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**28 May 2015**

**EMED Mining Public Limited  
("EMED" or the "Company")**

**Subscription, Placing and Open Offer to raise  
approximately £64.9 million (US\$95.1 million) ("Capital Raising")  
at 4.75 pence per share ("Issue Price")**

#### **Capitalisation of Bridge Loan and Convertible Loan Notes**

EMED Mining Public Limited, the Europe-based minerals development and exploration company, is pleased to announce that it is proposing to raise up to £64.9 million (US\$95.1 million) (before expenses) by the issue of up to 1,366,203,821 New Ordinary Shares at an Issue Price of 4.75 pence per share. The Board is seeking to effect the Capital Raising by way of a Subscription, Placing and Open Offer.

The Subscription comprises a subscription of 1,150,526,314 Subscription Shares by three existing cornerstone investors, Orion, Trafigura and XGC and one new further cornerstone investor, Liberty Metals & Mining, and is expected to raise gross proceeds of £54.7 million (US\$80.1 million) in aggregate for the Company. The Placing is being made by way of a placing of up to 143,684,210 Placing Shares by Canaccord Genuity Limited ("**Canaccord Genuity**") and Brandon Hill Capital Limited ("**Brandon Hill**") (together the "**Bookrunners**") with institutional investors and is expected to raise gross proceeds of up to £6.8 million (US\$10.0 million) in aggregate for the Company. The Open Offer is being made so as to enable Qualifying Shareholders to participate in the Capital Raising and will comprise up to 71,993,297 Open Offer Shares which will be offered pro rata to their existing holdings of, or entitlements to, Existing Ordinary Shares.

In addition, amounts owed by the Company pursuant to the previously announced Bridge Loan and Convertible Loan Notes are being satisfied by the issue of 694,316,864 New Ordinary Shares at the Issue Price.

The Placing is subject to the terms and conditions set out in the Appendix, which form part of this

announcement. The Placing will be conducted by way of a marketing and bookbuilding process (the “**Bookbuild**”) and the book will open with immediate effect and is expected to stay open for a period of approximately 10 business days. The timing of the closing of the book, allocations and the announcement of the results of the Placing is at the discretion of the Bookrunners in conjunction with the Company.

The Company has entered into a placing agreement (the “**Placing Agreement**”) with Canaccord Genuity and Brandon Hill on customary terms and conditions and pursuant to which the Bookrunners will use reasonable endeavours to procure Places for the Placing Shares. The Placing is not underwritten.

Potential investors who participate in the Placing will receive an allocation of Placing Shares at the discretion of Canaccord Genuity and Brandon Hill in conjunction with the Company.

The New Ordinary Shares will be credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid after their date of issue.

A circular convening the General Meeting and setting out further details of the Capital Raising and the Capitalisation Issue (the “**Circular**”) is expected to be sent to Shareholders shortly. Completion of the Subscription, Placing and Open Offer are each conditional on, *inter alia*, shareholder approval at a General Meeting of the Company which is expected to take place on or around 23 June 2015 and admission of the New Ordinary Shares to trading on AIM.

Application will be made to the London Stock Exchange for the Subscription Shares, Placing Shares and the Open Offer Shares to be admitted to trading on AIM. Subject to shareholder approval being given at the General Meeting and the Placing Agreement and Subscription Agreement not having been terminated in accordance with their respective terms, it is expected that Admission will become effective on or around 24 June 2015 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 24 June 2015. Application has also been made to the TSX for the listing of the New Ordinary Shares for trading on the TSX.

Pursuant to the Subscription Agreement each of the Investors and XGC have undertaken to the Company that they will cast or procure the casting of all votes attaching to the Existing Ordinary Shares which are held by it or its respective associates in favour of the Resolutions. Such Existing Ordinary Shares represent approximately 48% of the current issued share capital of the Company.

The proceeds of the Capital Raising will ensure that the Company is fully funded to progress the Rio Tinto Copper Project through to 7.5Mtpa of production as part of an expansion of Phase 1 of the project and with no significant indebtedness on its balance sheet.

This announcement, which contains further information on the Subscription, Placing and Open Offer, should be read in its entirety. Your attention is drawn to the Appendix to this announcement which sets out further information relating to the Bookbuild and the detailed terms and conditions of the Placing.

A circular containing further details of the Proposals is expected to be despatched to Shareholders on or about 29 May 2015. The Circular will be available for download on EMED's website: [www.emed-mining.com](http://www.emed-mining.com).

**Alberto Lavandeira, CEO of the Company, commented:**

*“We are delighted to have finalised the funding package. The project has been developing rapidly towards production since final permitting was obtained and has continued to benefit from the continued strong*

*support from all shareholders. The size and scale of the historic project and scope for expansion are well documented and we look forward to restarting production shortly.”*

**Enquiries**

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For further information on the Company's activities, visit [www.emed-mining.com](http://www.emed-mining.com).

Unless otherwise stated the following foreign exchange rates have been used:

The £/ US\$ exchange rate used is £1 / US\$1.4652

The €/ US\$ exchange rate used is €1 / US\$1.1

## 1. Introduction

The Company today announces that it is proposing to raise up to £64.9 million (US\$95.1 million) (before expenses) by the issue of up to 1,366,203,821 New Ordinary Shares at an Issue Price of 4.75 pence per share. The Issue Price represents a 2.7 per cent premium to the closing middle market price of 4.625 pence per Existing Ordinary Share on 27 May 2015, being the last dealing day prior to this announcement.

As announced on 24 December 2014, the Company entered into the Bridge Loan Agreement with Trafigura, Orion, and HKX (an affiliate of XGC), pursuant to which the Lenders agreed to make available to the Group an unsecured bridging finance facility for up to US\$30 million. The proceeds of the Bridge Loan were to provide sufficient working capital for the Company to continue with its development of the Rio Tinto Copper Project whilst it finalised its negotiations with key stakeholders in relation to funding the Phase 1 development plans for the Rio Tinto Copper Project. On 27 March 2015, the Company agreed with the Lenders and the Loan Noteholders, respectively, to extend the long stop payment date of the Bridge Loan and the Convertible Loan Notes to 30 June 2015. As at 15 May 2015, US\$31.5 million (approximately £21.5 million) was outstanding to the Lenders under the Bridge Loan (together with accrued interest) and US\$16.8 million (approximately £11.5 million) (including accrued interest) was outstanding to the Loan Noteholders under the Convertible Loan Notes.

The Board is therefore pleased to announce that it has agreed terms with those key stakeholders and a further key investor that will finance the Rio Tinto Copper Project through to completion of Phase 1 of the project to 5Mtpa of production and, in addition, the further expansion to 7.5Mtpa as part of an extension of Phase 1. Accordingly, the Company is now seeking to implement the Capital Raising by way of the Subscription, Placing and Open Offer.

The Subscription comprises a subscription of 1,150,526,314 Subscription Shares by the Investors and is expected to raise gross proceeds of £54.7 million (US\$80.1 million) in aggregate for the Company. The Placing is being made by way of a placing of up to 143,684,210 Placing Shares with institutional investors and is expected to raise gross proceeds of up to £6.8 million (US\$10.0 million) in aggregate for the Company. The Open Offer is being made so as to enable Qualifying Shareholders to participate in the Capital Raising and will comprise up to 71,993,297 Open Offer Shares which will be offered pro rata to their existing holdings of, or entitlements to, Existing Ordinary Shares. As part of the Proposals, under the terms of the Debt Set-Off Deed, the Lenders will agree to convert (at the Issue Price) the outstanding principal and accrued interest up to and including 15 May 2015 that is due to them from the Company under the Bridge Loan Agreement into 452,648,133 Capitalisation Issue Shares. In addition, the Loan Noteholders will agree under the Debt Set-Off Deed to convert (at the Issue Price) the outstanding principal and accrued interest up to and including 15 May 2015 that is due to them from the Company under the Convertible Loan Notes into 241,668,731 Capitalisation Issue Shares. The additional interest due to the Lenders and the Loan Noteholders from (but excluding) 15 May 2015 and certain fees and reimbursements due under the Bridge Loan and Convertible Loan Notes shall be set off by the Lenders and Loan Noteholders against the proceeds due from the issue of their respective Subscription Shares. The Capitalisation Issue and set off of such amounts due under the Bridge Loan Agreement and Convertible Loan Notes will take place at the time of, and subject to, completion of the Capital Raising.

As the Board's existing authorities to allot shares for cash on a non-pre-emptive basis are not sufficient to issue the New Ordinary Shares pursuant to the Capital Raising and Capitalisation Issue, the EGM is being called to seek Shareholders' approval to grant new authorities to enable the Board, *inter alia*, to complete the Capital Raising and Capitalisation Issue. Subject to shareholder approval, the New Ordinary Shares are expected to be admitted to trading on AIM on 24 June 2015. Application has also been made to the TSX for the listing of the New Ordinary Shares for trading on the TSX.

The EGM is to be held at 11.00 a.m. (London Time) on 23 June 2015 at the offices of Field Fisher Waterhouse LLP, 9<sup>th</sup> Floor, Riverbank House, 2 Swan Lane, London EC4R 3TT, United Kingdom. At this

meeting, Shareholders will be asked, *inter alia*, to approve the Resolutions necessary for the Company to effect the Proposals.

