



PRESS RELEASE

18 June 2018

Petropavlovsk PLC (the “Company”)

Institutional Shareholder Services and Glass Lewis support existing Petropavlovsk Board

The Company notes the reports published last week by the main proxy advisory firms, Glass Lewis & Co. (“Glass Lewis”) and Institutional Shareholder Services, Inc. (“ISS”). Glass Lewis and ISS recommend to shareholders of the Company that they support the current board at the upcoming Annual General Meeting (“AGM”). Specifically, Glass Lewis and ISS recommend that shareholders vote to:

1. Elect Adrian Coates and Roman Deniskin as directors of the Company; and
2. Re-elect Bruce Buck, Garrett Soden and Ian Ashby as directors of the Company.

Glass Lewis and ISS also recommend to shareholders that they vote against the resolutions to elect Pavel Maslovskiy, Sir Roderic Lyne and Robert Jenkins as directors of the Company (the “Nominee Directors”) and to vote against all remaining requisitioned resolutions to replace the entire board (Resolutions 13-23).

Glass Lewis makes these recommendations because the arguments for the requisition lack rationale to justify the removal of the entire existing board of directors. Glass Lewis also based its recommendation on the Company’s poor performance under the previous board, which included the Nominee Directors, as compared with the Company’s more recent performance under the existing board of directors.

Similarly, ISS points to the failure of the requisitioning shareholders to put forward compelling arguments for a change to the board. Both ISS and Glass Lewis note significant concerns about corporate governance under the requisitioners’ proposals, as well as the lack of transparency around the requisitioning shareholders’ ownership.

The Petropavlovsk board of directors is pleased that both proxy advisory firms recognise the paucity of arguments used by the requisitioning shareholders in seeking to replace the entire current board with a small number of candidates, all of whom have previous connections to the Company.

The board believes that Resolutions 13 to 23 (inclusive) will not promote the success of, and are not in the best interests of, the Company and its shareholders as a whole. The board therefore recommends that shareholders VOTE AGAINST RESOLUTIONS 13 TO 23, as the directors intend to do in respect of their own beneficial shareholdings in the Company.

Furthermore, the board believes that Resolutions 1 to 12 (inclusive) are in the best interests of the Company and its shareholders as a whole and, accordingly, recommends that shareholders VOTE IN FAVOUR OF RESOLUTIONS 1 TO 12 (INCLUSIVE), as the directors intend to do in respect of their own beneficial shareholdings in the Company.

Given the level of shareholding by the requisitioning shareholders and their supporters, it is imperative that as many shareholders as possible vote at the Annual General Meeting to determine the wishes of independent shareholders. A share not voted may represent a vote for the requisitioning shareholders' proposals.

Enquiries

For more information:

Petropavlovsk PLC

Alya Samokhvalova
Grace Hanratty
+44 (0)20 7201 8900
TeamIR@petropavlovsk.net

Camarco

Billy Clegg
Jane Glover
Nick Hennis
+44 (0)20 3757 4980
POG@camarco.co.uk

Notes to Editors:

About ISS:

The following details are from ISS's website, www.issgovernance.com. Full details of the services provided by ISS can be found on ISS's website.

"Institutional Shareholder Services Inc. (ISS) is the world's leading provider of corporate governance and responsible investment (RI) solutions for asset owners, asset managers, hedge funds and asset service providers. ISS' solutions include: objective governance research and recommendations.

Institutional clients turn to ISS to apply their corporate governance views, identify environmental, social and governance risk, and manage their complete proxy voting needs on a global basis.

ISS covers approximately 42,000 meetings in 115 countries yearly, delivering proxy research and vote recommendations while working closely with clients to execute more than 9.6 million ballots representing 3.7 trillion shares. ISS' RI research covers more than 20,000 companies across the globe."

About Glass Lewis:

The following details are from Glass Lewis's website, www.glasslewis.com. Full details of the services provided by Glass Lewis can be found on Glass Lewis's website.

"We are a trusted ally of more than 1,200 investors globally who use our high-quality, unbiased Proxy Paper research.

Since a group of finance, accounting and legal professionals came together in 2003 to found Glass Lewis, we have focused on providing corporate governance solutions that deliver transparency and efficiency to investment, operations and compliance teams.

Clients: 1,300+ clients, including the majority of the world's largest pension plans, mutual funds and asset managers, who collectively manage more than \$35 trillion in assets."

About Petropavlovsk

Petropavlovsk is one of Russia's leading gold mining companies. As at 31 March 2018, the Company had produced approximately 6.9Moz of gold.

At this time, Petropavlovsk is in the construction phase of a state of the art pressure oxidation facility to process the Company's substantial refractory resource base. The Company's combined 3,430km² license holding has untapped resource potential. The Company is a leading employer and contributor to the development of the local economy in the Amur region, Russian Far East, where it has operated since 1994.

Petropavlovsk is a shareholder (31.1%) of IRC Limited and is the guarantor of the US\$340 million project finance facility (US\$234 million principal outstanding as at 31 March 2018). IRC is a vertically integrated iron ore producer and developer in the Russian Far East and North-eastern China. IRC is listed on the Hong Kong Stock Exchange (ticker: 1029.HK).

Petropavlovsk is listed on the Main Market of the London Stock Exchange (ticker POG:LN).