

6 August 2024

## METALS EXPLORATION PLC

### Publication of Circular and Notice of General Meeting

Metals Exploration plc (AIM: MTL) ("MTL", or the "Company"), a gold producer in the Philippines, is pleased to announce that, further to its announcement of 20 June 2024, the Company has today published a circular (the "Circular") containing details of, *inter alia*, the proposed Buy Back of Runruno Holdings Limited's ("RHL") entire equity holding in the Company's ordinary share capital, the related proposed approval of a waiver under Rule 9 of the City Code on Takeovers and Mergers, the Company's proposed acquisition of a controlling interest in the YMC Group, and a notice of a general meeting (the "General Meeting").

The Circular will be posted to shareholders that have elected to receive documentation in hard copy format, and it is also available on the Company's website at [www.metalsexploration.com](http://www.metalsexploration.com) under the Investors section.

The General Meeting will be held at 11.30 a.m. on 23 August 2024 at the offices of Squire Patton Boggs (UK) LLP at 60 London Wall, London EC2M 5TQ.

The expected timetable of principal events, the letter from the Chairman and the definitions from the Circular are set out below.

*Unless otherwise indicated, defined terms in this announcement shall have the same meanings as those given to them in the Circular.*

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

**2024**

Announcement of the Acquisition	12 January
Despatch of this Circular and the Form of Proxy	6 August
Latest time and date for receipt of Forms of Proxy for the General Meeting	11.30 a.m. on 21 August
General Meeting	11.30 a.m. on 23 August
Result of the General Meeting announced	23 August
Buy Back of initial tranche of RHL Shares	On or prior to 30 August#
Anticipated Completion date	On or prior to 30 August*
Buy Back of second tranche of RHL Shares	On or prior to 30 August#
Buy Back of third tranche of RHL Shares	On or prior to 30 September#

\* Conditional on the passing of Resolutions 3 and 8 at the General Meeting and satisfaction of the conditions in the SPA.

# Conditional on, *inter alia*, the passing of Resolutions 4 and 5 at the General Meeting.

## LETTER FROM THE CHAIRMAN OF METALS EXPLORATION PLC

5 August 2024

*To Shareholders*

### **Conditional Acquisition, Proposed off-market buy back, Production Fee Deed, Proposal for approval of a waiver of Rule 9 of the City Code and Notice of General Meeting**

#### **Introduction**

On 12 January 2024, the Company announced that the Sellers have agreed, subject to certain terms and conditions, to sell the Relevant Shares in the YMC Group to the Company for cash consideration of US\$1.6 million and the issue of options to subscribe for up to 41 million Ordinary Shares. The Acquisition constitutes a substantial property transaction for the purpose of section 190 of the Act and accordingly is conditional, *inter alia*, on Shareholders' approval by ordinary resolution. Subject to receipt of this approval, and the satisfaction of certain other conditions as set out in the SPA, the Acquisition is expected to complete on or prior to 30 August 2024.

The Company is also seeking Shareholder approval for (amongst other things) the adoption of the LTIP and the issue of options to subscribe for Ordinary Shares and the issue of Ordinary Shares pursuant to the Company's 2023 Management Incentive Programme.

In addition, on 20 June 2024, the Company announced, *inter alia*, that:

- the Company has conditionally agreed to purchase the RHL Shares over three tranches and at a price of 5 pence per share, by means of an off-market buy back. The Buy Back Agreement is subject to Shareholders' approval in accordance with the Act and the approval of the Rule 9 Waiver Proposal. If approved, the Company intends to hold such RHL Shares acquired pursuant to the Buy Back in treasury; and

- FCF has agreed to pay the Production Fee to RHL in consideration for the termination of the RCF. Subject to approval of the Buy Back, the RCF would terminate on or about 30 August 2024, upon the purchase of the first tranche of RHL Shares pursuant to the Buy Back Agreement.

As a result of the Buy Back, all other things being equal, the percentage voting rights of existing Shareholders' interests in the Ordinary Shares will increase, as the RHL Shares acquired by the Company are expected to be held in treasury and will therefore no longer carry any voting rights.

When a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 City Code, which requires that when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with that person, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which that person is interested, a mandatory offer will normally be required.

The Concert Party is currently interested in 1,144,513,302 Ordinary Shares which carry 54.04 per cent. of the voting rights in the Company; of which MTL Lux is interested in 751,000,000 Ordinary Shares (which carry 35.46 per cent. of the voting rights) and RHL is interested in 393,513,302 Ordinary Shares (which carry 18.58 per cent. of the voting rights).

Upon full implementation of the Buy Back, all other things being equal, the MTL Lux Concert Party's holding of 751,000,000 Ordinary Shares, which currently carry 35.46 per cent. of the voting rights, would increase to 43.55 per cent. of the voting rights, and the RHL Concert Party would have no interest in the Ordinary Shares or voting rights of the Company.

Pursuant to Rule 37.1 of the City Code, undertaking the Buy Back would ordinarily result in MTL Lux, together with persons acting in concert with it, having to make a mandatory offer under Rule 9 of the City Code. However, the Panel has agreed to waive the obligation on MTL Lux and any other member of the Concert Party to make a general offer that would otherwise arise as referred to above, subject to the approval of the Independent Shareholders voting on a poll.

**Accordingly, the purpose of this document is to explain the background to and reasons for the Acquisition, the Buy Back, the Rule 9 Waiver Proposal and the other proposals set out in this document and to explain why the relevant independent Director(s) consider such proposals to be in the best interests of the Company and Shareholders as a whole. It will also explain why the relevant independent Director(s) recommend that you vote in favour of the Resolutions contained in the Notice of General Meeting set out at the end of this document.**

A General Meeting of the Company will be held at the offices of Squire Patton Boggs (UK) LLP at 60 London Wall, London EC2M 5TQ at 11.30 a.m. on 23 August 2024 for the purpose of considering and, if thought fit, passing the Resolutions set out in full in the Notice of General Meeting. The formal Notice of General Meeting is set out at the end of this document.

Shareholders should note that, unless Resolutions 3 and 8 are approved, the Acquisition will not proceed.

### **Background to and reasons for the Acquisition**

The YMC Group was established at a time when MTL's priority was to pay down its significant group debt as quickly as possible and, as a result, at that time the Lenders were not approached by the Board to seek approval for the expenditure required for the acquisition of new greenfield exploration projects. Accordingly, a group of Filipino nationals and certain senior MTL management independently formed the YMC Group, in order to seek to acquire the Abra Tenement. Since its incorporation, YMCP has applied for and been granted the Abra Tenement but has otherwise not traded.

