



Sadovaya Group

Current report no.36/2011

Dated 13 December 2011

NEW LONGWALL LAUNCH ON RASSVET-1 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

on 12 December 2011 the new longwall on l_6 coal-seam on Rassvet-1 mine ("the longwall") was successfully put into operation in the test mode. Official launch of the longwall is scheduled for 20 December 2011. The Company expects the longwall to operate at full capacity since February 2012 with monthly coal output of up to 18,000 tonnes or 216,000 tonnes p.a. Coal reserves at the longwall comprise 585 ths. tonnes, which is sufficient for 2.5 years of operation in full mode; seam thickness is about 0.8m. Launching of the longwall is part of Sadovaya Group announced development plan.

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