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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS PURCHASE OF RAW MATERIALS FOR REPAIRING

Reference is made to the announcements of the Company dated 22 December 2015 and 28 February 2017 in relation to continuing connected transactions regarding the purchase of raw materials for repairing.

The Company announces that on 21 June 2017, a member of the Group, as buyer, and an associate of Mr. Blavatnik, as supplier, entered into the New Purchase of Raw Materials for Repairing Contracts.

THE NEW PURCHASE OF RAW MATERIALS FOR REPAIRING CONTRACTS

Reference is made to the announcements of the Company dated 22 December 2015 and 28 February 2017 in relation to continuing connected transactions regarding the purchase of raw materials for repairing.

The Company announces that, on 21 June 2017, a member of the Group, as buyer, and an associate of Mr. Blavatnik, as supplier, entered into additional agreements pursuant to which the buyer agreed to buy and the supplier agreed to sell raw materials for repairing (the “**New Purchase of Raw Materials for Repairing Contracts**”). The key terms of the New Purchase of Raw Materials for Repairing Contracts are set out below:

Date of additional agreements	Buyer (member of the Group)	Seller (an associate of Mr. Blavatnik)	Raw materials to be purchased	Estimated purchase volume	Unit price (Net of VAT)	Estimated consideration payable excluding VAT (USD)	Scheduled termination date	Payment terms
Two additional agreements dated 21 June 2017, which are additional agreements to the original contract dated 27 February 2017	JSC “SUAL”	Closed Joint-Stock Company “ENERGOPROM Novosibirsk Electrode Plant”	Carbon graphite products	For year ending 31 December 2017 for both agreements: 2,601.5 tons	Ranges from USD530 per ton to USD1,100 per ton	A total of 2,451,207	31 December 2017	Payment is due within 45 calendar days from the date of shipment
Total estimated consideration payable for the year ending 31 December 2017						2,451,207		

The consideration is to be satisfied in cash via wire transfer.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the New Purchase of Raw Materials for Repairing Contracts and the Previously Disclosed Purchase of Raw Materials for Repairing Contracts should be aggregated, as they were entered into by members of the Group with the associates of Mr. Blavatnik, and the subject matter of each contract relates to the purchase of raw materials from the associates of Mr. Blavatnik by the Group.

The annual aggregate transaction amount that is payable by the Group to the associates of Mr. Blavatnik under the New Purchase of Raw Materials for Repairing Contracts and the Previously Disclosed Purchase of Raw Materials for Repairing Contracts for the financial year ending 31 December 2017 is estimated to be approximately USD31.947 million.

The contract price payable under the New Purchase of Raw Materials for Repairing Contracts has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for raw materials of the same type and quality and those offered by the associate of Mr. Blavatnik to independent third parties.

The Company invited several organizations to take part in the tender in relation to the relevant required purchase of raw materials and chose the contractor offering the best terms and conditions (taking into account the quality offered and the price) and then entered into the contracts with the chosen party. Accordingly, the New Purchase of Raw Materials for Repairing Contracts were entered into.

The annual aggregate transaction amount is estimated by the Directors based on the amount of raw materials to be purchased and their contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the New Purchase of Raw Materials for Repairing Contracts are for the benefit of the Company, as the chosen contractor can supply raw materials to the Group at a satisfactory quality and at a competitive price. The New Purchase of Raw Materials for Repairing Contracts were entered into for the purposes of purchasing raw materials for repair work.

The Directors (including the independent non-executive Directors) consider that the New Purchase of Raw Materials for Repairing Contracts have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Purchase of Raw Materials for Repairing Contracts 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 has a material interest in the transactions contemplated by the New Purchase of Raw Materials for Repairing Contracts save for Mr. Blavatnik who is indirectly interested in more than 30% of 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 an associate of Mr. Blavatnik and a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the New Purchase of Raw Materials for Repairing Contracts and the Previously Disclosed Purchase of Raw Materials for Repairing Contracts constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Purchase of Raw Materials for Repairing Contracts and the Previously Disclosed Purchase of Raw Materials for Repairing Contracts 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 these contracts are 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 New Purchase of Raw Materials for Repairing Contracts and the Previously Disclosed Purchase of Raw Materials for Repairing Contracts 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.
"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 of Hong Kong Limited.
"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 of Hong Kong Limited.
“Mr. Blavatnik”	Mr. Len Blavatnik, a former non-executive Director.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Previously Disclosed Purchase of Raw Materials for Repairing Contracts”	the agreements between members of the Group and the associates of Mr. Blavatnik, pursuant to which the associates of Mr. Blavatnik agreed to supply raw materials to members of the Group in 2017, as disclosed in the announcements of the Company dated 22 December 2015 and 28 February 2017.
“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

22 June 2017

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, Ms. Ekaterina Nikitina and Mr. Marco Musetti, 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.