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## **METALS EXPLORATION PLC**

(Incorporated under the Companies Act 2006 and registered in England and Wales  
with registered number 05098945)

### **Notice of 2022 Annual General Meeting**

#### **Proposed Sub-Division of Existing Ordinary Shares**

#### **Proposed cancellation of Deferred Shares and Share Premium Account**

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Your attention is drawn to the letter from the Chairman of the Company set out in Part 3 of this document and which contains the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the Annual General Meeting.

Notice of the Annual General Meeting of the Company, to be held at the offices of Armstrong Teasdale, 38 – 43 Lincoln's Inn Fields, London WC2A 3PE on 17 June 2022 at 3.00 p.m. is set out in Part 4 of this document.

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## Part 1 Expected Timetable of Principal Events

Publication of this document	16 May 2022
Latest time and date for receipt of forms of proxy, CREST Proxy Instruction or electronic proxy appointment for use at the Annual General Meeting	3.00 p.m. on 15 June 2022
Annual General Meeting	17 June 2022
Sub-Division Record Date	17 June 2022
Expected effective date of the Sub-Division	20 June 2022
Expected admission of New Ordinary Shares to trading on AIM	8.00 a.m. on or around 20 June 2022
Expected date for final hearing and confirmation of the Capital Reduction by the Court	19 July 2022
Expected date for registration of Court order and effective date of the Capital Reduction	21 July 2022

### Notes:

- 1) The timing of the events in the above timetable and in the rest of this document is indicative only and may be subject to change. In particular, the expected dates for the confirmation of the Capital Reduction by the Court and the Capital Reduction becoming effective are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and are dependent on the Court's timetable.
- 2) The timetable assumes that there is no adjournment of the AGM. If there is an adjournment, all subsequent dates are likely to be later than those shown.
- 3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to a Regulatory Information Service.
- 4) All of the events listed in the above timetable following the holding of the AGM are conditional upon the passing of the Resolutions. The Capital Reduction is further conditional upon (i) approval by the Court and (ii) registration with the Registrar of Companies of the Court order confirming the Capital Reduction, together with a statement of capital approved by the Court.
- 5) The Capital Reduction will not take effect until the Court Order and accompanying statement of capital have been delivered to, and registered by, Companies House. Due to the COVID-19 pandemic, Companies House is not presently offering a same-day service for such registration and this may have an impact on the proposed timetable.
- 6) All of the times referred to above are references to London time.

## Part 2 Definitions

<b>2021 Management Incentive Plan or 2021 MIP</b>	a management incentive plan established in 2021, with agreed key performance indicators, to incentivise members of the senior management of the Group
<b>Act</b>	the Companies Act 2006 (as amended)
<b>AIM</b>	the AIM Market operated by the London Stock Exchange
<b>AIM Rules</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>Annual General Meeting or AGM</b>	the Annual General Meeting of the Company which is intended to be held on 17 June 2022 at 3.00 p.m. at the offices of Armstrong Teasdale, 38 – 43 Lincoln’s Inn Fields, London WC2A 3PE, notice of which is set out in Part 4 of this document
<b>Articles</b>	the articles of association of the Company from time to time
<b>Board or Directors</b>	the board of directors of the Company whose names are set out in Part 3 of this document, or any duly authorised committee thereof
<b>Capital Reduction</b>	the proposed reduction of the Company's capital by the cancellation of the Share Premium Account and the Deferred Shares, pursuant to Resolution 9 as set out in the Notice of Annual General Meeting
<b>Capital Reorganisation</b>	the reorganisation of the Company's share capital comprising the Sub-Division and the Capital Reduction
<b>Company</b>	Metals Exploration PLC, a company incorporated and registered in England and Wales under the Act with registered number 05098945
<b>Court</b>	the High Court of Justice in England and Wales
<b>Court Hearing</b>	the hearing by the Court to confirm the Capital Reduction
<b>Court Order</b>	the order of the Court confirming the Capital Reduction
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form, operated by Euroclear
<b>CREST Manual</b>	the rules governing the operation of CREST
<b>CREST Proxy Instruction</b>	a properly authenticated CREST message appointing and instructing a proxy submitted in accordance with procedures described in the CREST Manual

