

Amsterdam / London, 2 July 2014

Update on the Balance Sheet Restructuring

New World Resources Plc ('NWR Plc') and New World Resources N.V. (the 'Company', and together with NWR Plc and its subsidiaries, the 'NWR Group') today announce that the Company has agreed revised terms to the previously announced consensual restructuring transaction with the joint committee of holders (the 'Committee') of its senior secured notes and senior unsecured notes, and certain individual noteholders.

The terms of the senior unsecured note cash tender have been changed. The other terms of the transaction remain similar to those announced on 2 June 2014. The change ensures that the transaction is fully funded. The revised agreement is supported by 62% of the senior secured notes; 37% of the senior unsecured notes; and the majority shareholder BXR Mining B.V. who all have executed the new lock-up agreements.

The existing lock up agreement dated 2 June 2014 has terminated. Noteholders wishing to support the revised transaction terms should execute new lock up agreements. A new early bird consent fee is offered and will be payable in respect of all notes locked up by 5pm UK time on 11 July 2014.

In parallel with the implementation of this revised consensual transaction, the Company has agreed alternative restructuring terms with certain holders of senior secured noteholders should the requisite votes to support the consensual restructuring from senior unsecured noteholders and from shareholders not be obtained.

As part of this contingency planning, the Company is commencing today a sale process for its operating subsidiaries: OKD a.s. in the Czech Republic and NWR Karbonia S.A. in Poland (together the 'Assets') today. This process is an important part of the Company's contingency planning to ensure the continuation of the operations of these Assets should the requisite senior unsecured noteholders and shareholders not support the revised consensual transaction. If the noteholders and shareholders have approved the transaction the contingency planning will no longer be necessary and the sale process ends.

Introduction

On 2 June 2014 NWR Plc and the Company announced that the Company had entered into an agreement on the key terms of a consensual restructuring of the NWR Group's balance sheet (the 'Transaction') with the Committee, and with its majority shareholder (the 'Announcement').

This consensual transaction takes into account the interests of all stakeholders, and provides a strengthened capital structure. It was, amongst other, conditional upon obtaining underwriting commitments for an additional EUR 25 million of capital and it remains conditional upon the approval of requisite majorities of existing senior secured notes, existing senior unsecured notes and shareholders; and an agreement with the lenders that provide an export credit agency backed loan to the Company (the 'ECA Lenders').

In the Announcement, the Company had indicated that it was finalising contingency plans that would give effect to an alternative restructuring should the necessary conditions for the Transaction not be met.

Revised Transaction Terms

On 2 June 2014, the Company announced that it was seeking an underwriter for EUR 25 million of the new equity required for the Transaction.

The Company has now secured the underwriting of the EUR 25 million (as described under '*Equity Structure*' below) so that the funds necessary to facilitate the transaction are now fully committed by a group of certain existing noteholders (the 'Backstop Providers'). In order to obtain these commitments, the terms of the senior unsecured notes cash tender were required to be revised as follows:

1. The EUR 30 million senior unsecured notes cash tender shall be at a fixed price of 25% of par.
2. The senior unsecured notes cash tender proceeds shall be allocated as follows:
 - (a) *First*, to all those holders of senior unsecured notes that provide at least their pro rata share of the new cash equity and the super senior credit facility, who may tender an amount of senior unsecured notes up to the lesser of (i) their existing senior unsecured notes holdings and (ii) 4.0x the equity they invest multiplied by the proportion that the aggregate amount of that holder's senior unsecured notes bears to such holders' aggregate holdings of senior secured and senior unsecured notes. To the extent the senior unsecured notes cash tender is oversubscribed,

each participant will be scaled back pro rata to their tender amount as a proportion of the total senior unsecured notes tender (no more than EUR 120 million of face value of bonds may be repurchased as part of the senior unsecured notes tender); and

- (b) *Second*, on a pro-rata basis across all remaining senior unsecured notes tendered into the senior unsecured notes cash tender.

All other terms remain similar to those announced on 2 June 2014.

Lock-up to Revised Terms and New Early Bird Consent Fee

On 2 June 2014, the Company offered an early bird consent fee to holders who were party to, or acceded to, the lock up agreement by 25 June 2014. At the expiry of this deadline, the Company received executed lock-up agreements from 77% of the senior secured notes and 40% of the senior unsecured notes by value.

