

# PETER HAMBRO MINING PLC

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## Peter Hambro Mining PLC

- Acquires Novogodnee Manteau, a new gold deposit in the Urals Region of Russia
- Signs Buryatia Exploration Joint Venture
- Agrees US\$30 million term loan facility from HVB

### Novogodnee Manteau

Peter Hambro Mining announces the acquisition by its subsidiary OJSC Pokrovskiy Rudnik ("JSCP") from OJSC "Yamalskaia Gornaia Kompania" of 90% of the issued shares of OJSC "Yamalzoloto", which holds the Novogodnee Manteau licence. Completion of the acquisition was conditional on obtaining Anti-Monopoly Ministry's consent, which has recently been obtained. The consideration payable is 150 million Roubles (approximately US\$5 million).

Novogodnee Manteau is located in the Topugolskaya area, Yamalanenetsky autonomous okrug. The licence area covers approximately 70km<sup>2</sup>.

The mining licence area so far has estimated C2 reserves of approximately 418,000 ounces at an average grade of 14.7g/t, P1 resources of approximately 1.1 million ounces and P2 resources of approximately 2.0 million ounces.. The deposit area is open in all directions.

The licence area is only 800 metres from the nearest railway and metalled road. The nearest city is Salekhard which is 30km from the licence area. Salekhard is the regional capital of the district and benefits from the revenue generated in the area from local oil and gas projects. Salekhard also benefits from a highly developed infrastructure.

### Buryatia

Peter Hambro Mining also announces the recent establishment of a joint venture company, OOO Region in which JSCP owns a 75% stake, for which it has an obligation to subscribe 750,000 Roubles (approximately US\$25,000) half of which has been paid. Our partners in the joint venture are a team of Russian geologists with a successful track record of finding development assets. Further to this joint venture, PHM is acquiring, from its JV partners, a considerable amount of exploration data on the area. Initial examination of this data led PHM's Group Chief Geologist, Nicolai Vlasov, to propose the joint venture and acquisition of the data resource. Consideration for this acquisition is expected to be US\$5million and completion is expected shortly. Following completion of the acquisition the Group intends to assess this data and determine the most promising areas of exploration works to be undertaken by the joint venture.

### HVB Loan Facility



Registered Office: 11 Grosvenor Place, Belgravia, London, SW1X 7HH

Registered in England Number 4343841

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Peter Hambro Mining has signed a US\$30 million term loan facility agreement with Bayerische Hypo- und Vereinsbank AG ("HVB"). The facility is available for general corporate purposes but is intended primarily for the acquisition of Russian gold mining assets, a number of which have been offered to the Group. PHM has drawn on this facility to fund the consideration for the above two transactions. The facility has an interest rate of US\$ LIBOR plus a margin of 4%, considerably lower than the cost of existing Russian debt.

Commenting on the acquisition, Peter Hambro, Executive Chairman of the Group said:-  
"The acquisition of Novogodnee Manteau is the first for us in the Urals region of Russia and our first solo venture outside the Amur Region. This reflects our strategic decision to take part in the widespread consolidation of Russian gold mining assets concentrating on assets that can easily be brought into production. The region is well known for its oil and gas resources and hence benefits from a developed infrastructure which will assist our efforts.

We first became interested in Buryatia when we owned an interest in Baikal Bank, which we subsequently sold. This acquisition is our first move into gold mining in this region. We have great hopes for the joint venture.

The HVB loan facility is the Group's first non-Russian debt facility that we have utilised and will assist us to finance our ongoing acquisition programme. I am very pleased that HVB shares my confidence in Peter Hambro Mining's future development."

### **Enquiries:**

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