The Board is seeking to effect the Proposals because it believes that they:

- provide substantial proceeds that will allow the immediate completion of the Rio Tinto Copper Project refurbishment. This will, in turn, lead to an earlier restart of production;
- demonstrate considerable commitment from three existing cornerstone investors, Orion, Trafigura and XGC and one new further cornerstone investor, Liberty Metals & Mining. This strong partnership provides a firm foundation to move forward with the Rio Tinto Copper Project, as well as other opportunities that may be identified; and
- provide the Company with increased financial freedom and flexibility to expand production beyond 7.5Mtpa (after completion of the extension to Phase 1 of the project) to 9Mtpa or more. This should lead to more attractive terms and/or flexibility in future funding choices.

The Company and other members of its Group have also entered into separate Offtake Agreements with each of Orion, Trafigura Pte Limited and XGC for the sale copper concentrate production from the Rio Tinto Copper Project. The Group already has existing agreements with Orion and XGC for the purchase by them of approximately 51.6%, in aggregate, of the forecast cumulative copper concentrate production for the first 15 years of production from the Rio Tinto Copper Project. The new Offtake Agreements will provide for the sale to Orion, Trafigura Pte Limited and XGC of the remaining balance of 48.4%, in aggregate of production. Accordingly, when these new Offtake Agreements are taken together with the existing offtake agreements, the Company will have in place offtake arrangements with Orion, Trafigura Pte Limited and XGC for 100% of the forecast cumulative copper concentrate production from the Rio Tinto Copper Project for the first 15 years of production.

This announcement provides information concerning the background to and the reasons for the Proposals and explains why the Independent Directors recommend that you vote in favour of the Resolutions at the Meeting.

## **2. Background and reasons for the Proposals**

The proceeds of the US\$30 million Bridge Loan that was agreed with the Lenders in December 2014 have been applied towards the continued development of the Rio Tinto Copper Project whilst a financing package is being finalised in order to complete Phase 1 development and a potential expansion to Phase 1 of the Rio Tinto Copper Project. Additional funds are now required to further such development and expansion.

Accordingly, the Board therefore proposes to raise gross proceeds of up to £64.9 million (US\$95.1 million), in aggregate, for the Company pursuant to the Capital Raising. As part of the Proposals, under the terms of the Debt Set-Off Deed, the Lenders will agree to convert (at the Issue Price) the outstanding principal and accrued interest up to and including 15 May 2015 that is due to them from the Company under the Bridge Loan Agreement into 452,648,133 Capitalisation Issue Shares. In addition, the Loan Noteholders will agree under the Debt Set-Off Deed to convert (at the Issue Price) the outstanding principal and accrued interest up to and including 15 May 2015 that is due to them from the Company under the Convertible Loan Notes into 241,668,731 Capitalisation Issue Shares. Accordingly, following completion of the Proposals, the Company will have reduced its principal indebtedness by approximately £33.0 million (US\$48.3 million) through the Capitalisation Issue and have raised up to approximately £64.9 million (US\$95.1 million) through the issue of the New Ordinary Shares. The Company will, as a result, be in a much stronger financial position, with it being fully funded to progress the Rio Tinto Copper Project through to 7.5Mtpa of production as part of an expansion of Phase 1 of the project and with no significant indebtedness on its balance sheet.

### 3. Details of the Capital Raising and Capitalisation Issue

#### 3.1 Structure

The Directors have given consideration as to the best way to structure the proposed equity fundraising, having regard to current market conditions, the composition of the Company's share register and the importance of pre-emption rights to Shareholders. After considering these factors, the Directors have concluded that the structure of the Capital Raising by way of the Subscription, Placing and Open Offer is the most suitable option available to the Company and its Shareholders as a whole.

The Issue Price of 4.75 pence per New Ordinary Share represents a premium of approximately 2.7 per cent. to the closing middle market price on AIM of 4.625 pence per Existing Ordinary Share on 27 May 2015, being the last dealing day prior to the date of the announcement of the Capital Raising and at a discount of approximately 3.0 per cent. to the 20 day VWAP of 4.90 pence per Existing Ordinary Share as at 27 May 2015.

#### 3.2 Principal terms of the Subscription and Capitalisation Issue

HKX, Liberty Metals & Mining, Orion and Urion have conditionally agreed to subscribe for 1,150,526,314 Subscription Shares at the Issue Price, raising gross proceeds of £54.7 million (US\$80.1 million) in aggregate for the Company.

Under the terms of the Subscription Agreement, Orion has agreed conditionally to subscribe for 86,315,789 Subscription Shares, Urion has agreed to subscribe for 341,052,631 Subscription Shares, HKX has agreed to subscribe for 233,684,210 Subscription Shares and Liberty Metals & Mining has agreed to subscribe for 489,473,684 Subscription Shares, with each subscription by the Investors to be made at the Issue Price. In addition, the Subscription Agreement and Debt Set-Off Deed contain the terms on which the Capitalisation Issue will be effected, whereby an aggregate of 694,316,864 Capitalisation Issue Shares will be issued to the Lenders at the time of completion of the Proposals. The Capitalisation Issue Shares are to be issued in connection with the capitalisation of the amounts currently outstanding to the Lenders under the Bridge Loan and Convertible Loan Notes up to and including 15 May 2015 (save for outstanding interest from (but excluding) 15 May 2015 and certain other fees and expenses which will be set-off against the proceeds due from the issue of the Subscription Shares) and will result in 215,327,706 Capitalisation Issue Shares being issued to Orion, 150,882,711 Capitalisation Issue Shares being issued to Urion and 328,106,447 Capitalisation Issue Shares being issued to HKX. The Capitalisation Issue and set-off of such amounts under the Bridge Loan Agreement and Convertible Loan Notes will take place at the time of, and subject to, completion of the Capital Raising.

The Subscription Shares and Capitalisation Issue Shares to be issued, in aggregate, to HKX, Liberty Metals & Mining, Orion and Urion will represent, in aggregate, approximately 32.9 per cent. and 19.8 per cent., respectively, of the Enlarged Share Capital immediately following Admission (assuming full subscription under the Placing and Open Offer). In aggregate, therefore, the 2,060,520,685 New Ordinary Shares to be issued to the Investors pursuant to the Proposals will represent 58.9 per cent of the Enlarged Share Capital immediately following Admission (assuming full subscription under the Placing and Open Offer). Accordingly given their interest in the Existing Ordinary Shares the Investors in aggregate will own 72.5 per cent. of the Enlarged Share Capital following Admission (assuming full subscription under the Placing and Open Offer).

The Subscription Agreement is subject to the satisfaction of certain conditions and it not being terminated in accordance with its terms, as well as Admission taking place. The Subscription Agreement contains certain representations and warranties from the Company in favour of the Investors in relation to, *inter alia*, the accuracy of the information relating to the Group which has been made publicly available and certain other matters relating to the Company and its assets and business. The Subscription Agreement also contains representations and warranties from the Investors in favour of the Company in relation to,

*inter alia*, each Investor's capacity and authority and compliance with laws in connection with the Subscription. There are also certain ancillary rights that are to be granted under the Subscription Agreement in favour of each Investor, including certain director appointment rights and anti-dilution and pre-emption rights in the event of any issue of further shares by the Company. In particular, for so long as each Investor (together with associates) holds a beneficial interest in Ordinary Shares equal to or greater than 10% of the total issued share capital of the Company from time to time, each Investor shall have the right to appoint one non-executive director to the board of directors of the Company and to remove such person so appointed and appoint another person in his place.

There are also a number of covenants being given by the Investors in favour of the Company that are contained in the Subscription Agreement. These covenants are being given so as to ensure that, whilst any Investor (together with any of its respective associated parties) holds at least 10% of the voting rights attaching to the Ordinary Shares, it shall (and that it shall use its reasonable endeavours to procure that any of its respective associates shall) ensure that the Company is capable at all times of carrying on its business independently of the Investor (and its respective associates) and that all transactions and relationships between the Company and each Investor is at arm's length and on a normal commercial basis.

Further terms of the Subscription Agreement will be set out in the Circular and further information on the Investors is set out in paragraph 3.6 of this announcement.

### 3.3. Principal terms of the Placing

In addition to the Subscription, the Company is proposing to raise gross proceeds of up to £6.8 million (US\$10.0 million) by the issue of up to 143,684,210 New Ordinary Shares at 4.75 pence per share by way of a Placing to institutional investors. At present, potential investors and the funds to be raised under the Placing have yet to be secured. However, the Board is confident that all or a substantial proportion of those funds will be raised as a result of the marketing activities that will commence shortly. As a result of the funds raised pursuant to the Subscription, the Company will still be in a position to commence production from the Rio Tinto Copper Project without the need for the additional funds which are expected to be raised from the Placing and Open Offer, and to the extent that the Placing and Open Offer are not fully subscribed, the Company may seek to raise additional capital from alternative sources of financing (should any additional funds be required to complete the expansion of Phase 1 to 7.5Mtpa).

