RUSAL

UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

MANDATE IN RELATION TO THE POTENTIAL ACQUISITION OR DISPOSAL OF SHARES IN NORILSK NICKEL PURSUANT TO A SETTLEMENT AGREEMENT WITH INTERROS WHICH MAY CONSTITUTE A VERY SUBSTANTIAL ACQUISITION OR DISPOSAL OF THE COMPANY

Reference is made to the announcements of the Company dated 4 December 2012, 11 December 2012, 24 December 2012, 25 April 2013, 28 June 2013, 30 August 2013, 1 October 2013, 20 October 2014, 10 July 2015 and 5 April 2016 (the "**Announcements**") and the circular of the Company dated 25 June 2014 (the "**Circular**") regarding the settlement between the Company and Interros in relation to Norilsk Nickel. Unless otherwise stated herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

As disclosed in the Circular, pursuant to the Agreement, there was a lock-up period during which each of the Company and Whiteleave (which has replaced Interros as a party to the Agreement) was prohibited from selling its shares in Norilsk Nickel such that its shareholding in Norilsk Nickel would become lower than 20% (the "**Lock-up**"). Under the Agreement, the Company and Whiteleave may sell/buy shares of Norilsk Nickel held to/from the other pursuant to a buy-sell process ("**Shoot Out**") following the expiry of the Lock-up. As described in the Circular, the Potential Shoot Out Transaction was at the time treated as a major transaction pursuant to the Listing Rules and was approved by way of a written resolution of the Allied Shareholders in lieu of seeking approval of Shareholders at a duly convened general meeting of the Company.

As the Lock-up has now expired, the Shoot Out can be exercised by either the Company or Whiteleave at any time. If the Shoot Out is exercised, the Potential Shoot Out Transaction resulting therefrom may constitute a very substantial acquisition or a very substantial disposal of the Company (depending on the results of the Shoot Out) under Chapter 14 of the Listing Rules and will therefore subject the Company to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

In order to facilitate the Company in its initiation of, or response to, a potential Shoot Out and related matters, the Company proposes to seek the approval of the Shareholders, at the EGM by way of poll, of a Mandate which shall authorise the Board to effect the Potential Shoot Out Transaction as and when appropriate. The Mandate will be granted subject to certain terms set out in this announcement, including the period within which the Mandate will be valid and effective, and the minimum Selling Price and the maximum Purchase Price for the Potential Shoot Out Transaction.

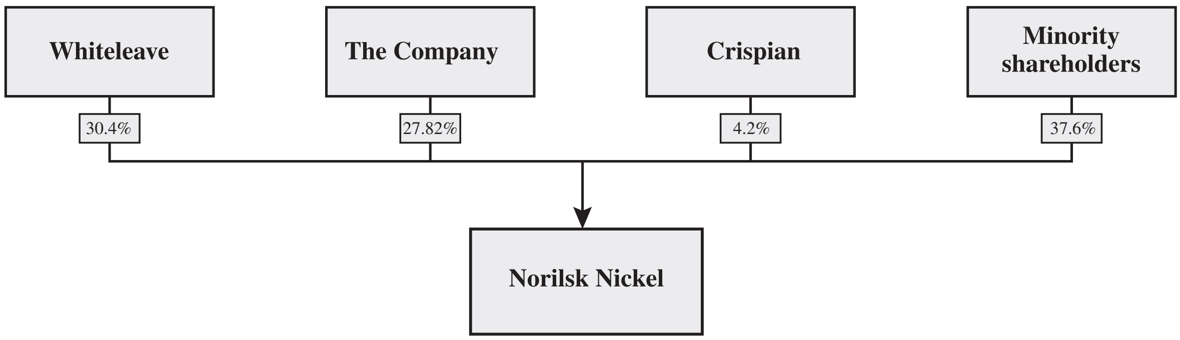
A circular containing, among other things, further details of the Shoot Out as well as any other information required to be disclosed under the Listing Rules is expected to be despatched to the Shareholders on or before Friday, 16 March 2018.