In addition, certain free incentive YMCP Shares and YMCS Shares were issued to certain senior expats and local Philippine MTL and YMC Group staff, provided that they remained with the Group for at least a further three-year period. Further, a right of first refusal was granted to the Group by Amber, as the majority owner of YMCS, in respect of funding the YMC Group mining projects.

YMCP has now successfully applied for the Abra Tenement, subject to a final clearance under the NCIP regulations being granted. In the period since the Company's initial announcement of the Acquisition, YMCP has commenced its engagement with local communities with a view to obtaining final NCIP clearance as well as undertaking certain basic, initial geochemical and geophysical exploration of the project areas. These activities have been funded by FCF pending Completion and all external costs incurred would be repaid if Completion does not occur.

As a result of the subsequent strong financial performance of the Runruno Mine and the accelerated repayment of the Group's debt, the Company refined its strategy with regards to new projects. Cognisant of the limited life of mine at the Runruno Mine, the Board believes it is now appropriate for the Company to acquire new projects, including greenfield areas such as the Abra Tenement, to seek to ensure the long-term viability of the Company.

### **Information on the Group and the YMC Group**

The Group is a Philippines-focused gold producer operating the Runruno gold mine 250 kilometres north of Manila in the mineral rich Nueva Viscaya province, on Luzon island. The Group's mission is to enhance the lives of its people and local communities through the responsible management of its natural resources, to build a multi-project business and to deliver performance that stakeholders can be proud of. The Group currently has a single operating asset in the Runruno Mine, which has a limited remaining life of mine of approximately three years or less on the basis of the Group's current mine plan.

On 23 May 2024, the Company announced its final audited results for the year ended 31 December 2023 and provided production guidance for FY2024; on 29 April announced its unaudited quarterly results for the three-month period to 31 March 2024; and on 20 June 2024, the Company provided an operational update for April and May 2024, noting that strong operational performance continued at its Runruno mine. As at the date of this document, current trading remains in line with management expectations and with its production guidance for FY2024.

The Acquisition represents the first step in building the Group into a multi-project business. The YMC Group, a Philippines-focused gold and copper explorer, holds the Abra Tenement through YMCP. The Abra Tenement covers an area of 16,200 hectares in Luzon, Republic of the Philippines approximately 200km north of the Company's Runruno Mine in the Cordillera region, which is a prolific gold belt with proven mineral endowment having produced over 40 million ounces of gold historically. The Abra Tenement includes several drill ready target areas (including within Lacub and Manikbel) and numerous areas of historical artisanal mining operations.

The issue of the Abra Tenement has been approved and the licence is exploration ready, subject only to final agreement with local communities within the NCIP framework. This requirement is expected to be satisfied in the near-term following positive discussions with local stakeholders. Initial planned exploration work programmes will include geochemistry, geophysics, mapping and review of historical data, intended to lead to a drill programme which is currently expected to commence during Q3 2024. It is intended that community and NCIP initiatives will also be put in place concurrent with commencement of exploration activities to ensure the Company's social licence to explore and develop the Abra Tenement.

Among the other assets of the YMC Group is approximately US\$1,100,000 cash and a purpose-renovated drill rig and drill consumables with an approximate cost of US\$125,000.

Further information regarding the Abra Tenement is set out in Part IV of this document.

## **Summary of the key terms of the Acquisition**

On 11 January 2024, the Sellers and the Company entered into the Share Purchase Agreement, pursuant to which the Sellers have agreed, on the terms and subject to the conditions of the Share Purchase Agreement, to sell the Relevant Shares in the YMC Group to the Company. The aggregate consideration payable to the Sellers by the Company is US\$1.6 million in cash and the issue of options to subscribe for up to 41 million Ordinary Shares pursuant to the LTIP and the Individual Option Agreements. The majority of the funding of the YMC Group has been provided by Amber to date. Following Completion, the Group would fund the YMC Group through providing funding to YMCS, which would in turn fund YMCP, in respect of the development and exploitation of the Abra Tenement (including by carrying the interest of the three Filipino nationals who hold, in aggregate, 27.5 per cent. of the share capital in YMCP, which was previously required to be funded by Amber). As part of the Acquisition, the Sellers have given certain customary warranties to the Company.

The Acquisition is conditional upon the satisfaction (or waiver, where applicable) of certain Conditions prior to the Long Stop Date, including:

- (a) the requisite Resolutions required to approve the Acquisition and implement the Option Arrangements (being Resolutions 3 and 8) being duly passed by the requisite majority of Shareholders;
- (b) applicable Lender's consent being provided in respect of the Acquisition; and
- (c) the agreed form shareholders' agreement being entered into between the relevant member(s) of the Group and the external three Filipino nationals referred to above in respect of the YMC Group, which sets out the terms of the free-carry rights for such shareholders and certain restrictions on their ability to transfer shares.

However, it is anticipated that Lender consent would no longer be necessary (and as such, such Condition would be waived by the Company), as a result of the final repayment of the Senior Facility and Mezzanine Facilities on 20 June 2024 and the termination of the RCF in consideration of the Production Fee which is anticipated to take place on or about 30 August 2024 (following the purchase of the first tranche of RHL Shares under the Buy Back Agreement).

Further information on the Share Purchase Agreement is set out in Part II (Summary of the Principal Terms of the Acquisition and the Option Arrangements) of this Circular.

### **Section 190 of the Act: Substantial property transaction**

The Acquisition constitutes a substantial property transaction for the purpose of section 190 of the Act (which applies, amongst other circumstances, where a company is to acquire a non-cash asset with a value exceeding £100,000 from a director or a person connected with a director). Darren Bowden, Chief Executive Officer of the Company, holds 35 per cent. of the issued share capital of YMCP and is to receive consideration of 9.5 million options to subscribe for Ordinary Shares under the LTIP pursuant to the SPA. In addition, Karen Morie has become a connected person of Darren Bowden since the date that the SPA was entered into and holds 24.17 per cent. of the issued share capital of YMCP and is to receive consideration of 6 million Tranche B Options pursuant to the SPA.

In addition, Mike Langoulant, the Chief Financial Officer of the Company (non-Board), is the ultimate beneficial owner of Amber, the majority shareholder of YMCS, which will receive approximately US\$1.4 million cash consideration (reflecting its cash investment into YMCS) and 3.5 million options to subscribe for Ordinary Shares under the LTIP pursuant to the SPA. Accordingly, the Acquisition is conditional on Shareholder approval by way of an ordinary resolution for the purpose of section 190 of the Act, as well as (amongst other things) Shareholder approval of the Option Arrangements.