The Placing Shares will represent approximately 4.1 per cent. of the Enlarged Share Capital (assuming full subscription under the Placing and Open Offer). Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that, subject to the passing of the Resolutions, admission of the Placing Shares to trading on AIM will become effective on 24 June 2015 and that dealings in the Placing Shares will commence at that time. Application has also been made to the TSX for the listing of the Placing Shares for trading on the TSX. The Placing is not being underwritten and, accordingly, any Placing Shares that are not issued to Placees will not be placed with any other parties.

The Placing is subject to the terms and conditions set out in the Appendix to this announcement. Further details of the terms of the Placing Agreement are also set out in the Appendix to this announcement.

### 3.4 Principal terms of the Open Offer

Subject to the fulfilment of the terms and conditions referred to in this announcement and set out in the Circular to be sent to Shareholders shortly, and, where relevant, as set out in the Application Form, Qualifying Shareholders will be given the opportunity to apply for Open Offer Shares at a price of 4.75 pence per Open Offer Share, free of expenses, payable in full in cash on application, on the basis of:

**1 Open Offer Share for every 20 Existing Ordinary Shares**

and so in proportion for any number of, or entitlements to, Existing Ordinary Shares held on the Open Offer Record Date.

Entitlements to Open Offer Shares will be rounded down to the nearest whole number and fractional entitlements will be ignored and will not be allotted to Qualifying Shareholders. Qualifying Shareholders who hold less than 20 Existing Ordinary Shares (or any entitlement to such number of Existing Ordinary Shares) will, therefore, have no entitlement to subscribe under the Open Offer.

The total number of Open Offer Shares comprised in the Open Offer will be subject to a maximum of 71,993,297 Open Offer Shares.

The Open Offer is being structured so as to allow Qualifying Shareholders to subscribe for any whole number of Open Offer Shares at the Issue Price up to their maximum entitlement. In the case of Qualifying Certificated Shareholders, this maximum entitlement shall be equal to the number of Open Offer Shares as shown in their Application Form. In the case of Qualifying Depository Interest Holders, this maximum entitlement shall be equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST. Qualifying Shareholders may also make applications in excess of their pro rata initial entitlement pursuant to the Excess Application Facility. To the extent that pro rata entitlements to Open Offer Shares are not subscribed by Qualifying Shareholders, such Open Offer Shares will be available to satisfy such excess applications. To the extent that applications are received for more than the total number of Excess Shares available under the Excess Application Facility, excess applications will be scaled back accordingly, pro rata to existing holdings on the Open Offer Record Date.

Holdings of Existing Ordinary Shares in certificated form or those held in uncertificated form in the form of Depository Interests will be treated as separate holdings for the purpose of calculating Qualifying Shareholders' entitlements under the Open Offer.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Open Offer Shares by 8.00 a.m. on 24 June 2015.

Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike a rights issue, any Open Offer Shares not applied for will not be sold in the market on behalf of or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Qualifying Shareholders should note that the Open Offer Shares are not being underwritten.

In the event that the Open Offer is not fully subscribed, the Directors reserve the right to place the balance of the Open Offer Shares, at not less than the Issue Price, in order to raise up to the maximum proceeds under the Placing and Open Offer.

The Company will also not require the funds raised pursuant to the Open Offer to commence production from the Rio Tinto Copper Project, given the amount of funds being raised under the Subscription.

### 3.5 Conditions and other information relating to the Proposals

As the Board's existing authorities to allot shares for cash on a non-pre-emptive basis are not sufficient to issue the New Ordinary Shares pursuant to the Proposals, the EGM is being called to seek Shareholders' approval to grant new authorities to enable the Board, *inter alia*, to complete the Proposals.

The Capital Raising and Capitalisation Issue are each conditional, *inter alia*, upon:

- (i) the passing of all of the Resolutions;

- (ii) the Subscription Agreement having been entered into and not terminated in accordance with its terms;
- (iii) Admission becoming effective by not later than 8.00 a.m. on 24 June 2015 (or such later time and/or date as the Company, Canaccord and Brandon Hill may agree, not being later than 5.00 p.m. on 23 July 2015); and
- (iv) the Placing Agreement having been entered into and not terminated in accordance with its terms.

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Capital Raising will not proceed and any Open Offer Entitlements admitted to CREST will thereafter be disabled.

The Investors and XGC have each undertaken to vote in favour of all Resolutions at the EGM and also not to take up their entitlements to subscribe for any New Ordinary Shares under the Placing or Open Offer, subject to the Subscription Agreement not having been terminated in accordance with its terms.

Subject to Shareholder approval at the EGM, Admission of the New Ordinary Shares is expected to take place on 24 June 2015. Application has also been made to the TSX for the listing of the New Ordinary Shares for trading on the TSX which is expected to commence on 24 June 2015.

The Proposals will result in the issue of up to 2,060,520,685 New Ordinary Shares (representing approximately 58.9 per cent. of the issued Enlarged Share Capital (assuming full subscription under the Placing and Open Offer)). The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with each other and also the Existing Ordinary Shares and will rank *pari passu* for all dividends or other distributions declared, made or paid after the date of issue of the New Ordinary Shares.

### 3.6 The Investors

The Board believes that the Subscription demonstrates considerable commitment from four cornerstone investors, HKX, Liberty Metals & Mining, Orion and Urion. Details of each Investor are set out below.

#### (i) *HKX*

HKX is a key subsidiary of XGC, one of the world's largest copper smelting, refining and processing groups located in Shandong province of China, with a designed smelting capacity of 450,000tpa of copper from concentrate and refining capacity of 600,000tpa of copper cathodes.

#### (ii) *Orion*

The Orion Mine Finance Group is a mining-focused investment business with approximately US\$1.86 billion under management (as of 31 December 2014) specialising in providing flexible capital investment solutions to junior mining companies in the base and precious metals sector.

#### (iii) *Urion*

Urion is a wholly owned indirect subsidiary of Trafigura Beheer B.V.. Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and non-ferrous metals, iron ore and coal) around the globe.

#### (iv) *Liberty Metals & Mining*

Liberty Metals & Mining Holdings, LLC is a subsidiary of Liberty Mutual Insurance, the US based diversified global insurer. Liberty Mutual is ranked 76th on the Fortune 100 list of largest corporations in the U.S. based on 2013 revenue. As of 31 December 2014, the parent corporation of the Liberty Mutual Insurance group of entities had US\$124.3 billion in consolidated assets, US\$104.0 billion in consolidated liabilities, and US\$39.6 billion in annual consolidated revenue.

The interests of the Investors in the share capital of the Company as at the date hereof and immediately following Admission after giving effect to the Proposals are set out below:

Investor	Number and percentage of Existing Ordinary Shares held	Number and percentage of Ordinary Shares held at the time of Admission
HKX	205,865,181 (14.3%)	767,655,838 (21.9%)
Liberty Metals & Mining	-	489,473,684 (14.0%)
Orion	207,954,787 (14.4%)	509,598,282 (14.6%)
Urion	278,594,997 (19.3%)	770,530,339 (22.0%)

On 7 May 2015, the Company entered into the Concert Party Determination Letter with Liberty Metals & Mining, Orion, Trafigura and XGC, whereby the Board made a determination for the purposes of a restriction contained in the Company's Articles which prevents any shareholder (whether by himself, or with persons determined by the Board to be acting in concert with him) from acquiring shares which (when taken together with shares held or acquired by persons determined by the Board to be acting in concert with him) carry 20 per cent. or more of the voting rights attributable to the shares of the Company. In reliance on certain confirmations given by Liberty Metals & Mining, Orion, Trafigura and XGC to the Company in the Concert Party Determination Letter, the Board determined that none of Liberty Metals & Mining, Orion, Trafigura and XGC shall be deemed to be "acting in concert" with one another (or any of their respective affiliates) by virtue of carrying out or undertaking any potential activities in connection with the Proposals. In addition, the Board has also determined that the subscription of the Subscription Shares and the Capitalisation Issue Shares by the Investors constitutes a permitted acquisition for the purposes of the Company's Articles.

#### 4. Related Party Transactions

Under the AIM Rules, HKX, Orion and Urion are each deemed to be a related party of the Company due to their respective substantial shareholdings in the Company (together the "**Related Parties**"). As such, the participation of each of the Related Parties in the Subscription, the Capitalisation Issue and the Offtake Agreements is deemed to be a related party transaction under the AIM Rules. The Independent Directors (being all of the Directors, save for Harry Liu, who in view of his relationship with XGC and HKX is not considered independent for these purposes) consider, having consulted with the Company's Nominated Adviser, Canaccord Genuity, that the terms of the participation of each of the Related Parties in the Subscription, the Capitalisation Issue and the relevant Offtake Agreement, are fair and reasonable insofar as Shareholders are concerned.