INTRODUCTION

Reference is made to the Announcements and the Circular regarding the settlement in relation to Norilsk Nickel. Unless otherwise stated herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

As disclosed in the Circular, pursuant to the Agreement, there was the Lock-up pursuant to which each of the Company and Whiteleave (which has replaced Interros as a party to the Agreement) was prohibited from selling its shares in Norilsk Nickel such that its shareholding in Norilsk Nickel would become lower than 20%. Under the Agreement, either the Company or Whiteleave may sell/buy the shares of Norilsk Nickel held to/from the other pursuant to the Shoot Out upon the expiry of the Lock-up. As described in the Circular, the Potential Shoot Out Transaction was treated as a major transaction at the time pursuant to the Listing Rules and was approved by way of a written resolution of the Allied Shareholders in lieu of seeking approval of Shareholders at a duly convened general meeting of the Company.

According to the annual report of Norilsk Nickel for 2016, the shareholding structure of Norilsk Nickel was as follows:



THE SHOOT OUT

Under the Agreement, either the Company or Whiteleave (which has replaced Interros as a party to the Agreement) may initiate a Shoot Out by offering to purchase shares of Norilsk Nickel held by the other party or its affiliates at a price not less than the six-month weighted average price of the shares of Norilsk Nickel immediately prior to the offer date plus 20%, at any time following the expiry of the Lock-up up to the expiry of the term of the Agreement (i.e. 1 January 2023).

Following the receipt of the offer, the offeree party shall, within 90 days, either: (i) sell its shares at the offer price, (ii) buy the shares of the offering party at the offered price; or (iii) ask the offering party to acquire its shares at a higher price. If the offeree party asks for a higher price, the offering party is obliged either to buy at the higher price, or sell at the higher price.

In the event a party refuses to honour its aforesaid obligation to sell or purchase shares in Norilsk Nickel, thereby breaching the terms of the Shoot Out in the Agreement, the non-breaching party will be entitled to purchase (and the breaching party shall sell) 1.875% of the issued shares in Norilsk Nickel held by the breaching party at a price of USD1.

As the Lock-up has now expired, the Shoot Out can be exercised by the Company or Whiteleave at any time. If the Shoot Out is exercised, the Company may be required to buy some or all of Whiteleave's shares in Norilsk Nickel or sell some or all of its shares in Norilsk Nickel to Whiteleave, depending on the results of the Shoot Out.

Based on the current financial information of the Company and Norilsk Nickel, the Potential Shoot Out Transaction may constitute a very substantial acquisition or a very substantial disposal of the Company (depending on the results of the Shoot Out) under Chapter 14 of the Listing Rules, and will therefore subject the Company to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

MANDATE

In order to facilitate the Company in its initiation of, or response to, an offer under a potential Shoot Out and related matters, the Company proposes to seek the approval of the Shareholders, at the EGM by way of poll, of a Mandate which shall authorise the Board to effect the Potential Shoot Out Transaction as and when appropriate. The Mandate consists of an Acquisition Mandate and a Disposal Mandate, the terms of which are set out as follows:

Acquisition Mandate

Parties:	(i) The Company and/or such other person or persons designated by the Company (as the purchaser(s)); and (ii) Whiteleave (as the seller).
Maximum number of Norilsk Nickel Shares to be acquired by the Company pursuant to an exercise of the Acquisition Mandate	The maximum number of Norilsk Nickel Shares to be acquired is the number of Norilsk Nickel Shares beneficially owned by Whiteleave (and/or its affiliates).
Mechanism for setting the Purchase Price	Pursuant to the Agreement, the initial offer price per Norilsk Nickel Share should be not less than six-month weighted average price per Norilsk Nickel Share immediately prior to the offer date, plus 20%. Following the approval of the Acquisition Mandate and during the term of the Mandate period, the Board shall be authorised and empowered to determine at its sole and absolute discretion the Purchase Price (including to make an offer to Whiteleave at the Purchase Price or to accept a counter-offered price as the Purchase Price), upon the condition that the maximum Purchase Price shall not exceed USD320. This does not however mean that the Company may not offer a Purchase Price lower than USD320.

Scope of authority under the Acquisition Mandate	Following the approval of the Acquisition Mandate and during the term of the Mandate, the Board is authorised and empowered to determine, decide, execute and implement with full discretion all matters relating to the Shoot Out (or equivalent acquisitions or disposals), including but not limited to the right to make or accept an offer or counter-offer or to agree with the counterparty another transaction process not restricted by the present Shoot Out requirements, subject to the limits as set out in the Acquisition Mandate.
Mandate period	One year from the date the Mandate is granted by relevant ordinary resolutions at the EGM.
Financing	The Company may enter into debt and/or equity financing transactions necessary to comply with the terms of Shoot Out on customary market terms.

