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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE EU REGULATION 596/2014

4 June 2020

SolGold plc
("SolGold" or the "Company")

Proposed Fundraising

The Board of Directors of SolGold (LSE & TSX:SOLG) is pleased to announce a proposed fundraising (the "**Fundraising**") to raise minimum gross proceeds of approximately £16 million (approximately US\$20 million) at a price of 21.5 pence per Placing Share (the "**Placing Price**"). The Fundraising comprises an placing of a minimum of 74,418,604 new ordinary shares (the "**New Ordinary Shares**") which is fully underwritten to new and existing institutional investors (the "**Placing**"), and a proposed conditional subscription by management either directly or through associated entities ("**SolGold Subscribers**") (the "**Subscription**"). The proposed Subscription is not being underwritten.

The Placing of a minimum of 74,418,604 New Ordinary Shares is being conducted through an accelerated Bookbuilding process (the "**Bookbuild**" or the "**Bookbuild Process**") which will be launched immediately following release of this announcement and which is expected to close by 7.00 a.m. tomorrow, 5 June 2020. The accelerated Bookbuilding process which is fully underwritten as to the minimum of 74,418,604 New Ordinary Shares. The final number of shares to be placed pursuant to the Placing ("**Placing Shares**") will be determined as part of the Bookbuild process and announced on the closing of the Bookbuild process. Peel Hunt LLP ("**Peel Hunt**"), Cormark Securities Inc. ("**Cormark**") and Cantor Fitzgerald Canada Corporation ("**Cantor**") are acting as Joint Bookrunners in respect of the Placing (Peel Hunt, Cormark and Cantor collectively referred to as the "**Joint Bookrunners**"), H & P Advisory Limited ("**H&P**") are acting as Manager ("**Manager**") in respect of the placing.

In addition to the Placing there will be an offer of up EUR8 million at the Placing Price (the "**PrimaryBid Offer**") for retail and other investors to participate. A separate announcement will be made shortly regarding the PrimaryBid Offer. The Placing is not conditional upon the PrimaryBid Offer.

Key Highlights:



- Minimum £16 million (approximately US\$20 million) to be raised by way of a Placing at the Placing Price. The Placing is fully underwritten as to the minimum of 74,418,604 New Ordinary Shares.
- On 11 May 2020 the Company announced a royalty financing agreement (the “**Royalty Financing Agreement**”) with Franco-Nevada Corporation (the “**FNV Transaction**”) for US\$100 million with an option to upscale to US\$150 million at the Company’s election. FNV will receive a perpetual 1% NSR interest from the Cascabel concession for the first US\$100 million (1.5% if option exercised), subject to completion of a site visit as final confirmatory due diligence.
- In conjunction with the FNV Transaction (assuming that it is upscaled to US\$150 million), the Fundraising is expected to fund the Company to delivery of a Preliminary Feasibility Study (“**PFS**”) on the Alpala Project in Q3 2020 and a Definitive Feasibility Study (“**DFS**”) in Q2 2021. Furthermore, proceeds of the Placing will fund exploration of the Company’s extensive land package in Ecuador, prospective for further discoveries.
- The Alpala Project is a Tier 1 copper-gold-silver porphyry deposit located in Northern Ecuador and represents one of the largest and highest quality copper-gold development projects globally.
- On 7 April 2020, the Company announced the completion of its third Mineral Resource Estimate (“**MRE#3**”) which produced an approximate 30% increase in Measured and Indicated resources category, delivering an additional 1.6 Mt copper, 2.5 Moz gold, and 92.2 Moz silver, not previously estimated. The Measured and Indicated resource stands now at 9.9 Mt copper, 21.7 Moz gold and 92.2 Moz silver.
- The Alpala deposit includes a high-grade core of 442 Mt at 1.40% CuEq for 3.8 Mt copper, 12.3 Moz gold and 33.3 Moz silver in the Measured plus Indicated categories which supports early cash flows and accelerated pay back of initial capital.
- In May 2019, the Company completed a Preliminary Economic Assessment (“**PEA**”) on Alpala, reflecting a post-tax NPV (8%) range of US\$4.2 billion to US\$4.6 billion (assuming a US\$3.3/lb copper price, US\$1,300/oz gold price and US\$16/oz silver price), subject to four production scenarios ranging from 40Mtpa to 60Mtpa. At spot prices the post-tax NPV8% ranges from US\$3.4 billion to US\$3.5 billion (assuming a US\$2.49/lb copper price, US\$1,700/oz gold price and US\$17.65/oz silver price), subject to production scenario (40Mtpa to 60Mtpa).
- Once developed, Alpala is expected to produce an average of 150,000 tonnes of copper, 245,000 ounces of gold and 913,000 ounces of silver in concentrate per year during its 55-year life-of-mine. Over the first 25 years of mining, the average annual production is expected to be 207,000 tonnes of copper, 438,000 ounces of gold and 1.4 million ounces of silver.
- C1 CuEq cash costs at Alpala are anticipated to be US\$0.25/lb (net of by-products) during the first 25 years of production, and US\$0.91/lb (net of by-products) for the 50+ year LOM placing the project within the lowest quartile of the copper cost curve.
- In April this year, SolGold announced that it has received expressions of interest from leading commodity traders for the offtake of copper-gold-silver concentrate that demonstrated that the Company can expect strong demand for its concentrate and that the commercial terms



relating to the processing of the concentrate as assumed in the PEA will likely be improved, in some areas materially.

- As part of the off-take process, SolGold has received material offers for funding in exchange for off-take from a number of traders. A key focus for the coming months will be the continued engagement with traders and state-of-the-art copper smelters known to be able to process high quality concentrates, to conclude bankable off-take agreements and linked financing. Comprehensive metallurgical test results from Alpala and the reactions from market participants have been overwhelmingly positive, being evidence that Alpala's concentrate is likely to establish itself as a premier global concentrate coveted by smelters.
- Earlier this year, SolGold strengthened its take-over defences with the appointment of Citibank. Its mandate encompasses strategic investor engagement and funding, amongst others.
- Beyond its flagship Alpala Project on the Cascabel concession, the Company is also the largest tenement holder in Ecuador where it owns 100% of a further 75 exploration concessions covering a total of 3,200km². The Company's systematic exploration programme has already identified extensive mineralisation at 13 priority projects, three of which have already received permits to drill, expected to commence in the coming weeks.

Nick Mather, Chief Executive Officer of SolGold, commented:

"The proposed US\$20 million capital raising will see, with completion of the FNV royalty, SolGold fully funded through its PFS and to the delivery of a definitive feasibility study and all related permits. This funding will also cover the costs of SolGold's important regional exploration programmes and the ancillary costs of generating the US\$2.7 billion capital development funding package for the Alpala Project."

"SolGold looks forward to delivery of the PFS for Alpala by 30 September 2020, recommencement of regional exploration programmes at Rio Amarillo and Chical, both within 40km of Alpala, and the promising Porvenir, Celen, La Hueca and Sharug (Santa Martha porphyry) projects in southern Ecuador, following the lifting of COVID-19 restrictions, which are expected progressively over the next quarter. Field work at Alpala, Chical and Rio Amarillo will be recommencing immediately."