<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
<b>Deferred Shares</b>	the deferred shares of £0.0099 each in the capital of the Company following completion of the Sub-Division
<b>Euroclear</b>	Euroclear UK & International Limited
<b>Existing Ordinary Shares</b>	the existing 2,071,334,586 ordinary shares of £0.01 each in the capital of the Company
<b>FCA</b>	the UK Financial Conduct Authority
<b>FSMA</b>	the Financial Services and Markets Act 2000 (as amended)
<b>Group</b>	the Company and its subsidiaries and subsidiary undertakings
<b>Lender Warrants</b>	together, the 5.5p Lender Warrants and the 7.7p Lender Warrants
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>MTL Lux</b>	MTL (Luxembourg) S.A.R.L., a company incorporated in Luxembourg and registered with the Luxembourg trade and company register under number B 186657
<b>NED Options</b>	the total of 19,800,000 options granted to certain non-executive directors of the Company with each option to subscribe for one Existing Ordinary Share at the nominal value of such share as described in the announcement dated 22 April 2021
<b>New Ordinary Shares</b>	the 2,071,334,586 ordinary shares of £0.0001 each in the capital of the Company arising on the completion of the Sub-Division
<b>Notice of Annual General Meeting</b>	the notice convening the Annual General Meeting which is set out in Part 4 of this document
<b>Prospectus Regulation Rules</b>	the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA
<b>Registrar of Companies</b>	the Registrar of Companies under the Act
<b>Regulatory Information Service</b>	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the website of the London Stock Exchange
<b>Resolutions</b>	the resolutions set out in the Notice of Annual General Meeting
<b>RHL</b>	Runruno Holdings Limited, a company incorporated in Jersey under company number 107417
<b>Shareholders</b>	holders of Existing Ordinary Shares from time to time

<b>Share Premium Account</b>	the share premium account of the Company
<b>Sub-Division</b>	the sub-division of the Existing Ordinary Shares into 2,071,334,586 New Ordinary Shares of £0.0001 each and 2,071,334,586 Deferred Shares of £0.0099 each
<b>Sub-Division Record Date</b>	17 June 2022
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>Warrants</b>	warrants to subscribe for ordinary shares in the Company
<b>5.5p Lender Warrants</b>	21,652,615 Warrants held by RHL and 53,347,385 Warrants held by MTL Lux, each with an exercise price of 5.5p per ordinary share and exercisable on or before 31 December 2023
<b>7.7p Lender Warrants</b>	7,217,538 Warrants held by RHL and 17,782,762 Warrants held by MTL Lux, each with an exercise price of 7.7p per ordinary share and exercisable on or before 31 December 2023

## Part 3 Letter from the Chairman of the Company

### METALS EXPLORATION PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 05098945)

#### Directors

David Cather (Non-Executive Chairman)  
Darren Bowden (Chief Executive Officer)  
Steven Smith (Non-Executive Director)  
Guy Walker (Non-Executive Director)  
Timothy Livesey (Non-Executive Director)  
Andrew Chubb (Non-Executive Director)

#### Registered Office

200 Strand  
London  
WC2R 1DJ  
United Kingdom

16 May 2022

To all shareholders and, for information only to the holders of options and warrants,  
of Metals Exploration plc

Dear Shareholder

#### Notice of 2022 Annual General Meeting and Proposed Capital Reorganisation

##### 1 Introduction and summary

I am writing to you to announce that this year's Annual General Meeting will be held at the offices of Armstrong Teasdale, 38 – 43 Lincoln's Inn Fields, London WC2A 3PE at 3.00 p.m. on 17 June 2022 and the Notice of Annual General Meeting is set out at Part 4 of this document.

An explanation of the Resolutions to be considered at the Annual General Meeting is set out below. In addition to the ordinary business to be considered at the meeting, we have also included this year proposals recommended by the Board to increase the distributable reserves of the Company, as part of a Capital Reorganisation, in order to support the Company's ability to pay dividends in the future.

