



## PRESS RELEASE

30 November 2021

### Petropavlovsk PLC

#### Claim Filed Against Petropavlovsk and Its Directors

Petropavlovsk PLC ("**Petropavlovsk**" or the "**Company**") announces that JSC Uzhuralzoloto Group of Companies ("**UGC**"), the Company's major shareholder, has today issued a derivative claim in the High Court of Justice (Business and Property Courts of England and Wales, Insolvency and Companies List) (the "**Claim**"), together with an application for injunctive relief (the "**Application**") in connection with the previously announced sale by the Company of a 29.9% stake in IRC Limited ("**IRC**") to Stocken Board AG ("**Stocken**" and the "**Stocken Transaction**").

By way of background, the Company entered into a preliminary agreement in respect of the Stocken Transaction on 18 March 2020. The Company announced on 25 May 2021 that the preliminary agreement had become legally binding on the Company. As noted in the 25 May 2021 announcement, completion of the Stocken Transaction remained conditional upon:

- The receipt of any consents that may have been required under the Company's US\$500 million 8.125% notes maturing November 2022 (the "**Notes**") or confirmation by the Board that no such consents were required; and
- Termination and irrevocable release of the Company's group from all loan guarantees given to Gazprombank ("**GPB**") under and in respect of the facility agreements signed between Kimkano-Sutarsky Mining and Beneficiation Plant LLC (a subsidiary of IRC) and GPB in December 2018 (the "**Guarantee Condition**").

The Board confirmed to Stocken that no consents are required under the Notes on 22 September 2021. The Guarantee Condition remains outstanding.

The Claim names the Company, as well as each of the Company's directors in their personal capacity, as defendants and alleges that the completion of the Stocken Transaction prior to a general meeting of the shareholders of the Company and/or at all would represent a breach of the directors' duties.

In its Claim, UGC is seeking (in summary):

- A Court order directing that a general meeting of the Company be held to resolve, inter alia, to direct the Company's Board not to cause the Company to proceed to completion of the Stocken Transaction; and
- An injunction to prevent the Company's directors from taking any steps to cause the Company to complete, or in fact complete, the Stocken Transaction prior to that general meeting and/or at all.

Pursuant to the Application and pending determination of the Claim, UGC is seeking (amongst other things):

- Permission to continue a derivative claim on behalf of the Company;
- An order for the holding of a general meeting of the Company; and
- Injunctive relief that would prevent the board from completing the Stocken Transaction prior to the general meeting of the Company being held.

The Company intends to defend the Claim and the Application, and a further announcement will be made 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 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 Index.*

*The Company's key operating mines (Pioneer, Malomir and Albyn) and its Pokrovskiy Pressure Oxidation (POX) Hub, are located in the Amur Region in the Russian Far East. Petropavlovsk has produced a total of c.8.6Moz 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

Please visit [www.petropavlovskplc.com](http://www.petropavlovskplc.com) or contact:

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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.*