The Placing is subject to the terms and conditions set out in the Appendix to this announcement (which forms part of this announcement).

Capitalised terms used in this announcement shall have the meaning ascribed to them this announcement, including the Appendix (which forms part of this announcement).

The Placing Shares, when issued, will be credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares of SolGold, including the right to receive all dividends and other distributions declared, made or paid on or in respect of such shares after the date of issue.

The announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notice" section and the detailed terms and conditions described in the Appendix.



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Background to and reasons for the Fundraising

SolGold is a leading exploration company focussed on the discovery, definition and development of world-class copper and gold deposits. SolGold, with 76 concessions covering approximately 3,200km², is the largest and most active concession holder in Ecuador (based on exploration expenditure reported by SNP Global) and is aggressively exploring the length and breadth of this highly prospective, underexplored and gold-rich section of the Andean Copper Belt.

The Alpala deposit is the main target in the Cascabel concession, located on the northern section of the heavily endowed Andean Copper Belt, the entirety of which is renowned as the base for nearly half of the world's copper production. The project area hosts mineralisation of Eocene age, the same age as numerous Tier 1 deposits along the Andean Copper Belt in Chile and Peru to the south. The project base is located at Rocafuerte within the Cascabel concession in northern Ecuador, an approximate three-hour drive on a sealed highway north of Quito, close to water, power supply and Pacific ports.

The conversion of the MRE#2 Inferred Resource into Indicated Resources has been a major objective of the Company over the last year. On 7 April 2020 the Company announced that it had completed MRE#3 that will form the basis of the PFS. MRE#3 resulted in an increase in Measured and Indicated resource of approximately 30%, delivering an additional 1.6 Mt copper, 2.5 Moz gold, and 92.2 Moz silver, not previously estimated as part of MRE#2.

SolGold's current activities are focussed on completing the PFS for the Alpala deposit in Q3 2020, subject to COVID-19 restrictions in-country. The Company's recent PFS activities have focussed on hydrogeological, geotechnical, surface hydrology, metallurgical test work and surface geotechnical investigations within areas identified for potential major infrastructure. In parallel, the Company is aiming to sign a fiscal agreement with the government of Ecuador, negotiating bankable off-take agreements with smelters and international commodity traders and advancing a conditional funding package for the construction of the mine. This Fundraising will allow the Company to continue this work.

The Placing creates the opportunity to broaden the Company's shareholder base through the introduction of new investors. In conjunction with the FNV Transaction (assuming that it is upscaled to US\$150 million), the Fundraising is expected to fund the Company in excess of 12 months to delivery of a PFS on the Apala Project in Q3 2020 and a DFS in Q2 2021, subject to COVID-19 restrictions in-country.

Use of proceeds



In November 2019, BHP invested US\$22 million at a price of 22.15p per share. This investment provided a further endorsement of SolGold's commanding Ecuadorean footprint and the Alpala Project.

SolGold is budgeting approximately US\$76.8m for the remainder of 2020 which covers PFS delivery costs (including consulting costs, commercial activities related to off-take and investment agreement negotiations and project funding related expenses) to completion (approximately US\$20.1 million) and approximately US\$28.2 million in costs associated with progressing the DFS, approximately US\$10.0 million in strategic land acquisitions and approximately US\$5.3 million in SG&A (with members of the Alpala owners team included in these expenses). Beyond the Alpala Project, the Company has also allocated approximately US\$13.1m towards the advancement of its substantial exploration project pipeline in 2020, focusing on 13 priority targets across its 75 concessions covering ~3,200km² in Ecuador. These expenses include the costs of 14,000 meters of drilling beyond Cascabel. The majority of the 2020 budget is allocated to field work (drilling, sampling, testing, modelling) at the Company's Alpala project where further geotechnical, hydrogeological and metallurgical field as well as laboratory work is currently underway in support of the PFS and DFS.

SolGold is budgeting a further approximately US\$87.6 million in H1 2021 to the delivery of the DFS, US\$47.6 million of which is for DFS work with a further US\$20 million in land acquisitions, US\$15.6 million for regional exploration and US\$4.5 million in SG&A. In 2021, over 21,000 metres of drilling is planned beyond Cascabel.

On 11 May 2020, the Company announced the FNV Transaction, a Royalty Financing Agreement for US\$100 million with an option to upscale to US\$150 million at the Company's election. FNV will receive a perpetual 1% NSR interest from the Cascabel concession for the first US\$100 million (1.5% if option exercised), subject to completion of a site visit as the final confirmatory due diligence. A 50% buy back option exercisable at SolGold's election, exists for six years from closing at a price delivering FNV a 12% IRR. Conditions precedent to the FNV Transaction are expected to be satisfied soon after COVID-19 related travel restrictions are lifted. As part of the transaction, SolGold received a US\$15 million secured bridge loan from FNV, advanced for an initial four-month period, with an option to extend for another four months in consideration of the issuance of 12.2 million warrants in the Company. The bridge loan is repayable on customary events of default including a material breach of the Royalty Financing agreement.

In conjunction with the FNV transaction (assuming it is upscaled to US\$150 million), the Fundraising is expected to fund the Company to delivery of a PFS in Q3 2020 and a DFS in Q2 2021. Funding discussions for finalising SolGold's share of pre-development costs are progressing encouragingly. This involves SolGold's 85% share of both pre-development costs and the longer-term development capital expenditure (circa US\$2.7 billion per the PEA estimate). Furthermore, proceeds of the Fundraising will fund exploration of the Company's extensive land package in Ecuador, prospective for further discoveries.

In February this year, SolGold engaged with established international commodity traders to submit terms for the off-take of Alpala concentrate. Ten qualifying bids were received with more expected once COVID-19 restrictions are lifted. The offtake terms, though non-binding, are sufficiently detailed to give the Company confidence that binding agreements can be reached during forthcoming negotiations. As part of this, the Company also received material offers of funding in exchange for offtake from a number of traders. Offers included the provision of both short-term and longer-term capital with proceeds available for studies, mine construction and cost overruns as well as working capital during ramp-up.



Details of the Placing

The Bookbuilding Process for the Placing will open with immediate effect. The Placing is subject to the terms and conditions set out in the Appendix (which forms part of this announcement). The timing of the closing of the Bookbuilding process is at the discretion of the Joint Bookrunners. The Joint Bookrunners and the Company reserve the right to increase the amount to be raised pursuant to the Placing, in their absolute discretion. The closing of the Bookbuilding process and the final number of shares to be issued pursuant to the Placing will be announced as soon as practicable after the close of the Bookbuilding process and receipt of the Subscriptions.

The Placing Shares and the Subscription Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares in the capital of the Company, including the right to receive all dividends and other distributions (if any) declared, made or paid on or in respect of the Ordinary Shares after the date of issue of the Placing Shares.

The Placing is being underwritten by the Joint Bookrunners as to the minimum of 74,418,604 New Ordinary Shares and is subject to the conditions and termination rights set out in the Underwriting Agreement between the Company and the Joint Bookrunners and the Manager. Further details of the Underwriting Agreement can be found in the terms and conditions of the Placing contained in the Appendix to this announcement.

