



## PRESS RELEASE

04 June 2021

### Petropavlovsk PLC

#### **IRC Announcement: Administrative Offence Proceeding against K&S**

Petropavlovsk PLC (the “Company”) notes that IRC Limited (“IRC”), the producer and developer of industrial commodities in which the Company is a significant shareholder (31.1%), has today published an announcement regarding operations at Kimkano-Sutarsky Mining and Beneficiation Plant LLC (a wholly owned IRC subsidiary) (“K&S”).

IRC announced that the Russian Federal Service for Environmental, Technological, and Nuclear Supervision has initiated an administrative offence proceeding against K&S in the Obluchensky District Court of the Jewish Autonomous Region, in Russia, for operating the K&S project without the requisite approvals. The Company understands that no court date has been set and that K&S will continue to operate as usual. The potential outcome of the administrative offence proceeding is unclear. The Company understands that if K&S is found to have committed an offence a fine may be imposed by the court and/or K&S may be required to suspend its operations until the required formalities are completed and necessary approvals are received.

The full text of the announcement can be found on the IRC website at: [http://www.ircgroup.com.hk/en/ir\\_announcements.php](http://www.ircgroup.com.hk/en/ir_announcements.php)

Petropavlovsk acts as guarantor of the obligations of K&S under two loan facility agreements with Gazprombank. The outstanding loan principal amount was US\$204m as at 31 December 2020.

The Company will continue to monitor the situation and update shareholders accordingly.

**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 19.50Moz Au which include Reserves of 7.16Moz 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 shares also trade on the Moscow Exchange and are a constituent of the RTS Index and MOEX Russia Index.*

*The Company’s key operating mines (Pioneer, Malomir and Albyn) and its Pressure Oxidation (POX) Hub at Pokrovskiy are located in the Amur Region in the Russian Far East. Petropavlovsk has produced a total of c.8.3Moz of gold since operations began in 1994 and has a strong track record of mine development, expansion, and asset optimisation.*

*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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