The revision of the transaction terms requires all existing noteholders to execute new lockup agreements. Consequently the earlier offered consent fee shall not be payable to noteholders that have locked up to previously announced transaction prior to the deadline.

A new early bird consent fee of 0.25% (payable on face value of holdings of both the existing notes on closing of the transaction) shall be payable, when the transaction becomes effective, in respect of notes which were locked up to the revised transaction by 5.00 pm UK time on 11 July 2014.

The term sheet and the lock-up agreement to the revised transaction can be obtained from the information agent, Lucid Issuer Services Limited (contact details are provided at the end of this announcement).

Equity Structure

The following equity structure is envisaged for the EUR 150 million of new equity being invested in the Company as part of the Transaction:

1. A rights issue of EUR 118 million:
 - (a) The majority shareholder, BXR Mining B.V., to invest EUR 75 million by committing to take up its pro-rata share in the rights issue; and
 - (b) The EUR 43 million remainder of the rights issue – in which the minority shareholders will be able to participate – is fully underwritten by the Backstop Providers. All noteholders will be entitled to participate in the

portion of the rights issue that remains unsubscribed by existing shareholders, up to their pro rata share (and potentially to over-subscribe above their pro rata share, as set forth in '*Noteholder Equity Allocation*' below), subject to providing their pro rata share of the super senior credit facility.

2. A placing of EUR 32 million committed by the Backstop Providers. All noteholders will be entitled to participate in the placing up to their pro-rata share (and potentially to over-subscribe above their pro rata share, as set forth in '*Noteholder Equity Allocation*' below), subject to providing their pro rata share of the super senior credit facility.

The existing shareholders (including the majority shareholder) are diluted as a result of the Transaction. In particular those shareholders who do not take up their rights will be severely diluted. The new equity being invested will represent 96% and the currently outstanding 264 million shares will equate to 4.0% of the total enlarged number of shares in the capital of NWR Plc after the Transaction.

Noteholder Equity Allocation

Existing noteholders have the option to participate in the EUR 43 million rights issue underwrite and the EUR 32 million placing (together, the 'noteholder equity investment'), to be allocated as follows:

1. *Firstly*, to those noteholders that offer to participate pro rata (with respect to their share of the total senior secured and senior unsecured notes) in the noteholder equity investment and the super senior credit facility.
2. *Secondly*, to the extent that there is a shortfall in the noteholder equity investment, the shortfall will be allocated to any noteholders offering to subscribe for the noteholder equity investment in amounts exceeding their pro rata shares ('Oversubscribers'). The equity will be allocated to the Oversubscribers pro rata (with respect to their holdings of the total senior secured and senior unsecured notes in relation to other Oversubscribers), with subsequent allocation rounds if a shortfall remains following the previous allocation rounds.
3. *Thirdly*, to the extent there still remains a shortfall in equity subscription following the sequential equity allocation rounds in (2) above, this remaining equity will be allocated to the Backstop Providers

Contingency Planning

The Company is fully committed to a successful implementation of the consensual Transaction. Nevertheless, the implementation of the Transaction is still at an early stage, and at this point there can be no certainty that any of the conditions to the Transaction will be met. The Company's board of directors (the 'Board') therefore believes that it is prudent, and in the best interests of the Company's creditors as a whole, to continue contingency planning in parallel with the implementation of the revised consensual transaction.

Alternative Restructuring Plan

In the context of this planning, the Company has agreed an alternative restructuring term sheet (the 'Alternative Restructuring Plan') with certain holders of senior secured notes should the requisite senior unsecured noteholders and shareholders not support the revised consensual transaction.

In this plan, the Assets' shares shall be transferred to special purpose vehicles; the senior secured notes shall be exchanged (or released) in return for the pro rata issuance of new debt instruments (a senior secured note and a junior PIK note of in total EUR 450 million) issued by these vehicles; the Alternative Restructuring Plan will not compromise or seek to amend the terms of the senior unsecured notes, which will remain liabilities of the Company; holders of existing senior secured notes can participate pro rata in cash in 90% in the vehicle's equity (in a total amount of EUR 85 million); and a third party may also participate in that equity.

The Alternative Restructuring Plan is part of the new lock up agreement and this agreement requires the senior secured noteholders to support the Alternative Restructuring Plan. It is to be progressed by the Company in parallel with the implementation of the revised consensual transaction. The plan can, however, only be implemented if and when the revised consensual deal fails – this switch from the revised consensual deal to the Alternative Restructuring Plan is built into the new lock up agreement.

