



Sadovaya Group

Current report no. 16/2012
Dated 18 June 2012

MAY 2012 PRODUCTION UPDATE

Sadovaya Group S.A., a joint stock company under Luxembourg law, with registered office at 412F, route d'Esch, L-2086 Luxembourg, registered in the Luxembourg Register of Companies under No. B 153.489, (the "Company"), hereby provides update on coal production in May 2012:

- Coal sales decreased by 13.1% month-on-month on slowdown of electricity consumption from industry and households
- Coal mining increased by 3.4% month-on-month and 41.1% year-on-year

Development of module enrichment complex (MEC) construction (please find photos of construction progress on the next page):

- We started to assemble steelworks of the main building and continued to assemble steelworks for other MEC buildings
- Supply of technological equipment is ongoing (conveyors, separators)
- We plan to start testing works of MEC with first coal output in July, 2012

<i>in tonnes</i>	May 2012	May 2011	% change, y-o-y	April 2012	% change, m-o-m	Year-to-date 2012	Year-to-date 2011	% change , y-o-y
Coal sold	67,881	118,026	-42.5%	78,098	-13.1%	339,409	509,593	-33.4%
Coal mined	43,900	31,120	41.1%	42,450	3.4%	189,560	157,366	20.5%
<i>including:</i>								
<i>Sadovaya mine</i>	25,940	19,910	30.3%	24,470	6.0%	96,470	81,758	18.0%
<i>Rassvet-1 mine</i>	17,960	11,210	60.2%	17,980	-0.1%	93,090	75,608	23.1%
Coal recovered from waste dumps	-	5,140	n/a	-	n/a	7,985	16,051	-50.3%

Legal grounds: article 56.1 in connection with article 56.6 of the Act of 29 July 2005 on the public offering, conditions governing the introduction of financial instruments to organised trading system and on public companies.

Signatures of individual authorised to represent the Company:
Viktor Chornogor

Modular enrichment complex construction progress

