



## PRESS RELEASE

25 March 2022

### Petropavlovsk PLC

#### Statement in Relation to Gazprombank

Petropavlovsk PLC (“Petropavlovsk” or the “Company” and, together with its subsidiaries, the “Group”) notes the inclusion of Gazprombank (“GPB”) on the UK Sanctions List and the designation of GPB for the purposes of an asset freeze under the Russia (Sanctions) (EU Exit) Regulations 2019 (the “Regulations”) on 24 March 2022 and the general licence (INT/2022/1424276) of wind down of positions involving various designated banks (including GPB).

The Group has substantial commercial and financial relationships with GPB and its subsidiaries, including a US\$200 million committed term loan between the Company and Bank GPB (JSC) (the “Term Loan”) and circa US\$86.7 million in revolving credit facilities made available to certain of the Company’s subsidiaries in Russia. It is a condition of these facilities and the Term Loan that GPB acts as an off-taker of 100% of the Group’s gold production.

GPB’s designation under the Regulations for the purposes of an asset freeze prohibits further sales of gold by the Group to GPB at present, and restrictions on purchasing and selling gold in Russia may make it challenging to find an alternative purchaser for the Group’s gold output. The Company also notes that an interest payment of US\$560,000 is due to be paid today under the Term Loan; however, the Company is currently prohibited from making such payment under the Regulations.

The Company is urgently considering with its advisers the implications for the Group’s activities and financing arrangements resulting from GPB being designated for the purposes of an asset freeze. A further announcement will be made in due course.

Petropavlovsk reconfirms that none of the companies in the Group has to date been named in the sanctions against Russia announced by the United Kingdom, United States, European Union, and other nations.

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. 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

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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.*