

Current report no. 28/2011
Dated 19 September 2011

EBRD PROJECT FINANCING

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

Interdon, the wholly owned subsidiary of the Company, is currently negotiating with European Bank of Reconstruction and Development the loan of up to USD 36 mln. The funds will be used for construction and installation of four coal recovery complexes for waste dumps and tailings ponds reprocessing as well as purchase of additional waste coal reserves.

Total project costs are estimated at up to USD 48 mln including up to USD 12 mln of Sadovaya's participation and up to USD 36 mln of EBRD project financing. Existing Interdon's waste coal reserve assets form main part of Sadovaya's contribution. The project has already passed concept review and is pending final board review which is scheduled for 22 November 2011.

For additional information regarding the project please follow the EBRD official announcement at <http://www.ebrd.com/pages/project/psd/2011/42621.shtml>

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