



PRESS RELEASE

9 September 2022

Petropavlovsk PLC (in Administration)

Update from Administrators

Completion of Transaction with UMMC-Invest

On 7 September 2022, substantial completion of the sale of the principal assets of Petropavlovsk PLC (the “Company”) to UMMC-Invest took place, pursuant to the sale and purchase agreement (“SPA”) between the parties dated 1 August 2022 (which transaction the Administrators were given liberty to enter into and perform by Order of the High Court on 1 August 2022).

The Company has received total consideration from UMMC-Invest, pursuant to the SPA:

1. Adjusted Cash Consideration of £155,969,423.39
2. 2022 Notes with a face value and plus accrued interest of US\$200,729,643
3. Administration funding of £6,167,762.65
4. Contingency funding of £3,439,085.20

On 7 September 2022, the Company and UMMC-Invest executed instruments of transfer and other corporate instruments required to transfer ownership to UMMC-Invest of the shares in the transferring subsidiaries of the Company.

Statutory Proposals to Creditors

On 8 September 2022, the Administrators sent to known creditors of the Company, and published their statement of proposals as required under paragraph 49 of Schedule B1 to the Insolvency Act 1986. A copy of the statement of proposals is available to view here: [Proposals-Final-Version-08.09.22.pdf \(petropavlovskplc.com\)](#)

Distributions to Noteholders and Convertible Bondholders

In relation to the US\$500m 8.125% Guaranteed Notes due 2022 (ISIN: XS1711554102), and the US\$125m 8.25% Guaranteed Convertible Bonds due 2024 (ISIN: XS1843433555), subject to the approval of the Court, the Administrators envisage pursuing a scheme of arrangement in order to be able to pay both note and bondholders.

In order to assist the Administrators conclude the note and bondholder matching and identification process in a timely manner, outstanding holders of either instrument are invited to contact the Administrators, providing suitable evidence in relation to the nominal quantity of notes or bonds held as well as information regarding the ultimate beneficial owner of any such holding.

Notwithstanding the potential obstacles to payments arising out of the imposition of sanctions, steps are being taken to ensure that payments can be made in due course. However, it should be noted that any distributions to holders of the Company’s debt will be subject to mechanisms to ensure no payments are made to or for the benefit of any sanctioned persons or otherwise in breach of applicable laws unless appropriate licences are granted. The Administrators intend to apply for such licences as may be required.

Enquiries

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