The completion of the Placing and the Subscription is conditional upon, *inter alia*, UK Admission of the Placing Shares and the Subscription Shares. The Placing Shares and the Subscription Shares will rank *pari passu* with the Existing Ordinary Shares. The Placing and the Subscription are not conditional upon the PrimaryBid Offer.

Application will be made to the London Stock Exchange for the Placing Shares and the Subscription Shares to be admitted to trading on the Standard segment of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities ("**LSE Admission**"). The New Ordinary Shares will also be admitted to trading on the Toronto Stock Exchange ("**TSX**"), conditional on receiving TSX approval. It is currently expected that settlement of all of the Placing Shares and LSE Admission will take place at 8.00 a.m. on or around 9 June 2020. The Placing is conditional upon, among other things, LSE Admission becoming effective and the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms and the Subscriptions. The Appendix sets out further information relating to the Bookbuilding process and the terms and conditions of the Placing.

Details of the Subscription

Certain SolGold Subscribers have expressed an interest to subscribe for New Ordinary Shares at the Placing Price (the "**Subscription Shares**"). The Subscriptions will be conditional, *inter alia*, on the close of the Bookbuild, Admission occurring, and the Underwriting Agreement not being terminated prior to Admission. Any Subscriptions will be announced with the closing of the Bookbuild. The Subscription is not being underwritten by the Joint Bookrunners.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 ("MAR"). Upon publication of this announcement, the inside information is now considered



to be in the public domain for the purposes of MAR. The person responsible for arranging release of this information on behalf of the Company is Nicholas Mather, Chief Executive Officer.

IMPORTANT NOTICE

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "ANNOUNCEMENT") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("EEA"), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(e) OF REGULATION (EU) 2017/1129 (TOGETHER WITH ANY RELEVANT IMPLEMENTING MEASURE IN ANY MEMBER STATE AND THE UNITED KINGDOM, THE "PROSPECTUS REGULATION"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN SOLGOLD PLC.

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The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Joint Bookrunners, the Manager or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company, the Joint Bookrunners and the Manager to inform themselves about and to observe any such restrictions.



This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia (the "United States" or the "US")), Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

By participating in the Bookbuilding Process and the Placing, each person who is invited to and who chooses to participate in the Placing (a "Placee") by making an oral and legally binding offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in the Appendix.

These terms and conditions apply to persons making an offer to acquire Placing Shares. Each Placee will be deemed to have read and understood this Announcement including the Appendix and hereby agrees with the Joint Bookrunners, the Manager and the Company to be bound by these terms and conditions as being the terms and conditions upon which the Placing Shares will be issued. A Placee shall without limitation, become so bound if the Joint Bookrunners or the Manager confirms to such Placee its allocation of Placing Shares.

This Announcement may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions



of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its respective affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Peel Hunt and the Manager will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

Peel Hunt is regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and Peel Hunt will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.



H&P Advisory Limited is regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and H&P Advisory Limited will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

Cormark is regulated by the IIROC in Canada and is acting exclusively for the Company and no one else in connection with any investment in the Placing Shares, and will not regard any other person (whether or not a recipient of the Presentation Materials) as their client in relation to any investment in the Placing Shares and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to any investment in the Placing Shares or any transaction or arrangement referred to in this Announcement.

Cantor is acting exclusively for the Company and no one else in connection with any investment in the Placing Shares, and will not regard any other person (whether or not a recipient of the Presentation Materials) as their client in relation to any investment in the Placing Shares and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to any investment in the Placing Shares or any transaction or arrangement referred to in this Announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners or the Manager or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange and the Toronto Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

The GBP/US\$ exchange used in respect of the Placing is £1.00:US\$1.25.

Qualified Persons Statement

The scientific or technical information contained in this press release has been reviewed on the company's behalf by Jason Ward, a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects.



All scientific and technical information contained in this press release relating to the Alpala Project on the Cascabel concession is derived from the technical report entitled “Cascabel Property NI 43-101 Technical Report, Alpala Mineral Resource Estimation, May 2020” (Dated 22 May 2020, Effective Date 11 November 2019) and is subject to all the assumptions, qualifications and procedures described therein. Reference is made to the full text of such technical report which has been filed by the Company with the Canadian securities regulatory authorities and is available on SEDAR at www.sedar.com



APPENDIX TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS “**ANNOUNCEMENT**”) ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (“**EEA**”), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(e) OF REGULATION (EU) 2017/1129 (TOGETHER WITH ANY RELEVANT IMPLEMENTING MEASURE IN ANY MEMBER STATE AND THE UNITED KINGDOM) (THE “**PROSPECTUS REGULATION**”); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “**ORDER**”) (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER OR (C) ARE OTHERWISE PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”).

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY (I) OUTSIDE OF THE UNITED STATES IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS AND (II) IN THE UNITED STATES TO A LIMITED NUMBER OF “QUALIFIED INSTITUTIONAL BUYERS” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN TRANSACTIONS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

THIS ANNOUNCEMENT IS NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA. THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD IN THE UNITED



STATES, EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM REGISTRATION. NO PUBLIC OFFERING IS BEING MADE IN THE UNITED STATES.

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE QUALIFIED FOR DISTRIBUTION OR DISTRIBUTION TO THE PUBLIC UNDER APPLICABLE CANADIAN SECURITIES LAWS AND, ACCORDINGLY, ANY SALE OF THE PLACING SHARES WILL BE MADE ON A BASIS WHICH IS EXEMPT FROM THE PROSPECTUS REQUIREMENTS OF SUCH SECURITIES LAWS ONLY TO "ACCREDITED INVESTORS" WITHIN THE MEANING ASCRIBED TO THAT TERM IN NATIONAL INSTRUMENT 45-106 – PROSPECTUS EXEMPTIONS, OF THE CANADIAN SECURITIES ADMINISTRATORS ("NI 45-106"). THE PLACING SHARES ARE NOT BEING OFFERED TO AND MAY NOT BE PURCHASED BY, OR FOR THE BENEFIT OF, PERSONS RESIDENT IN CANADA EXCEPT FOR "ACCREDITED INVESTORS". THE INFORMATION INCLUDED IN THIS ANNOUNCEMENT IS NOT INTENDED TO, AND DOES NOT, COMPLY WITH ALL OF THE DISCLOSURE REQUIREMENTS THAT WOULD APPLY UNDER APPLICABLE CANADIAN SECURITIES LAW IF THIS PLACING WAS BEING QUALIFIED PURSUANT TO A PROSPECTUS FILED WITH THE RELEVANT CANADIAN SECURITIES REGULATORY AUTHORITIES AND THE PLACING SHARES ISSUED PURSUANT TO THE AVAILABLE EXEMPTIONS UNDER NI 45-106 WILL BE SUBJECT TO A STATUTORY HOLD PERIOD IN CANADA FOR A PERIOD OF FOUR MONTHS AND ONE DAY FOLLOWING THE CLOSING OF THE PLACING. NO SECURITIES COMMISSION OR SIMILAR SECURITIES REGULATORY AUTHORITY IN CANADA HAS REVIEWED OR IN ANY WAY PASSED UPON THIS ANNOUNCEMENT OR THE CONTENTS HEREOF, OR THE MERITS OF THE PLACING SHARES AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENSE UNDER APPLICABLE CANADIAN SECURITIES LAWS.

