



PRESS RELEASE

5 June 2018

Petrovavlovsk PLC (the “Company”) Update on Shareholder Requisition

As previously announced, CABS Platform Limited and Slevin Ltd (“CABS” and “Slevin” respectively) own approximately 9.1% of the Company’s shares in aggregate and have jointly requisitioned for proposals at the Company’s upcoming Annual General Meeting to replace all of the current Board. Further to the Company’s notice to the Annual General Meeting regarding the request to disclose the identity of the controlling persons of the entities that have made requisition proposals, the following has been disclosed by CABS and Slevin:

- The legal registered shareholder of CABS is Patia Trading Limited (“Patia”), and the sole legal owner of Patia is Mrs Olena Dorati (“Mrs Dorati”). Beyond Mrs Dorati, there is no further information on the identity of the ownership of Patia, which is registered in Cyprus. We understand that Patia holds the shares in CABS on trust for ultimate unrelated beneficiaries. The details of these beneficiaries have not been provided to us.
- Slevin is owned by Redland Capital Holdings Inc, registered in Tortolla, BVI, which has the legal and beneficial ownership of the shares for Lacetti Foundation, registered in Liechtenstein.

Following this additional information about the beneficial ownership structure of CABS and Slevin, the Board of the Company wishes to make the following statement:

The Board is investigating further the newly disclosed entities and Mrs Dorati. However, the Board considers that this is just another level of cascading shell companies being used by the mystery owner and that there may be several further layers before the true identity of the respective controlling persons are disclosed. The Board sees no sign yet of a decision-maker with the requisite experience in the gold mining sector to make the claims in the requisition, the financial resources to set this scheme up, or the required expertise to formulate a strategy that will deliver returns for all shareholders.

The Board has noted what seems to be the extraordinary lengths taken by the mystery owner in hiding the identity of the beneficial owners from the rest of the Company’s shareholders and can only assume that there are material reasons for doing so. The Board calls again upon the mystery owners’ nominee directors to exercise their fiduciary duty to treat all shareholders equally and to disclose what they know of the mystery owner and any arrangements that they may have with other shareholders.

For the sake of good corporate governance, the Board also calls upon Fincraft Holdings Ltd and Mr Rakishev to withdraw his support for the mystery owner unless CABS and Slevin reveal the true identity of their beneficial owners and what the motives of these owners are.

The Board remains open to dialogue with all shareholders, including Mr. Rakishev and the requisitioning holders, and is committed to acting in the best interest of these shareholders.

Defined terms in this announcement shall have the meaning ascribed to them in the Notice of Annual General Meeting Circular sent to shareholders on 31 May 2018.

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).

Enquiries

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