Prospective Administrator

In the event the Alternative Restructuring Plan is to be implemented via a pre-packaged UK administration, the Company has engaged with PricewaterhouseCoopers LLP as prospective administrators of the Company.

Sale Process

The sale process for the Assets that has commenced today is an important part of the contingency planning. This process is conducted through its financial adviser, The Blackstone Group International Partners LLP ('Blackstone'). Potential offerors are invited to contact Blackstone (contact details are provided at the end of this announcement).

Any bids received will be assessed against the Company's other options (including those in this announcement). It is anticipated that a sale of the Assets would be effected by way of a UK scheme of arrangement and in all likelihood by a pre-packaged UK administration procedure – this is an implementation mechanic that results in the insolvency of the Company (but not of the Assets).

Whilst the sales process has yet to run its course, it should be noted that in a transaction that is delivered through an insolvency the Company's stakeholders are being paid in accordance with their respective rankings; this could leave certain categories of stakeholders with minimal or no recoveries. In light of this consequence, the Board repeats its recommendation to support the proposed consensual transaction as it takes into account the interests of all stakeholders of the Company.

ECA

An agreement with the ECA Lenders is a condition precedent to the Transaction. The Company continues its constructive discussions with the ECA Lenders and will provide an update as appropriate.

Transaction Timing

It is currently envisaged that the explanatory statement to the scheme of arrangement required to implement the consensual restructuring transaction or the Alternative Restructuring Plan (as the case may be) will be distributed to the noteholders on or around 25 July 2014. It will include materials in relation to an individual noteholder's elections for the respective tender and equity subscription processes.

The relevant documents for the Company's shareholders, such as the prospectus and the circular, will be distributed at the same date.

Closing of the Transaction is expected to be at the end of September 2014.

– End –

Contact details:

Noteholders

Nick Cox-Johnson
+44 (0) 7957 596 729
ncjohnson@nwrgroup.eu

Media

Toby Moore
+44 (0) 207 638 9571
toby.moore@citigatedr.co.uk

Financial Adviser to NWR

**The Blackstone Group
International Partners LLP**
Martin Gudgeon / Paul O'Donnell / Shirish Joshi
+44 (0) 207 451 4000
gudgeon@blackstone.com
odonnellp@blackstone.com
joshis@blackstone.com

Legal Adviser to NWR

White & Case LLP
Christian Pilkington / Rebecca Campbell / Boris
Docekal
+44 (0) 207 532 1000
cpilkington@whitecase.com
rebecca.campbell@whitecase.com
bdocekal@whitecase.com

Financial Adviser to Committee

Moelis & Company UK LLP
Charles Noel-Johnson / Patrick Loftus-Hills /
Rohan Choudhary / Jonathan Sengendo
+44 (0) 207 634 3500
charles.noel-johnson@moelis.com
patrick.loftus-hills@moelis.com
rohan.choudhary@moelis.com
jonathan.sengendo@moelis.com

Legal Adviser to Committee

Freshfields Bruckhaus Deringer LLP
Sean Lacey / Geoff O'Dea / Emma Gateaud
+44 (0) 207 936 4000
sean.lacey@freshfields.com
geoff.odea@freshfields.com
emma.gateaud@freshfields.com

Information Agent

Lucid Issuer Services Limited
Sunjeev Patel
+44 (0) 207 704 0880
nwr@lucid-is.com

About NWR Plc

New World Resources Plc is a Central European hard coal producer, listed at the London, Prague and Warsaw stock exchanges. NWR produces quality coking and thermal coal for the steel and energy sectors in Central Europe through its (indirect) subsidiary OKD, the largest hard coal mining company in the Czech Republic.

About NWR N.V

New World Resources N.V. is a wholly owned subsidiary of NWR Plc. It is a company incorporated under the laws of the Netherlands and registered at Dutch Trade Register of the Chamber of Commerce under number 34239108 and registered as an overseas company at Companies House in the UK with UK establishment number BR016952 and its address at 115 Park Street, London, W1K 7AP, United Kingdom (Telephone +44 (0) 207 371 5990, Fax +44 (0) 207 371 5999).

Disclaimer and cautionary note

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 CEE region; future prices and demand for the Company's products, and demand for the Company's customers' products; coal mine reserves; 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; and 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. A failure to achieve a satisfactory capital structure for liquidity and solvency purposes would pose a significant risk of the Group ceasing to operate as a going concern.

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.