Disposal Mandate

Parties:	(i) The Company and/or its affiliates and related persons (as the seller(s)); and (ii) Whiteleave (as the purchaser).
Maximum number of Norilsk Nickel Shares that may be disposed of by the Company pursuant to an exercise of the Disposal Mandate	The maximum number of Norilsk Nickel Shares to be disposed is up to the total number of the Norilsk Nickel Shares held by the Company (and/or its affiliates and related persons).
Mechanism for setting the Selling Price	Pursuant to the Agreement, the initial offer price per Norilsk Nickel Share should be not less than six-month weighted average price per Norilsk Nickel Share immediately prior to the offer date, plus 20%.

	Following the approval of the Disposal Mandate, upon receipt of an offer from Whiteleave and during the term of the Mandate period, the Board shall be authorised and empowered to determine at its sole and absolute discretion the Selling Price (including to accept the offered price as the Selling Price, or to seek a higher Selling Price in a counter-offer), upon the condition that the minimum Selling Price shall not be less than the greater of (i) USD220.8, being the six-month weighted average price per Norilsk Nickel Share as at the date of this announcement, plus 20%; and (ii) six-month weighted average price per Norilsk Nickel Share immediately prior to the offer date, plus 20%.
Scope of authority under the Disposal Mandate	Following the approval of the Disposal Mandate and during the term of the Mandate, the Board shall be authorised and empowered to determine, decide, execute and implement with full discretion all matters relating to the Shoot Out (or equivalent acquisitions or disposals), including but not limited to the right to make or accept an offer or counter-offer or to agree with the counterparty another transaction process not restricted by the present Shoot Out requirements, subject to the limits as set out in the Disposal Mandate.
Mandate period	One year from the date the Mandate is granted by relevant ordinary resolutions at the EGM.

Under the terms of the Shoot Out, the amount of shares that may be subject to such sale or purchase shall be the lesser of the total amount of shares held by Company (and/or its affiliates) and Whiteleave (and/or its affiliates) respectively at the time of the commencement of the Shoot Out. However, it is likely that the Company and Whiteleave may further negotiate for the purchase and sale of the remaining stake held by the party who accepts an offer to sell, as the purpose of the Shoot Out is to buyout the other party. Therefore, the maximum number of Norilsk Nickel Shares that the Board is seeking approval to buy or sell under the Mandate is the maximum number of Norilsk Nickel Shares held by the Company, Whiteleave and their respective affiliates (as applicable). Based on the number of Norilsk Nickel Shares held by the Company, Whiteleave and their respective affiliates as at the date of this announcement, the maximum number of Norilsk Nickel Shares that may be the subject of the Potential Shoot Out Transaction (assuming the parties will buy out the entire stake held by the other in the Shoot Out) is approximately 48,106,624 Norilsk Nickel Shares (being the total number of Norilsk Nickel Shares held by Whiteleave and its affiliates as stated in the 2016 annual report of Norilsk Nickel). This is the maximum number of Norilsk Nickel Shares which may be purchased by the Company pursuant to an exercise of the Mandate (including the Acquisition Mandate and Disposal Mandate). On the basis of such number of Norilsk Nickel Shares, the total consideration payable by the Company upon exercise of an Acquisition Mandate in a Potential Acquisition (assuming the maximum Purchase Price of USD320) would be approximately USD15,394 million, and the total cash amount receivable by the Company upon exercise of a Disposal Mandate in a Potential Disposal (assuming the minimum Selling Price of USD220.8, being the six-month weighted average price per Norilsk Nickel Share as at the date of this announcement, plus 20%) would be approximately USD10,622 million.

Upon being granted the Mandate, the Board would have the full authority and discretion, on behalf of the Company to: (i) make an offer, or accept a counter-offer to acquire Norilsk Nickel Shares held by Whiteleave up to the maximum Purchase Price in accordance with the terms of the Acquisition Mandate; and/or (ii) to accept an offer or counter-offer to sell Norilsk Nickel Shares held by the Company at the minimum Selling Price in accordance with the terms of the Disposal Mandate.