The Company has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Placing Shares, other than (i) to "professional investors" (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO")) and any rules made under the SFO; or (ii) in other circumstances which do not result in the Presentation Materials being a "Prospectus" (as defined in the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance")) or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Placing Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Placing Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as defined in the SFO and any rules made under the SFO).

The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Joint Bookrunners, the Manager or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company, the Joint Bookrunners and the Manager to inform themselves about and to observe any such restrictions.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.



All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus. In the United Kingdom, this Announcement is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the “FSMA”) does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offering in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom. Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the “Important Notices” section of this Announcement.

By participating in the Bookbuilding Process and the Placing, each Placee will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix. Upon being notified of its allocation of Placing Shares, a Placee who chooses to participate in the Placing by making an oral and legally binding offer shall be contractually committed to acquire the number of placing shares allocated to it and to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate or otherwise withdraw from such commitment.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in a member state of the EEA or in the UK (each, a “**Relevant Member State**”) who acquires any Placing Shares pursuant to the Placing:
 - (a) it is a Qualified Investor within the meaning of Article 2(e) of the Prospectus Regulation; and
 - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation:



- (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of the Joint Bookrunners or the Manager have been given to the offer or resale; or
 - (ii) where Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons; and
- 3. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and
- 4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix; and
- 5. except as otherwise permitted by the Company, the Joint Bookrunners and the Manager and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 4 above) is either:
 - (a) outside the United States acquiring the Placing Shares in offshore transactions as defined in, and in accordance with, Regulation S under the Securities Act; or
 - (b) a “qualified institutional buyer” as defined in Rule 144A under the Securities Act (a “QIB”).
 - (c) if it is in Hong Kong, it is a “professional investor” (as defined in the Securities and Futures Ordinance (Cap.571) of the laws of Hong Kong and any rules made under that ordinance);

No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Announcement, and any information publicly announced through a Regulatory Information Service (as defined in the Listing Rules of the FCA (the “**Listing Rules**”)) by or on behalf of the Company on or prior to the date of this Announcement (the “**Publicly Available Information**”) and subject to any further terms set forth in the contract note sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of the Joint Bookrunners or the Manager or the Company or any other person and none of the Joint Bookrunners, the Manager, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation,



warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Announcement to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Underwriting Agreement and the Placing Shares

The Joint Bookrunners and the Manager have today entered into a underwriting agreement (the “**Underwriting Agreement**”) with the Company under which, on the terms and subject to the conditions set out in the Underwriting Agreement, the Joint Bookrunners and the Manager, as agents for and on behalf of the Company, have severally (and not jointly or jointly and severally) agreed to use their respective reasonable endeavours to procure Placees for the Placing Shares.

In accordance with the terms of and subject to the conditions in the Underwriting Agreement, the Placing is fully underwritten for the minimum of 74,418,604 New Ordinary Shares and in the event that subscribers are not obtained for all or any of those New Ordinary Shares (being the “**Unplaced Shares**”), the Joint Bookrunners will subscribe for any Unplaced Shares.

The Placing Shares will, when issued, be subject to the articles of association of the Company and credited as fully paid and will rank *pari passu* in all respects with the existing issued ordinary shares of £0.01 (“**Ordinary Shares**”) in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

Application for admission to listing and trading

Application will be made to the FCA for admission of the Placing Shares to listing on the standard listing segment of the Official List and for admission to trading of the Placing Shares on the London Stock Exchange's main market for listed securities.

The New Ordinary Shares will also be admitted to trading on the Toronto Stock Exchange (the “TSX”), conditional on receiving TSX approval.

It is expected that LSE Admission will take place on or before 8.00 a.m. on 9 June 2020 and that dealings in the Placing Shares on the London Stock Exchange's main market for listed securities will commence at the same time.

It is expected that TSX Admission will take place on or before 8.00 a.m. (Toronto time) on 9 June 2020 and that dealings in the Placing Shares on the TSX will commence at the same time.

The Bookbuilding Process

The Joint Bookrunners will today commence the Bookbuilding Process to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

The Joint Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuilding process as they may, in their sole discretion, determine.

Principal terms of the Bookbuilding Process and Placing



1. Peel Hunt, Cormark and Cantor are acting as joint bookrunners to the Placing each as agent for and on behalf of the Company. H&P are acting as manager.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited by the Joint Bookrunners or the Manager to participate. The Joint Bookrunners, the Manager and any of their respective affiliates are entitled to enter bids in the Bookbuilding process.
3. The number of the Placing Shares will be established in the Bookbuilding process and announced by the Company through a Regulatory Information Service (the **"Placing Results Announcement"**) following the completion of the Bookbuilding process and the entry into the Placing Term Sheet by the Company and the Joint Bookrunners. The Joint Bookrunners and the Company reserve the right to increase the amount to be raised and the number of New Ordinary Shares to be issued pursuant to the Placing beyond the minimum of 74,418,604 New Ordinary Shares in their absolute discretion. The Joint Bookrunners are underwriting only the minimum of 74,418,604 New Ordinary Shares and not any additional or increased New Ordinary Shares.
4. To bid in the Bookbuilding process, Placees should communicate their bid by telephone to their usual sales contact at the relevant Joint Bookrunner or Manager. Each bid should state the number of Placing Shares which a Placee wishes to acquire at the Placing Price. Bids may be scaled down by the Joint Bookrunners on the basis referred to in paragraph 8 below. The Joint Bookrunners and Manager are arranging the Placing as agents of the Company.
5. The Bookbuilding process is expected to close no later than 7.00 a.m. on 5 June 2020 but may be closed earlier or later subject to the agreement of the Joint Bookrunners and the Company. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuilding process has closed. The Company reserves the right (upon agreement of the Joint Bookrunners) to reduce or seek to increase the amount to be raised pursuant to the Placing, in its discretion.
6. Each Placee's allocation will be determined by the Joint Bookrunners following consultation with the Company and the Manager and will be confirmed orally by the relevant Joint Bookrunner to Placees.
7. Each Placee's allocation and commitment will be evidenced by a contract note or electronic confirmation issued to such Placee by the relevant Joint Bookrunner or the Manager. A bid in the Bookbuilding Process will be made on the terms and subject to the conditions in this Appendix and the terms of this Appendix will be deemed incorporated into the contract note, the form of which will be dispatched to each Placee as soon as possible after its allocation of Placing Shares has been confirmed orally to it by the Joint Bookrunners or the Manager.
8. Subject to paragraphs 4, 5 and 6 above, the Joint Bookrunners may choose to accept bids, either in whole or in part, on the basis of allocations determined at its discretion and may scale down any bids for this purpose on such basis as it may determine or be directed. The Joint Bookrunners may also, notwithstanding paragraphs 4, 5 and 6 above, subject to the prior consent of the Company:
 - (i) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and