## **RHL Settlement Arrangements**

- (a) the Group has paid RHL and D&A (in aggregate):
- US\$928,362, in full and final settlement of all amounts of principal and interest outstanding under the Mezzanine Facilities;
  - US\$828.17, in full and final settlement of all amounts of principal and interest outstanding under the Senior Facility; and
  - US\$715,000, in full and final settlement of all legal fees and expenses incurred by such parties in connection with the Senior Facility, the Mezzanine Facilities and the RCF.
- (b) subject to the requisite Shareholder approval, the Company will effect the Buy Back of the RHL Shares (as described further in paragraph 7 of this Part I below);
- (c) upon the purchase of the first tranche of the RHL Shares pursuant to the Buy Back Agreement, RHL's interest in the voting share capital of the Company would fall below 10 per cent. and accordingly the relationship agreement between the Company and RHL dated 24 October 2020 would terminate and RHL would no longer be entitled to have an appointee on the Board;
- (d) upon completion of the Buyback, the bilateral shareholders' agreement entered into between RHL and MTL Lux (as referred to in the Company's announcement of 18 September 2023) would terminate; and
- (e) FCF would enter into the Production Fee Deed with RHL (as described further in paragraph 8 of this Part I below).

## **Buy Back**

The Company has conditionally agreed to purchase the RHL Shares at a price of 5 pence per share (being an aggregate consideration of £19,675,665.10).

The price per RHL Share payable under the Buy Back Agreement represents a discount of approximately 1.38 per cent. to the volume-weighted average price of an Ordinary Share over the 30-day period up to and including 15 May 2024 (being the date upon which the proposed Buy Back price was agreed between the parties) of 5.07 pence, and a premium of approximately 13.64 per cent. to the middle-market closing price of an Ordinary Share of 4.40 pence on 18 June 2024, being the last day prior to date that the Buy Back Agreement was entered into.

The purchase of the RHL Shares pursuant to the Buy Back Agreement is conditional on Shareholder approval being granted in accordance with section 694 of the Act. Pursuant to section 695 of the Act, RHL is not entitled to vote on Resolution 4. Under the Act, a share buy-back by a public company can only be financed through distributable reserves or the proceeds of a fresh issue of shares made for the purpose of financing a share buy-back.

The purchases under the Buy Back are to be effected over three separate tranches, from the Company's accumulated cash and distributable reserves at such time, as follows:

- 203,640,000 RHL Shares for a consideration of £10,182,000.00, within the 5 Business Days immediately following the requisite Shareholder approval for the Buy Back having been granted;
- 94,936,651 RHL Shares for a consideration of £4,746,832.55, on or before 30 August 2024; and

- 94,936,651 RHL Shares for a consideration of £4,746,832.55, on or before 30 September 2024.

Once purchased by the Company, the RHL Shares would be held in treasury. For so long as Ordinary Shares are held in treasury, they cease to have any voting or other rights. Accordingly, while the Company's issued share capital will not change, the voting rights in the Company will be reduced by the relevant number of RHL Shares which have been purchased by the Company at such time, for so long as they are held in treasury by the Company.

Pursuant to the Buy Back Agreement, RHL has undertaken not to sell, transfer or dispose of any of the RHL Shares, except as required by such agreement.

A copy of the Buy Back Agreement will be available to view in accordance with paragraph 11 of Part III of this document and, in addition: (i) at the Company's registered office for not less than 15 days ending with the date of the General Meeting; and (ii) at the General Meeting itself.

### **Production Fee Deed**

Pursuant to the Production Fee Deed, FCF would pay to RHL a production fee of US\$164 per ounce of gold produced at the Runruno contract area on any production from 1 May 2024 that exceeds 204,269 ounces (being equal to approximately 105 per cent. of the current forecast for production from such date on the basis of the Group's life of mine plan for the Runruno mine) during the term of the agreement. Any such Production Fee that becomes due will be paid quarterly in arrears. The term of the Production Fee Deed commences upon the termination of the RCF and continues for an initial term of five years from the date of the agreement, and thereafter shall automatically be extended for successive two-year periods, unless there have been no active mining operations within the Runruno contract area during the last one year of the initial term or throughout such additional term, as applicable. Subject to obtaining the requisite Shareholder approval for the Buy Back, termination of the RCF would take place upon the purchase by the Company of the first tranche of the RHL Shares pursuant to the Buy Back Agreement.

The obligations of FCF are to be guaranteed by the Company and MEPL and the Production Fee Deed contains certain reporting requirements, independent verification and audit rights which are common for an agreement of this nature.

The RHL Concert Party is deemed to be acting in concert with the MTL Lux Concert Party and, as such, the Production Fee Deed is an offer-related arrangement under Rule 21.2(b) of the City Code. The Production Fee Deed is conditional upon termination of the RCF and therefore it is conditional upon Shareholder approval of the Buy Back and Independent Shareholder approval of the Rule 9 Waiver Proposal.

### **Related Party Transactions**

As RHL is a substantial shareholder of the Company, each of the Buy Back and the entry into the Production Fee Deed are deemed to be a related party transaction for the purpose of Rule 13 of the AIM Rules.

As announced on 20 June 2024, the independent directors of the Company for this purpose (being Nick von Schirnding, Tim Livesey and Andrew Chubb) consider that, having consulted with Strand Hanson Limited, the Company's nominated adviser, the terms of the Buy Back and the entry into the Production Fee Deed are fair and reasonable insofar as Shareholders are concerned.

## **City Code**

The City Code applies to the Company. Under Rule 9 of the City Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

Under Rule 37.1 of the City Code, when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the City Code.

An offer under Rule 9 of the City Code must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under the City Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control, or to frustrate the successful outcome of an offer for a company, subject to the City Code. Control means an interest, or interests, in shares carrying, in aggregate, 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give *de facto* control.

The MTL Lux Concert Party and the RHL Concert Party are considered to be acting in concert following a series of historical transactions in respect of the Company which took place in 2010 and 2011, resulting in a shareholders' agreement in respect of the Company being entered into on 8 March 2011 between (amongst others) RHL and two entities (Solomon Capital Limited and Shelfco 724 Limited) then wholly owned by Christian Candy, the brother of Nick Candy. With the consent of the Panel, the interests of Christian Candy were transferred to Nick Candy, over two transactions taking place in 2014 and 2018, and are now held by MTL Lux.

Nick Candy owns the entire issued share capital of MTL Lux. Steven Smith is the nominated director of MTL Lux on the Company's Board and a consultant working within Nick Candy's family office.

RHL is beneficially owned by Edwards Family Holdings Limited, which in turn is beneficially owned by BGE Limited Partnership, which is controlled by HSBC Trustees (C.I.) Limited. Guy Walker is RHL's appointed nominee on the Company's Board and is an adviser to RHL.