CONSIDERATION

Purchase Price in a potential acquisition pursuant to the Acquisition Mandate

The consideration which may be payable by the Company in respect of an acquisition from Whiteleave under the Acquisition Mandate shall be determined over the Shoot Out process, and shall be not less than six-month weighted average price per Norilsk Nickel Share immediately prior to the offer date, plus 20%.

On the basis of the current shareholding in Norilsk Nickel Shares by the Company, Whiteleave and their respective associates, the maximum total consideration payable under the Shoot Out pursuant to an exercise of the Acquisition Mandate (assuming the mandate is exercised on the date of this announcement) would be USD14,090 million (being an amount equivalent to the maximum Purchase Price of USD320 per Norilsk Nickel Share multiplied by 44,030,958 Norilsk Nickel Shares). In the event the Company further negotiates for the acquisition of the remaining stake held by Whiteleave and its associates resulting from the Shoot Out (up to the maximum number of Norilsk Nickel Shares which may be purchased under the Acquisition Mandate), then the maximum total consideration payable by the Company would be increased to USD15,394 million (being the amount equivalent to the maximum Purchase Price of USD320 per Norilsk Nickel Share multiplied by 48,106,624 Norilsk Nickel Shares (i.e. the total number of Norilsk Nickel Shares held by Whiteleave and its affiliates as shown in the 2016 annual report of Norilsk Nickel).

The minimum Purchase Price payable (being the six-month weighted average price per Norilsk Nickel Share immediately prior to the offer date, plus 20%) was determined based on the terms of the Shoot Out under the Agreement, which was arrived at after arm's length negotiation with a view to settle the previous disputes between the Company and Interros.

The maximum Purchase Price payable of USD320 was determined taking into account, *inter alia*, (a) the audited total asset value of the Norilsk Nickel group of approximately USD16,881 million as at 30 June 2017; (b) an appropriate control premium given the fact that Norilsk Nickel will be consolidated as a subsidiary of the Company following completion of the acquisition; (c) the growth potential of Norilsk Nickel which will further benefit from the development strategy and increased management and oversight by the Company following the consolidation (given the positive track record of the Company in managing metal assets worldwide); (d) the advantages and further synergy that could be derived from the further consolidation of Russia's non-ferrous metal industry resulting from the consolidation of the Group and the Norilsk Nickel group; and (e) the costs incurred by the Group in relation to the Shoot Out.

Selling Price in a potential disposal pursuant to the Disposal Mandate

The consideration that may be received by the Company in respect of a disposal under the Disposal Mandate shall be determined over the Shoot Out process, and the price per share shall not be less than the six-month weighted average price per Norilsk Nickel Share immediately prior to the offer date, plus 20% (being the minimum offer price that may be made in respect of a Shoot Out pursuant to the terms of the Agreement, which was arrived at after arm's length negotiation with a view to settle of the Company's previous disputes with Interros).

Despite the above mechanism for setting the minimum Selling Price pursuant to the terms of the Shoot Out under the Agreement, the Board would suggest that the Company should not accept an offer by Whiteleave of a Selling Price that is lower than USD320. Such minimum Selling Price was determined with reference to the factors set out above which the Board took into consideration when determining the maximum Purchase Price.

PAYMENT TERMS IN RELATION TO THE CONSIDERATION

It is expected that the consideration will be payable in cash and shall be settled on the date of completion of the sale or purchase pursuant to the Shoot Out (which shall take place within 90 days from the date of the relevant offer or counter-offer).

Pursuant to the terms of the Agreement, any offer or counter-offer to purchase Norilsk Nickel Shares held by the offeree party shall be accompanied by a confirmation that the offering party has the money at its disposal and/or a legally binding letter from a bank (or a banking syndicate) with a commitment to provide financing to pay the Purchase Price.

FUNDING OF THE POTENTIAL ACQUISITION

The aggregate consideration (i.e. aggregate Purchase Price) which shall be payable by the Company in respect of a potential acquisition from Whiteleave may be financed by the Company by bank borrowings, through equity financing and/or fund raising platforms as well as internal resources of the Company.

USE OF PROCEEDS FROM THE POTENTIAL DISPOSAL

It is expected that the Company would receive a cash amount of no less than USD 9,722 million from the disposal of its shareholding in Norilsk Nickel on the basis of the minimum Selling Price (being the six-month weighted average price per Norilsk Nickel Share immediately preceding the date of this announcement plus 20%), assuming the Company does not dispose of any Norilsk Nickel Shares prior to the commencement of the Shoot Out. The Group expects to apply approximately USD5,900 million for repayment of loans, approximately USD250 million for additional capital expenditure programme and the remaining of proceeds for special dividends payment, for the increase of working capital and cash liquidity of the Group.