The background to and reasons for the Capital Reorganisation are set out more fully in paragraphs 2 to 5 below. In light of the Group's recent and anticipated further operational progress, the Board believes it is an appropriate time to create distributable reserves which would provide the Company with certain flexibility in relation to future distributions of profits to Shareholders (including by way of dividends and/or acquisitions by the Company of its own shares), subject to the Company's performance and compliance with law.

The proposed Capital Reorganisation will consist of two elements: (i) a Sub-Division of each Existing Ordinary Share into one New Ordinary Share and one Deferred Share; and (ii) a Capital Reduction by way of both the cancellation of the Deferred Shares and the cancellation of the Company's Share Premium Account.

**The purpose of this document is to explain the background to the Capital Reorganisation, why the Directors unanimously consider the Capital Reorganisation to be in the best interests of the Company and Shareholders as a whole, and to seek Shareholders' approval for the Capital Reorganisation. In addition, this document contains details of other business to be conducted at the AGM (notice of which is set out in Part 4 of this document).**

**Shareholders should note that, unless the relevant Resolutions are approved at the AGM, the Capital Reorganisation will not take place. The Capital Reduction is also subject to the approval of the Court.**

## **2 Background to and reasons for the Capital Reorganisation**

The Company's issued share capital currently consists of 2,071,334,586 Existing Ordinary Shares. The closing mid-market price of the Existing Ordinary Shares as at 13 May 2022 (being the latest practicable date prior to the publication of this document) was 1.1 pence per Existing Ordinary Share. The Company is not permitted by law to issue shares at an issue price which is below their nominal value. This could potentially limit the Company's flexibility to fundraise in future by way of an issue of new ordinary shares of 1 penny each should the market price be below their nominal value per ordinary share. In order to enable the Company to issue ordinary shares in the future at an issue price which significantly exceeds their nominal value, Shareholder approval is being sought to complete a Capital Reorganisation.

The purpose of the Capital Reorganisation as a whole is: (i) enable the Company to issue shares in future at an issue price which significantly exceeds their nominal value; and (ii) to create a reserve by cancelling the deferred share capital of the Company as well as cancelling the Share Premium Account.

The purpose of the Capital Reduction is to: (i) cancel the deferred share capital of the Company as a whole, being the Deferred Shares (created through the Sub-Division); and (ii) cancel the amount standing to the credit of the Share Premium Account in its entirety. As at 13 May 2022, the balance standing to the credit of the Company's Share Premium Account was £145,144,316.

It is therefore proposed that the total sum of £165,650,530, being the aggregate of the sum anticipated to be set free by the cancellation of the Deferred Shares and the cancellation of the Share Premium Account, shall be credited to a reserve. This reserve will first be used to substantially eliminate the existing deficit on the accumulated profit and loss account, as shown on the Company's balance sheet (which was £167,560,411 as at 31 December 2021), and further, following such elimination (and assuming for this purpose that there is no material change to the level of accumulated losses prior to the Capital Reduction becoming effective), to allow for the creation of a pool of distributable reserves. Such distributable reserves may in the future be used to absorb future losses and/or (subject always to compliance with law and the Company having sufficient cash to fund dividends) effect distributions or other returns of value to shareholders.

If the Capital Reorganisation approved by Shareholders at the AGM, the Capital Reduction element of the Capital Reorganisation will be subject to scrutiny and approval by the Court, which may impose additional conditions for the protection of creditors. This is described in further detail in paragraph 5 below. Subject to obtaining such Court approval, and to the registration of the Court Order (and accompanying statement of capital) at Companies House, the Capital Reduction is expected to take place on or around 21 July 2022. The Sub-Division element of the Capital Reorganisation will take place earlier, on the day of the AGM (and assuming the relevant Resolutions have been approved by Shareholders at the AGM).

Following the Capital Reorganisation, the Company will continue to meet the statutory requirement of having an issued share capital of a minimal nominal value of £50,000.



### **3 Sub-Division**

Each Existing Ordinary Share will be sub-divided into one New Ordinary Share, with a nominal value of £0.0001, and one Deferred Share. The Deferred Shares will have a nominal value of £0.0099 each, and these shares are thereafter proposed to be cancelled pursuant to the Capital Reduction. No share certificates will be issued for the Deferred Shares. Existing share certificates for the Ordinary Shares will remain valid. The current ISIN (GB00B0394F60) and SEDOL (B0394F6) will also remain valid for the New Ordinary Shares.

