

Amsterdam, 27 September 2013

## **Proposed Disposal of OKK Koksovny, a.s. (the 'Disposal')**

New World Resources Plc ('NWR' or the 'Company') and New World Resources N.V. ('NWR NV') (together 'NWR Group'), are pleased to announce that they have today agreed to sell OKK Koksovny, a.s. (a wholly owned subsidiary of NWR NV) ('OKK') to the METALIMEX group.

On 16 May 2013, NWR announced its intention to divest its coke subsidiary, OKK. This decision was part of a wider operational review undertaken by NWR with the aim of adjusting NWR's business in light of the challenging market conditions. The Executive Chairman of NWR, Gareth Penny, said: *"The Directors of NWR believe that the disposal of OKK is an important step towards becoming a more efficient, leaner and more flexible mining business."*

The consideration for the Disposal is EUR 95 million and consists of EUR 70 million for the transfer of NWR NV's entire shareholding in OKK to MTX Koksovny a.s. and EUR 25 million for the sale of certain of OKK's coke inventory to METALIMEX a. s.

NWR NV will receive EUR 88 million on completion. The remaining EUR 7 million will be paid on completion into an escrow account. The funds will be released to NWR NV from the escrow account three (3) months after completion, subject to the satisfaction of any claims under the sale and purchase agreement.

The Company does not expect any taxation liability attributable to the Company following the proposed Disposal. Therefore, the Company will receive the entire purchase price (subject to deduction of transaction expenses of approximately EUR 2 million and to any potential adjustments made to the funds in the escrow).

The Company intends to reinvest the net proceeds in its core business over the twelve (12) months following completion.

The Company has been advised on the transaction by Strand Partners Ltd and White & Case LLP.

## Conditions of the Disposal

The Disposal is conditional on certain conditions including:

1. the approval of shareholders which will be sought at a general meeting;
2. the approval of relevant competition authorities and applicable regulators; and
3. the approval of the lenders under the EUR 100 million Revolving Facility Agreement dated 7 February 2011 with the NWR NV as borrower.

A longstop date of 13 December 2013 has been agreed whereby if the conditions have not been met the parties to the transaction agreements may not need to complete the transaction.

The Disposal constitutes a Class 1 Transaction under the Listing Rules and is, therefore, conditional on the approval of shareholders of the Company. A circular will be sent to shareholders in due course containing details of the Disposal and including a notice convening a general meeting of the Company, at which approval will be sought for the Disposal. Completion of the Disposal is expected to occur before the longstop date of 13 December 2013.

### **OKK Koksovny, a.s.**

The OKK business is a separate business segment within the NWR Group, with an independent management and workforce. It operates a coking plant at the Svoboda facility that has a capacity of approximately 850 thousand tonnes per year.

As at 31 December 2012, the gross assets attributed to OKK in the balance sheet of the Company was EUR 223 million. The loss before tax attributable to OKK for the latest audited financial year ended 31 December 2012 was EUR 3 million.

### **OKK key employees**

The business of OKK has, for many years, been run on a basis largely independent of the business of the rest of the NWR Group. Accordingly, there are no key individuals to the operation of the retained business of the NWR Group who are employed by OKK.

Michal Kuca is a key individual of the management team at OKK and will continue in his role at OKK following the Disposal.

### **Change in the reporting date of NWR's Q3 2013 financial results**

The Q3 2013 financial results will be published on 6 November 2013.

– Ends –

## Notes for editors

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### About NWR:

New World Resources Plc is one of Central Europe's leading hard coal and coke producers. NWR produces quality coking and thermal coal for the steel and energy sectors in Central Europe through its subsidiary OKD, the largest hard coal mining company in the Czech Republic. OKK is Europe's largest producer of foundry coke. NWR currently has several development projects in Poland and the Czech Republic, which form part of NWR's regional growth strategy.

In 2013 the Company announced a strategic outlook to reposition NWR as *Europe's leading miner and marketer of coking coal* by 2017.

NWR is listed in London, Prague and Warsaw. It is a constituent of FTSE Small Cap index.

**OKK Koksovny a.s.** is a wholly owned subsidiary of NWR Plc. OKK currently operates a single plant in the city of Ostrava - the coking plant Svoboda. The plant comprises four coke-oven batteries with a total of 210 chambers and annual capacity of 850kt.

**METALIMEX a. s. and its parent company MTX CZ, a.s.** are a Czech based trading business, trading aluminium sheets, copper, steel, iron ore, coal as well as other commodities within Central Europe. MTX Koksovny a.s is the wholly owned coke subsidiary of the larger group.

## **Disclaimer and cautionary note on forward looking statements and notes on certain other matters**

Certain statements in this announcement are not historical facts and are or are deemed to be “forward-looking”. The Company’s prospects, plans, financial position and business strategy, and statements pertaining to the capital resources, future expenditure for development projects and results of operations, may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology including, but not limited to; “may”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “will”, “could”, “may”, “might”, “believe” or “continue” or the negatives of these terms or variations of them or similar terminology. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. These forward-looking statements involve a number of risks, uncertainties and other facts that may cause actual results to be materially different from those expressed or implied in these forward-looking statements because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond NWR’s ability to control or predict. Forward-looking statements are not guarantees of future performances.

Factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected include, but are not limited to, the following: risks relating to changes in political, economic and social conditions in the Czech Republic, Poland and the Central and Eastern European region; future prices and demand for the Company’s products, and demand for the Company’s customers’ products; coal mine reserves and resources; remaining life of the Company’s mines; coal production; trends in the coal industry and domestic and international coal market conditions; risks in coal mining operations; future expansion plans and capital expenditures; the Company’s relationship with, and conditions affecting, the Company’s customers; competition; railroad and other transportation performance and costs; availability of specialist and qualified workers; labour relations; weather conditions or catastrophic damage; risks relating to Czech or Polish law, regulations and taxation, including laws, regulations, decrees and decisions governing the coal mining industry, the environment and currency and exchange controls relating to Czech and Polish entities and their official interpretation by governmental and other regulatory bodies and by the courts; and risks relating to global economic conditions and the global economic environment. Additional risk factors are as described in the Company’s annual report.

Forward-looking statements are made only as of the date of this announcement. The Company expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained in this announcement to reflect any change in its expectations or any change in events, conditions, assumptions or circumstances on which any such statement is based unless so required by applicable law.