

30 September 2008

**Dear Polyus Gold shareholder,**

You may have seen the recent announcement made by OJSC Polyus Gold ("Polyus Gold" or the "Company") which confirms that Polyus Gold has made an approach to KazakhGold Group Limited ("KazakhGold") in connection with a possible partial offer by Polyus Gold, or a wholly-owned subsidiary of Polyus Gold, for 50.1% of the issued and to be issued share capital of KazakhGold (the "Possible Partial Offer"). The Possible Partial Offer will be carried out in accordance with the UK City Code on Takeovers and Mergers (the "Code").

Under the Code, all dealings in securities of Polyus Gold and KazakhGold by you since 26 September 2008 (the date of the announcement) must be disclosed in accordance with Rule 8.3 of the Code. A summary of Rule 8.3 of the Code is set out below for your information.

#### **CONTACT DETAILS**

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#### **RULE 8.3 DEALING DISCLOSURE REQUIREMENTS:**

Under the provisions of Rule 8.3 of the Code, if any person is or becomes 'interested' (directly or indirectly) in one per cent. or more of any class of 'relevant securities' of KazakhGold or Polyus Gold, all 'dealings' in any 'relevant securities' of KazakhGold or Polyus Gold by such person (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed to a Regulatory Information Service and the Panel on Takeovers and Mergers ('Panel') by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which any offer for KazakhGold becomes, or is declared, unconditional as to acceptances, lapses or is withdrawn or until the 'offer period' otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an 'interest' in 'relevant securities' of KazakhGold or Polyus Gold, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all 'dealings' in 'relevant securities' of KazakhGold or Polyus Gold, by KazakhGold or Polyus Gold, or by any of their respective 'associates', must also be disclosed by no later than 12.00 noon (London time) on the business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed, and the number of such securities in issue, can be found on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk).

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'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website; definitions of 'relevant securities', 'dealings', 'associate' are also provided below for your convenience.

If you are in any doubt as to whether or not you are required to disclose a 'dealing' under Rule 8, please contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk) or contact the Panel by telephone (+44 (0) 20 7638 0129) or by fax (+44 (0) 20 7236 7013).

## DEFINITIONS OF THE TERMS AS DEFINED IN THE CODE

**"Relevant securities":** "Relevant securities include: -- (a) securities of the offeree company which are being offered for or which carry voting rights; (b) equity share capital of the offeree company and an offeror; (c) securities of an offeror which carry substantially the same rights as any to be issued as consideration for the offer; and (d) securities of the offeree company and an offeror carrying conversion or subscription rights into any of the foregoing".

**"Dealings":** "A "dealing" includes the following: -- (a) the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities; (b) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities; (c) subscribing or agreeing to subscribe for securities; (d) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights; (e) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities; (f) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and (g) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position."

**"Associate":** "It is not practicable to define associate in terms which would cover all the different relationships which may exist in an offer. The term associate is intended to cover all persons (whether or not acting in concert) who directly or indirectly are interested or deal in relevant securities of an offeror or the offeree company in an offer and who have an interest or potential interest, whether commercial, financial or personal, in the outcome of the offer. Without prejudice to the generality of the foregoing, the term associate will normally include the following: -- (1) an offeror's or the offeree company's parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies (for this purpose ownership or control of 20% or more of the equity share capital of a company is regarded as the test of associated company status); (2) connected advisers and persons controlling, controlled by or under the same control as such connected advisers; (3) the directors (together with their close relatives and related trusts) of an offeror, the offeree company or any company covered in (1); (4) the pension funds of an offeror, the offeree company or any company covered in (1); (5) any investment company, unit trust or other person whose investments an associate manages on a discretionary basis, in respect of the relevant investment accounts; (6) an employee benefit trust of an offeror, the offeree company or any company covered in (1); and (7) a company having a material trading arrangement with an offeror or the offeree company."