INFORMATION OF NORILSK NICKEL

Norilsk Nickel is the world's largest palladium producer, the second largest nickel producer and one of the leading producers of platinum and copper. It also produces various by-products, such as cobalt, rhodium, silver, gold, iridium, ruthenium, selenium, tellurium and sulfur. The Norilsk Nickel group is involved in prospecting, exploration, extraction, refining and metallurgical processing of minerals, as well as in production, marketing and sale of base and precious metals. Its key assets are located in Norilsk region and Kola Peninsula in Russia, with foreign production facilities located in Finland and South Africa. In 2017, Norilsk Nickel produced 217 kiloton of nickel, 401 kiloton of copper, 2780 koz of palladium and 670 koz of platinum.

In Russia, the shares of Norilsk Nickel are on the First Level quotation list of the Moscow Exchange and admitted to trading at the Saint-Petersburg Exchange. Its American Depositary Receipts (ADRs) are traded on the over-the-counter (OTC) market of the United States of America, and in the electronic trading system of OTC markets at the London, Berlin and Frankfurt stock exchanges. The Company's ADRs are also included in the FTSE Russia IOB Index of the London Stock Exchange.

According to Norilsk Nickel's financial data prepared in accordance with International Financial Reporting Standard ("**IFRS**") for the half-year ended 30 June 2017, Norilsk Nickel has the following key financial indicators:

USD million (unless otherwise specified)	**1H 2017**	**2016**	**1H 2017/ 1H 2016,%**
Revenue	4,248	8,259	+11%
EBITDA	1,744	3,899	-3%
EBITDA margin	41%	47%	-6 p.p.
Net profit	915	2,531	-30%
Capital expenditures	699	1,695	-1%
Net debt	5,598	4,551	+23%
Net debt / EBITDA	1.5x	1.2x	+0.3x

Based on the annual and interim report of Norilsk Nickel: (i) the total asset value and net asset value of Norilsk Nickel as at 30 June 2017 was USD16,881 million and USD3,655 million respectively; and (ii) for the latest two calendar years and six months, the net profits of Norilsk Nickel were as follows:

	Before taxation *(USD, in millions)*	**After taxation** *(USD, in millions)*
For the year ended 31 December 2015 *(audited)*	3,506	1,716
For the year ended 31 December 2016 *(audited)*	3,276	2,531
For the six months ended 30 June 2017 *(audited)*	1,218	915

The highest and lowest closing price of Norilsk Nickel Shares as quoted on Moscow Stock Exchange (MICEX) in the six months immediately before the date of this announcement was USD208.40 and USD153.70, respectively. For reference, the six-month weighted average price per Norilsk Nickel Share immediately prior to the date of this announcement is USD184 per Norilsk Nickel Share.

Following completion of any disposal, Norilsk Nickel will cease to be included in the consolidated financial statements of the Company as an associated company.

REASONS FOR AND BENEFITS OF GRANTING THE MANDATE

The Agreement was entered on 10 December 2012 and at the time Crispian Investments Limited ("**Crispian**") was brought in as a shareholder of Norilsk Nickel to act as a de facto arbiter (to create a system of checks and balances within the corporate governance of Norilsk Nickel at the conclusion, and part of the settlement, of the lengthy corporate war between the Company and Interros). As announced by the Company on 19 February 2018, Crispian has served notice on the Company informing the Company that it intends to sell certain of its shares to Bonico Holdings Co Ltd and purporting to give the Company and Whiteleave pro rata rights of first refusal to acquire the relevant shares. With the potential exit of the balancing stake in Norilsk Nickel held by Crispian, the Company and Whiteleave (which has replaced Interros as a party to the Agreement but a controlled corporation of Mr. Potanin) must either resolve any disputes among them, if any, or alternatively, utilize the Shoot Out, being a dispute resolution mechanism in-built into the Agreement to deal with potential deadlocks or disagreement between the Company and Whiteleave, to buy out the other's Norilsk Nickel Shares. Given the above, the Shoot Out may in fact be a real possibility if the relationship between the Company and Whiteleave deteriorates.