Upon completion of the Buy Back, and termination of the bilateral shareholders' agreement between RHL and MTL Lux, the Panel has agreed that MTL Lux (and anyone acting in concert with it) shall no longer be deemed to be acting in concert with RHL (and anyone acting in concert with it).

The members of the Concert Party's interests in the Ordinary Shares are detailed below in paragraph 11 of this Part I.

### **Waiver of Rule 9 of the City Code**

Pursuant to the City Code, the Panel may waive the requirement for a general offer to be made in accordance with Rule 9 if, amongst other things, the shareholders of a company who are independent of the person who would otherwise be required to make an offer, and any person acting in concert with it, pass an ordinary resolution on a poll approving such a waiver.

The members of the Concert Party are considered by the Panel to be acting in concert in respect of the Company and are interested in Ordinary Shares which, in aggregate, carry 54.04 per cent. of the voting rights in the Company; of which the MTL Lux Concert Party is interested in 751,000,000



Ordinary Shares (which carry 35.46 per cent. of the voting rights) and RHL is interested in 393,513,302 Ordinary Shares (which carry 18.58 per cent. of the voting rights).

Upon full implementation of the Buy Back, all other things being equal, the MTL Lux Concert Party's holding of 751,000,000 Ordinary Shares, which currently carry 35.46 per cent. of the voting rights, would increase to 43.55 per cent. of the voting rights, and the RHL Concert Party would have no interest in the Ordinary Shares or voting rights of the Company.

Pursuant to Rule 37.1 of the City Code, when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the City Code. Accordingly, undertaking the Buy Back would ordinarily result in MTL Lux, together with persons acting in concert with MTL Lux, having to make a mandatory offer under Rule 9 of the City Code.

**The Panel has been consulted and has agreed, subject to the passing of the Rule 9 Waiver Resolution by the Independent Shareholders on a poll at the General Meeting, to waive the obligation of MTL Lux or any other member of the Concert Party to make a mandatory offer for the Ordinary Shares in the capital of the Company not already owned by them which would otherwise arise following completion of the Rule 9 Waiver Proposal. Accordingly, the Company is proposing the Rule 9 Waiver Resolution to seek the approval of Independent Shareholders to the Waiver.**

**In order to be validly passed, the Rule 9 Waiver Resolution will require a simple majority of the votes cast on a poll vote. As the Waiver must be approved by the Independent Shareholders, members of the Concert Party are not able to vote on the Rule 9 Waiver Resolution. The Waiver will be invalidated if any purchases of Ordinary Shares are made by any members of the Concert Party, in the period between the date of this document and the General Meeting.**

**In the event that the Rule 9 Waiver Resolution is approved, and on the assumption that the Buy Back is completed, and that no further Ordinary Shares are issued in the interim, upon completion of the Buy Back, the aggregate interest of the MTL Lux Concert Party in Ordinary Shares which carry voting rights in the Company (for the purpose of the City Code) would increase from 35.46 per cent. to 43.55 per cent. and the aggregate interest of the Concert Party in the Ordinary Shares which carry voting rights in the Company would decrease from 54.04 per cent. to 43.55 per cent.**

**The individual interests of the members of the Concert Party as at the Latest Practicable Date and maximum individual interests upon implementation of each tranche of the Buy Back, would be as set out below:**

	RHL		MTL Lux		Concert Party	
	Number of Ordinary Shares	% of voting share capital	Number of Ordinary Shares	% of voting share capital	Number of Ordinary Shares	% of voting share capital
As at the Latest Practicable Date	393,513,302	18.58%	751,000,000	35.46%	1,144,513,302	54.04%
Following Buy Back of first tranche of RHL Shares	189,873,302	9.92%	751,000,000	39.23%	940,873,302	49.15%
Following Buy Back of second tranche of RHL Shares	94,936,651	5.22%	751,000,000	41.28%	845,936,651	46.50%
Following Buy Back of third tranche of RHL Shares	-	0.00%	751,000,000	43.55%	751,000,000	43.55%

As at the Latest Practicable Date, the Concert Party held Ordinary Shares carrying 54.04 per cent. of the Company's voting rights. Prior to the completion the Buy Back, the RHL Concert Party will continue to hold such number of Ordinary Shares as set out in the table above and will continue to be deemed to be acting in concert with the MTL Lux Concert Party. Upon completion of the Buy Back and termination of the bilateral shareholders' agreement as referred to above, the Panel has agreed that the MTL Lux Concert Party shall no longer be deemed to be acting in concert with the RHL Concert Party. At such time, MTL Lux would be the only member of the Concert Party that is

interested in the Ordinary Shares, carrying 43.55 per cent. of the Company's voting rights, all other things being equal.

It is noted that, subject to the passing of Resolution 2, the Company intends to issue 3,785,446 new Ordinary Shares under its Management Incentive Programme, which is expected to occur shortly following the General Meeting and prior to completion of the Buy Back. Accordingly, should such 3,785,446 new Ordinary Shares be issued prior to commencement of the Buy Back, for illustrative purposes only, the individual interests of the members of the Concert Party upon implementation of each tranche of the Buy Back, would be as set out below:

	<b>RHL</b>		<b>MTL Lux</b>		<b>Concert Party</b>	
	Number of Ordinary Shares	% of voting share capital	Number of Ordinary Shares	% of voting share capital	Number of Ordinary Shares	% of voting share capital
Following Buy Back of first tranche of RHL Shares	189,873,302	9.90%	751,000,000	39.15%	940,873,302	49.05%
Following Buy Back of second tranche of RHL Shares	94,936,651	5.21%	751,000,000	41.19%	845,936,651	46.40%
Following Buy Back of third tranche of RHL Shares	-	0.00%	751,000,000	43.46%	751,000,000	43.46%

Shareholders should note that any further increase in the interests of the Concert Party in Ordinary Shares, which increases the percentage of the voting rights in which they are interested, whether collectively or individually, other than as a result of the Buy Back will be subject to the provisions of Rule 9 of the City Code.

The Waiver applies only in respect of increases in the percentage interest of MTL Lux, together with any person acting in concert with it, resulting from the proposed purchases by the Company of its own shares under the Buy Back and not in respect of any other increases in the Concert Party's interests in Ordinary Shares by any other means.

**Members of the Concert Party will not be restricted from making a subsequent offer in the future for the Company in the event that the Waiver is approved by Independent Shareholders and the Rule 9 Waiver Proposal takes place.**

Further information in respect of the members of the Concert Party, are set out in Part III of this document.