#### 5. TSX matters

The Proposals trigger the requirement for approval from the holders of a majority of the currently issued and outstanding Ordinary Shares of the Company, excluding the votes attached to the Existing Ordinary Shares held by Trafigura, Orion and XGC, under Sections 607(g) and 604(a) of the TSX Company Manual, unless an exemption is applicable, as the Proposals will (i) result in the issuance of Ordinary Shares that is greater than 25% of the number of Ordinary Shares currently issued and outstanding, (ii) result in the issuance of Ordinary Shares to insiders of the Company that is greater than 10% of the number of Existing Ordinary Shares currently issued and outstanding; and (iii) be deemed under the rules of the TSX to materially affect control of the Company. However, the rules of the TSX contain an exemption from the requirement to obtain shareholder approval for companies listed on another exchange where at least 75% of the trading value and volume over the six months immediately preceding notification occurs on that other exchange, provided that such other exchange is reviewing the transaction. This exemption will apply to the Proposals and accordingly no such requirement arises.

## 6. The Resolutions

In order to be able to allot the New Ordinary Shares and effect the Proposals, the Company is seeking authority from its Shareholders to:

- increase the authorised share capital of the Company from £5.5 million (divided into 2,200,000,000 Ordinary Shares of 0.25 pence each) to £15 million (divided into 6,000,000,000 Ordinary Shares of 0.25 pence each) by the creation of 3,800,000,000 New Ordinary Shares each ranking *pari passu* with the Existing Ordinary Shares; and
- authorise the Board to allot or grant rights to subscribe for the New Ordinary Shares as if the rights of pre-emption in Section 60(B) of the Companies Law did not apply.

In addition, the Board is also seeking approval from Shareholders to authorise the Board to allot or grant rights to subscribe for up to an aggregate of 350,000,000 new Ordinary Shares as if the rights of pre-emption in Section 60(B) of the Companies Law did not apply. This figure represents approximately 10 per cent. of the Enlarged Share Capital (assuming full subscription under the Placing and Open Offer). Such new Ordinary Shares that are issued, or rights to subscribe for Ordinary Shares that are granted, pursuant to this authority will be at a price of not less than a 20 per cent. discount to the VWAP of an Ordinary Share on AIM for the ten trading days immediately preceding the issue or the grant and subject to compliance with, and obtaining any requisite approvals required by, the AIM Rules and the rules of the TSX. The Directors believe that such minimum price is fair and reasonable as far as Shareholders are concerned.

## 7. Use of Proceeds

The Company will use the net proceeds of the Capital Raising to advance the continued refurbishment of the Rio Tinto Copper Project, in particular to fund completion of Phase 1 (including the proposed expansion of this phase) of the development of the project and for general working capital purposes.

The table below sets out the sources and funds that it is anticipated will be available to the Company and how those funds will be applied in developing the Rio Tinto Copper Project:

SOURCES & USE OF PROCEEDS		
Sources	US\$m	EURm
Subscription by Investors	80	73
Placing	10	9

Open Offer	5	5
Government Subsidy	10	9
<b>Total Sources</b>	<b>105</b>	<b>96</b>
<b>Uses of Funds</b>		
Phase 1: Estimated remaining capex for Phase 1	38	34
Phase 1: Expansion: estimated capex for expansion to 7.5Mtpa	58	52
<b>Total estimated capex remaining</b>	<b>95</b>	<b>87</b>
<b>Working capital/contingency</b>	<b>9</b>	<b>9</b>
<b>Total Uses</b>	<b>105</b>	<b>96</b>

The Company has completed approximately 90% of Phase 1 of the Rio Tinto Copper Project, with construction 80% complete. The Company believes that the proceeds of up to £64.9 million (US\$95.1 million) derived from the Capital Raising and the reduction of its principal indebtedness to the Lenders by £33.0 million (US\$48.3 million) through the Capitalisation Issue will put the Group in a much stronger financial position. As a result of both actual and anticipated cost savings, the Company is now expected to be fully funded (excluding any payments that may be due to Astor as detailed in paragraph 10 below) to progress the Rio Tinto Copper Project through to completion of Phase 1 of the project and 5Mtpa of production and, in addition, a further expansion in production to 7.5Mtpa as part of an extension of Phase 1.

Behre Dolbear International completed an NI 43-101 compliant Technical Report on the Rio Tinto Copper Project in February 2013, which estimated planning and construction costs at approximately US\$199 million in order to reach 5.0Mtpa production of copper. However, the Company believes that this amount can be reduced as follows:

- the fact that the Technical Report assumed a EUR:USD exchange rate of €1: \$1.25 although this can be revised down to 1.10 based on current exchange rates (which equates to a reduction of approximately US\$24 million);
- the Board estimates that cost reductions of approximately US\$62 million can now be achieved, which is a revision to the previous estimate of US\$50 million targeted capital expenditure reductions that were announced in September 2014. These cost reductions are a combination of both actual cost savings in Phase 1 of the project and also targeted savings; and
- the Board estimates that US\$31 million of costs can be deferred.

To-date, the Company has spent approximately US\$44 million on the development of Phase 1 of the project. The Board estimate that US\$38 million will be required to complete Phase 1 of the project to production of 5Mtpa and a further US\$58 million to expand production up to 7.5Mtpa. In total, US\$95 million will therefore be required to bring production at the site to this level and will be financed through the proceeds of the Capital Raising of up to US\$95.1 million and a grant from the Government of Andalucía of US\$9 million. The remaining balance of US\$9 million will be used for general working capital purposes and/or a contingency against any overspend in costs.

As a result of the funds raised solely pursuant to the Subscription, the Company will still be in a position to commence production from the Rio Tinto Copper Project without the need for the additional funds which

are expected to be raised from the Placing and Open Offer, and to the extent that the Placing and Open Offer are not fully subscribed, the Company may seek to raise additional capital from alternative sources of financing (should any additional funds be required to complete the expansion of Phase 1 to 7.5Mtpa).

## **8. Strategy and Operational Update**

### The Rio Tinto Copper Project

EMED Mining, via its wholly-owned subsidiary EMED Tartessus, owns 100% of the Rio Tinto Copper Project in Andalucía, Spain. The Group is the owner of the mine, the mineral rights and the processing plant and has now been awarded all of the key permits necessary to commence construction and ultimately the restart of operations.

#### Operations

##### *Phase 1 – Production 5Mtpa and expansion to 7.5Mtpa*

EMED continues to rapidly progress site development. The Company has completed selection and hiring of operational personnel. In total, there are currently over 250 EMED employees and over 250 contractors on site. Project activities have focused on:

- Engineering, which is now complete.
- Procurement, which is also complete. New equipment has either arrived on site or is in transit.
- Refurbishment activities have been concentrated on primary crushing, screening area, milling and the flotation area.
- Refurbishment is expected to be completed during the second quarter of 2015.
- Control and instrumentation equipment has arrived on site with installation activities progressing.
- Preliminary works at the tailings storage facilities are in progress to be fully operational before commissioning activities.

In addition, the infrastructure development is progressing according to plan:

- Site is now connected to the power grid and construction power is available.
- Permanent operating power is under development.
- Main substation works are largely completed.
- Medium voltage switchgear has been delivered to site. Low voltage switchgear development is also in progress.
- Fresh and process water supplies are largely completed.

On the basis of its current timetable, the Company expects the Rio Tinto Copper Project to achieve an initial production rate of 5Mtpa by the beginning of the first quarter of 2016 and 7.5Mtpa by Q2 2016.

##### *Phase 2 – Expansion Project*

The Company has initiated a detailed review of options to expand production with the goal of maximising the use of existing infrastructure, whilst capital intensity is maintained at similar levels to those achieved in

Phase 1. Engineering studies will be reported once finalised and the Company believes similar low capital intensity can be maintained with the application of Phase 1 philosophy.

#### Exploration, geology and mining activities

Infill drilling campaigns are in progress with over 17,000 metres drilled to date targeting a significant increase in open pittable reserves. The exploration department is now fully operational following the recruitment of the Company's exploration manager who brings over 30 years of practical experience.

Near-mine exploration activities are progressing with deep hole drilling and down hole geophysics targeting high grade extensional deposits at depth which were not contemplated in any previous estimates. Grass-root regional exploration is similarly initiated with specific attention to gravimetric anomalies identified in the Company's exploration licences.

#### Mining

The mining contractor is now fully mobilised on site and ready to operate and has acquired a new mining fleet that will be utilised for Phase 1 operations.

#### Permitting

The Mining Permit and approval of the rehabilitation plan were received by EMED during the first quarter of 2015. The application for the licence to initiate mining activities was submitted to Minas de Riotinto town hall in March 2015 and is expected to be received in June and the Company currently has temporary permits to enable it to carry out the current activities on site. In addition, the Company has received the relevant permits for the use of explosives and the first blast since 2001 took place on 17 April 2015.

#### Grant approval

In June 2014, the Government of Andalucía announced the awarding of an €8.8 million grant to EMED Tartessus, in order to support the modernisation of the Rio Tinto Copper Project facilities. The grant is constituted with EU funds and administered by the Junta de Andalucía through the Agencia IDEA (the Andalusian Innovation and Development Agency) and is aimed at supporting investment initiatives in Andalucía that show strong potential for innovation and job creation. The grant will be payable as a reimbursement of EMED's expenditure as project execution progresses and after due process is completed, which is expected to be during the last quarter of 2015.

