



PRESS RELEASE

24 June 2020

Petropavlovsk PLC

S&P Global Ratings Upgrade to 'B'; Outlook Stable on Solid Performance

Petropavlovsk PLC ("Petropavlovsk" or the "Company") is pleased to announce that S&P Global Ratings ("S&PGR") has upgraded its long-term issuer credit and issue ratings on Petropavlovsk and its senior unsecured bonds to 'B' from 'B-' with a Stable Outlook.

In its announcement, S&PGR highlighted its decision to upgrade Petropavlovsk's issuer rating was based on its expectations the Company "will continue to report solid results in 2020-2021 on the back of its operating performance stabilizing and supportive gold prices", and that the Company would "maintain leverage at its public target of net debt to EBITDA below 2.0x and adequate liquidity, including by proactively refinancing the 2022 notes."

S&PGR stated that the Stable Outlook reflects its view "that the Group will continue to deliver on its strategy, while maintaining S&P Global Ratings-adjusted debt to EBITDA sustainably below 3.5x and funds from operations (FFO) to debt sustainably above 20%".

Commenting on the ratings upgrade, Dr Pavel Maslovskiy, CEO said:

"S&PGR's upgrade to B with a stable outlook is aligned with Petropavlovsk's strategy of delivering value to all of our stakeholders. The stronger debt rating is in step with progress being made on the stronger rating of our equity; both of which are in the early stages of benefitting from the Company's ability to harness returns - not only from our leading position in Russia with the Pokrovskiy pressure oxidation hub - but also from our significant installed asset base, which has over 20m unhedged ounces in JORC reserves and resources.

This change in our debt rating is particularly pleasing since it is the first upgrade by S&PGR in Metals & Mining globally since the beginning of the COVID-19 pandemic and comes against the backdrop of 34 downgrades in the sector. Petropavlovsk remains strongly committed to strengthening the sustainability of its business, particularly in the face of the significant challenges of global volatility today and potentially in future years."

For further information, please read the full S&PGR press release [here](#).

About Petropavlovsk

Petropavlovsk PLC (LSE: POG) is a major integrated Russian gold producer with JORC Resources of 21.03Moz Au which include Reserves of 8.46Moz Au. Following its IPO on the Alternative Investment Market (AIM) in 2002, Petropavlovsk was promoted to the London Stock Exchange in 2009, where today it is a Premium Listed company and a constituent of the FTSE 250, FTSE 350 and FTSE All Share indices.

The Company's key operating mines (Pioneer, Malomir and Albyn) are in the Amur Region in the Russian Far East. Petropavlovsk has produced a total of c.7.8Moz of gold since operations began in 1994 and has a strong track record of mine development, expansion and asset optimisation.

The Group recently entered a new era of growth following the successful commissioning and start-up of its flagship asset, the Pressure Oxidation (POX) Hub at Pokrovskiy, which enables the processing of the Company's abundant refractory reserves and resources.

Petropavlovsk is one of the region's largest employers and one of the largest contributors to the sustainable development of the local economy.

For more information

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