

Mechel OAO
Form 6-K
October 24, 2013

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

October 24, 2013

Commission File Number: 001-32328

Mechel OAO

(Translation of registrant's name into English)

RUSSIAN FEDERATION

(Jurisdiction of incorporation or organization)

Krasnoarmeyskaya 1,
Moscow 125993
Russian Federation

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F: ☒ Form 20-F ☐ Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: ☐ Yes ☒ No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): n/a

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MECHEL SIGNS AGREEMENT WITH VNESHECONOMBANK FOR FIRST TRANCHE OF FINANCING FOR ELGA COAL COMPLEX

Komsomolsk-on-Amur, Russia - October 24, 2013 - Mechel OAO (NYSE: MTL), one of the leading Russian mining and metals companies, announces that an agreement between Vnesheconombank and Mechel on allocating the first tranche of the project financing for Elga Coal Complex's first stage totalling 2.5 billion US dollars, was signed in the presence of the Russian Federation's Prime Minister Dmitry Medvedev.

The agreement for the 150-million-dollar tranche was signed by Vnesheconombank's Chairman Vladimir Dmitriyev and Chairman of Mechel OAO's Board of Directors Igor Zyuzin on the sidelines of the session of the government committee on the Far East's social and economic development, in the presence of Russian Prime Minister Dmitry Medvedev.

"Currently development of the rich Elga deposit is a priority for Mechel. We are grateful to our country's leaders for their attention and support for such an important project. Vnesheconombank's financing will give a powerful stimulus not only to our efforts on completing construction of Elga Coal Complex's first stage, but also to the social and economic development of the Republic of Sakha (Yakutia) and the Far East as a whole. The project's implementation will create over 5,000 jobs. I am sure that thanks to the state's support, we will successfully continue our work on creating a new industrial cluster in this region," Chairman of Mechel OAO's Board of Directors Igor Zyuzin noted.

The deal granting Mechel OAO project financing totaling 2.5 billion US dollars for the development of Elga Coal Complex's first stage was approved by Vnesheconombank's Supervisory Board in September 2013. The loan has a tenor of 13.5 years with a grace period until 2017. According to the transaction's conditions, Vnesheconombank's funds will be used to complete construction of Elga Coal Complex's first stage. The first stage includes construction of a railroad and a mining and washing complex with an annual capacity of 11.7 million tonnes of run-of-mine coal by 2017.

Editorial note:

The Elga coal deposit is Russia's largest and one of the world's largest deposits of high-quality coking coal, and is located in Southern Yakutia. Its reserves total some 2.2 billion tonnes according to JORC standards.

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Mechel is one of the leading Russian companies. Its business includes four segments: mining, steel, ferroalloy and power. Mechel unites producers of coal, iron ore concentrate, nickel, ferrochrome, ferrosilicon, steel, rolled products, hardware, heat and electric power. Mechel products are marketed domestically and internationally.

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of Mechel, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements. We refer you to the documents Mechel files from time to time with the U.S. Securities and Exchange Commission, including our Form 20-F. These documents contain and identify important factors, including those contained in the section captioned "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in our Form 20-F, that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the achievement of anticipated levels of profitability, growth, cost and synergy of our recent acquisitions, the impact of competitive pricing, the

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ability to obtain necessary regulatory approvals and licenses, the impact of developments in the Russian economic, political and legal environment, volatility in stock markets or in the price of our shares or ADRs, financial risk management and the impact of general business and global economic conditions.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Mechel OAO

Date: October 24, 2013

By: Evgeny V. Mikhel

Name: Evgeny V. Mikhel

Title: CEO