### **9. Offtake Agreements**

The Company and other members of its Group will enter into separate Offtake Agreements with each of Orion, Trafigura Pte Limited and XGC for the sale of copper concentrate production from the Rio Tinto Copper Project. The Group already has existing agreements with Orion and XGC for the purchase by them of approximately 51.6%, in aggregate, of the forecast cumulative copper concentrate production for the first 15 years of production from the Rio Tinto Copper Project. The new Offtake Agreements will provide for the sale to Orion, Trafigura Pte Limited and XGC of the remaining balance of 48.4%, in aggregate of production. Accordingly, when these new Offtake Agreements are taken together with the existing offtake agreements, the Company will have in place offtake arrangements with Orion, Trafigura Pte Limited and XGC for 100% of the forecast cumulative copper concentrate production from the Rio Tinto Copper Project for the first 15 years of production.

The entitlements under the new Offtake Agreements to purchase the annual copper concentrate production from the Rio Tinto Copper Project will be as follows: in the first 10 years of production, Orion 12.0%, Trafigura Pte Limited 16.6% and XGC 12.9%; and in the last 5 years of production, Orion 20.7%,

Trafigura Pte Limited 28.6% and XGC 22.2%. As a result, the total annual production of copper concentrate from the mine will be split as follows: in the first 10 years of production, Orion 29.5%, Trafigura Pte Limited 16.6% and XGC 53.9%; and in the last 5 years of production, Orion 38.2%, Trafigura Pte Limited 28.6% and XGC 33.2%. This will equate to Orion receiving 31.54%, Trafigura Pte Limited 19.34% and XGC 49.12% of the life of mine reserves in the Technical Report.

Each Offtake Agreement is conditional upon completion of the Subscription and Admission on or prior to a long stop date of 23 July 2015. Further details of the terms of the Offtake Agreements will be set out in the Circular to be sent to Shareholders shortly.

## 10. Other existing arrangements

### Arrangements with Astor

On 30 September 2008, the Company, EMED Tartessus and EMED Holdings (UK) Limited ("**EMED Holdings**") entered into a master agreement and certain associated documents (including a credit assignment agreement) with Marc Rich + Co. Investment A.G. ("**MRI**") and associated entities, with such agreement being subsequently novated in favour of Astor Management AG ("**Astor**") and its terms amended and restated (together the "**Amended and Restated Master Agreement**"). Under the terms of the Amended and Restated Master Agreement, the Company acquired the remaining 49% of the share capital of its subsidiary, EMED Tartessus, that it did not already own. The consideration for the acquisition comprised the issue to the MRI group of 39.1 million Ordinary Shares and certain deferred consideration ("**Deferred Consideration**") of up to €53 million in instalments payable over a period ("**Payment Period**") of approximately six years following the date on which: (a) the authorisation from the Junta de Andalucia to restart mining activities in the Rio Tinto Copper Project has been granted ("**Permit Approval**"); and (b) EMED Tartessus or another company in the EMED Group has secured senior debt finance and guarantee facilities for a sum sufficient for the acquisition and re-start of mining operations at the Project. As security for, *inter alia*, the obligations of EMED Tartessus to pay the Deferred Consideration, the Company has provided a parent company guarantee to ASTOR, EMED Holdings has given a pledge in favour of Astor over the shares in EMED Tartessus and EMED Tartessus has undertaken not to create any encumbrance over the assets of the Rio Tinto Copper Project. The Company also agreed to pay to Astor certain additional Deferred Consideration comprising of the payment of up to €15.9 million in regular instalments over the Payment Period, depending on the price of copper and with such additional Deferred Consideration only being payable if, during the relevant period, the average price of copper per tonne is US\$6,614 or more (US\$3.00/lb).

The condition relating to the Permit Approval has been satisfied. However, the Group has not entered into arrangements in connection with a Senior Debt Facility and if the restart of the Rio Tinto Project is funded solely through the Capital Raising the Company's legal advisors are of the opinion that there is significant doubt concerning the legal obligation on the Company to pay any of the Deferred Consideration. On this basis, the Directors decided to derecognise the amount included in the Q2 and Q3 2014 unaudited interim financial statements and revert to previous disclosure of the arrangement with Astor, as a contingent liability.

In the event that EMED and Astor do not reach agreement on the extent to which any Deferred Consideration is payable, Astor has indicated it may bring a claim against the Company under the Master Agreement (and certain other agreements referred to above). This could include attempts by Astor to enforce its security under the share pledge and/or parent company guarantee. Any such legal proceedings may be protracted and costly and the Company cannot be certain of the outcome. The Subscription Agreement provides for use of funds raised from the Subscription for specific purposes which do not include the payment of the Deferred Consideration. As such, the Company may in the future need to raise additional funds in order to meet any costs and obligations in respect of the Deferred Consideration should a claim by Astor arise and prove successful.

On 30 September 2008, EMED Marketing entered into an agency agreement with MRI Trading AG", with such agreement being subsequently novated in favour of Astor and its terms amended (**together the "Agency Agreement"**). Under the terms of the Agency Agreement, EMED Marketing appointed Astor as its exclusive worldwide agent to market and promote EMED Marketing's copper concentrate from the Rio Tinto Copper Project and advise on entry into offtake purchase contracts of copper concentrate. In consideration of the provision of the services by Astor, EMED Marketing shall pay commission on up to 2,370,000 dmt of copper concentrate sold and shipped by EMED Marketing from the Rio Tinto Copper Project: (a) in respect of the first 932,000 dmt of copper concentrate at the rate of €11.25/dmt, plus an additional commission dependent on the copper price per pound; and (b) for the remaining balance of 1,438,000 dmt of further copper concentrate at the rate of €22.5/dmt.

#### Arrangements with Rumbo

The Company and Rumbo 5-Cero, S.L. ("**Rumbo**") entered into a sale and purchase agreement dated 3 July 2012 ("**Sale and Purchase Agreement**") for the sale and purchase of certain plots of land required for the operation of the Rio Tinto Copper Project. From the earlier of (i) commencement of commercial mining operations at the Rio Tinto Copper Project and (ii) 18 months after first sales from the Rio Tinto Copper Project, the Company shall pay to Rumbo a royalty of up to US\$1 million per annum. The royalty is only payable in a particular quarter if (i) the average LME copper price for that quarter is at least US\$2.60/lb or (ii) the average price of copper sold from the Rio Tinto Copper Project for the quarter is at least US\$2.60/lb. The royalty period continues for 10 years. The Company can defer royalty payments to the following quarter if the mine is loss making. The royalty is to be registered against the land at the Land registry and shall be subordinated to project finance banks and any existing security. The Company's obligation to pay the royalty is subject to any restrictions imposed by the project finance banks on payments by the Company. If the Company is unable to pay the royalty it shall accrue and be paid as soon as possible thereafter.

In addition, the Company, EMED Tartessus and Rumbo entered into a joint venture agreement in relation to reprocessing tailings at the Rio Tinto Copper Project. The agreement remains in force for so long as the "Class B Concessions" at the Rio Tinto Copper Project remain in force and all joint venture assets have been disposed of. The Company and Rumbo each have a 50% interest in the joint venture. The Company must meet all cash calls in respect of the feasibility study for the Class B Resources up to an aggregate amount of €2 million. After completion of the feasibility study, the parties have agreed to fund the joint venture pro rata to their ownership interests. 50% of the costs of the feasibility study contributed by the Company can be deducted from the royalty payments due to Rumbo under the Sale and Purchase Agreement.

#### **11. Additional Information**

Additional information relating to the Company may be found under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website at [www.emed-mining.com](http://www.emed-mining.com).

#### **12. EGM**

As the Board's existing authorities to allot shares for cash on a non-pre-emptive basis are not sufficient to issue the New Ordinary Shares pursuant to the Proposals, the EGM is being called to seek Shareholders' approval to grant new authorities to enable the Board, *inter alia*, to complete the Subscription, Placing and Open Offer.

The EGM is to be held at 11.00 a.m. (London Time) on 23 June 2015 at the offices of Field Fisher Waterhouse LLP, 9<sup>th</sup> Floor, Riverbank House, 2 Swan Lane, London EC4R 3TT, United Kingdom. At this meeting, Shareholders will be asked, *inter alia*, to approve the Resolutions necessary for the Company to effect the Proposals.

*This announcement includes certain "forward-looking information". All statements other than statements of historical fact included in this announcement, including, without limitation, the positioning of the Company for future success, statements regarding exploration, drilling results, resource calculations and potential future production at the Rio Tinto Copper Project, and future capital plans and objectives of the Company, are forward-looking information that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include, among others, the risks related to international operations, the actual results of current exploration and drilling activities, changes in project parameters as plans continue to be refined, as well as the future price of copper. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements 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 statements. The Company does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.*

**Notes:**

The Appendix (which forms part of this announcement) sets out certain terms and conditions applicable to the Placing and further information regarding the Bookbuild.

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 either of the Joint Bookrunners or by any of their respective affiliates or agents or brokers, 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.

Canaccord Genuity is acting for the Company and for no-one else in connection with the Bookbuild and the Placing, and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Canaccord Genuity nor for providing advice to any other person in relation to the Placing or any other matter referred to herein. Canaccord Genuity is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA").

