

**DRAFT RESOLUTION OF EXTRAORDINARY GENERAL MEETING OF
SHAREHOLDERS OF 09.09.2011 Mechel OAO :**

Agenda of the Extraordinary General Shareholders Meeting of Mechel OAO

1. On approval of the following interrelated transactions, such transactions being a major transaction.

Draft resolution of EGSM of Mechel OAO

Approve the following interested party transactions (the «Transaction») such as:

(i) **Underwriting Agreement** (the "**Underwriting Agreement**") by and between Mechel Mining OAO (the «**Company**»), Mechel OAO (the "Shareholder"), Morgan Stanley & Co. International plc and/or its affiliates and other persons which may be named in the Underwriting Agreement or exhibits thereto as underwriters or managers (hereinafter, the "**Underwriters**") under the following conditions:

Parties to (Beneficiaries) Underwriting Agreement:

The Company, the Shareholder, Morgan Stanley & Co. International plc, Underwriters or other persons which may be subject to Compensation and Contribution provisions as well as potential expenses, costs and damage (Indemnity) under Underwriting Agreement.

The Subject of the Underwriting Agreement:

(a) When complying with certain preliminary provision of the Underwriting agreement, the Underwriters provide according to the terms of the Underwriting agreement the purchase or purchase from the Company and(or) the Shareholder the common shares of the Company (placed or to be placed) with the nominal value of RUR7.37 each (the «Common Shares») in the number defined by the Underwriting agreement in the form of Common Shares and the global depositary receipts certifying the rights to Common Shares (the "GDRs"). Provided that the Shareholder undertakes, without limitation, obligations to indemnify or reimburse potential expenses, costs and damage (Indemnity) to Underwriters and other persons subject to the indemnity provisions of the Underwriting Agreement, arising, in particular, from a breach by the Shareholder of representations, warranties or covenants set forth in the Underwriting Agreement or other agreements made by the Company and the Shareholder in connection with the Offering by the Company and(or) the Shareholder of the common shares and GDRs to the Russian and foreign investors (the «Offering») as well as the Transaction and specified in the Underwriting agreement.

The price and other essential provisions of the Underwriting agreement:

The price (monetary value) of the Shareholder's property which can be sold by the Company under the Underwriting agreement includes the Shareholder's obligations under the Underwriting agreement such as (i) the proposed market value of the Ordinary Shares; (ii) the market-based Underwriters' fees determined on the terms of comparable transactions on the basis of the Offering amount, (iii) the amount of expenses and costs reimbursed to the Underwriters; (iv) the Shareholder's obligations under the Underwriting Agreement including, without limitation, the Shareholder's uncapped obligations to indemnify or reimburse potential expenses, costs and damage (indemnity) to Underwriters and other persons subject to the indemnity provisions of the Underwriting Agreement, arising, in particular, from a breach by the Shareholder of representations, warranties or covenants set forth in the Underwriting Agreement or other agreements made by the Shareholder and the Shareholder in connection with the Offering and the Transaction and specified in the Underwriting Agreement. According to Underwriting Agreement the Shareholder provides representations and warranties concerning:

- (i) lack of certain negative factors, which deal with economic activity and(or) financial position of the Shareholder and which are defined by the Underwriting agreement;
- (ii) the Shareholder's compliance with the applicable law provisions in the Underwriting agreement;
- (iii) other issues which can be envisaged by the Underwriting agreement.

(ii) **Agreements contemplated by, and related to, the Underwriting Agreement** aimed at stabilizing the market in respect of the Company's common shares with a par value of RUR7.37 each (the "Common Shares") and/or global depository receipts representing the Common Shares (the "GDRs") in connection with the offering of the Company's Common Shares in the form of Common Shares and GDRs to Russian and international investors (the "Offering") whereby the Shareholder undertakes some obligations to the Underwriters (some of the Underwriters) in respect of the Common Shares and/or GDRs totaling up to 15% (inclusive) of the number of the Common Shares and/or GDRs set out in the Underwriting Agreement, including but not limited to (a) the loan agreement, (b) the put option agreement or c) the guarantee (suretyship) agreement to secure liabilities of any of the Shareholder's subsidiaries to the Underwriters (the "Stabilization Agreements").

(iii) **other transactions contemplated by, and related to, the Underwriting Agreement, Stabilization Agreements and otherwise related to the Offering.**

The price (monetary value) of the Shareholder's property (property rights) which is the subject matter of the Transaction and may be directly or indirectly sold (purchased) (including Shareholder's commitment) as a result of making or performing the Transaction, was defined by the Shareholder's Board of Directors (Minutes dated 08 August 2011) based on the proposed market value, specifically:

- (a) the proposed market value of the Ordinary Shares;
- (b) the market-based Underwriters' fees determined on the terms of comparable transactions on the basis of the Offering amount and the amount of expenses and costs reimbursed to the Underwriters;
- (c) the Shareholder's obligations under the Underwriting Agreement, Stabilization Agreements and other agreements which can be concluded by the Shareholder due to the Offering and the Transaction the terms of which are standard for such transactions and are consistent with the market terms, including, without limitation, the Shareholder's uncapped obligations to indemnify or reimburse potential expenses, costs and damage (Indemnity) to the Underwriters and other persons subject to the indemnity provisions of the Underwriting Agreement, arising, in particular, from a breach by the Shareholder of its representations, warranties or covenants set forth in the Underwriting Agreement or other agreements made by the Shareholder in connection with the Offering and the Transaction and specified in the Underwriting Agreement;

may be more than Two (2) but not more than Fifty (50) percent of the book value of the Shareholder's assets determined on the basis of its RAS accounts prepared as of the last reporting date preceding the date of the major Transaction.