

## **Announcement of the Convening the Extraordinary General Shareholders' Meeting of Mechel OAO**

*(Location of the Company: 1 Krasnoarmeyskaya St, Moscow, Russian Federation)*

In accordance with the decision of the Board of Directors, the Extraordinary General Shareholders' Meeting of Mechel Open Joint Stock Company will be held in the form of a meeting (joint presence of shareholders for discussing items of the agenda and making decisions on the issues put to the vote) on **June 6, 2008**.

Place of conducting the General Shareholders' Meeting shall be: Conference Room, 1 Krasnoarmeyskaya St, Moscow, Russian Federation.

Time of conducting the General Shareholders' Meeting shall be: **1:00 p.m., local time**.

Registration of persons taking part in the General Shareholders' Meeting shall commence at the place of conducting the Meeting, at 12:00 p.m., local time, June 6, 2008. To be registered, the shareholders must produce documents containing their identity, and representatives of the shareholders must also produce documents proving their authority (powers of attorney and/or any other documents in accordance with the Russian Federation legislation).

The date of preparation of the list of persons eligible to take part in the Extraordinary General Shareholders' Meeting of Mechel OAO (hereinafter, the "Company") shall be May 8, 2008.

### **Agenda of the Extraordinary General Shareholders' Meeting:**

- 1. Approval of the Following Interrelated Transactions, Such Transactions Being a Major Transaction: (i) Underwriting Agreement; (ii) the Aggregate of All Transactions for Placement of the Company Preferred Shares in a Public Offering, Including Those Being Placed through Placement of the GDRs; and (iii) the Deposit Agreement.**
- 2. Approval of a Major Transaction, Such Transaction Being At the Same Time a Transaction of Interest.**

The information (materials) to be provided to persons eligible to take part in the general meeting of shareholders in preparation to the Extraordinary General Shareholders' Meeting shall be available from May 15, 2008, from 10:00 a.m. till 5:00 p.m., daily, at the premises located at the following address: 1<sup>st</sup> floor, 1 Krasnoarmeyskaya St, Moscow, Russian Federation. Shareholders must have documents available with them that prove their identity, and shareholders' representatives must also have documents proving their authority (powers of attorney and/or any other documents in accordance with the Russian Federation legislation). The above-mentioned information (materials) will be accessible also for persons taking part in the General Shareholders' Meeting during its conduct.

Persons eligible to take part in the General Shareholders' Meeting have the right to obtain copies of the materials within five days from the date the Company receives from such persons their request to provide such copies to them.

In accordance with the Federal Law *On Joint Stock Companies*, Art. 75, par. 1, the shareholders owning voting shares **are entitled to request redemption** by the Company of all or a part of the shares owned by them, in the event they voted **against** adopting a decision on the matter and/or matters of the agenda of this meeting **or did not participate** in voting on such matters.

The shares shall be subject to redemption at the price determined by the Board of Directors in accordance with the Federal Law *On Joint Stock Companies*, Art. 75, par. 3, such price to be equal to the market value of the shares as determined by an independent valuator.

The Company's **shares redemption price** shall be **RUR746.00** (Russian Rubles Seven hundred forty-six) per one ordinary share.

The list of the shareholders entitled to request from the Company redemption of the shares owned by them shall be prepared on the basis of the data in the Company shareholders register as of May 8, 2008.

#### The Company will redeem the shares in the procedure as follows:

- Shareholders' written requests to the Company to redeem the shares owned by the them are to be submitted within 45 days following the date of adopting the resolution by the Extraordinary General Shareholders' Meeting on approval of major transactions, *i.e.* not later than July 21, 2008, by registered letter to the address of the Company: 1 Krasnoarmeyskaya St, Moscow, 125993, Russian Federation.

- Shareholders must indicate without fail in their written requests, which form will be published on the web site: <http://www.mechel.ru>, as follows:

(i) in the event a shareholder is a resident, full name, passport details, and place of residence (including address for correspondence and telephone number) for shareholders being individuals; or name, location (including address for correspondence and telephone number) and Principle State Registration Number (OGRN) for shareholders being entities; and, in the event a shareholder is not a resident, information on the agency, which registered a foreign entity in question, registration number, date, and place of the shareholder registration;

(ii) quantity, category (type), and state registration number of the shares requested by a shareholder for redemption;

(iii) details of a bank account to which the Company shall effect payment for the redeemed shares;

(iv) signature of an individual shareholder, or such shareholder's representative, notarized or certified by the Registrar of the Company Shareholders; or signature of an authorized person and seal of a corporate shareholder.

