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IRC Limited 鐵江現貨有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 1029)

IRC OBTAIN ICBC WAIVERS UPDATE ON ICBC PROJECT FINANCE FACILITY

Thursday, 21 June 2018: This announcement is made by IRC Limited (“**IRC**” or the “**Company**”, together with its subsidiaries, the “**Group**”; Stock Code 1029) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (“**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

ICBC Waivers

The Company is pleased to announce that Industrial and Commercial Bank of China Ltd (“**ICBC**”) have confirmed that all conditions precedent to the grant of the ICBC waivers have been fulfilled and the waivers are now effective.

As set out in the Company’s announcement of 20 June 2018, ICBC has agreed to grant waivers to the Group in respect of a US\$340 million project finance facility between the Company’s wholly-owned subsidiary, Kimkano-Sutarsky Mining and Beneficiation Plant LLC (“**K&S**”) and ICBC, entered into on 13 December 2010 (the “**Project Finance Facility**”), including obligations to maintain the debt service reserve account with ICBC and obligations of K&S and its guarantor Petropavlovsk PLC to comply with certain financial covenants, subject to the fulfillment of certain conditions precedent.

The Company is pleased to announce that later on 20 June 2018, after trading hours, ICBC informed the Company that all conditions precedent have been fulfilled, and the waivers are now effective. The waivers obtained include a waiver from the obligation of the Group to maintain the debt service reserve account until the earlier of, the date on which the security under the Project Finance Facility is released, and 31 December 2018 (both days inclusive). The waiver from the obligations of K&S and Petropavlovsk PLC to comply with certain financial covenants is effective until the earlier of, the date on which the security under the Project Finance Facility is released, and 31 December 2018 (both days inclusive).

ICBC Project Finance Facility

As stated in the Company's announcement dated 13 June 2018, the amount outstanding under the Project Finance Facility was approximately US\$234 million and an instalment of principal and interest of approximately US\$35 million was due for payment by K&S to ICBC on 20 June 2018.

The payment of approximately US\$35 million to ICBC was made on 20 June 2018, within the required time frame. The outstanding ICBC loan principal has been reduced to approximately US\$204 million. The amount paid to ICBC was funded by a bridge loan obtained from Petropavlovsk PLC, as noted in the Company's announcement of 13 June 2018, and internal cash resources of the Group.

By Order of the Board
IRC Limited
Yury Makarov
Chief Executive Officer

Hong Kong, People's Republic of China
Thursday, 21 June 2018

As at the date of this announcement, the Executive Directors of the Company are Mr Yury Makarov and Mr Danila Kotlyarov. The Non-Executive Directors are Mr George Jay Hambro, Mr Benjamin Tze For Ng, and Mr Chi Kin Cheng. The Independent Non-Executive Directors are Mr Daniel Bradshaw, Mr Chuang-Fei Li, Mr Simon Murray, CBE, Chevalier de la Légion d'Honneur, Mr Jonathan Martin Smith and Mr Raymond Kar Tung Woo.

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