institution which managed the mining fund Sayan Investments Ltd and advised multiple base and precious metals mining companies active in Europe and Asia. Mr McCutcheon has a BA and MBA from Columbia University, New York, USA.

Commenting on these appointments, Sir Roderic Lyne, Chairman, said:

“Thanks to the exceptional leadership of Pavel Maslovskiy and the skills and commitment of the Company’s management and workforce, Petropavlovsk has made huge strides over the past two years and has built a platform for growth and profitability. It has been a privilege to chair the Board during this period. Fiona Paulus’s expertise in corporate finance, including transactions in Russia, and Tim McCutcheon’s first-hand knowledge of the natural resources sector in Russia will add to the diversity of experience represented on a highly qualified Board. Fiona will bring energy, intelligence and a proven track record to the implementation of the Board’s strategy for growth and continuous improvement over the years ahead and will make a very fine Chairman.”

Dr Pavel Maslovskiy, Chief Executive Officer, commented:

“Firstly, on behalf of the Board and our Company, I would like to sincerely thank Sir Roderic for the significant contribution he has made to Petropavlovsk. His role as Non-Executive Chairman of Petropavlovsk over the past two years in particular has been instrumental to the success of the Company during this period, having overseen the transformational ramp up of our pressure oxidation technology as well as the ongoing improvement in ESG and the considerable strengthening of the Board. Sir Roderic will always be remembered by me personally as a vital source of independent advice and counsel. He has shared the responsibility of our ongoing strategy of rebuilding the Company’s rating, a process which is only just beginning to shine through for all of our stakeholders.

I am delighted to welcome Fiona to the Board as an Independent Non-Executive Director and future Chairman and Mr Tim McCutcheon as an Independent Director. Both appointments add further to the independence of the Board as well as diversity of skillsets. I and the Board look forward to both Directors working with Petropavlovsk as we enter our next exciting phase of growth.”

Directorships of listed companies:

- Mr McCutcheon is presently CEO and Director of Kenadyr Mining (Holdings) Corp., a public junior exploration company, listed on the TSX Venture Exchange; and
- Mr McCutcheon is presently a non-executive Director of Ovoca Bio PLC, a public biopharmaceutical company, listed on the AIM; and
- From August 2016 to August 2019, Mr McCutcheon was CEO and a Director of Ashanti Gold Corp., a public junior exploration company, listed on the TSX Venture Exchange; and
- From June 2014 to June 2015, Mr McCutcheon was CEO and Director of Global Minerals Ltd., a public junior mining and exploration company, listed on the TSX Venture Exchange; and
- From May 2012 to May 2013, Mr McCutcheon was CEO and Director of Abzu Gold Ltd., a public junior exploration company, listed on the TSX Venture Exchange.

Enquiries

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Cautionary note on forward-looking statements

This release may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this release and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the future price of gold, the Group's results of operations, financial position, liquidity, prospects, growth, estimation of mineral reserves and resources and strategies, and exchange rates and the expectations of the industry.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances outside the control of the Group. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates may differ materially from those described in, or suggested by, any forward-looking statements contained in this release. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this release, those developments may not be indicative of developments in subsequent periods. A number of factors could cause results and/or developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, demand, supply and prices for gold and other long-term commodity price assumptions (and their effect on the timing and feasibility of future projects and developments), trends in the gold mining industry and conditions of the international gold markets, competition, actions and activities of governmental authorities (including changes in laws, regulations or taxation), currency fluctuations (including as between the US Dollar and Rouble), the Group's ability to recover its reserves or develop new reserves, changes in its business strategy, any litigation, and political and economic uncertainty. Except as required by applicable law, rule or regulation (including the Listing and Disclosure Guidance and Transparency Rules), the Group does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Past performance cannot be relied on as a guide to future performance.

The content of websites referred to in this announcement does not form part of this announcement

The financial information set out in this release does not constitute the Company's statutory accounts for the years ended 31 December 2019 or 2018 but is derived from those accounts. Statutory accounts for 2018 have been delivered to the Registrar of Companies and those for 2019 will be delivered following the Company's annual general meeting. The auditors have reported on those accounts: their reports were unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under s498(2) or (3) of the Companies Act 2006.

