

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF HOLDERS. IF HOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK INDEPENDENT ADVICE, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER.

THIS NOTICE DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITY AND IS BEING SENT TO HOLDERS SOLELY IN THEIR CAPACITY AS SUCH IN CONNECTION WITH THE MEETING (AS DEFINED BELOW). THIS DOES NOT AFFECT THE RIGHT OF HOLDERS TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING IN ACCORDANCE WITH THE PROVISIONS OF THE TRUST DEED AS DEFINED BELOW)

THE DISTRIBUTION OF THIS NOTICE AND THE WRITTEN RESOLUTION TO WHICH IT RELATES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PERSONS INTO WHOSE POSSESSION THIS NOTICE AND THE WRITTEN RESOLUTION TO WHICH IT RELATES COME ARE REQUIRED BY PJSC KOKS, THE ISSUER, THE TRUSTEE AND THE PRINCIPAL PAYING AGENT TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

This notice must be read in conjunction with the Written Resolution. This notice and the Written Resolution contain important information which should be read carefully before any decision is made with respect to the Written Resolution. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to sign the Written Resolution.

None of PJSC KOKS, the Issuer, the Trustee, the Principal Paying Agent or any director, officer, employee, agent or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Proposals and/or the Written Resolution, and accordingly none of PJSC KOKS, the Issuer, the Trustee and the Principal Paying Agent or their respective directors, officers, employees, affiliates, advisers or agents makes any recommendation as to whether Noteholders should sign the Written Resolution, or refrain from taking any action, and none of them has authorised any person to make such recommendation.

This notice is for informational purposes only. The Written Resolutions are sought only in such jurisdictions as is permitted under applicable law.

If you have recently sold or otherwise transferred your entire holding(s) of Notes referred to below, you should immediately forward this notice to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

12 December 2022

**PJSC "KOKS"
(THE "COMPANY")**

U.S.\$350,000,000 5.90 per cent. loan participation notes due 2025 (the "Notes") issued by, but with limited recourse to, IMH Capital D.A.C. (the "Issuer") for the purpose of extending a loan to the Company (the "Loan"), such loan unconditionally and irrevocably guaranteed by JSC Kombinat KMARuda, LLC Tikhova Mine, LLC "Uchastok "Koksovyi" and JSC Tulachermet (Regulation S ISIN: XS2232013263, Common Code: 223201326

Rule 144A ISIN: US44970CAA53, CUSIP: 44970C AA5, Rule 144A Common Code: 223126570)

The Company is soliciting consents of the holders of the Notes (the "**Noteholders**") to the proposals set out herein (the "**Proposals**") to be approved by a written resolution of the Noteholders (the "**Written Resolution**") adopted pursuant to paragraph 8 (*Written Resolution and Electronic Consent*) of Schedule 6 (*Provisions for Meeting of Noteholders*) of the Trust Deed dated 23 September 2020 between IMH Capital D.A.C. (the "**Issuer**") and Citibank, N.A., London Branch, as supplemented by the Deed of Amendment dated 26 October 2022 (the "**Deed of Amendment**") (the "**Trust Deed**").

Terms defined in the Trust Deed or the Written Resolution shall have the same meaning herein unless the context requires otherwise.

1. Background

Following the events of the recent months, the United States, the United Kingdom, the European Union and certain other countries have introduced a number of sanctions and restrictive measures against Russia and Russian companies. In response to the sanctions, the Russian Federation have announced certain counter-measures aimed, among other things, at stabilising the Russian FX market and limiting the outflow of foreign currency and capital from Russia. These sanctions and counter-measures resulted in a significant disruption of the payment and settlement infrastructure pertaining to the notes issued with a sole purpose of financing Russian borrowers and had a material adverse effect on the ability of the Issuer to effect payment under the Notes.

On 26 September 2022, the Company convened a meeting of Noteholders which, *inter alia*, approved certain amendments to the payment mechanics under the Notes and extended grace periods for payments under the Loan Agreement. Notwithstanding that, the Company would like to further amend the Loan Agreement, the Trust Deed, the Paying Agency Agreement and the Conditions to ensure that the Noteholders' rights are not prejudiced and with a view to facilitate payments in relation to the Notes explicitly allowing additional payment options as specified in Sections 2(c) (*Proposals sought by way of the Written Resolutions - Further amendments of the payment mechanics, the "Updated Alternative Payment Mechanics"*) below.

Furthermore, Russian restrictive measures require the Company to obtain a governmental approval for payments under the Loan Agreement to certain jurisdictions. Currently effective grace period for payments under the Loan Agreement of 50 calendar days may become insufficient if responses from the authorities fall slightly behind current common terms. In this respect, the Company would like to extend the grace period under the Loan Agreement to 90 calendar days as specified in Section 2(b) (*Proposals sought by way of the Written Resolutions – Further Extension of the grace period for payment under the Loan Agreement*) below.