#### **Resulting Share Capital**

The issued share capital of the Company immediately following the Sub-Division, but prior to the Capital Reduction, is expected to comprise 2,071,334,586 New Ordinary Shares and 2,071,334,586 Deferred Shares.

#### **Admission of New Ordinary Shares to trading on AIM**

Application will be made to the London Stock Exchange plc for the admission to trading on AIM of the New Ordinary Shares, which is expected to become effective and dealings commence at 8.00 a.m. on or around 20 June 2022, subject to the resolution 8 being passed at the AGM.

#### **Rights attaching to the New Ordinary Shares and the Deferred Shares**

The New Ordinary Shares arising upon implementation of the Sub-Division will have the same rights as the Existing Ordinary Shares including voting, dividend and other rights.

The Deferred Shares arising upon implementation of the Sub-Division will have the limited rights and the restrictions set out in the proposed amendments to the Company's articles of association. Accordingly, the Deferred Shares will have no dividend or voting rights and, on a return of capital, the right only to receive the amount paid up on such Deferred Shares and only after the holders of ordinary shares in the capital of the Company have received the amount of £100 million of capital returns in respect of each ordinary share held by them respectively. Furthermore, the rights attached to the Deferred Shares shall not be deemed to be varied by the cancellation of the Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of a competent court.

#### **Effects on Options and Warrants**

The entitlements to ordinary shares of holders of securities or instruments convertible into ordinary shares in the capital of the Company (such as share options) will be adjusted, as appropriate, to reflect the Sub-Division. Accordingly, following the completion of the Sub-Division, the number of NED Options in issue will remain the same but each holder of NED Options, when exercised pursuant to their terms as adjusted by the Sub-Division, will receive one new New Ordinary Share for each option held with the exercise price of the nominal value of such New Ordinary Share.

In respect of the Lender Warrants, following the completion of the Sub-Division, the number and the exercise price of each set of Lender Warrants shall remain the same and there will be no adjustment arising from the Sub-Division.

## 4 Capital Reduction – Background

### Deferred Shares

It is proposed that the Deferred Shares, which will be created as a result of the Sub-Division as set out in paragraph 3 above, be cancelled as they have no economic value and no commercial purpose. The Deferred Shares carry no voting or dividend rights and, on a return of capital, the right only to receive the amount paid up on such Deferred Shares and only after the holders of ordinary shares in the capital of the Company received the amount of £100 million of capital returns in respect of each ordinary share held by them respectively.

Upon conclusion of the Sub-Division, it is anticipated that the paid up capital relating to the Deferred Shares will be £20,506,214.

The cancellation of the Deferred Shares, with the prior approval of the Shareholders by way of special resolution and the subsequent confirmation of the same by the Court, will, in conjunction with the cancellation of the Share Premium Account, create retained earnings of £165,650,530 to be used to first substantially reduce the existing accumulated losses on the Company's profit and loss account; which will thereafter to enable future profits to create a pool of distributable reserves for future use.

### Share Premium Account

A share premium arises where a company issues shares at a premium to their nominal value. A premium (less any directly attributable transaction costs) is credited to a company's share premium account and is treated, in accordance with applicable law and accounting standards (including the Act), as a non-distributable capital reserve and part of the permanent capital of a company unless (in the case of a public company) its reduction or cancellation is first approved by order of the Court.

With the approval of a company's shareholders, a public company may, by way of a special resolution and subsequent confirmation by the Court, reduce or cancel its share premium account and in certain circumstances, credit some or all of such sum arising to its profit and loss account. To the extent that the release of such a sum from a share premium account creates or increases a credit on the profit and loss account, that sum becomes distributable reserves of a company.

The Share Premium Account of the Company currently stands at £145,144,316 which arose as a result of the Company issuing ordinary shares at a premium to their nominal value. The Board now proposes that the sum standing to the credit of the Share Premium Account be cancelled.