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The distribution of this announcement and the Placing in certain jurisdictions may be restricted by law. No action has been taken by the Company, Canaccord Genuity or Brandon Hill that would permit the Placing

or possession or distribution of this announcement or any other offering or publicity material relating to the Placing in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement becomes available are required by the Company, Canaccord Genuity and Brandon Hill to inform themselves about, and to observe, such restrictions.

The price of Ordinary Shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of Ordinary Shares.

The information in this announcement shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the securities referred to herein in any jurisdiction in which such offer, solicitation or sale would require preparation of a prospectus or other offer documentation, or be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction.

This announcement does not contain an offer or constitute any part of an offer to the public within the meaning of Sections 85 and 102B of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) or otherwise. This announcement is not an “approved prospectus” within the meaning of Section 85(7) of FSMA and a copy of it has not been, and will not be, delivered to the FCA in accordance with the Prospectus Rules or delivered to any other authority which could be a competent authority for the purpose of the Prospectus Directive. Its contents have not been examined or approved by the London Stock Exchange plc, nor has it been approved by an “authorised person” for the purposes of Section 21 of FSMA.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than AIM and the TSX. 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 Placing Shares have not been and will not be qualified for sale to the public under applicable securities laws in Canada and, accordingly, any offer and sale of the Placing Shares in Canada will be made on a basis which is exempt from the prospectus requirements of such securities laws. The Placing Shares issued to Canadian residents pursuant to the Placing will be subject to resale restrictions under Canadian securities laws for a period of four months plus one day from the date of the closing of the Placing. Subject to applicable securities laws, the Placing Shares issued to residents of countries other than Canada pursuant to the Placing may not be sold, transferred or otherwise disposed of on the TSX or, except pursuant to an exemption from the prospectus requirements under Canadian securities laws, to any person in Canada or otherwise into Canada for a period of four months plus one day from the date of the closing of the Placing.

## Definitions

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

<b>"Admission"</b>	Admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies
<b>"AIM"</b>	AIM, a market operated by the London Stock Exchange
<b>"AIM Rules for Companies" or "AIM Rules"</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>"Application Form"</b>	the application form accompanying the Circular to be used by Qualifying Certificated Shareholders in connection with the Open Offer
<b>"Articles"</b>	the existing articles of association of the Company as at the date of this document
<b>"Board" or "Directors"</b>	the board of Directors of EMED Mining Public Limited
<b>"Bookbuild"</b>	the marketing and bookbuilding process in respect of the Placing
<b>"Bookrunners" or "Joint Bookrunners"</b>	Canaccord Genuity and Brandon Hill
<b>"Brandon Hill"</b>	Brandon Hill Capital Limited
<b>"Bridge Loan"</b>	the unsecured loan facility of up to US\$30 million provided to the Company by HKX, Orion and Trafigura pursuant to the Bridge Loan Agreement
<b>"Bridge Loan Agreement"</b>	the term facility agreement dated 24 December 2014 (as amended pursuant to a deed of variation dated 27 March 2015), pursuant to which HKX, Orion and Trafigura each agreed to make available to the Company the Bridge Loan
<b>"Canaccord Genuity"</b>	Canaccord Genuity Limited
<b>"Capitalisation Issue"</b>	the issue of New Ordinary Shares pursuant to the capitalisation of the amounts outstanding in respect of principal and interest up to and including 15 May 2015 to the Lenders under the Bridge Loan and to the Loan Noteholders under the Convertible Loan Notes, respectively
<b>"Capitalisation Issue Shares"</b>	the 694,316,864 New Ordinary Shares to be issued pursuant to the Capitalisation Issue
<b>"Capital Raising"</b>	the Subscription, the Placing and the Open Offer
<b>"Circular"</b>	the circular to be dated on or about 29 May 2015 to be sent to Shareholders
<b>"Companies Law"</b>	the Cyprus Companies Law, Cap. 113 including any modification or re-enactment thereof for the time being in force

<b>"Company" or "EMED" or "EMED Mining"</b>	EMED Mining Public Limited, a company registered in Cyprus with registered number 152217 and having its registered office at 1 Lampousas Street, 1095 Nicosia, Cyprus
<b>"Concert Party Determination Letter"</b>	the letter agreement dated 7 May 2015 between the Company, Liberty Metals & Mining, Orion, Trafigura and XGC, further details of which are contained in this announcement
<b>"Convertible Loan Notes"</b>	the £9,582,000 aggregate principal amount of Convertible Secured Notes 2014 of the Company as issued to the Loan Noteholders pursuant to the terms of the Loan Note Instrument
<b>"CREST"</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
<b>"CREST member"</b>	a person who has been admitted by Euroclear as a system member (as defined in the Regulations)
<b>"Debt Set-Off Deed"</b>	the agreement to be entered into between the Company, EMED Holdings (UK) Limited, EMED Tartessus, the Lenders and Urion relating to the Capitalisation Issue
<b>"Depositary"</b>	Computershare Investor Services PLC acting in its capacity as depositary pursuant to the terms of the agreement for the provision of depositary services entered into between the Company and Computershare Investor Services PLC
<b>"Depositary Interests" or "Dis"</b>	the depositary interests issued by the Depositary representing an entitlement to an Ordinary Share which may be traded through CREST in dematerialised form
<b>"Directors"</b>	the directors of the Company
<b>"dmt"</b>	dry metric tonnes
<b>"EMED Marketing"</b>	EMED Marketing Limited, a company duly incorporated and validly existing under the laws of the Republic of Cyprus, under registration number HE 237592 and whose registered office is at 1, Lampousas Street, 1095, Nicosia, Cyprus
<b>"EMED Tartessus"</b>	EMED Tartessus S.L.U., a corporation duly incorporated and organised under the laws of Spain with registered office at La Dehesa s/n, 21660 Minas de Riotinto, Huelva, Spain and registered with the Huelva Mercantile Registry with corporation number B-85062677
<b>"Enlarged Share Capital"</b>	the issued share capital of the Company immediately following Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares
<b>"Euroclear"</b>	Euroclear UK & Ireland Limited, the operator of CREST
<b>"Excess Application Facility"</b>	the arrangement pursuant to which Qualifying Shareholders may apply for any number of Open Offer Shares in excess of their Open

	Offer Entitlement provided they have agreed to take their Open Offer Entitlement in full
<b>"Excess Shares"</b>	Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility
<b>"Existing Ordinary Shares"</b>	the 1,439,865,948 Ordinary Shares in issue at the date of this announcement
<b>"Extraordinary General Meeting", "EGM" or "Meeting"</b>	the Extraordinary General Meeting of the Company to be convened for 11.00 a.m. (London Time) on 23 June 2015
<b>"FCA"</b>	the United Kingdom's Financial Conduct Authority
<b>"Group"</b>	the Company and its subsidiaries
<b>"HKX"</b>	Hong Kong Xiangguang International Holdings Limited, a subsidiary of XGC
<b>"Independent Directors"</b>	Roger Davey, Alberto Lavandeira and Jose Sierra Lopez
<b>"Investors"</b>	Liberty Metals & Mining, Orion, Urion and HKX
<b>"Issue Price"</b>	4.75 pence per New Ordinary Share
<b>"Law"</b>	the Cyprus Companies Law, Cap 113 including any modification or re-enactment thereof for the time being in force
<b>"Lenders"</b>	together, HKX, Orion and Trafigura or, following the entry into the Debt Set-Off Deed, HKX, Orion and Urion, and with each such party being a "Lender"
<b>"Liberty Metals &amp; Mining"</b>	Liberty Metals & Mining Holdings, LLC
<b>"Loan Noteholders"</b>	HKX and Orion, being the holders of the Convertible Loan Notes
<b>"Loan Note Instrument"</b>	the convertible loan note instrument dated 12 July 2013 (as amended on 24 December 2014), pursuant to which the Convertible Loan Notes were constituted
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"mmt"</b>	million metric tonnes
<b>"Mtpa"</b>	million metric tonnes per annum
<b>"Money Laundering Regulations"</b>	the Money Laundering Regulations 2007 and obligations in connection with money laundering under the Criminal Justice Act 1993 and the Proceeds of Crime Act 2002
<b>"New Ordinary Shares"</b>	up to 2,060,520,685 new Ordinary Shares to be issued pursuant to the Capital Raising and the Capitalisation Issue
<b>"NI 43-101"</b>	National Instrument 43-101 – Standards of Disclosure for Mineral Projects, of the Canadian Securities Administrators