- (ii) allocate Placing Shares after the Bookbuilding Process has closed to any person submitting a bid after that time.
9. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to the relevant Joint Bookrunner, the Manager and the Company, to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
10. Except as required by law or regulation, no press release or other announcement will be made by the Joint Bookrunners, the Manager or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
11. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made on the basis explained below under "*Registration and Settlement*".
12. All obligations under the Bookbuilding Process and Placing will be subject to fulfilment of the conditions referred to below under "*Conditions of the Placing*" and to the Placing not being terminated on the basis referred to below under "*Termination of the Placing*".
13. By participating in the Bookbuilding Process, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
14. To the fullest extent permissible by law, none of:
- (a) the Joint Bookrunners;
 - (b) the Manager;
 - (c) any of their respective affiliates, agents, directors, officers, consultants or employees; nor
 - (d) to the extent not contained within (a) or (b), any person connected with the Joint Bookrunners or the Manager as defined in the FSMA ((b) and (c) being together "affiliates" and individually an "affiliate" of the Joint Bookrunners or the Manager);

shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, none of the Joint Bookrunners, the Manager nor any of their respective affiliates nor any of its or their agents, directors, officers or employees shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of the Joint Bookrunners' conduct of the Bookbuilding Process or of such alternative method of effecting the Placing as the Joint Bookrunners and the Company may agree.

Registration and settlement

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic confirmation which will confirm the number of Placing Shares allocated to them.

UK Settlement



Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by the relevant Joint Bookrunner or Manager in accordance with either the standing CREST or certificated settlement instructions which they have in place with the relevant Joint Bookrunner or the Manager.

Settlement of transactions in the Placing Shares placed by the Manager or Peel Hunt following Admission will take place within the system administered by Euroclear UK & Ireland Limited (“CREST”), subject to certain exceptions. Settlement of the Placing Shares through CREST will be on a T+2 basis unless otherwise notified by Peel Hunt or the Manager and is expected to occur on 9 June 2020 in accordance with the contract notes.

Settlement of transactions in the Placing Shares placed by Cantor following Admission will take place within the system administered by Euroclear UK & Ireland Limited (“CREST”), subject to certain exceptions. Settlement of the Placing Shares through CREST will be on a T+2 basis unless otherwise notified by Cantor and is expected to occur on 9 June 2020 in accordance with the contract notes. Settlement of transactions in the Placing Shares placed by Cormark following Admission will take place within the system administered by Euroclear UK & Ireland Limited (“CREST”), subject to certain exceptions. Settlement of the Placing Shares through CREST will be on a T+2 basis unless otherwise notified by Cormark and is expected to occur on 9 June 2020 in accordance with the contract notes.

Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and the Joint Bookrunners may agree that the Placing Shares should be issued in certificated form. Each of the Joint Bookrunners and the Manager reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as they deem necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Canadian Settlement

It is anticipated that settlement for any Placees in Canada who are not eligible for settlement in accordance with the procedures described above under “UK Settlement” within CREST will occur in certificated form or by direct registration statement (DRS). Settlement may occur through the Canadian electronic system CDS Clearing and Depository Services Inc. only if available and agreed upon by the Company.

General

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Joint Bookrunners or the Manager.

Each Placee is deemed to agree that if it does not comply with these obligations, the Joint Bookrunners or the Manager (or any of them) may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for the Company's own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the Placing Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf.



If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

The Placing is conditional upon the Underwriting Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of the Joint Bookrunners and the Manager under the Underwriting Agreement are, and the Placing is, conditional upon, inter alia:

- (a) LSE Admission having become effective at or before 8.00 a.m. on 09 June 2020 or such later time date (being not later than 8.00am on 23 June 2020) as the Joint Bookrunners may agree with the Company;
- (b) there having been adverse material change in, or any development reasonably likely to have a material adverse change in or affecting, the Alpala Project and its implementation, the condition (financial, operational, legal or otherwise), or in the Group's earnings, results of operations, capital, management, business affairs, assets, properties, or the solvency of the Company or Exploraciones Novomining SA in each case whether or not arising in the ordinary course of business since the date of the Underwriting Agreement ("**Material Adverse Change**");
- (c) the warranties on the part of the Company in the Underwriting Agreement being true, accurate and not misleading on and as of the date of the Underwriting Agreement and at all times up to and immediately prior to LSE Admission (by reference to the facts and circumstances then subsisting); and
- (d) the Subscriptions remaining in full force and effect and the Company confirming that payment has been made.

(all conditions to the obligations of the Joint Bookrunners included in the Underwriting Agreement being together, the "**conditions**").

If (i) any of the conditions set out in the Underwriting Agreement in relation to the Placing are not fulfilled or waived by the Joint Bookrunners (acting jointly) by the respective time or date where specified (or such later time or date as the Company and the Joint Bookrunners may agree); (ii) any of such conditions becomes incapable of being fulfilled; or (iii) the Underwriting Agreement is terminated in the circumstances specified below, the Placing in relation to the Placing Shares will lapse and the Placee's rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee against either the Company or any of the Joint Bookrunners or the Manager in respect thereof.



By participating in the Bookbuilding process, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under “*Termination of the Placing*” below and will not be capable of rescission or termination by it.

The Joint Bookrunners may, in their absolute discretion and upon such terms as each of them thinks fit, waive fulfilment of all or any of the conditions in the Underwriting Agreement in whole or in part, or extend the time provided for fulfilment of one or more conditions, save that certain conditions including the condition relating to LSE Admission may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix. The Joint Bookrunners may each terminate the Underwriting Agreement in certain circumstances, details of which are set out below.

None of the Joint Bookrunners, nor the Manager nor any of their respective affiliates, agents, directors, officers or employees nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition, the number of New Ordinary Shares to be placed or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of each Joint Bookrunner.

Termination of the Placing

Each Joint Bookrunner may, in its absolute discretion, by notice to the Company, terminate the Underwriting Agreement at any time up to Admission if, inter alia:

- (a) the warranties in the Underwriting Agreement being not true, accurate and not misleading on the date of the Underwriting or at any time up to and immediately prior to LSE Admission (by reference to the circumstances then subsisting);
- (b) in the opinion of the relevant Joint Bookrunner (acting reasonably), there has been, or will be during the period from and including the date of the Underwriting Agreement to the date of LSE Admission, a Material Adverse Change;
- (c) in the opinion of the relevant Joint Bookrunners (acting reasonably), there has been a force majeure event as specified in the Underwriting Agreement which, in opinion of the Joint Bookrunner (acting reasonably) makes it impracticable or inadvisable to proceed with the Placing on the terms and in the manner contemplated in the Underwriting Agreement or which may otherwise materially prejudice the Placing.

If the Underwriting Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Bookbuilding Process, each Placee agrees with the Company and the Joint Bookrunners and the Manager that the exercise by the Company or the Joint Bookrunners of any right of termination or any other right or other discretion under the Underwriting Agreement shall be within the absolute discretion of the Company or the Joint Bookrunners or for agreement between the Company and the Joint Bookrunners (as the case may be) and that neither the Company nor the Joint Bookrunners need make any reference to such Placee and that none of the Company, the Joint Bookrunners, the Manager nor any of their respective affiliates, agents, directors, officers or



employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the “*Conditions of the Placing*” section above and will not be capable of rescission or termination by it after oral confirmation by the Joint Bookrunners or the Manager following the close of the Bookbuilding Process.