In addition, the Company would like to simplify the process of cancelling Notes acquired by the Borrower, any Guarantor or any of their respective Subsidiaries as specified in Section 2 (d) (*Proposals sought by way of the Written Resolutions – Simplification of cancellation of the Notes*) below.

Finally, the Company would like to invite the Noteholders to waive any breaches or defaults, which may transpire or may have transpired, directly or indirectly, due to abovementioned disruption of the payment and settlement infrastructure pertaining to the notes issued with a sole purpose of financing Russian borrowers or similar funding structures. The invitation to waive any breaches or defaults is specified in Section 2(a) (*Proposals sought by way of the Written Resolutions – The waiver*) below.

2. Proposals sought by way of the Written Resolution

a. The waiver

The Noteholders are invited to waive any breaches of or defaults under (potential breaches of or potential defaults under) the provisions of the Loan Agreement, the Trust Deed, the Paying Agency Agreement and the Conditions arising or have arisen as a result of the Issuer or the Company effecting payments of principal, interest and other amounts in accordance with the Original Payment Option, the Direct Payment Option or Alternative Payment Options, including, for the avoidance of doubt, payment of coupon due on 23 September 2022 or, as a case may be, as a result of declaration, performance or future performance of any other payment obligations incurred by the Company in the year ending 31 December 2022.

b. Further extension of the grace period for payment under the Loan Agreement

Russian restrictive measures require the Company to obtain a governmental approval for payments under the Loan Agreement to certain jurisdictions. Currently effective grace period for payments under the Loan Agreement of 50 calendar days may become insufficient if responses from the authorities fall slightly behind current common terms.

The Company is seeking the Noteholders' approval to increase the grace period for the payment of principal, interest and other amounts under the Loan Agreement to 90 calendar days.

c. Further amendments of the payment mechanics (the "Updated Alternative Payment Mechanics")

As discussed above, the Company would like to further improve payment mechanics under the Notes and to explicitly allow payments by third parties as well as direct payments in currencies other than Russian rubles.

Notwithstanding the provisions of the Loan Agreement and the Paying Agency Agreement, the Company will pay or procure payment of principal, interest or other amounts due under the Notes in the following manner:

1. In accordance with Russian regulations, in Russian rubles directly to the Noteholders who have accounts with the National Settlement Depository or provided the Company with depo accounts within other Russian depositories (the "**Direct Payment Option**").
2. At the Company's sole discretion directly to the Noteholders who provided the Company with details of their nominal, escrow or any other bank accounts denominated in RUB. The payment will be made in RUB provided that the Company has received necessary government approval (as required in certain cases) and the Company is satisfied with the documents confirming ownership of the Notes provided by relevant Noteholders (the "**Alternative RUB Payment Option**").
3. At the Company's sole discretion directly to the Noteholders who provided the Company with details of their nominal, escrow or any other bank accounts denominated in USD or other currencies other than RUB. The payment will be made in USD or such other currency provided that the Company received necessary government approvals and the Company is satisfied with the documents confirming ownership of the Notes provided by relevant Noteholders (the "**Alternative Currency Payment Option**", together with the Alternative RUB Payment Option, the "**Alternative Payment Options**"). Hereinafter the Notes in respect of which either of the Direct Payment Option or any of the Alternative Payment Options is exercised are collectively referred to as the "**Excluded Notes**".
4. Payments under the Notes other than the Excluded Notes shall be made through the Principal Paying Agent as envisaged by the Trust Deed and Paying Agency Agreement provided that the Company received necessary government approval (the "**Original Payment Option**").
5. If the Company does not receive necessary government approvals for the execution of the Alternative Payment Options or the Original Payment Option or reasonably believes that the payment under the Alternative Currency Payment Option or the Original Payment Option could not be transferred to the Noteholders due to any limitations imposed by any Paying Agent or any payee's, correspondent or intermediary bank (such Notes in respect of which the Alternative Payment Options or the Original Payment Option are not executed are referred to as the "**Special Accounts Notes**"), the Company may at its discretion decide that the amounts due on the Special Accounts Notes will be transferred to special accounts denominated in Russian rubles opened for the benefit of Noteholders (in particular, type "C" and type "D" accounts).

Provided that in each case 1 through 5 described above, the payments can be made by a third party and payment obligations under the Notes shall be discharged when the appropriate funds are debited from the Issuer's, the Company's or such third party bank account (as applicable).

d. Simplification of cancellation of the Notes

The Conditions of the Notes state that the Notes may be purchased by the Issuer, the Company or any member of the Group and delivered to the Issuer for cancellation. Due to current restrictive measures, including the full blocking sanctions introduced by the U.S., the EU and the UK, standard cancellation of the Notes via European ICSDs became ineffective.

