



PETROPAVLOVSK

PRESS RELEASE

17 August 2020

Petropavlovsk PLC

Governance and Management Update

Petropavlovsk PLC ("Petropavlovsk" or the "Company" or, together with its subsidiaries, the "Group") is pleased to provide an update to its shareholders following the changes to the board of directors of the Company (the "Board") implemented at the Requisitioned General Meeting on 10 August 2020 (the "RGM").

The Board's immediate priority has been to ensure the on-going stability of operations. At the same time, the Board has sought to establish a clear process to strengthen the governance of the Group to ensure best practice for all shareholders under the UK Corporate Governance Code.

Appointment of Interim CEO and process towards effective long-term governance

The Board has appointed Maksim Meshcheriakov as Interim Chief Executive Officer with immediate effect. At his appointment, Mr. Meshcheriakov will not be a director of the Company. The appointment of a permanent Chief Executive Officer and other executive management roles will be determined by the Board in due course. Mr. Meshcheriakov is expected to be a candidate for the Chief Executive Officer role. Dr Pavel Maslovskiy has left the Company.

The Board is also pleased to announce that it has appointed James W. Cameron Jr., an existing Independent Non-Executive Director, as Chairman. Charlotte Philipps has been appointed as Senior Independent Director. The other directors remain Katia Ray (Independent Non-Executive Director) and Maksim Kharin (Non-Executive Director).

The Board is committed to ensuring it has the necessary strength and breadth, including appointing additional Independent Non-Executive Directors. The Board will shortly engage an external search consultancy to assist it in those appointments.

Following the changes to the Board, and pending the appointment of additional Non-Executive Directors, Directors will have membership of the following Board committees:

- The Nomination Committee, the Risk Committee and the Safety, Sustainability & Workforce Committee will each include all four members of the Board;
- The Remuneration Committee will consist of the two Independent Non-Executive directors, Charlotte Philipps and Katia Ray; and
- The Audit Committee will consist of the Chairman, Independent Non-Executive Director, Charlotte Philipps and Non-Executive Director Maksim Kharin.

Commitment to delivering value for all shareholders

The Board is committed to delivering value for all shareholders of Petropavlovsk and to ensuring an effective dialogue with shareholders going forward. Over the coming weeks, the Independent Directors will

engage with the Company's largest shareholders and institutional investors to better understand their views and to set out a clear process to enshrine effective corporate governance for the future.

To support this process, the Board intends to appoint Citigroup Global Markets Limited and UBS Investment Bank as its new joint corporate brokers. In addition, it has appointed Weil, Gotshal & Manges (London) LLP to provide legal advice to the Board.

Chairman James W. Cameron Jr said:

"The immediate priority of the Board is to ensure the stability of the management of the business and its assets, and we are delighted with the appointment of Mr Meshcheriakov. Our next step is to provide a robust and transparent governance structure that will command the trust and support of all stakeholders. In my new role as Chairman, I am delighted to have the opportunity to begin that process so that we can return the internal and external focus to our strong asset base and operations."

About Maksim Meshcheriakov

Mr. Meshcheriakov has more than 17 years of mining experience and has been involved in various projects in mining, metallurgical and other sectors, including most recently as Director General of Traxys' tin project in Russia. Mr. Meshcheriakov has held several board positions with AGD and Bank Vozrozhdenie. Mr. Meshcheriakov graduated from Tyumen International Institute of Economics and Law (including two years at Edinburgh University) and has completed Harvard Business School's General Management Program.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

About Petropavlovsk

Petropavlovsk PLC (LSE: POG. MOEX: POGR) is a major integrated Russian gold producer with JORC Resources of 21.03Moz Au which include Reserves of 8.46Moz Au. Following its IPO on the Alternative Investment Market (AIM) in 2002, Petropavlovsk was promoted to the London Stock Exchange in 2009, where today it is a Premium Listed company and a constituent of the FTSE 250, FTSE 350 and FTSE All Share indices.

The Company's key operating mines (Pioneer, Malomir and Albyn) are in the Amur Region in the Russian Far East. Petropavlovsk has produced a total of c.7.8Moz of gold since operations began in 1994 and has a strong track record of mine development, expansion and asset optimisation.

The Group recently entered a new era of growth following the successful commissioning and start-up of its flagship asset, the Pressure Oxidation (POX) Hub at Pokrovskiy, which enables the processing of the Company's abundant refractory reserves and resources.

Petropavlovsk is one of the region's largest employers and one of the largest contributors to the sustainable development of the local economy.

For more information

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