<b>"Notice of Meeting"</b>	the notice convening the Meeting which will be set out at the end of the Circular
<b>"Offtake Agreements"</b>	the separate offtake agreements to be entered into between the Company, EMED Marketing, EMED Tartessus and each of, Trafigura Pte Limited, Orion and XGC pursuant to which copper concentrate production from the Rio Tinto Project shall be sold by EMED Marketing to those parties, further details of which are contained in this announcement
<b>"Open Offer"</b>	the invitation to be made to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out or referred to in the Circular and, where relevant, in the Application Form
<b>"Open Offer Entitlement"</b>	an entitlement to apply to subscribe for one Open Offer Share, allocated to a Qualifying Shareholder pursuant to the Open Offer
<b>"Open Offer Record Date"</b>	the Record Date for the purposes of the Open Offer
<b>"Open Offer Shares"</b>	up to 71,993,297 New Ordinary Shares to be offered by the Company to Qualifying Shareholders pursuant to the Open Offer
<b>"Ordinary Shares"</b>	ordinary shares of 0.25 pence each in the capital of the Company
<b>"Orion"</b>	Orion Mine Finance (Master) Fund I LP
<b>"Overseas Shareholders"</b>	Qualifying Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories other than the United Kingdom (including, without limitation, Qualifying Shareholders who are persons in the United States or Canada when receiving the Circular or purchasing Open Offer Shares)
<b>"Placing"</b>	the placing of the Placing Shares by the Bookrunners pursuant to the Placing Agreement
<b>"Placing Agreement"</b>	the agreement dated 28 May 2015 between the Company and the Bookrunners relating to the Placing, further details of which are contained in this announcement
<b>"Placing Shares"</b>	up to 143,684,210 New Ordinary Shares which are to be placed with institutional investors by the Bookrunners pursuant to the Placing
<b>"Proposals"</b>	together, the Capital Raising, the Capitalisation Issue and the entry into of the Offtake Agreements
<b>"Prospectus Rules"</b>	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC in relation to offers of securities to the public and admission of securities to trading on a regulated market
<b>"Qualifying Depository Interest Holders"</b>	holders of Depository Interests in respect of and representing Existing Ordinary Shares as set out on the register of Depository Interest Holders of the Depository on the Open Offer Record Date (other than certain Overseas Shareholders)

<b>"Qualifying Certificated Shareholders"</b>	holders of Ordinary Shares on the register of members of the Company at the close of business on the Open Offer Record Date (other than certain Overseas Shareholders)
<b>"Qualifying Shareholders"</b>	Qualifying Certificated Shareholders and Qualifying Depositary Interest Holders (other than certain Overseas Shareholders)
<b>"Regulations"</b>	the Uncertificated Securities Regulations 2001, as amended from time to time
<b>"Regulatory Information Service" or "RIS"</b>	has the meaning given to it in the AIM Rules
<b>"Related Parties"</b>	Orion, Urion and XGC and/or any associate of those entities
<b>"Resolutions"</b>	the resolutions set out in the Notice of Meeting
<b>"Rio Tinto Copper Project"</b>	the Group's Rio Tinto Copper Project located in Andalucía, Spain
<b>"Shareholders"</b>	holders of Existing Ordinary Shares
<b>"stock account"</b>	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
<b>"Subscription"</b>	the subscription of the Subscription Shares by the Investors pursuant to the Subscription Agreement
<b>"Subscription Agreement"</b>	the agreement dated 28 May 2015 between the Company, each Investor and XGC relating to the Subscription, further details of which are contained in this announcement
<b>"Subscription Shares"</b>	the 1,150,526,314 New Ordinary Shares which have been conditionally subscribed for by the Investors pursuant to the Subscription
<b>"Technical Report"</b>	the NI 43-101 compliant Technical Report on EMED's Rio Tinto Copper Project, Huelva Province, Spain dated February 15, 2013, as prepared by Behre Dolbear International Ltd
<b>"tpa"</b>	tonnes per annum
<b>"Trafigura"</b>	Trafigura Beheer B.V.
<b>"TSX"</b>	the Toronto Stock Exchange
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland
<b>"uncertificated" or "uncertificated form"</b>	recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the Regulations, may be transferred by means of CREST
<b>"Urion"</b>	Urion Holdings (Malta) Limited, a wholly owned indirect subsidiary of Trafigura

<b>"United States" or "US"</b>	the United States of America, its territories and possessions and any state of the United States and the District of Columbia
<b>"US person"</b>	shall have the meaning given to that term in the US Securities Act
<b>"Securities Act" or "US Securities Act"</b>	US Securities Act of 1933, as amended
<b>"VWAP"</b>	the volume-weighted average mid-market closing price of an Ordinary Share on a particular trading day as derived from the AIM Appendix to the Daily Official List
<b>"XGC"</b>	Yanggu Xiangguang Copper Co. Ltd

## APPENDIX

### PLACING TERMS AND CONDITIONS

#### IMPORTANT INFORMATION FOR PLACEEES ONLY REGARDING THE PLACING

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

EACH PURCHASER SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN SHARES IN THE COMPANY

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS DOCUMENT AND THE TERMS AND CONDITIONS SET OUT AND REFERRED TO HEREIN ARE DIRECTED ONLY AT PERSONS SELECTED BY CANACCORD GENUITY AND/OR BRANDON HILL WHO ARE "INVESTMENT PROFESSIONALS" FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "FPO") OR "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC" FALLING WITHIN ARTICLE 49(2)(A) to (D) OF THE FPO OR TO PERSONS TO WHOM THE PLACING OR AN INVITATION TO SUBSCRIBE FOR THE SHARES IN THE MANNER CONTEMPLATED BY THIS ANNOUNCEMENT AND ANY COMMUNICATION OR CORRESPONDENCE THEREWITH IS PERMITTED BY THE LAWS OF THE JURISDICTION IN WHICH IT IS SITUATED OR FROM WHERE THE PLACEE SUBMITTED ITS BID TO SUBSCRIBE FOR PLACING SHARES AND IT IS A PERSON TO WHOM THE PLACING SHARES CAN LAWFULLY BE OFFERED AND ISSUED UNDER ALL APPLICABLE LAWS, WITHOUT THE NEED FOR ANY APPROVAL, REGISTRATION, FILING OR LODGEMENT OF ANY KIND, INCLUDING A PROSPECTUS OR OTHER DISCLOSURE DOCUMENT (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS").

THIS DOCUMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT IN THIS APPENDIX DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

THE PLACING SHARES THAT ARE THE SUBJECT OF THE PLACING ARE NOT BEING OFFERED OR SOLD TO ANY PERSON IN THE EUROPEAN UNION, OTHER THAN TO "QUALIFIED INVESTORS" AS DEFINED IN ARTICLE 2.1(E) OF DIRECTIVE 2003/71/EC (THE "PROSPECTUS DIRECTIVE"), WHICH INCLUDES LEGAL ENTITIES WHICH ARE REGULATED BY THE FCA OR ENTITIES WHICH ARE NOT SO REGULATED WHOSE CORPORATE PURPOSE IS SOLELY TO INVEST IN SECURITIES OR TO SUCH OTHER PERSONS AS ARE AGREED BY THE PLACING AGENTS.

The Placing Shares (including the Placing Shares as represented by Depositary Interests) have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act). "United States" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia. No public offering of the Placing Shares is being made in the United States. Persons receiving this document (including custodians, nominees and trustees) must not forward, distribute, mail or otherwise transmit it in or into the United States or use the United States mails, directly or indirectly, in connection with the Placing.

This document does not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction including, without limitation, the United States, Australia, the Republic of South Africa or Japan, in which such offer or solicitation is or may be unauthorised or unlawful

(a "**Prohibited Jurisdiction**"). This document and the information contained herein are not for publication or distribution, directly or indirectly, to persons in a Prohibited Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction. Any failure to comply with these restrictions may constitute a violation of applicable securities laws in such jurisdictions.

The distribution of this document, the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law and/or regulation. No action has been taken by the Company, Canaccord Genuity, Brandon Hill or any of their respective Affiliates that would permit an offer of the Placing Shares or possession or distribution of this document or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this document are required to inform themselves about and to observe any such restrictions.

Canaccord Genuity Limited and Brandon Hill LLP are regulated in the United Kingdom by the Financial Conduct Authority, are acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Canaccord Genuity or Brandon Hill (as appropriate) or for affording advice in relation to the Placing, or any other matters referred to herein.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "**Placee**") by making an oral or written offer to take up Placing Shares is deemed to have read and understood this Appendix, and, in the case of the Placees not subject to the laws of Canada, the announcement in its entirety and to be making such offer on the terms and conditions contained herein, and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained herein. In particular, each such Placee represents, warrants and acknowledges that it is a Relevant Person (as defined above) 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.

### **Details of the Placing Agreement and the Placing Shares**

EMED Mining Public Limited (company number: 155217) (the "**Company**"), intends to raise through the Placing up to approximately £6.8 million (approximately US\$10.0 million) through the issue of new Ordinary Shares at a price of 4.75 pence per Placing Share (the "**Placing Price**"), subject to shareholder approval.

The Company has appointed Canaccord Genuity Limited ("**Canaccord Genuity**") and Brandon Hill Capital Limited ("**Brandon Hill**") as joint bookrunners and brokers in respect of the Placing (together, the "**Joint Bookrunners**", and each, a "**Joint Bookrunner**").

The Company has entered into the Placing Agreement with the Joint Bookrunners, under which the Joint Bookrunners have, subject to the terms set out therein, severally agreed to use their respective reasonable endeavours, as agents of the Company, to procure Placees for the Placing Shares.

The Placing is conditional upon the Placing Agreement not having been terminated and receipt of all necessary approvals, including conditional listing approval by the Toronto Stock Exchange ("**TSX**").

The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with each other and with the existing Ordinary Shares 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.

The Placing Shares will be issued free of any encumbrance, lien or other security interest.

