

19 August 2016

MirLand Development Corporation PLC

(the "Company")

Withdrawal of the funds from escrow account and Century Project Acquisition Update

The Company announced on 22 June 2016 that it had entered into a conditional agreement with TMJK Holdings Limited and Fadida Holdings Limited (together, the "Partners") to acquire their minority interest in the Century Project, representing two Class B+ office buildings totalling 20,903 sqm of leasable space located in the northern part of Moscow's Novoslobodsky business district (the "**Acquisition**").

In accordance with the Bonds restructuring plan that was approved by the Bondholders of the Company on 10 August 2016 the Company announces that Industrial Buildings Corporation Ltd, Jerusalem Economy Ltd. and Darban Investments Ltd. (the "**Controlling Shareholders**") have transferred US\$1.17 million to the Company.

This further funding commitment from the Controlling Shareholders permits US\$4.83 million to be released to the Company from the escrow account established in accordance with the standstill agreement entered into by the Company and the trustee of its bondholders. Out of total funding amount of US\$6.0 million, US\$4.75 million will be deposited in escrow in relation to the Acquisition and the remaining funds will be used by the Company for its working capital

Further announcements in relation to the Acquisition will be made in due course.

MirLand Development Corporation plc

Roman Rozental

roman@mirland-development.com

+7 495 787 49 62

+7 499 130 31 09

FTI Consulting

Dido Laurimore / Tom Gough / Ellie Sweeney

+44 20 7327 1000

Investec Bank plc

+44 20 7597 4000

Jeremy Ellis / David Anderson