Representations, warranties and further terms

By submitting a bid in the Bookbuilding process, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) in favour of the Joint Bookrunners, the Manager and the Company that (save where the Joint Bookrunners expressly agree in writing to the contrary):

1. it has read and understood this Announcement in its entirety and that its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information;
2. it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document:
 - (a) is required under the Prospectus Regulation; and
 - (b) has been or will be prepared in connection with the Bookbuilding process, the Placing or the Placing Shares;
3. the Ordinary Shares are listed on the standard listing segment of the Official List, and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the FCA, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;
4. acknowledges that its obligations are irrevocable and legally binding and shall not be capable of rescission or termination by it in any circumstances;
5. it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and none of the Joint Bookrunners, nor the Manager nor the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Announcement or the Publicly Available Information; nor has it requested any of the Joint Bookrunners, the



Manager, the Company, any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;

6. none of the Joint Bookrunners nor the Manager nor any person acting on behalf of them nor any of their respective affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
7.
 - (a) the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information;
 - (b) none of the Joint Bookrunners, nor the Manager, nor the Company (nor any of their respective affiliates, agents, directors, officers and employees) have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information;
 - (c) none of the Joint Bookrunners, the Manager (nor any of their respective affiliates, agents, directors, officers and employees) accepts any responsibility for any acts or omissions of the Company or any of the directors of the Company or any other person (other than the relevant Joint Bookrunner or Manager) in connection with the Placing;
 - (d) it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and
 - (e) it has not relied on any investigation that the Joint Bookrunners, the Manager, or any person acting on their behalf may have conducted with respect to the Company, the Placing or the Placing Shares;
8. the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that none of the Joint Bookrunners, nor the Manager, nor any persons acting on their behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the Publicly Available Information nor will they be liable for any Placée's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;
9. it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Japan or the Republic of South Africa;
10. if the Placée is resident in a province of Canada:



- (a) it intends that the applicable Canadian securities laws of that jurisdiction govern the Placee's subscription and such address was not created and is not being used solely for the purpose of acquiring the Placing Shares and the Placee was solicited to purchase in only such jurisdiction;
11. it is an "accredited investor" within the meaning ascribed to that term in NI 45-106, was not created and is not being used solely to purchase or hold the Placing Shares as an accredited investor as described in paragraph (m) of that definition in NI 45-106 and is entitled under applicable Canadian securities laws to purchase the Placing Shares without the benefit of a prospectus qualified under Canadian securities laws and pursuant to the prospectus exemptions under such securities laws;
12. The Company is relying on an exemption from the requirement to provide the Placee with a prospectus under applicable Canadian securities laws and, as a consequence of acquiring the Placing Shares pursuant to such exemption: (i) certain protections, rights and remedies provided by applicable Canadian securities laws, including statutory rights of rescission and certain statutory remedies against an issuer, underwriters, auditors, directors and officers that are available to investors who acquire securities offered by a prospectus, will not be available to the Placee; (ii) the common law may not provide investors with an adequate remedy in the event that they suffer investment losses in connection with securities acquired in a private placement; (iii) the Placee may not receive information that would otherwise be required to be given under applicable Canadian securities laws, and (iv) the Company is relieved from certain obligations that would otherwise apply under applicable Canadian securities laws;
13. it acknowledges that the Placing Shares will be subject to a statutory hold period in Canada for a period of four months and one day following the completion of the Placing and will be embedded, whether through an electronic deposit system, an ownership statement or on certificates that may be issued, with a restrictive legend under applicable Canadian securities laws substantially in the following form (and with the necessary information inserted):
14. unless permitted under securities legislation, the holder of this security must not trade the security before 10 October 2020."
15. it acknowledges that the distribution of the Placing Shares in Canada is being made on an exempt distribution basis and that any resale of the Placing Shares in Canada must be made through an appropriately registered dealer or in accordance with an available exemption from the dealer registration requirements of applicable Canadian securities laws, and in accordance with, or pursuant to an exemption from, the prospectus requirements of such laws;
16. neither the Company nor the Joint Bookrunners, nor the Manager, nor any of their directors, officers, employees, affiliates or agents has made any written or oral representation: (A) that any person will resell or repurchase the Placing Shares, (B) that any person will refund all or any part of the purchase price for the Placing Shares, or (C) as to the future price or value of the Placing Shares;



17. the funds representing the purchase price which will be advanced by the Placee to the Joint Bookrunner and/or the Manager and/or the Company hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLTFA") and the Placee acknowledges that the Company may in the future be required by law to disclose the Placee's name and other information relating to its purchase in the Placing, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge (a) none of the funds to be provided by the Placee (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Placee, and (b) the Placee shall promptly notify the Corporation if the Placee discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;
18. it understands that certain personal information may be collected by the Company for the purposes of completing the Placing, which includes, without limitation, determining its eligibility to purchase the Placing Shares under Canadian securities laws and other applicable securities laws and completing filings required by any securities commission or other regulatory authority; that its personal information may be disclosed by the Company to: (i) securities commissions or stock exchanges, (ii) the Canada Revenue Agency or other taxing authorities, and (iii) any of the other parties involved in the Placing, including legal counsel to the Company, the Joint Bookrunners, the Manager and any dealer who sells Placing Shares to such Placee and may be included in record books in connection with the Placing; and that by purchasing the Placing Shares, it will be deemed to have consented to the foregoing collection, use and disclosure of its personal information and the filing of copies or originals of any of its documents submitted hereunder as may be required to be filed with any securities commission or stock exchange in connection with the transactions contemplated hereby;
19. it understands that certain information provided by it, including its name, address, telephone number and email address, the number of Placing Shares being purchased, the exemption being relied upon by it in purchasing the Placing Shares and its registrant or insider status, if applicable, will be disclosed to the applicable securities regulatory authorities, such information is being collected by such securities regulatory authorities under the authority granted to each of them under securities legislation and it will be deemed to have authorized the indirect collection of such information by such securities regulatory authorities. This information is being collected for the purposes of the administration and enforcement of the securities legislation of such jurisdictions. In the event the Placee has any questions with respect to the indirect collection of such information by such securities regulatory authorities and regulators, it should contact the applicable securities regulatory authority or regulator using the contact information set out below:
- 20.