### **General Meeting**

Shareholders' approval is being sought, amongst other things, to proceed with the Acquisition pursuant to section 190 of the Act, the Buy Back and the Rule 9 Waiver Proposal. The General Meeting to consider the Resolutions is being convened for 11.30 a.m. on 23 August 2024 and will be held at the offices of Squire Patton Boggs (UK) LLP at 60 London Wall, London EC2M 5TQ. Notice of the General Meeting is set out at the end of this document. Resolutions 1 to 4 (inclusive) are being proposed as ordinary resolutions and will be passed if 50 per cent. or more of the votes cast at the General Meeting (in person or by proxy) are in favour of them. Resolution 5 is being proposed as an ordinary resolution; however, as required by the City Code, this resolution will be taken on a poll vote of Independent Shareholders and will be passed if 50 per cent. or more of the votes cast by Independent Shareholders at the General Meeting (in person or by proxy) are in favour of it. Resolutions 6 to 8 (inclusive) are proposed as special resolutions and will be passed if 75 per cent. or more of the votes cast at the General Meeting (in person or by proxy) are in favour of them.

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

#### **Resolution 1: General authority of Directors to allot Ordinary Shares**

Resolution 1 deals with the Directors' authority to allot Ordinary Shares and grant rights to subscribe for, or to convert any security into, Ordinary Shares in accordance with section 551 of the Act. If passed, Resolution 1 will authorise the Directors to allot Ordinary Shares and grant rights to subscribe

for or convert any security into Ordinary Shares up to an aggregate nominal amount equal to £21,048 (representing 210,480,000 Ordinary Shares) which represents approximately 10 per cent. of the Company's issued Ordinary Share capital (excluding treasury shares) as at the Latest Practicable Date. As at the Latest Practicable Date, the Company did not hold any treasury shares.

This authority will expire, unless previously renewed, varied or revoked by the Company, at the commencement of the next annual general meeting held by the Company.

The Directors have no present intention of exercising the authority conferred by Resolution 1 but consider it desirable that they should have the flexibility to allot Ordinary Shares, or grant rights to subscribe for, or convert any security into Ordinary Shares, if circumstances arise where it may be advantageous for the Company to do so.

Resolution 1 is conditional upon the passing of Resolutions 4 and 5.

***Resolution 2: Authority of Directors to allot Ordinary Shares in respect of the 2023 Management Incentive Programme***

The CEO and other senior executives are eligible to participate in the Company's 2023 Management Incentive Programme. In common with recent prior years, the Company's Management Incentive Programme awards an annual short-term bonus based on performance achieved against pre-determined key performance indicators ("KPIs") set by the Company's remuneration committee. Given the Company's priority on being cash generative to reduce external debt, the KPIs for the financial year ended 2023 were focused on operations and productivity performance.

Details of the bonus awarded, the applicable KPIs and the remuneration committee's determination on performance against the KPIs under the Company's Management Incentive Programme in respect of the financial year ended 2023 are set out in the Company's audited accounts for the year ended 31 December 2023.

Of the total bonus payable under the Company's 2023 Management Incentive Programme, 15 per cent. is to be satisfied by the issue of Ordinary Shares, at an issue price equal to the volume-weighted average price of an Ordinary Share over the 30-day period up to and including 18 March 2024 (subject to shareholder approval). Accordingly, 3,785,446 Ordinary Shares are to be issued credited as fully paid at an issue price of 3.53 pence per share pursuant to the Company's 2023 Management Incentive Programme.

Resolution 2 deals with the Directors' authority to allot Ordinary Shares and grant rights to subscribe for, or to convert any security into, Ordinary Shares in accordance with section 551 of the Act. If passed, Resolution 2 will authorise the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to an aggregate nominal amount equal to £379 (representing up to 3,790,000 Ordinary Shares) pursuant to the Company's Management Incentive Programme for the financial year ended 31 December 2023.

This authority will expire, unless previously renewed, varied or revoked by the Company, at the commencement of the next Annual General Meeting held by the Company.

Resolution 2 is conditional upon the passing of Resolutions 4 and 5.

***Resolution 3: Approvals in respect of the Acquisition, the LTIP and Individual Option Agreements***

Resolution 3 is proposed as an ordinary resolution and, if approved, will:

- (a) approve the Acquisition;
- (b) approve the LTIP and the Individual Option Agreements and authorise the Directors to establish such schedules to the LTIP as they may consider necessary in relation to employees outside the UK to take account of local tax, exchange control or securities law in overseas territories, provided that any Ordinary Shares made available under such schedules are treated as counting against the limits on individual and overall participation contained in the LTIP; and

- (c) grant authority to the Directors to allot Ordinary Shares in the capital of the Company and grant rights to subscribe for, or convert any security into, Ordinary Shares in the capital of the Company up to an aggregate nominal amount of £26,250 (representing up to 262,500,000 Ordinary Shares) pursuant to the LTIP and the Individual Option Agreements, provided that such authority will expire, unless previously renewed, varied or revoked by the Company, on the date falling 5 years after the date on which this resolution is passed.

Resolution 3 is conditional upon the passing of Resolutions 4 and 5.

***Resolution 4: Approval of the Buy Back***

In accordance with the Act and the Company's articles of association, the approval of the Buy Back Agreement is proposed as an ordinary resolution and is set out in Resolution 4 in the Notice of General Meeting. Resolution 4 is conditional upon the passing of Resolution 5.

The Act provides that a company may only make an off-market purchase of its own shares pursuant to a contract that is approved by shareholders before the purchase. Accordingly, the purchase of the RHL Shares pursuant to the Buy Back Agreement is conditional on Shareholder approval being granted in accordance with section 694 of the Act. Pursuant to section 695 of the Act, RHL is not entitled to vote on Resolution 4 in respect of its holding of 393,513,302 Ordinary Shares, representing approximately 18.58 per cent. of the Company's voting rights.

***Resolution 5: Approval of the Rule 9 Waiver Proposal***

Resolution 5 is an ordinary resolution to approve the Waiver. As required by the City Code, this resolution will be taken on a poll vote of Independent Shareholders, who will be entitled to one vote for each Ordinary Share in the capital of the Company held by them at 11.30 a.m. on 23 August 2024. Members of the Concert Party will not vote on the resolution.

***Resolution 6: General dis-application of statutory pre-emption rights***

Resolution 6 is proposed as a special resolution, which requires a majority of at least 75 per cent. to be passed.

Resolution 6, if passed, grants the Directors the power to allot equity securities for cash on a non pre-emptive basis (that is, without first offering them to existing Shareholders pro rata to their existing shareholdings) pursuant to the authority conferred by Resolution 1. This authority is limited to allotments up to a maximum nominal amount of £21,048 (representing 21,480,000 Ordinary Shares) which represents approximately 10 per cent. of the Company's issued Ordinary Share capital (excluding treasury shares) as at the Latest Practicable Date.