As noted above, the release of £165,650,530 in aggregate by the Capital Reduction shall be credited to a reserve, which will first be used to substantially reduce the deficit on the accumulated profit and loss account of the Company then existing, and thereafter assist the creation of a pool of distributable reserves which may be used to absorb future losses or effect distributions or other returns of value to shareholders.

Accordingly, the distributable reserves arising on the Capital Reduction will, subject to the discharge of any undertakings required by the Court (as explained in paragraph 5 below) and compliance with law, support the Company's ability to pay dividends and/or implement purchases of its own shares for cancellation, should circumstances in the future make it desirable to do so.

## 5 Capital Reduction – Procedure

As set out in paragraph 2 above, the Company must obtain Shareholder consent in order to implement the Capital Reduction. Resolution 9, as contained in the Notice of Annual General Meeting set out at the end of this circular, will (subject to the confirmation of the Court) cancel all of the Deferred Shares and cancel the amount standing to the credit of the Share Premium Account.

In accordance with Article 4A.7 of the Articles, the Company has the power at any time, at its option and subject to compliance with applicable legislation, to cancel its deferred shares by way of a reduction of capital, for no consideration, and without sanction on the part of the holders of such shares. In addition, under Article 4A.8, the passing by the Company of any resolution for the cancellation of its deferred shares for no consideration (by means of a reduction of capital requiring the confirmation of a competent court) will not constitute a variation, modification or abrogation of the rights attaching to such shares. Accordingly, a separate class meeting of the holders of the Deferred Shares once created by way of the Sub-Division) to sanction the Capital Reduction in respect of such shares will not be required.

If Resolution 9 is duly passed at the AGM, it is the current intention of the Company thereafter to apply to the Court for confirmation of the cancellation of the Deferred Shares and the cancellation of the Share Premium Account. The Capital Reduction will take effect when an order of the Court confirming the Capital Reduction, and a statement of the capital approved by the Court, have been registered with the Registrar of Companies.

Provisional dates have been obtained for the required Court hearings of the Company's application, but they are subject to change and are dependent on the Court's timetable. It is anticipated that the initial directions hearing in relation to the Capital Reduction will take place on 6 July 2022, with the Court Hearing taking place on 19 July 2022 and the Capital Reduction therefore becoming effective on or around 21 July 2022, upon the necessary registration of the Court Order and statement of capital at Companies House. This indicative timetable also assumes that, subject to compliance with all procedural requirements, Companies House will register the documents on a same-day basis and that such same-day service is available at the time of implementing the Capital Reduction. Due to the COVID-19 pandemic, Companies House is not presently offering a same-day service for such registration as at the date of this document, and this may therefore have an impact on the proposed timetable.

In order to approve the Capital Reduction, the Court will need to be satisfied that the interests of the creditors of the Company (including contingent creditors) as at the date the Capital Reduction takes effect are protected and accordingly will not be prejudiced. Any such creditor protection may include (amongst other possible methods) seeking the consent of the Company's creditors to the Capital Reduction, demonstrating to the Court the sufficiency of the Company's liquid assets, or the provision by the Company to the Court of an undertaking either to deposit a sum of money into a blocked account created for the purpose of discharging any non-consenting creditors, or not to distribute the reserves created by the Capital Reduction until non-consenting creditors in existence at the date of the Capital Reduction have been discharged.

It is the Board's current intention, given the relatively small number of material creditors of the Company, that consent to the Capital Reduction will have been sought from the Company's such creditors prior to the Company seeking the approval of the Court. If obtained, the Directors anticipate that such consents will satisfy the Court regarding the protection of creditors' interests. The Court may, however, direct that other measures be taken before approving the Capital Reduction as described above. The terms upon which the Court is willing to approve the Capital

Reduction are, ultimately, for the Court to determine and the Company may give to the Court such undertaking as it is advised is appropriate.

The Board reserves the right (where necessary by application to the Court) to abandon, discontinue or adjourn, in whole or in part, any application to the Court for confirmation of the Capital Reduction if the Board believes that the terms required to obtain confirmation are unsatisfactory to the Company or would not be in the best interests of the Company and/or the Shareholders as a whole or if, as the result of a material unforeseen event, the Board considers that to continue with the Capital Reduction would be inappropriate or inadvisable. The Directors have undertaken a careful review of the Company's liabilities (including contingent liabilities) and consider that the Company will be able to satisfy the Court that, as at the date (if any) on which the Court Order relating to the Capital Reduction and the statement of capital in respect of the Capital Reduction have both been registered by the Registrar of Companies and the Capital Reduction therefore becomes effective, the Company's creditors will be sufficiently protected.