British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) 899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: (604) 899-6581
Email: FOI-privacy@bcsc.bc.ca
Public official contact: FOI Inquiries

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) 297-2082
Public official contact: FOIP Coordinator

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593- 8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: Exemptmarketfilings@osc.gov.on.ca
Public official contact: Inquiries Officer

The Manitoba Securities Commission
500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2561
Toll free in Manitoba: 1-800-655-5244
Facsimile: (204) 945-0330
Public official contact: Director

21. if required by applicable Canadian securities laws (including any rules of the Toronto Stock Exchange), it will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents relating to the purchase of the Placing Shares as may be required;
22. if it is in Hong Kong, it is a “professional investor” (as defined in the Securities and Futures Ordinance (Cap.571) of the laws of Hong Kong and any rules made under that ordinance);
23. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Australia, Japan or the Republic of South Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Japan or the Republic of South Africa or in any country or jurisdiction where any such action for that purpose is required;



24. it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will pay the total subscription amount in accordance with the terms of this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as the Joint Bookrunners or the Manager may determine;
25. it and/or each person on whose behalf it is participating:
 - (a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
 - (b) has fully observed such laws and regulations;
 - (c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
 - (d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;
26. it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Australia, Japan or the Republic of South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Japan or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
27.
 - (a) it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an “offshore transaction” as defined in, and in accordance with, Regulation S under the Securities Act; or
 - (b) it (and any account for which it is purchasing) is a QIB;
28. it understands that the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
29. it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;
30. it understands that:



- (a) the Placing Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act;
 - (b) no representation is made as to the availability of the exemption provided by Rule 144 for resales of Placing Shares; and
 - (c) it will not deposit the Placing Shares in a depositary receipt programme in the United States or for US persons (as defined in the Securities Act);
31. it will not offer, sell, transfer, pledge or otherwise dispose of any Placing Shares except:
- (a) in the United States, to a person it reasonably believes to be a QIB in a transaction meeting the requirements of Rule 144A;
 - (b) in an offshore transaction in accordance with Rules 903 or 904 of Regulation S under the Securities Act; or
 - (c) pursuant to another exemption from registration under the Securities Act, if available, and in each case in accordance with all applicable securities laws of the states of the United States and other jurisdictions;
32. no representation has been made as to the availability of the exemption provided by Rule 144, Rule 144A or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
33. it understands that the Placing Shares are expected to be issued to it through CREST or CDS but may be issued to it in certificated, definitive form and acknowledges and agrees that the Placing Shares may, to the extent they are delivered in certificated form, bear a legend to the following effect unless agreed otherwise with the Company:

“THESE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE APPLICABLE SECURITIES LAWS OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (C) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THESE SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.”;

34. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;



35. it understands that there may be certain consequences under United States and other tax laws resulting from an investment in the Placing and it has made such investigation and has consulted its own independent advisers or otherwise has satisfied itself concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws generally;
36. it understands that the Company has not undertaken to determine whether it will be treated as a passive foreign investment company (“PFIC”) for US federal income tax purposes for the current year, or whether it is likely to be so treated for future years and none of the Company nor any of the Joint Bookrunners nor the Manager makes any representation or warranty with respect to the same. Accordingly, none the Company nor any of the Joint Bookrunners nor the Manager can provide any advice to US investors as to whether the Company is or is not a PFIC for the current tax year, or whether it will be in future tax years. Accordingly, none the Company nor any of the Joint Bookrunners nor the Manager undertakes to provide to US investors or shareholders any information necessary or desirable to facilitate their filing of annual information returns, and US investors and shareholders should not assume that this information will be made available to them;
37. none of the Joint Bookrunners, nor the Manager, nor their respective affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of any Joint Bookrunner or the Manager and that none of the Joint Bookrunners nor the Manager has any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Underwriting Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
38. that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Joint Bookrunners, the Manager, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;
39. it will make payment to the relevant Joint Bookrunner or the Manager for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement on the due times and dates set out in this Announcement, failing which the relevant Placing Shares may be placed with others on such terms as the relevant Joint Bookrunner or the Manager determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
40. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that the Company may call upon



it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;

41. no action has been or will be taken by any of the Company, the Joint Bookrunners, the Manager or any person acting on behalf of the Company or the Joint Bookrunners of the Manager that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
42. the person who it specifies for registration as holder of the Placing Shares will be:
 - (a) the Placee; or
 - (b) a nominee of the Placee, as the case may be.
43. The Joint Bookrunners, the Manager and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to indemnify the Company and the Joint Bookrunners and the Manager in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of a Joint Bookrunner or transferred to a CREST stock account of a Joint Bookrunner who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it
44. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
45. if in the United Kingdom, that it is a person (i) having professional experience in matters relating to investments who falls within the definition of "investment professionals" in Article 19(5) of the Order or (ii) who falls within Article 49(2)(a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order or (iii) if not a person meeting the criteria for an investment professional or otherwise of the foregoing (or the criteria of qualified investors for the purposes of section 86(7) of the FSMA), that he or she is a director of the Company at the time of the Placing, or (iv) to whom this Announcement may otherwise lawfully be communicated and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
46. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or elsewhere in the EEA prior to the expiry of a period of six months from Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in any other member state of the EEA within the meaning of the Prospectus Regulation;



47. if it is within the EEA, it is a Qualified Investor as defined in section 86(7) of the FSMA, being a person falling within Article 2 (e) of the Prospectus Regulation;
48. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by Peel Hunt or the Manager in its capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
49. it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);
50. it represents and warrants that, if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Regulation (including any relevant implementing measure in any member state), the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Regulation other than Qualified Investors, or in circumstances in which the express prior written consent of the Joint Bookrunners has been given to the offer or resale;
51. if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not:
 - (a) dealt in the securities of the Company;
 - (b) encouraged or required another person to deal in the securities of the Company; or
 - (c) disclosed such information to any person, prior to the information being made publicly available;
52. none of the Joint Bookrunners, the Manager, the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of the Joint Bookrunners, the Manager, or their respective affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Underwriting Agreement nor the exercise or performance of any of the Joint Bookrunners' or Manager's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
53. each Joint Bookrunner and the Manager and their respective affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt



with should be read as including any offer to, or subscription, acquisition or dealing by, the Joint Bookrunners, the Manager, and/or any of their respective affiliates acting as an investor for its or their own account(s). None of the Joint Bookrunners nor the Manager nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;

54. it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (together, the “**Regulations**”) and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
55. in order to ensure compliance with the Regulations, each Joint Bookrunner or Manager (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to the relevant Joint Bookrunner or Manager or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at the relevant Joint Bookrunner's or Manager's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at the relevant Joint Bookrunner's or Manager's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity the relevant Joint Bookrunner or Manager (in each case for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, any of the relevant Joint Bookrunners, Manager and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
56. it acknowledges that its commitment to acquire Placing Shares on the terms set out in this Announcement will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Bookrunners' or Manager's conduct of the Placing;
57. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of the Joint Bookrunners or the Manager;
58. it irrevocably appoints any duly authorised officer of each Joint Bookrunner or Manager as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Announcement;



59. the Company, the Joint Bookrunners, the Managers and others (including each of their respective affiliates, agents, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to each Joint Bookrunner and Manager on its own behalf and on behalf of the Company and are irrevocable;
60. it is acting as principal only in respect of the Placing or, if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it is duly authorised to do so and it has full power and authority to make, and does make, the foregoing, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;
61. time is of the essence as regards its obligations under this Appendix;
62. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to the Joint Bookrunners or Manager;
63. acknowledges that its commitment to subscribe for Placing Shares on the terms set out in this Announcement will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing
64. the Placing Shares will be issued subject to the terms and conditions of this Appendix; and
65. these terms and conditions in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Bookbuilding Process and/or the Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of such contract except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with interest chargeable thereon) may be taken by the Company or the Joint Bookrunners or Manager in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, the Joint Bookrunners, the Manager and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Appendix or incurred by the Joint Bookrunners, the Manager, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this Announcement, and further agrees that the provisions of this Appendix shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer the Placing Shares into a



clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and none of the Company, the Joint Bookrunners or the Manager shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify the Joint Bookrunners and the Manager accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company, the Joint Bookrunners and the Manager in the event that any of the Company and/or the Joint Bookrunners and/or the Manager have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to each Joint Bookrunner and the Manager for itself and on behalf of the Company and are irrevocable.