This power will expire, unless renewed, varied or revoked by the Company, at the commencement of the next annual general meeting held by the Company.

The Directors have no present intention to use the authority conferred by Resolution 6 but consider that the proposed disapplication of pre-emption rights is desirable to give the Company the ability to issue a limited number of shares for cash to third parties, where to do so would be of benefit to the Company.

Resolution 6 is conditional upon the passing of Resolutions 1, 4 and 5.

***Resolution 7: Dis-application of statutory pre-emption rights in respect of 2023 Management Incentive Programme***

Resolution 7 is proposed as a special resolution, which requires a majority of at least 75 per cent. to be passed.

The authority in Resolution 7 is in addition to the authority in Resolutions 6 and 8 and, if granted, will authorise the Directors to allot equity securities for cash on a non pre-emptive basis (that is, without first offering them to existing Shareholders pro rata to their existing shareholdings) pursuant to the authority conferred by Resolution 2. This authority is limited to allotments up to a maximum nominal

amount of £379 (representing up to 3,790,000 Ordinary Shares) pursuant to the Company's Management Incentive Programme for the financial year ended 31 December 2023.

This authority will expire, unless renewed, varied or revoked by the Company, at the commencement of the next annual general meeting held by the Company.

Resolution 7 is conditional upon the passing of Resolutions 2, 4 and 5.

***Resolution 8: Dis-application of statutory pre-emption rights in respect of LTIP and Individual Option Agreements***

Resolution 8 is proposed as a special resolution, which requires a majority of at least 75 per cent. to be passed.

The authority in Resolution 8 is in addition to the authority in Resolutions 6 and 7 and will, if granted, authorise the Directors to allot equity securities for cash on a non pre-emptive basis (that is, without first offering them to existing Shareholders pro rata to their existing shareholdings) pursuant to the authority conferred by Resolution 3(c). This authority is limited to allotments up to a maximum nominal amount of £26,250 (representing up to 262,500,000 Ordinary Shares) pursuant to the LTIP and the Individual Option Agreements.

This authority will expire, unless renewed, varied or revoked by the Company, on the date falling 5 years after the date on which Resolution 8 is passed.

Resolution 8 is conditional upon the passing of Resolutions 3, 4 and 5.

Please refer to paragraph 0 of this Part I below for details of the action to be taken in relation to the General Meeting.

**Irrevocable Undertakings**

The Company has received irrevocable undertakings to vote (or procure the vote) in favour of:

- a) each of the Resolutions from Drachs Investments No3 Limited in respect of a total of 217,532,143 Ordinary Shares, representing approximately 10.27 per cent. of the Company's issued Ordinary Share capital;
- b) each of the Resolutions (other than Resolution 5) from MTL Lux in respect of a total of 751,000,000 Ordinary Shares, representing approximately 35.46 per cent. of the Company's issued Ordinary Share capital; and
- c) each of the Resolutions (other than Resolutions 4 and 5) from RHL in respect of the RHL Shares, representing approximately 18.58 per cent. of the Company's issued Ordinary Share capital.

**Action to be taken in relation to the General Meeting**

Shareholders are strongly encouraged to ensure that their votes are counted at the General Meeting by appointing the Chairman of the General Meeting as their proxy.

You will find enclosed a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it as soon as possible and in any event so as to be received by the Company's registrars, Share Registrars Limited at 3 Millennium Centre, Crosby Way Farnham Surrey GU9 7XX no later than 11.30 a.m. on 21 August 2024.

Alternatively, Shareholders may appoint a proxy electronically by visiting [www.shareregistrars.uk.com](http://www.shareregistrars.uk.com), clicking on the "Proxy Vote" button and then following the on-screen instructions. Shareholders can locate their user name and access code on the top of the Form of Proxy.

If you hold Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to the Registrars (Crest Participant ID: 7RA36) so that it is received by no later than 11.30 a.m. on 21 August 2024. The return of the Form of Proxy, electronic appointment of

a proxy or transmission of a CREST Proxy Instruction, will not prevent you from attending the meeting and voting in person if you wish.

### **Rule 9 Waiver Resolution Recommendation and Independent Advice**

The following Directors are not deemed to be independent Directors for the purpose of the Rule 9 Waiver Proposal and therefore Resolution 5:

- Steven Smith and Guy Walker have conflicts of interest in relation to the Buy Back (which is conditional on the passing of the Rule 9 Waiver Resolution) due to MTL Lux and RHL being members of the Concert Party and their respective roles as nominated directors of MTL Lux and RHL on the Board.
- Andrew Chubb and Tim Livesey have indirect conflicts of interest in relation to the Rule 9 Waiver Resolution due to parts (b) and (c) of Resolution 3 and Resolution 8, pursuant to which each such Director shall receive awards under the Individual Option Agreements, being conditional upon the passing of Resolution 5.
- Darren Bowden has an indirect conflict of interest in relation to the Rule 9 Waiver Resolution due to Resolutions 3 and 8 (which are conditional upon the passing of Resolution 5) as a result of his interest in the YMC Group and therefore the Acquisition and, pursuant to which, he is to receive awards under the LTIP.

Accordingly, Nick von Schirnding is the only Director who is deemed wholly independent of both the Buy Back Resolution and the Rule 9 Waiver Resolution and is therefore the only director providing the recommendation of the Board in connection with such Resolutions.

Strand Hanson has provided advice to Nick von Schirnding, as the sole Independent Director in respect of the Rule 9 Waiver Proposal, in accordance with the requirements of paragraph 4(a) of Appendix 1 to the City Code, in relation to the granting of the Waiver.

The Independent Director, who has been so advised by Strand Hanson, considers that the Buy Back, the Rule 9 Waiver Proposal and the resultant increase in the MTL Lux Concert Party's controlling position are fair and reasonable, and in the best interests of the Independent Shareholders and the Company as a whole. This advice was provided by Strand Hanson to the Independent Director only and, in providing such advice, Strand Hanson has taken into account the Directors' commercial assessments as well as the Concert Party's future intentions in relation to the Company (as set out in paragraph 3 of Part III of this document).

### **Recommendations and voting intentions**

**Resolution 1:** the Directors consider Resolution 1 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution, as they intend to in respect of their holding of Ordinary Shares, representing, in aggregate, 1.01 per cent. of the Company's voting rights.

**Resolution 2:** the Directors consider Resolution 2 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution, as they intend to in respect of their holdings of Ordinary Shares, representing, in aggregate, 1.01 per cent. of the Company's voting rights.

