



PRESS RELEASE

28 July 2020

Petropavlovsk PLC

Update on the Proposed Appointment of Pricewaterhouse Cooper as Auditors

Petropavlovsk PLC ("Petropavlovsk" or the "Company" or, together with its subsidiaries, the "Group") refers to the Company's announcement on 1 July 2020 regarding the results of the General Meeting and resolution 5, which referred to the proposed appointment of Pricewaterhouse Cooper ("PwC") as auditors to the Company.

PwC has informed the Company they are not able to accept their proposed appointment at the present time due to the significant changes to the Board of Directors at the recent Annual General Meeting, namely the removal of the majority of both independent and executive directors including the Chairwoman designate, raising concerns about Corporate Governance standards, the consequent lack of clarity as to the identity of those charged with governance and the current challenges facing the Board in its ability to function properly.

PwC has stated that they will await the results of the forthcoming General Meeting to understand the composition of the Board that will be entrusted with leading the Group as well as complete satisfactory background checks on any new Board member, whereupon they will need to understand the plans of this new Board for the governance and leadership of Petropavlovsk going forward and, at such point, will re-assess whether they are prepared to act for the Group. Accordingly, the Company does not currently have an appointed auditor and this may in turn lead to a delay in the publication of its interim accounts.

Further updates with regards to the position of the Company's auditor will be provided in due course.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014

About Petropavlovsk

Petropavlovsk PLC (LSE: POG. MOEX: POGR) 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. 7.9Moz 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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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.