



Current report no. 21/2011
Dated 1 July 2011

NEW LONGWALL LAUNCH AT SADOVAYA MINE

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 informs that

the new longwall on k₇^H coal-seam on Sadovaya mine was successfully put into operation. We expect it to operate at full capacity since October 2011 with monthly coal output of up to 9 ths. tons or 108 ths. tons per year. Coal reserves at the longwall comprise 146 ths. tons with the seam thickness of about 1.4 meters. Launch of this longwall is a part of Sadovaya Group development plan that will significantly increase coal output on Sadovaya mine and total share of own coal in the Group sales.

Legal grounds: Art.14 of the Luxembourg Law of 9 May 2006 on market abuse, and Art. 56 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