## **6 Annual General Meeting and Resolutions**

You will find set out at the end of this document a notice convening the Annual General Meeting to be held at the offices of Armstrong Teasdale, 38 – 43 Lincoln's Inn Fields, London WC2A 3PE on Friday 17 June 2022 at 3.00 pm.

The Resolutions to be proposed to Shareholders at the AGM are as follows:

### **Resolution 1: Receiving the Accounts**

The Board recommends the receiving of the audited accounts for the year ended 31 December 2021 together with the Reports of the Directors and the Auditors thereon.

### **Resolutions 2 – 4: Re-appointment of Directors**

The Company's Articles of Association require that each Director is to retire at every annual general meeting of the Company unless permitted otherwise by the Articles of Association. Accordingly, Messrs Darren Bowden, David Cather, and Andrew Chubb each retire as a Director in accordance with the Articles of Association and, being eligible, offers himself for re-appointment. The Board recommends the re-appointment of each of these Directors.

### **Resolutions 5 and 6 – Appointment of Steven Smith and Timothy Livesey as Directors**

Messrs Smith and Livesey were appointed as Directors following the last annual general meeting of the Company and therefore their respective appointments are required to be ratified by ordinary resolution at the Annual General Meeting pursuant to article 106.3 of the Articles of Association. The Board recommends the appointment of Messrs Steven Smith and Timothy Livesey as Directors of the Company.

### **Resolution 7 – Auditors' re-appointment and remuneration**

The Directors propose that Nexia Smith & Williamson Audit Limited be reappointed as auditors of the Company to hold office from the conclusion of the AGM to the conclusion of the next annual general meeting of the Company. Nexia Smith & Williamson Audit Limited has indicated their willingness to continue as the Company's auditors. This resolution also proposes that the Directors be authorised to determine the Auditors' remuneration.

### **Resolution 8: Sub-Division of the Existing Ordinary Shares**

This resolution, which is a special resolution, is to approve the Sub-Division of the Existing Ordinary Shares and the adoption of new articles of association, further details of which are contained in paragraph 3 of this letter above.

### **Resolution 9: Cancellation of the Deferred Shares and cancellation of the Company's Share Premium Account**

This resolution, which is a special resolution, is to cancel and extinguish all of the Deferred Shares, and to cancel the Share Premium Account in its entirety, further details of which are contained in paragraphs 4 and 5 of this letter above.

### **Resolution 10: Authority of Directors to allot shares**

Resolution 10 is proposed as a special resolution granting authority to the directors to allot and issue up to 20,600,000 new Existing Ordinary Shares or New Ordinary Shares (if Resolution 8 is passed) to members of the senior management team in accordance with the 2021 Management Incentive Plan. Under the 2021 MIP, a short-term bonus based on the achievement on KPIs pre-set by the Remuneration Committee, has been awarded to a number of senior executives of the Group. Of the total bonus award, 15% is to be satisfied by the issue of 20,576,437 New Ordinary Shares credited as fully paid. The deemed issue price of such shares will be £0.01245 per share being the 30 day VWAP on the date the board approved the bonus payment. It is intended to issue these shares immediately following the AGM.

Should this resolution be passed, the Company's executive director, CEO Mr Darren Bowden, will be issued a maximum of 8,257,335 new New Ordinary Shares.

This authority will expire at the commencement of the Company's next annual general meeting.

### **Resolution 11: Dis-application of statutory pre-emption rights**

Resolution 11 is a special resolution and will, if approved, provide the Directors with authority to issue equity securities for cash on a non pre-emptive basis pursuant to the authority conferred by Resolution 10 above. The authority will expire at the commencement of the Company's next annual general meeting.