Where, due to prevailing circumstances, a Shoot Out is imminent, it would be crucial for the Board to be prepared and have the flexibility to expediently make an offer or counter-offer as and when appropriate. The inability or failure of the Company to make an offer promptly during suitable conditions may place the Company at a considerable competitive disadvantage.

While the Company has the opportunity over a 90-day period to obtain shareholders' approval to respond to offers under the Shoot Out, without a Mandate it does not have the ability to make an offer at any time prior thereto. Further, the circumstances and bargaining position between the Company and Whiteleave may materially change during the 90 day period (for example, due to their respective change in liquidity positions, financing and capital raising capabilities and/or results of operations over the period), and the prospects of making an offer or counter-offer may no longer be attractive or viable following a 90 day period.

On the above basis, securing the Mandate in advance from the Shareholders at an EGM (so that the Company may effect the Potential Shoot Out Transaction (i.e. to make an offer, accept an offer or to make a counter-offer) as the Board considers desirable or appropriate over the period in which the Mandate may be exercised) will provide the necessary flexibility to the Board to achieve the best possible outcome for the Company under the Shoot Out. The Board believes therefore that the approval of the Mandate would be in the best interest of the Company and the Shareholders as a whole, as it enables the Board to act or react in a timely manner.

REASONS FOR AND BENFITS OF THE POTENTIAL SHOOT OUT TRANSACTION

Reasons for and benefits of a Potential Acquisition under the Acquisition Mandate

Norilsk Nickel is considered by some market participants as a highly desirable asset of strategic importance and value to the Russian industrial base, and the Shoot Out represents a unique opportunity for the Company to consolidate its control over the Norilsk Nickel group which the Board believes will enhance the reputation and position of the Group as a market leader in Russia's non-ferrous metal industry, in line with its long-term growth and development strategy.

As such, the Directors consider that an exercise by the Board of the Acquisition Mandate for the Potential Acquisition will be in the interests of the Company and the Shareholders, taken as a whole.

Reasons for and benefits of a Potential Disposal under the Disposal Mandate

The investment of the Company in Norilsk Nickel, one of the world's largest producers of nickel, palladium, copper and platinum since 2008 has laid a solid foundation for the development of the Group as a diversified metals and mining corporation with growth potential. While such shareholding stake has been a strategically important asset of the Group over the years, the Shoot Out also presents an opportunity for the Company to realize the investment at a material premium to market price, while continuing to focus on its core business of aluminum and alloy production and sale.

Following the completion of a Potential Disposal, the Group expects to realise a cash amount of no less than USD9,722 million. The Board is of the view that the net cash inflow generated from a potential disposal will allow the Group to conserve more financial resources for the funding of its prospective future plans. Further, the Potential Disposal would improve the gearing level by repaying the outstanding loans due from the Group and strengthen the financial position of the Group.

Taking into consideration the above factors, the Directors consider that an exercise by the Board of the Disposal Mandate for the Potential Disposal will be in the interests of the Company and the Shareholders, taken as a whole.

FACTORS THE BOARD WILL TAKE INTO ACCOUNT IN DETERMINING WHETHER TO INITIATE OR EXERCISE THE SHOOT OUT

When determining whether to initiate or exercise the Shoot Out, the Board will take into consideration, inter alia:

(i) the possibility of retaining a material stake in Norilsk Nickel alongside Whiteleave following expiry of the Lock-up given prior disputes with Interros, and whether the co-existence may materially and adversely affect the proper functioning, operations and corporate governance of Norilsk Nickel;

(ii) the prevailing market conditions and the financial position of the Company vis-à-vis Whiteleave which may impact the results of the Shoot Out;

(iii) an assessment of the maximum Purchase Price and minimum Selling Price which would be appropriate to achieve the desired outcome in the Shoot Out, with reference to such factors as the book value of the relevant Norilsk Nickel Shares under the Shoot Out, the profitability of Norilsk Nickel, the "control" premium attached to the relevant stake, the importance of the relevant stake to the reputation and long term strategy of the Group as a diversified metals and mining corporation as well as the significance of Norilsk Nickel as a strategic Russian asset; and

(iv) the reasons and benefits of a Potential Acquisition or a Potential Disposal (as described in this announcement).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in the event that the Company is required to sell its issued shares in Norilsk Nickel held by it as a result of the Shoot Out may be more than 75%, the disposal of shares in Norilsk Nickel in such circumstances will constitute a very substantial disposal of the Company and subject the Company to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in the event that the Company should purchase some or all the issued shares in Norilsk Nickel owned by Whiteleave (and/or its affiliates) may be more than 100%, the acquisition of shares in Norilsk Nickel in such circumstances will constitute a very substantial acquisition for the Company and subject the Company to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

No Shareholder will be required to abstain from voting on the resolution(s) to be proposed at the EGM to approve the Shoot Out.

