



PRESS RELEASE

9 October 2020

Petropavlovsk PLC (“Petropavlovsk” or the “Company”)

Update on Publication of Interim Accounts and Guidance Update

Further to the announcement on 21 September 2020 confirming the appointment of new auditors, Petropavlovsk confirms that it intends to publish its interim accounts for the period ending 30 June 2020 in the second half of October 2020.

The Group's mines continue to operate as normal and the Group continues to progress the implementation of a robust and transparent control framework for the Group.

Following the completion of the quarter ending 30 September 2020, we expect full year 2020 production to be below the previous guidance range, largely due to:

- lower than expected grades, primarily from third-party material; and
- logistical issues associated with COVID-19 impacting deliveries of third-party concentrates

The impact on profitability will be less significant given the lower margins on third-party production processing.

Management has also decided to delay full commissioning of the Pioneer flotation plant from Q4 2020 until Q2 2021. This reflects delays to the commissioning of some equipment items and a desire to avoid full commissioning during the winter months. During this period we will continue to process stockpiles of lower grade non-refractory ore at the Pioneer RIP plant.

The impact on full year 2020 guidance, assuming no further significant disruption arising from the current COVID-19 pandemic, is as follows:

Total Group Production (includes processing of third-party refractory concentrates):

- Between 560koz to 600koz (versus previous forecasts of 620koz to 720koz)

Gold production (Company's own ore):

- Between 395koz and 415koz (versus previous 430koz to 460koz)
- Lower grades from Malomir underground and slower development of underground operations at the Andreevskaya zone at Pioneer

TCC (Company's own gold production):

- Between US\$800/oz and US\$850/oz (versus previous US\$700/oz to US\$800/oz)
- Lower production and higher unit costs at the POX Hub due to lower throughput following the delay to the start-up of the Pioneer flotation plant

Capital Expenditure:

- Between US\$90m to US\$100m (versus previous US\$70m to \$80m)
- Reclassification of part of Pioneer underground workings as Capex, accelerated expenditure on the Malomir flotation plant expansion and POX related upgrade expenditures

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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This release may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this release and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the future price of gold, the Group's results of operations, financial position, liquidity, prospects, growth, estimation of mineral reserves and resources and strategies, and exchange rates and the expectations of the industry. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances outside the control of the Group. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates may differ materially from those described in, or suggested by, any forward- looking statements contained in this release. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward looking statements contained in this release, those developments may not be indicative of developments in subsequent periods. A number of factors could cause results and/or developments to differ materially from those expressed or implied by the forward-looking statements including, without

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