### **Resolutions 12 and 13:**

As announced on 5 May 2022, the Company intends to grant Mr Tim Livesey an option to subscribe for 6.6 million new Existing Ordinary Shares or New Ordinary Shares (if Resolution 8 is passed) in the capital of the Company with a subscription price per share equal to the nominal value of each share at the time of exercise. Resolutions 12 and 13 authorise the directors to allot and issue such shares upon the exercise of the option by Mr Livesey on a non pre-emptive basis. Both resolutions are proposed as special resolutions.

## **7 Action to be taken**

Proxy votes should be submitted as early as possible and, in any event, no later than 48 hours before the time for the holding of the AGM or any adjournment of it.

A hard copy proxy form accompanies this document. To be valid, any hard copy proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by

hand at the Company's registrars, Share Registrars Limited at 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX no later than 48 hours before the time for the holding of the AGM or any adjournment of it.

Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained in the notes to the Notice of Annual General Meeting set out at the end of this document.

The proposals described in this letter can only be implemented if the Resolutions are approved by the requisite majority at the AGM and the Capital Reduction is confirmed by the Court. It is therefore important that you vote by proxy at the AGM.

## **8 Recommendation**

The Directors consider the Capital Reorganisation and the matters set out in the Resolutions to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the Resolutions to be proposed at the AGM.

Shareholders are recommended to seek their own personal tax advice in relation to the Capital Reorganisation proposals.

Yours faithfully

**David Cather**

Independent Non-Executive Chairman

## Part 4 Notice of Annual General Meeting

### METALS EXPLORATION PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 05098945)

Notice is hereby given that the Annual General Meeting of Metals Exploration PLC will be held at the offices of Armstrong Teasdale, 38 – 43 Lincoln’s Inn Fields, London WC2A 3PE on 17 June 2022 at 3.00 p.m. for the purposes of considering and, if thought fit, passing the following Resolutions of which 1 to 7 will be proposed as Ordinary Resolutions and Resolutions 8 to 13 will be proposed as Special Resolutions:

#### Ordinary Business

1. To receive the audited accounts for the year ended 31 December 2021, together with the Reports of the Directors and of the Auditors thereon.
2. To re-appoint Darren Bowden as a Director of the Company in accordance with Article 102.1 of the Company’s articles of association.
3. To re-appoint David Cather as a Director of the Company in accordance with Article 102.1 of the Company’s articles of association.
4. To re-appoint Andrew Chubb as a Director of the Company in accordance with Article 102.1 of the Company’s articles of association.
5. To appoint Steven Smith as a Director of the Company in accordance with Article 106.3 of the Company’s articles of association.
6. To appoint Timothy Livesey as a Director of the Company in accordance with Article 106.3 of the Company’s articles of association.
7. To re-appoint Nexia Smith & Williamson Audit Limited as auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to determine their remuneration.

#### Special Business

8. THAT:
  - (a) every ordinary share of £0.01 each in the capital of the Company in issue at close of business on the date of this General Meeting (the “**Existing Ordinary Shares**”) be sub-divided into one ordinary share of £0.0001 each in the capital of the Company (the “**New Ordinary Shares**”) and one deferred share of £0.0099 in the capital of the Company (the “**Deferred Shares**”), and that each of the New Ordinary Shares and the Deferred Shares having the rights and being subject to the restrictions set out in the Company’s new articles of association proposed to be adopted pursuant to paragraph 8(b) below; and
  - (b) the draft new articles of association and for the purposes of identification, initialled by the Chairman be adopted as the new articles of association of the Company in substitution for and to the exclusion of the Company’s existing articles of association.