- In the event a request is signed by a shareholder's representative, a respective original power of attorney or its copy has to be attached thereto.

- If any shares requested by a shareholder for redemption are recorded on a custody account in the depositary, statement of such account has to be attached to such shareholder's request specifying total quantity of the shares recorded on such custody account and quantity of the shares subject to redemption for which all operation have been blocked.

- Shareholders' withdrawals of their requests to redeem the shares owned by them, which form will be published on the web site: <http://www.mechel.ru>, are to be received by the Company at the address: 1 Krasnoarmeyskaya St, Moscow, 125993, Russian Federation, within 45 days following the date of adopting the resolution by the Extraordinary General Shareholders' Meeting on approval of major transactions, *i.e.* not later than July 21, 2008.-

- In the event that the aggregate value of the Company shares submitted for and subject to redemption exceeds 10% of the Company's net assets as of the date of adopting by the Extraordinary General Shareholders' Meeting of a resolution on approval of the major transaction, then the shares shall be redeemed from the shareholders proportionally to the stated requests. In the event that number of a shareholder's shares subject to redemption is decreased proportionally to the stated requests, and such decrease results in a fractional number of shares subject to redemption from such shareholder, then the number of the shares to be redeemed shall be rounded to a whole number; at that, if value of the character after decimal point is from 5 to 9, then one shall be added to the whole number; and if value of the character after decimal point is from 0 to 4, then the whole number is taken into consideration and the characters after decimal point shall be discarded.

- The Board of Directors of the Company shall approve a report on results of the requests of the shareholders regarding redemption of the shares owned by them within 50 days following the date of adopting a resolution by the Extraordinary General Shareholders' Meeting on approval of the major transaction, *i.e.* not later than July 26, 2008.

- The Company shall effect payment for the shares by bank transfers to the shareholders' accounts specified in their requests on redemption of their shares. In the event no details of a shareholder's bank account are specified in such shareholder's request to redeem the shares, or such details are specified incompletely or incorrectly, then the Company shall be entitled to effect payment for the redeemed shares by depositing respective cash means with a notary at such shareholder's location as specified in the respective request to redeem the shares.

- Registrar of the Company shareholders shall make records on transfer of the ownership of the redeemed shares to the Company based on the following: (i) a report on results of the requests of the shareholders to redeem the shares owned by them approved by the Board of Directors of the Company, (ii) shareholders' requests to redeem the shares owned by them, and (iii) documents evidencing the Company's fulfillment of its obligation to pay the cash means to the shareholders requested to redeem the shares owned by them. In the event a nominal shareholder maintains registration of rights to the shares, such nominal shareholder shall perform actions required to transfer the Company shares from the custody account of a respective shareholder to the Company's account in the Shareholder's Register based on (i) an excerpt provided by the Company from the report on results of the requests of the shareholders to redeem the shares owned by them approved by the Board of Directors of the Company, (ii) copy of a request on redemption with enclosure of statement from the custody account with the remark on blockage of respective number of shares, and (iii) documents evidencing the Company's fulfillment of its obligation to pay the cash means to respective shareholder(s) requested to redeem the shares owned by them.

- The Company shall redeem the shares from the shareholders submitted their requests on redemption of the shares in the established procedure within 30 days following the term for the shareholders to submit their requests to the Company to redeem the shares owned by them, *i.e.* not later than August 21, 2008.

Please note that, in accordance with the Federal Law On Joint Stock Companies, Art. 44, par. 5, persons registered in the Company shareholders register are obliged to promptly inform the registrar maintaining the Company shareholders register on any change in their data. At that, the Company and the registrar maintaining the Company shareholders register shall not be held liable for any losses caused in connection with any inadequacy of information provided by the shareholders in their requests to redeem their shares and/or information provided by the registered persons for the Company shareholders register keeping system.

Please also note that, from the moment the Company receives a shareholder's request to redeem the shares owned by such shareholder till the moment a record is entered in the Company shareholders register on transferring the ownership to the redeemed shares to the Company, or till the moment the shareholder withdraws his/her request to redeem such shares, the shareholders may not make transactions with any third parties, which are connected with alienation or encumbrance of such shares.

Shareholders entitled to request from the Company redemption of the shares in the ownership may obtain information (explanations) on accomplishment of the shares redemption procedure by telephone: (495) 221-88-88 (ext. 2817).

Board of Directors  
Mechel OAO