



PRESS RELEASE

16 December 2009

Update ahead of Year End and Production Guidance

Production Guidance

Petropavlovsk PLC announces that its preliminary estimate of attributable annual gold production for the year ending 31st December 2009 has been revised downwards by approximately 6%. Petropavlovsk's previously announced expectation was that annual production would be approximately 500,000 ounces of gold, but given the two recent events set out below the company now expects that the actual figure will be approximately 470,000 ounces of gold.

The events resulting in the revised guidance are as follows:

- A longer than anticipated maintenance period on the gearbox of the SAG-mill at the Pioneer 1 processing plant and;
- A small (c.600,000 tonne) land-slip at the southern end of the Pokrovskiy open pit. Selected Pioneer mining fleet units were brought in to perform remedial works to prevent further slippage with the result that at Pioneer there was a corresponding under-mine of approximately 1 million cubic metres in the period.

Both of these issues have now been resolved. There were no injuries resulting from the landslip and full safety procedures have been followed throughout.

New Banking Facility

The company is also pleased to announce that it has signed an up to US\$150m three year secured term loan facility agreement with ING Bank, Unicredit Bank and Raiffeisenbank. This new facility will provide working capital flexibility to allow the Group to continue with its development plans.

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