9. THAT, subject to the passing of Resolution 8 and to the approval of the High Court of Justice in England and Wales:
- (a) the share premium account of the Company shall be cancelled; and
  - (b) the Deferred Shares created pursuant to Resolution 8 above shall be cancelled,
- and the aggregate amount by which the share premium account and the share capital of the Company is so reduced shall be credited to the accumulated profits and losses reserve.
10. THAT, in accordance with section 551 of Companies Act 2006 (“Act”), the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (“Rights”) up to 20,600,000 New Ordinary Shares if Resolution 8 is passed, or 20,600,000 Existing Ordinary Shares if Resolution 8 is not passed pursuant to the 2021 Management Incentive Plan (); provided that this authority shall expire at the commencement of the next Annual General Meeting held by the Company save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to such offers or agreements as if this authority had not expired.
11. THAT, subject to the passing of Resolution 10 above, the Directors be empowered pursuant to sections 570 of the Act to allot equity securities (within the meaning of section 560 of that Act) pursuant to the authority conferred by Resolution 10 above for cash, as if section 561 of the Act did not apply to any such allotment provided that this power shall be limited to the authority set out in Resolution 10 above and such power shall expire upon the expiry of the authority conferred by Resolution 10 set out above, save that the Directors shall be entitled to make offers or agreements before the expiry and the Directors may allot equity securities pursuant to any such offers or agreements as if the power conferred by this resolution had not expired.
12. THAT, the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot shares in the Company in connection with options to subscribe for 6.6 million New Ordinary Shares (assuming the passing of Resolution 8 but otherwise ordinary shares in the capital of the Company) which are to be granted to Timothy Livesey as announced on 5 May 2022.



13. THAT, conditional on the passing of Resolution 12, the Directors be and they are hereby authorised pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of that Act) for cash pursuant to the authority conferred by Resolution 12 above as if section 561 of the Act did not apply to any such allotment.

By order of the Board

**MSP Corporate Services Limited**

Company Secretary

16 May 2022

Registered Office

200 Strand  
London  
WC2R 1DJ

**Notes:**

1. Pursuant to the Company's articles of association, members are entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those members entered on the register of members at 6.00 p.m. on 15 June 2022 (or in the event that this meeting is adjourned, on the register of members at 6.00 p.m. on the day which is two days before the date of the adjourned meeting) shall be entitled to attend, speak and vote at the meeting in respect of the number of ordinary shares in the capital of the Company held in their name at that time. Changes to the register after such time shall be disregarded in determining the rights of any person to attend, speak and vote at the meeting.
3. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form. Please also indicate if the proxy instruction is one of multiple instructions being given. To appoint more than one proxy please see the instructions on the enclosed Form of Proxy.
4. To be valid, the Form of Proxy and the power of attorney or other written authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrars, Share Registrars Limited at 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX by hand, or sent by post or email, so as to be received not less than 48 hours (excluding non-working days) before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be). Once completed and signed, please scan or take a picture of your proxy form and **e-mail this to [voting@shareregistrars.uk.com](mailto:voting@shareregistrars.uk.com) Please state 'Metals Exploration AGM' and your name in the subject line of your email.**
5. CREST members who wish to appoint a proxy or proxies for the Annual General Meeting, including any adjournments thereof, through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. The CREST ID of the Company's registrars, Share Registrars Limited is (7RA36).
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in

which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first name being the most senior).

- 7.** To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If you submit more than one valid proxy appointment, the appointment received last before the latest time for receipt of proxies will take precedence.
- 8.** In order to revoke a proxy appointment you must send a hard copy notice clearly stating your intention to revoke your proxy appointment to the offices of the Company's registrars, Share Registrars Limited at 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX by hand, or sent by post or email, so as to be received not less than 48 hours (excluding non-working days) before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be).
- 9.** A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. In the case of a member which is a corporation, the proxy form must be executed under the corporation's common seal or signed on its behalf by a duly authorised officer of the corporation or an attorney for the corporation. In light of the Government's restrictions as a result of the COVID-19 pandemic, it is recommended that a corporation should appoint the Chairman of the meeting as its corporate representative to ensure that its votes are cast in accordance with its wishes.
- 10.** You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this notice or in any related documents to communicate with the Company for any purposes other than those expressly stated.
- 11.** Your personal data includes all data provided by you, or on your behalf, which relates to you as a Shareholder, including your name and contact details, the votes you cast and your reference number (as attributed to you by the Company or its registrars). The Company determines the purposes for which, and the manner in which, your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the Shareholder rights you exercise.
- 12.** As at 13 May 2022 (being the last practicable date prior to the publication of this Notice of Annual General Meeting) the Company's issued voting share capital consists of 2,071,334,586 Existing Ordinary Shares, carrying one vote each. Therefore, the total number of voting rights in the Company as at that date are 2,071,334,586.