**Resolution 3 part (a):** the Directors (other than Guy Walker and Darren Bowden, who have a conflict of interest as an appointed Director of RHL and as a director and shareholder in members of the YMC Group, respectively) consider part (a) of Resolution 3 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution, as they intend to in respect of their holdings of Ordinary Shares, representing, in aggregate, 0.62 per cent. of the Company's voting rights.

**Resolution 3 parts (b) and (c):** Nick von Schirnding and Steven Smith (as the independent Directors for the purpose of these parts of this resolution) consider parts (b) and (c) of Resolution 3 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such parts of this resolution.

**Resolution 4:** the Directors (other than Steven Smith and Guy Walker, who have a conflict of interest as appointed Directors of MTL Lux and RHL, respectively) consider Resolution 4 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution, as they intend to in respect of their holdings of Ordinary Shares, representing, in aggregate, 1.01 per cent. of the Company's voting rights.

**Resolution 5:** Nick von Schirnding (as the Independent Director for the purpose of this resolution) considers Resolution 5 to be in the best interests of the Company and its Shareholders as a whole and recommends that Shareholders vote in favour of such resolution.

**Resolution 6:** the Directors consider Resolution 6 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution, as they intend to in respect of their holdings of Ordinary Shares, representing, in aggregate, 1.01 per cent. of the Company's voting rights.

**Resolution 7:** the Directors consider Resolution 7 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution, as they intend to in respect of their holdings of Ordinary Shares, representing, in aggregate, 1.01 per cent. of the Company's voting rights.

**Resolution 8:** Nick von Schirnding and Steven Smith (as the independent Directors for the purpose of this resolution) consider Resolution 8 to be in the best interests of the Company and its Shareholders as a whole and recommend that Shareholders vote in favour of such resolution.

Yours faithfully,

Nick von Schirnding  
*Independent Non-Executive Chairman*  
Metals Exploration plc

## DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

<b>Abra Tenement</b>	exploration tenement EXPA-000129, located on the Western belt of the Central Cordillera region in Abra, Luzon in the Republic of the Philippines;
<b>Acquisition</b>	the conditional sale of the Relevant Shares in the YMC Group by the Sellers to the Group, on the terms and conditions as set out in the SPA;
<b>Act</b>	the Companies Act 2006;
<b>AIM</b>	the AIM market operated by the London Stock Exchange;
<b>AIM Rules</b>	the AIM Rules for Companies, as published by the London Stock Exchange from time to time;
<b>Amber</b>	Amber Harvest Investments Pte. Ltd., a company incorporated under the laws of Singapore with registered number 202119251C and having its registered office at 1 Marina Boulevard, #21-01 One Marina Boulevard, Singapore 018989;
<b>Board or Directors</b>	the board of directors of the Company;
<b>Business Day</b>	any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading;
<b>Buy Back</b>	the proposed off-market buy back of the RHL Shares by the Company at 5 pence per share over three tranches and otherwise in accordance with the Buy Back Agreement, with such shares to be held by the Company in treasury;
<b>Buy Back Agreement</b>	the conditional agreement between the Company and RHL dated 19 June 2024 to effect the Buy Back, further details of which are set out in paragraph 7 of Part I of this Circular;
<b>Circular or this document</b>	this circular;
<b>City Code</b>	the City Code on Takeovers and Mergers;
<b>Concert Party</b>	the MTL Lux Concert Party and the RHL Concert Party;
<b>Company or MTL</b>	Metals Exploration plc, a company incorporated in England and Wales with registered number 05098945 and having its registered office at 38 – 43 Lincoln’s Inn Fields, London WC2A 3PE;
<b>Completion</b>	completion of the Acquisition in accordance with the SPA;
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);



<b>CREST Manual</b>	the compendium of documents entitled "CREST Manual" issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules (including CREST Rule 8), the CCSS Operations Manual and the CREST Glossary of Terms;
<b>CREST member</b>	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);
<b>CREST participant</b>	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
<b>CREST Proxy Instruction</b>	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear's specifications;
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001, as amended;
<b>CREST sponsor</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>CREST sponsored member</b>	a CREST member admitted to CREST as a sponsored member;
<b>D&amp;A</b>	D & A Holdings Limited, a private limited company incorporated and registered in Jersey with company number 90817 whose registered office is at HSBC House, Esplanade, St Helier, Jersey JE1 1GT;
<b>Euroclear</b>	Euroclear UK & International Limited;
<b>FCA</b>	the Financial Conduct Authority;
<b>FCF</b>	FCF Minerals Corporation, a company incorporated under the laws of the Republic of the Philippines with company number A200118080 of Unit 1407, Pacific Star Building, Sn. Gil Puyat Avenue cor., Makati Avenue, 1200 Makati City, Philippines (being an indirect subsidiary of the Company);
<b>Form of Proxy</b>	the form of proxy accompanying this document relating to the General Meeting;
<b>FSMA</b>	the UK Financial Services and Markets Act 2000, as amended;
<b>General Meeting</b>	the general meeting of the Company, notice of which is set out at the end of this document, and including any adjournment(s) thereof;
<b>Group</b>	the Company and its subsidiaries, from time to time;
<b>Independent Director</b>	Nick von Schirnding, being the sole Director considered to be wholly independent in respect of the Rule 9 Waiver Resolution;

<b>Independent Shareholders</b>	the Shareholders, other than any members of the Concert Party and any other non-independent parties as determined by the Panel in accordance with the requirements of paragraph 2(e) of Appendix 1 to the City Code;
<b>Individual Option Agreements</b>	the agreements to be entered into between the Company and: (i) certain of the YMC Selling Shareholders who are not eligible to participate in the LTIP, granting options to subscribe for Ordinary Shares in exchange for the transfer to the Group of the Relevant Shares held by them; and (ii) the non-executive Directors of the Group who are not eligible to participate in the LTIP as they are not employees of the Group;
<b>Latest Practicable Date</b>	2 August 2024, being the latest practicable date prior to publication of this document;
<b>Lenders</b>	the Group's lenders or (following repayment, where applicable) former lenders, being: (i) in respect of the Senior Facility, MTLG and D&A; (ii) in respect of the Mezzanine Facilities, MTL Lux, RHL and D&A; and (iii) in respect of the RCF, MTL Lux and RHL (as the context requires);
<b>London Stock Exchange</b>	London Stock Exchange plc;
<b>Long Stop Date</b>	30 August 2024;
<b>LTIP</b>	the Metals Exploration plc Long Term Incentive Plan;
<b>Management Incentive Programme</b>	the Company's Management Incentive Programme for the financial year ended 31 December 2023;
<b>MEPL</b>	Metals Exploration Pte. Ltd, a company incorporated in Singapore with company number 201332521K of 1 Harbourfront Avenue, #14-08 Keppel Bay Tower, Singapore 098632 (being a subsidiary of the Company);
<b>Mezzanine Facilities</b>	the facilities pursuant to (i) an amended and restated mezzanine facility agreement between (amongst others) MTL Lux, D&A and the Company dated 24 October 2020; and (ii) an amended and restated mezzanine facility agreement between (amongst others) MTL Lux, RHL and the Company dated 24 October 2020;
<b>MTLG</b>	MTL (Guernsey) Limited, a company incorporated in Guernsey under company number 66978 and with its registered office address at PO Box 119 Martello Court, Admiral Park, St. Peter Port, Guernsey GY1 3HB, Channel Islands;
<b>MTL Lux</b>	MTL (Luxembourg) S.à r.l. a limited liability company incorporated in Luxembourg and registered with the Luxembourg trade and companies register under number B 186657 with its registered office at 5, rue Heienhaff, L-1736 Senningerberg, Luxembourg;
<b>MTL Lux Concert Party</b>	MTL Lux, Nick Candy and Steven Smith;
<b>NCIP</b>	the Philippines' National Commission on Indigenous Peoples;