A circular containing, among other things, further details of the Shoot Out as well as any other information required to be disclosed under the Listing Rules, including a notice of the EGM for the grant of the Mandate is expected to be despatched to the Shareholders on or before Friday, 16 March 2018.

PRINCIPAL BUSINESS ACTIVITIES OF THE PARTIES TO THE SHOOT OUT

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

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries:

(i) Whiteleave is an investment holding company and a subsidiary of Olderfrey Holdings Limited, a Cyprus-based company controlled by Mr. Potanin; and

(ii) Whiteleave and its ultimate beneficial owner, Mr. Potanin, are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Shareholders and potential investors should note that the transactions contemplated under the Shoot Out may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, capitalized terms shall have the meaning given in the Circular, and the following expressions have the following meanings, unless the context otherwise requires:

"Acquisition Mandate"	the specific mandate to be granted by the Shareholders to the Board to effect the acquisitions of such number of Norilsk Nickel Shares under the Shoot Out and pursuant to the terms as set out in this announcement.
"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.

"Director(s)"	the director(s) of the Company.
"Disposal Mandate"	the specific mandate to be granted by the Shareholders to the Board to effect the disposal of such number of Norilsk Nickel Shares under the Shoot Out and pursuant to the terms as set out in this announcement.
"EGM"	the extraordinary general meeting of the Company to be held to consider, among others, the resolutions in relation to the Shoot Out.
"Group"	the Company and its subsidiaries.
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
"Lock-up"	pursuant to the Agreement, there was a lock-up period (which ended in December 2017) during which each of the Company and Whiteleave (which has replaced Interros as a party to the Agreement) was prohibited from selling its shares in Norilsk Nickel such that its shareholding in Norilsk Nickel became lower than 20%.
"Mandate"	the mandate (consisting of the Acquisition Mandate and the Disposal Mandate) proposed to be sought from Shareholders at the EGM by way of poll, authorising the Board to effect the Potential Shoot Out Transaction.
"Mr. Potanin"	Mr. Vladimir Potanin, beneficial owner of Whiteleave.
"Norilsk Nickel Share"	a share in the issued share capital of Norilsk Nickel (and "Norilsk Nickel Shares" shall be construed accordingly).
"percentage ratios"	the percentage ratios under Rule 14.07 of the Listing Rules.
"Potential Acquisition"	the potential acquisition of up to the entire shareholding of Whiteleave in Norilsk Nickel by the Company as a result of the Shoot Out and related transactions.

“Potential Disposal”	the potential disposal of entire shareholding of the Company in Norilsk Nickel to Whiteleave as a result of the Shoot Out and related transactions.
”Potential Shoot Out Transaction”	collectively, the Potential Acquisition and Potential Disposal.
“Purchase Price”	the price per Norilsk Nickel Share at which the Company may buy Norilsk Nickel Shares from Whiteleave under the Acquisition Mandate pursuant to the Shoot Out.
“Selling Price”	the price per Norilsk Nickel Share at which the Company may sell Norilsk Nickel Shares to Whiteleave under the Disposal Mandate pursuant to the Shoot Out.
“Shoot Out”	the mechanism under the Agreement pursuant to which the Company and Whiteleave (which has replaced Interros as a party to the Agreement) may initiate a “shoot out” between themselves by offering a price which the offeree party shall either sell its Norilsk Nickel shares, buy the Norilsk Nickel shares of the other, or propose a higher price. If the offeree party asks for a higher price, the offering party is obliged either to buy for the higher price, or sell at the higher price.
“USD”	United States dollars, the lawful currency of the United States of America.
“Whiteleave”	Whiteleave Holdings Limited.

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

23 February 2018

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://www.rusal.ru/en/press-center/press-releases.aspx; and http://rusal.ru/investors/info/moex/, respectively.