By passing the Written Resolution, all Notes that will be purchased and/or otherwise acquired by or on behalf of the Issuer, the Company, any member of the Group or a person designated by the Company (the "**Designated Notes**") shall be cancelled or, alternatively, shall be designated by the respective Issuer or the Company as deemed cancelled forthwith upon notification of the Trustee, the Principal Paying Agent and the Registrar made by the Issuer or the Company in a form of a written certificate. The notification shall be accompanied by documents confirming the purchase and ownership of the Notes. No interest shall accrue on, and no principal amount shall be payable in respect of, the Designated Notes, from (and including) the date when the Issuer or the Company notifies the Trustee, the Principal Paying Agent and the Registrar of the Designated Notes having been submitted or surrendered for cancellation (regardless of whether or not such Designated Notes are in fact cancelled) (the "**Designation Date**"). Such Designated Notes shall not be deemed to be outstanding for purposes of the Trust Deed and the Notes. Accordingly, neither the Issuer nor the Company will be liable to pay any amounts on any such Designated Notes from (and including) any Designation Date.

3. Execution requirements and effectiveness condition

In accordance with paragraph 8 (*Written Resolution and Electronic Consent*) of Schedule 5 (*Provisions for Meetings of Noteholders*) of the Trust Deed, the Written Resolution would become effective if signed by or on behalf of Noteholders representing in aggregate not less than 75 per cent. in principal amount of the Notes outstanding at the time (the "**Effectiveness Condition**").

The Company also reserve the right at any time to waive any or all of the conditions of the Written Resolution (including with respect to the proof of holding), other than the Effectiveness Condition, at its sole and absolute discretion.

To validly participate, a Noteholder who holds the Notes as of 16 December 2022, i.e. the date as of which the Noteholders eligible to consent to the Proposals are to be determined (the "**Record Date**"), should deliver, or arrange to have delivered on its behalf, a valid Written Resolution, duly completed and executed, to i2 Capital Markets (the "**Tabulation Agent**") by no later than 4:00 p.m. (London time) on 20 December 2022 (the "**Approval Deadline**").

Written Resolutions should be sent to the Tabulation Agent by first registering on the Consent Solicitation Website at <https://i2capmark.com/event-details/77/Holder/psjc-koks> and then uploading completed Written Resolutions in pdf format to the "My Holding" section on the Consent Solicitation Website using the "uploads" function. To register and access the Consent Solicitation Website the Noteholders are required to represent to the Tabulation Agent that they are a Noteholder or otherwise act on behalf, or in the interests, of a Noteholder. In order to submit completed Written Resolutions, Noteholders are required to provide proof of holding as of the Record Date. Acceptable forms of proof of holding may include (i) a Statement of Account for the Purpose of Proof of Holding (a STAC) (as defined below), or screenshot from Euroclear, Clearstream, Luxembourg or DTC, an extract or statement from any depository or any other document or information (which in the opinion of the Company) will sufficiently evidence the proof of holding with respect to the Notes, or (ii) a statement of account or holdings report from a Direct Participant, each acceptable form of proof of holding confirming (a) the Euroclear, Clearstream, Luxembourg or DTC Direct Participant name and account number, (b) the full name or legal entity name of the Noteholder, (c) the security and/or ISIN held, and (d) the aggregate amount of the Notes held. Noteholders should contact their Euroclear, Clearstream, Luxembourg or DTC representative, and Noteholders who are not Direct Participants, shall contact their bank, securities broker or other intermediary through which they hold the Notes immediately to obtain proof of holding, or (iii) a statement of account or holdings reports from such other intermediary (including brokers, depositories, custodians and sub-custodians) being the immediate custodian of the account where the relevant Notes are being held by the Noteholder submitting the Written Resolution.

Noteholders may contact the Tabulation Agent via email at psjckoks@i2capmark.com if they require assistance.

Copies of the Written Resolution will be available from Tabulation Agent and can be obtained via the Consent Solicitation Website at <https://i2capmark.com/event-details/77/Holder/psjc-koks>. A person requesting a copy of the Written Resolution shall make a representation that it is a Noteholder or is acting in the interests of a Noteholder.

Announcements in connection with the Written Resolution will be disclosed by the Company on the website of Euronext (<https://direct.euronext.com/#/rispublication>) and/or otherwise be made publicly available.

The Company may, subject to applicable laws and the provisions of the Trust Deed, at their sole and absolute discretion, at any time extend the Approval Deadline, re-open the approval by way of the Written Resolution, amend the Proposals in any respect, delay the acceptance of Written Resolutions until satisfaction or waiver of the conditions to the Written Resolution (including, following the occurrence of the Approval Deadline), terminate the process of seeking the Written Resolution (including disregarding the Written Resolutions delivered before the time of such termination), which will be followed by a respective announcement from the Company as soon as reasonably practicable after the relevant decision is made.

Questions and requests for assistance in connection with the delivery of Written Resolution may be directed to the Tabulation Agent using details indicated below. Questions and requests for assistance in connection with the Written Resolution and the Proposals may also be directed to the Company at popova@metholding.com (indicating "Written Resolution" as the subject) or +7 (910) 410-89-60 (Attention: Ekaterina Popova).

The Tabulation Agent

i2 Capital Markets Ltd.

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Consent Solicitation Website: <https://i2capmark.com/event-details/77/Holder/psjc-koks>