

# PETER HAMBRO MINING PLC

11 GROSVENOR PLACE, BELGRAVIA, LONDON, SW1X 7HH

TELEPHONE +44 20 7201 8900

FACSIMILE +44 20 7201 8901

Website: [www.peterhambro.com](http://www.peterhambro.com)

Email: [corporate@peterhambro.com](mailto:corporate@peterhambro.com)

Press Release

## **IFC Proposes an Equity Investment in Peter Hambro Mining**

Peter Hambro Mining (“PHM”) announces that it has agreed to a potential investment from the International Finance Corporation (“IFC”) for US\$15m in newly issued equity with a matching number of warrants. The investment proposal is subject to further due diligence, approval by the IFC’s Board and the finalisation of documentation; the target date for the investment is February 2005.

### ***Proposed Investment***

PHM proposes to issue US\$15m in new shares and matching warrants to the IFC in February 2005. The proposed new shares will be ordinary shares in PHM ranking pari passu with all existing ordinary shares. The issue price of the shares will be the lesser of UK£5.50 per share or the five day volume weighted average price before final issue (the “Investment Price”). The warrants will have a strike price of a 25% premium to the Investment Price. PHM will be able to require the IFC to exercise the warrants if the shares trade at a 60% premium to this price in the two years following the issue and at a 30% premium to this price after two years.

The IFC is the private sector arm of The World Bank Group. The IFC is a substantial provider of project finance to companies in Russia in all sectors, including gold mining.

### ***Peter Hambro, Executive Chairman, said: -***

“I am delighted that the IFC is proposing to invest in the company as a sign of their support in what we are doing. We are continuing the development of both Pokrovskiy and Pioneer projects and intend to report on progress during the second quarter of 2005. I believe that IFC’s consideration of an investment at this stage is a great vote of confidence in the strength of the projects.”

### ***Christopher Goss, Principal Investment Officer, the International Finance Corporation, said: -***

“I am delighted at the prospect of participation in PHM’s mining developments in Russia. We believe that the development of the gold sector is key to Russia’s development and can bring great benefits at the regional and community level”.

### **Enquiries:**

Alya Samokhvalova  
Investor Relations, Peter Hambro Mining

+44 (0) 20 7201 8900

Tom Randell / Maria Suleymanova  
Merlin

+44 (0) 20 7653 6620



A member of the PETER HAMBRO MINING GROUP of companies  
Registered Office: 11 Grosvenor Place, London SW1X 7HH  
Registered in England Number 4343841