<b>Notice of General Meeting</b>	the notice of the General Meeting of the Company, set out at the end of this document;
<b>Option Arrangements</b>	the approval of the adoption of the LTIP, the Individual Option Agreements and the grant of options in respect of Ordinary Shares thereunder as described in Part II of this Circular;
<b>Ordinary Shares</b>	ordinary shares of £0.0001 each in the capital of the Company;
<b>Overseas Shareholders</b>	Shareholders with registered addresses outside the UK or who are citizens of, incorporated in, registered in or otherwise resident in, countries outside the UK;
<b>Panel</b>	the Panel on Takeovers and Mergers;
<b>Participant ID</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
<b>PHP</b>	Philippine peso, the legal currency of the Republic of the Philippines;
<b>Production Fee</b>	the production fee payable by FCF to RHL pursuant to the Production Fee Deed;
<b>Production Fee Deed</b>	the Production Fee Deed between FCF and RHL and the Company and MEPL (as guarantors of the obligations of FCF) dated 19 June 2024, further details of which are set out in paragraph 8 of Part I of this Circular;
<b>Prospectus Regulation Rules</b>	the rules and regulations made by the FCA under Part VI of FSMA, as amended from time to time;
<b>Registrars</b>	Share Registrars Limited, 3 Millennium Centre, Crosby Way, Farnham Surrey GU9 7XX;
<b>Regulatory Information Service</b>	has the meaning given to such term in the AIM Rules;
<b>Relevant Shares</b>	72.5% of the issued share capital of YMCP and the entire issued share capital of YMCS;
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting, which are set out in full in the Notice of General Meeting;
<b>Revolving Credit Facilities or RCF</b>	the revolving credit facility entered into by an agreement dated 24 October 2020 between (amongst others) the Company, FCF, MTL Lux and RHL;
<b>RHL</b>	Runruno Holdings Limited, a private limited company incorporated and registered in Jersey with company number 107417 whose registered office is at HSBC House, Esplanade, St Helier, Jersey JE1 1GT;
<b>RHL Concert Party</b>	RHL, Graham Edwards and Guy Walker;
<b>RHL Shares</b>	the 393,513,302 Ordinary Shares held by, or on behalf of, RHL;
<b>Runruno Mine</b>	the Group's Runruno mine in Nueva Vizcaya, Philippines;

<b>Rule 9</b>	Rule 9 of the City Code;
<b>Rule 9 Waiver Proposal</b>	the approval of the Waiver by the Independent Shareholders at the General Meeting for the purpose of the City Code;
<b>Rule 9 Waiver Resolution</b>	Resolution 4, as set out in the Notice of General Meeting, which is to be taken on a poll of Independent Shareholders in accordance with the requirements of the City Code;
<b>Senior Facilities</b>	the facilities pursuant to an amended and restated senior facility agreement currently between (amongst others) MTLG, D&A and the Company dated 24 October 2020 (and originally entered into on 28 May 2014);
<b>Shareholders</b>	holders of Ordinary Shares;
<b>Share Purchase Agreement or SPA</b>	the conditional agreement, executed on 11 January 2024 (as amended on 19 June 2024 to extend the original long stop date from 30 June 2024 to 30 August 2024), pursuant to which the Sellers have agreed to sell (and procure the sale of by other YMC Selling Shareholders) and MTL has agreed to purchase (or procure the purchase by one or more wholly owned subsidiaries of the Company of), the Relevant Shares in the YMC Group, further details of which are set out in Part II of this Circular;
<b>Sellers</b>	each of the YMCP Sellers and the YMCS Sellers;
<b>Strand Hanson</b>	Strand Hanson Limited, a company incorporated in England and Wales with registered number 02780169 and having its registered office at 26 Mount Row, London W1K 3SQ;
<b>UK</b>	the United Kingdom of England, Scotland, Wales and Northern Ireland;
<b>US\$</b>	dollars, the legal currency of the United States of America;
<b>Waiver</b>	the waiver granted by the Panel, conditional upon the passing of the Rule 9 Waiver Resolution, in respect of the obligation of MTL Lux (or any other member of the Concert Party) under Rule 9 to make a mandatory cash offer for the Ordinary Shares not already owned by it that would otherwise arise under Rule 9 as a result of the Buy Back;
<b>YMAC</b>	Yamang Mineral Abra Corporation, a company incorporated in the Republic of the Philippines with registered number 2022100073782-13 and having its registered office at Central Park 18B, Point Tower, West Street, San Lorenzo, Makati City, Philippines, being a wholly owned subsidiary of YMCP;
<b>YMC Group</b>	YMCP, YMCS and YMAC;
<b>YMC Selling Shareholders</b>	the holders of the Relevant Shares (including the Sellers);

<b>YMCP</b>	Yamang Mineral Corp., a company incorporated in the Republic of the Philippines with registered number 2021110032359-05 and having its registered office at Central Park 18B, Point Tower, West Street, San Lorenzo, Makati City, Philippines;
<b>YMCP Sellers</b>	each of Darren Bowden and Lorne Harvey;
<b>YMCP Shares</b>	ordinary shares of PHP 100 each in the capital of YMCP;
<b>YMCS</b>	Yamang Mineral Corp Pte. Ltd., a company incorporated in the Republic of Singapore with registered number 202234802N and having its registered office at 1 Marina Boulevard, 21-01, One Marina Boulevard, Singapore 018989;
<b>YMCS Sellers</b>	each of Amber and Lorne Harvey; and
<b>£</b>	pounds sterling, the legal currency of the United Kingdom.