



PETROPAVLOVSK

PRESS RELEASE

Petropavlovsk Plc (formerly Peter Hambro Mining Plc) - Announcement of results of Tender Offer and Consent Solicitation

Petropavlovsk Plc
24 September 2009

Background

On 2 September 2009 Peter Hambro Mining Group Finance Limited (**Company**) announced:

- (a) a Tender Offer and Consent Solicitation (each as defined below) to the holders of the outstanding US\$53,000,000 7.00 per cent. Guaranteed Gold Equivalent Exchangeable Bonds due 2012 (**Bonds**) issued by the Company pursuant to which the holders of the Bonds (**Bondholders**) were invited to tender their Bonds to the Company for cash (**Tender Offer**), subject to the terms and conditions set forth in the tender and consent memorandum relating to the Tender Offer and the Consent Solicitation dated 2 September 2009 (**Tender and Consent Memorandum**); and
- (b) that, in conjunction with the Tender Offer, a meeting of the Bondholders had been convened by the Company to take place on 24 September 2009, to consider and, if thought fit, pass the extraordinary resolution set out in the Notice (as defined below) (**Extraordinary Resolution**) which, subject to certain conditions set out therein, sought to make certain changes to the transaction documents to permit the Company, at its option, to redeem and cancel all, but not some only, of the Bonds on the Settlement Date (as defined below) (**Consent Solicitation**,

in each case as more particularly described in the Tender and Consent Memorandum.

Announcement

The Company hereby announces that:

- (a) at the meeting of the Bondholders convened by the notice delivered to Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* dated 2 September 2009 (**Notice**) and held on 24 September 2009, the Extraordinary Resolution was duly passed by the requisite majority;
- (b) the amendments to the terms and conditions of the Bonds and the terms of the fiscal agency agreement dated 19 October 2007 referred to in the Extraordinary Resolution have been effected following the passing of the Extraordinary Resolution;
- (c) the Company, following the passing of the Extraordinary Resolution, has exercised its call option (**Call Option**) pursuant to Condition 8(b) (*Redemption at the Option of the Issuer*) in respect of the Bonds not tendered pursuant to the Tender Offer; and
- (d) the settlement date for both the Tender Offer and the redemption of Bonds pursuant to the exercise of the Call Option (**Settlement Date**) is expected to be 1 October 2009.

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TO PETER HAMBRO
MINING PLC

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DISCLAIMER

This announcement must be read in conjunction with the Tender and Consent Memorandum. This announcement and the Tender and Consent Memorandum contain important information which should be read carefully. If you are in any doubt as to the effect of the matters referred to in this announcement, you are recommended to seek your own financial and legal advice, including as to any tax consequences, immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser.