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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS SALE OF RAW MATERIALS

The Company announces that, on 15 November 2016, UC RUSAL TH, a member of the Group, as seller, entered into the Addendum to Green Petroleum Coke Sale Agreement with Closed Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant”, an associate of Mr. Blavatnik, as buyer.

ADDENDUM TO GREEN PETROLEUM COKE SALE AGREEMENT

The Company announces that on 15 November 2016, a member of the Group, as seller, entered into an addendum to the green petroleum coke sale agreement with an associate of Mr. Blavatnik, as buyer, with major terms set out below (the “**Addendum to Green Petroleum Coke Sale Agreement**”):

	Date of addendum	Seller (member of the Group)	Buyer (associate of Mr. Blavatnik)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2017	Estimated consideration payable for the year ending 31 December 2017 excluding VAT (USD)	Scheduled termination date	Payment terms
1	15 November 2016, which is an addendum to the contract dated 1 April 2016 which was de minimis	UC RUSAL TH	Closed Joint Stock Company "ENERGOPROM — Novosibirsk Electrode Plant"	Green petroleum coke	93,310 tons (+/-10%)	10,686,712 (Note 1)	31 December 2017	Payment will be made upon delivery within 25 calendar days from the date of receipt of invoice of goods shipped
	Total estimated consideration payable for the year					10,686,712		

Note:

1. The contract price is agreed between the parties and based on per unit price up to USD104.12/ton.

The consideration under the Addendum to Green Petroleum Coke Sale Agreement is to be paid in cash via bank transfer.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Based on the terms of the Addendum to Green Petroleum Coke Sale Agreement, the annual aggregate transaction amount that is payable by the associate of Mr. Blavatnik to the Group is up to approximately USD10.687 million for the year ending 31 December 2017. The annual aggregate transaction amount is the maximum amount of consideration payable under the terms of the Addendum to Green Petroleum Coke Sale Agreement based on the delivery volume for the year ending 31 December 2017 estimated by the Directors and the demand from the buyer.

The consideration payable under the Addendum to Green Petroleum Coke Sale Agreement is calculated by multiplying the unit price per ton by the volume of supply. The unit price is set out in the note to the table above.

The consideration payable under the Addendum to Green Petroleum Coke Sale Agreement has been arrived at after arm's length negotiation by reference to market price and on terms no less favourable than those prevailing in the Russian market for green petroleum coke of the same type and quality and those offered by members of the Group to independent third parties.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the transactions contemplated under the Addendum to Green Petroleum Coke Sale Agreement are for the benefit of the Company. The green petroleum coke to be sold by the Company under the Addendum to Green Petroleum Coke Sale Agreement will be used by Closed Joint Stock Company "ENERGOPROM — Novosibirsk Electrode Plant" to produce the calcined petroleum coke, which will be sold by Closed Joint Stock Company "ENERGOPROM — Novosibirsk Electrode Plant" to the Group. Therefore the entering into the Addendum to Green Petroleum Coke Sale Agreement would enable the Group to obtain raw materials of the necessary quality for production.

The Directors (including the independent non-executive Directors) consider that the transactions contemplated under the Addendum to Green Petroleum Coke Sale Agreement was entered into on normal commercial terms which are fair and reasonable and the transactions contemplated are in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

None of the Directors have a material interest in the transactions contemplated under the Addendum to Green Petroleum Coke Sale Agreement, save for Mr. Blavatnik, a former non-executive Director who is indirectly interested in more than 30% in Closed Joint Stock Company "ENERGOPROM — Novosibirsk Electrode Plant".

LISTING RULES IMPLICATIONS

Mr. Blavatnik, a former non-executive Director, indirectly holds more than 30% of the issued share capital of Closed Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant”. Closed Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant” is therefore a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the Addendum to Green Petroleum Coke Sale Agreement constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Addendum to Green Petroleum Coke Sale Agreement for the financial year ending 31 December 2017 is more than 0.1% but less than 5% under the applicable percentage ratios. Accordingly, pursuant to Rule 14A.76 of the Listing Rules, the transactions contemplated under this addendum is only subject to the announcement requirements set out in Rules 14A.35 and 14A.68, the annual review requirements set out in Rules 14A.49, 14A.55 to 14A.59, 14A.71 and 14A.72 and the requirements set out in Rules 14A.34 and 14A.50 to 14A.54 of the Listing Rules. These transactions are exempt from the circular and shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Details of the Addendum to Green Petroleum Coke Sale Agreement will be included in the relevant annual report and accounts of the Company in accordance with Rule 14A.71 of the Listing Rules where appropriate.

PRINCIPAL BUSINESS ACTIVITIES

The Company is principally engaged in the production and sale of aluminium, including alloys and value-added products, and alumina.

Closed Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant” is principally engaged in the production of graphite electrodes, carbon electrodes, cathode blocks, calcined petroleum coke and electrode paste.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“associate(s)”	has the same meaning ascribed thereto under the Listing Rules.
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“Board”	the board of Directors.
“Company”	United Company RUSAL Plc, a limited liability company incorporated in Jersey, the shares of which are listed on the main board of the Stock Exchange.
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules.
“continuing connected transactions”	has the same meaning ascribed thereto under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“Group”	the Company and its subsidiaries.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange.
“Mr. Blavatnik”	Mr. Len Blavatnik, a former non-executive Director.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“USD”	United States dollars, the lawful currency of the United States of America.
“VAT”	value added tax.

By Order of the Board of Directors of
United Company RUSAL Plc
Aby Wong Po Ying
Company Secretary

16 November 2016

As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev and Mr. Siegfried Wolf, the non-executive Directors are Mr. Maxim Sokov, Mr. Dmitry Afanasiev, Mr. Ivan Glasenberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Daniel Lesin Wolfe, Ms. Olga Mashkovskaya, and Ms. Ekaterina Nikitina, and the independent non-executive Directors are Mr. Matthias Warnig (Chairman), Mr. Philip Lader, Dr. Elsie Leung Oi-sie, Mr. Mark Garber, Mr. Dmitry Vasiliev and Mr. Bernard Zonneveld.

All announcements and press releases published by the Company are available on its website under the links <http://www.rusal.ru/en/investors/info.aspx>, <http://rusal.ru/investors/info/moex/> and <http://www.rusal.ru/en/press-center/press-releases.aspx>, respectively.