Each Placee and any person acting on behalf of the Placee acknowledges that neither the Joint Bookrunners nor the Manager owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Underwriting Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that each Joint Bookrunner may (at its absolute discretion) satisfy its obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with the Joint Bookrunners or the Manager, any money held in an account with the relevant Joint Bookrunner or Manager on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from the relevant Joint Bookrunner's or Manager's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this Announcement are to London time, unless otherwise stated. All times and dates in this Announcement may be subject to amendment. Placees will be notified of any changes.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.



The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser. The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange and the Toronto Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

By order of the Board
Karl Schlobohm
Company Secretary

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Follow us on twitter **@SolGold_plc**

ABOUT SOLGOLD



SolGold is a leading resources company focussed on the discovery, definition and development of world-class copper and gold deposits. In 2018, SolGold's management team was recognised by the "Mines and Money" Forum as an example of excellence in the industry and continues to strive to deliver objectives efficiently and in the interests of shareholders. SolGold is the largest and most active concession holder in Ecuador and is aggressively exploring the length and breadth of this highly prospective and gold-rich section of the Andean Copper Belt.

The Company operates with transparency and in accordance with international best practices. SolGold is committed to delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact.

Dedicated stakeholders

SolGold employs a staff of 700 employees of whom 98% are Ecuadorean. This is expected to grow as the operations expand at Alpala, and in Ecuador generally. SolGold focusses its operations to be safe, reliable and environmentally responsible and maintains close relationships with its local communities. SolGold has engaged an increasingly skilled, refined and experienced team of geoscientists using state of the art geophysical and geochemical modelling applied to an extensive database to enable the delivery of ore grade intersections from nearly every drill hole at Alpala. SolGold has 86 geologists, of whom 30% are female, on the ground in Ecuador exploring for economic copper and gold deposits.

About Cascabel and Alpala

The Alpala deposit is the main target in the Cascabel concession, located on the northern section of the heavily endowed Andean Copper Belt, the entirety of which is renowned as the base for nearly half of the world's copper production. The project area hosts mineralisation of Eocene age, the same age as numerous Tier 1 deposits along the Andean Copper Belt in Chile and Peru to the south. The project base is located at Rocafuerte within the Cascabel concession in northern Ecuador, an approximately three-hour drive on sealed highway north of the capital Quito, close to water, power supply and Pacific ports.

Having fulfilled its earn-in requirements, SolGold is a registered shareholder with an unencumbered legal and beneficial 85% interest in ENSA (Exploraciones Novomining S.A.) which holds 100% of the Cascabel concession covering approximately 50km². The junior equity owner in ENSA is required to repay 15% of costs since SolGold's earn in was completed, from 90% of its share of distribution of earnings or dividends from ENSA or the Cascabel concession. It is also required to contribute to development or be diluted, and if its interest falls below 10%, it shall reduce to a 0.5% NSR royalty which SolGold may acquire for US\$3.5m.

Advancing Alpala towards development

The resource at the Alpala deposit boasts a high-grade core which is targeted to facilitate early cashflows and an accelerated payback of initial capital. SolGold is currently assessing financing options available to the Company for the development of the Alpala mine following completion of the Definitive Feasibility Study.

SolGold's Regional Exploration Drive

SolGold is using its successful and cost-efficient blueprint established at Alpala, and Cascabel generally, to explore for additional world class copper and gold projects across Ecuador. SolGold is the largest and most active concessionaire in Ecuador.



The Company wholly owns four other subsidiaries active throughout the country that are now focussed on thirteen high priority gold and copper resource targets, several of which the Company believes have the potential, subject to resource definition and feasibility, to be developed in close succession or even on a more accelerated basis compared to Alpala.

SolGold is listed on the London Stock Exchange and Toronto Stock Exchange (LSE/TSX: SOLG). The Company has on issue a total of 1,923,321,033 fully-paid ordinary shares and 176,662,000 share options.

Quality Assurance / Quality Control on Sample Collection, Security and Assaying

SolGold operates according to its rigorous Quality Assurance and Quality Control (QA/QC) protocol, which is consistent with industry best practices.

Primary sample collection involves secure transport from SolGold's concessions in Ecuador, to the ALS certified sample preparation facility in Quito, Ecuador. Samples are then air freighted from Quito to the ALS certified laboratory in Lima, Peru where the assaying of drill core, channel samples, rock chips and soil samples is undertaken. SolGold utilises ALS certified laboratories in Canada and Australia for the analysis of metallurgical samples.

Samples are prepared and analysed using 100g 4-Acid digest ICP with MS finish for 48 elements on a 0.25g aliquot (ME-MS61). Laboratory performance is routinely monitored using umpire assays, check batches and inter-laboratory comparisons between ALS certified laboratory in Lima and the ACME certified laboratory in Cuenca, Ecuador.

In order to monitor the ongoing quality of its analytical database, SolGold's QA/QC protocol encompasses standard sampling methodologies, including the insertion of certified powder blanks, coarse chip blanks, standards, pulp duplicates and field duplicates. The blanks and standards are Certified Reference Materials supplied by Ore Research and Exploration, Australia.

SolGold's QA/QC protocol also monitors the ongoing quality of its analytical database. The Company's protocol involves Independent data validation of the digital analytical database including search for sample overlaps, duplicate or absent samples as well as anomalous assay and survey results. These are routinely performed ahead of Mineral Resource Estimates and Feasibility Studies. No material QA/QC issues have been identified with respect to sample collection, security and assaying.

Reviews of the sample preparation, chain of custody, data security procedures and assaying methods used by SolGold confirm that they are consistent with industry best practices and all results stated in this announcement have passed SolGold's QA/QC protocol.

See www.solgold.com.au for more information. Follow us on twitter @SolGold_plc

CAUTIONARY NOTICE

News releases, presentations and public commentary made by SolGold plc (the "Company") and its Officers may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to interpretations of exploration results to date and the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's Directors. Such forward-looking and interpretative statements involve known and unknown risks, uncertainties and other important factors beyond the control of the Company that could cause



the actual performance or achievements of the Company to be materially different from such interpretations and forward-looking statements.

Accordingly, the reader should not rely on any interpretations or forward-looking statements; and save as required by the exchange rules of the TSX and LSE or by applicable laws, the Company does not accept any obligation to disseminate any updates or revisions to such interpretations or forward-looking statements. The Company may reinterpret results to date as the status of its assets and projects changes with time expenditure, metals prices and other affecting circumstances.

This release may contain “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements regarding the Company’s plans for developing its properties. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: transaction risks; general business, economic, competitive, political and social uncertainties; future prices of mineral prices; accidents, labour disputes and shortages and other risks of the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

The Company and its officers do not endorse, or reject or otherwise comment on the conclusions, interpretations or views expressed in press articles or third-party analysis, and where possible aims to circulate all available material on its website.