

Current report no. 19/2012  
Dated 19 July 2012

### JUNE 2012 PRODUCTION UPDATE

Sadovaya Group S.A., a joint stock company under Luxembourg law, with registered office at 65, boulevard Grande-Duchesse Charlotte L-1331 Luxembourg, registered in the Luxembourg Register of Companies under No. B 153.489, (the "Company"), hereby provides update on coal production in June 2012:

- Coal sales decreased by 30.2% month-on-month on demand slowdown during summer months. As of today the demand remains weak.
- Coal mining decreased by 12.9% month-on-month. Taking into account coal demand slowdown part of the time the mines spent on planned annual repairs.
- Launch of the new longwall on Rassvet-1 mine is scheduled on late July-August 2012.

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

- All steelworks have been assembled. The process of paneling has been started.
- Supply of technological equipment is ongoing (separators). All conveyors and other technological equipment have been installed.
- The official launch of the MEC is scheduled on late August.

<i>in tonnes</i>	June 2012	June 2011	% change, y-o-y	May 2012	% change, m-o-m	Year-to-date 2012	Year-to-date 2011	% change, y-o-y
Coal sold	47 360	91 629	-48.3%	67 881	-30.2%	386 769	601 222	-35.7%
Coal mined	38 250	39 025	-2.0%	43 900	-12.9%	227 810	196 391	16.0%
<i>including:</i>								
<i>Sadovaya mine</i>	21 210	20 075	5.7%	25 940	-18.2%	117 680	101 833	15.6%
<i>Rassvet-1 mine</i>	17 040	18 950	-10.1%	17 960	-5.1%	110 130	94 558	16.5%
Coal recovered from waste dumps	-	5 335	n/a	-	n/a	7 985	21 386	-62.7%

**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