### **Application for AIM Admission and TSX Listing**

Application will be made to the London Stock Exchange plc for admission to trading of the Placing Shares on AIM ("**Admission**"). It is anticipated that Admission will become effective on or around 24 June 2015 and that dealings in the Placing Shares will commence on AIM at that time.

The Company has applied for conditional approval of the TSX with respect to the listing of the Placing Shares, subject only to the satisfaction by the Company of customary post-closing conditions imposed by

the TSX in similar circumstances.

### **Participation in, and principal terms of, the Placing**

Each of Canaccord Genuity, Brandon Hill and their respective Affiliates (as defined below) is entitled to participate as a Placee.

The Placing Price will be a fixed price of 4.75 pence per new Placing Share and will be payable by all Placees.

Prospective Placees will be identified and contacted by Canaccord Genuity or Brandon Hill. Participation in the Placing will only be available to persons who may lawfully be and are invited to participate by the Joint Bookrunners.

The number of Placing Shares to be issued or sold will be agreed between the Joint Bookrunners and the Company following completion of the Bookbuild, but the maximum number of Placing Shares available in aggregate is 143,684,210. The number of Placing Shares will be announced on a Regulatory Information Service following completion of the Bookbuild. The Bookbuild is expected to close on or before 4pm on 11 June 2015.

By participating in the Bookbuild and Placing, you (and any person acting on your behalf including, for the avoidance of doubt, any nominee) acknowledge that Canaccord Genuity and Brandon Hill are not making any recommendation to you nor advising you, nor are you relying on them to advise, regarding the suitability or merits of your acquiring any Placing Shares or entering into any transaction connected with them. You acknowledge and agree that Canaccord Genuity and Brandon Hill are acting as the Joint Bookrunners in respect of the Placing, and are assisting the Company in identifying prospective purchasers for the Placing Shares and providing other assistance to the Company in respect of the Placing. Accordingly, you acknowledge and agree that they are not acting for, and that you do not expect them to have, and acknowledge and agree that they do not have, any duties or responsibilities towards you for providing protections afforded to their customers or clients or advising you with regard to your participation in the Placing and that you are not, and will not be, a customer or client of either Canaccord Genuity and Brandon Hill in relation to your participation in the Placing. Therefore neither of them will be responsible to you or to any other person for providing the protections afforded to their respective clients or for providing advice in relation to the transactions and arrangements described in this announcement, nor do the contents or receipt of this announcement constitute the provision of investment advice by either Canaccord Genuity or Brandon Hill.

Canaccord Genuity or Brandon Hill will re-contact and confirm orally to Placees the size of their respective allocations and (a) conditional trade confirmation(s) will be dispatched as soon as possible thereafter. Canaccord Genuity's or Brandon Hill's (as the case may be) oral confirmation of the size of allocations and each Placee's oral commitments to accept the same will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of the relevant Joint Bookrunner and the Company pursuant to which each such Placee agrees to acquire the number of Placing Shares allocated to the Placee at the Placing Price and otherwise on the terms and subject to the conditions set out in this Appendix (a copy of the terms and conditions having been provided to the Placee prior to or at the same time as such confirmation) and in accordance with the Company's Articles.

The Joint Bookrunners reserve the right to scale back the number of Placing Shares to be subscribed by any Placee (in consultation with the Company) on such basis as they may determine. The Joint Bookrunners also reserve the right not to accept offers to subscribe for Placing Shares or to accept such offers in part rather than in whole. The Joint Bookrunners may also, 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 Bookbuild has closed to any person submitting a bid after that time. The Joint Bookrunners shall be entitled to effect the Placing by such method as they shall in their sole discretion determine. To the fullest extent permissible by law and applicable rules of the Financial Conduct Authority (the "FCA"), neither Joint Bookrunner nor any holding company thereof, nor any subsidiary, branch or affiliate of a Joint Bookrunner (each an "Affiliate") nor any person acting on behalf of any of the foregoing shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise) in respect of the Placing. Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and the Joint Bookrunners

shall have no liability to the Placees for the failure of the Company to fulfil those obligations. In particular, neither Joint Bookrunner nor any Affiliate thereof nor any person acting on behalf of any such person shall have any liability to Placees in respect of their conduct of the Placing. No commissions will be paid to Placees or directly by Placees in respect of any Placing Shares.

Each prospective Placee's allocation and commitment will be evidenced by (a) conditional trade confirmation(s) issued to such Placee by the relevant Joint Bookrunner. The terms of this Appendix will be deemed to be incorporated in the trade confirmation(s). Each Placee's obligations will be owed to the relevant Joint Bookrunner (as agents of the Company). Following the oral confirmation referred to above, each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to Canaccord Genuity or Brandon Hill (as the case may be and as agents for the Company), to pay to Canaccord Genuity or Brandon Hill (as applicable) (or as Canaccord Genuity or Brandon Hill (as applicable) may direct) in cleared funds on the settlement date an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire. Placees in certain jurisdictions, including but not limited to Canada, will also be required to execute subscription agreements or other confirmations required by the Joint Bookrunners ("**Subscription Confirmations**") in the form provided to them by the Joint Bookrunners and to return those executed Subscription Confirmations to the Joint Bookrunners **by no later than 11 June 2015 failing which their allocation may be cancelled.**

Except as required by law or regulation, no press release or other announcement will be made by the Joint Bookrunners 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.

By participating in the Bookbuild, 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.

In making an investment decision, Placees must rely on their own examination of the Company and its prospects and the terms of the Placing, including the merits and risks involved in investing in the Placing Shares.

Settlement will occur on a date to be advised but expected to be on or around 24 June 2015 ("**Closing Date**")

All obligations of the Joint Bookrunners under the Placing will be subject to fulfilment of the conditions referred to below under "**Conditions of the Placing**".

### **Conditions of the Placing**

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

The obligations of the Joint Bookrunners under the Placing Agreement are conditional, inter alia, on:

1. shareholder approval of the resolutions necessary to issue the Placing Shares pursuant to the Placing ("**Resolutions**");
2. none of the warranties contained in the Placing Agreement being untrue, inaccurate or misleading as at the date of the Placing Agreement and the date of Admission as though they had been given and made on such dates (by reference to the facts and circumstances existing at such dates);
3. the Company allotting, subject only to Admission, the Placing Shares in accordance with the Placing Agreement;
4. Admission taking place not later than 8.00 a.m. on 24 June 2015 or such later date as the Company and the Joint Bookrunners may otherwise agree but not being later than 5.00 p.m. on 23 July 2015; and
5. in the reasonable opinion of the Joint Bookrunners there having been since the date of the

Placing Agreement no material adverse change or development in the financial or trading position or results of the Company (or of its subsidiaries taken as a whole)

The Joint Bookrunners may, at their absolute discretion and upon such terms as they think fit, waive, or extend the period for, compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement save that the conditions relating to the allotment and issue of the Placing Shares (subject only to Admission) and shareholder approval may not be waived. Any such extension or waiver will not affect Placees' rights and obligations under the terms and conditions set out in this Appendix.

If (a) the conditions are not fulfilled (or to the extent permitted under the Placing Agreement waived by the Joint Bookrunners), or (b) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse and each Placee's rights and obligations hereunder shall cease and determine at such time and no claim may be made by a Placee in respect thereof. Neither of the Joint Bookrunners 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 either Joint Bookrunner 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 they may make as to the satisfaction of any condition 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 the Joint Bookrunners.

By participating in the Placing, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described above and under "**Right to terminate under the Placing Agreement**" below, and will not be capable of rescission or termination by the Placee.

#### **Right to terminate under the Placing Agreement**

Each of the Joint Bookrunners is entitled, at any time before Admission, to terminate the Placing Agreement by giving notice to the Company in certain circumstances, including, inter alia, a breach of the warranties given to the Joint Bookrunners in the Placing Agreement, the failure of the Company to comply with obligations under the Placing Agreement or the occurrence of a material adverse change in the business, assets, liabilities, operations, performance, condition or prospects of the Company or the Group. Following Admission, the Placing Agreement is not capable of rescission or termination.

If any of the obligations of the Joint Bookrunners with respect to the Placing are terminated in the manner contemplated above, the rights and obligations of each Placee shall cease and terminate at such time and no claim can be made by any Placee in respect thereof. The rights and obligations of the Placees shall terminate only in the circumstances described in these terms and conditions and will not be subject to termination by the Placee or any prospective Placee at any time or in any circumstances. By participating in the Placing, Placees agree that the exercise by a Joint Bookrunner of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of that Joint Bookrunner, and that it need not make any reference to Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise.

#### **Relationship of the Joint Bookrunners**

The obligations of each Joint Bookrunner in connection with the Placing (including any payment obligation) are several, and not joint nor joint and several. A right of a Joint Bookrunner in connection with the Placing (including any rights under the Placing Agreement) is held by that Joint Bookrunner severally and each Joint Bookrunner may exercise its rights, powers and benefits in connection with the Placing separately and individually.

A Joint Bookrunner will not be responsible for the performance obligations of the other Joint Bookrunner and will not be liable for any claims, damages or liabilities arising out of the actions taken, omissions of or advice given by the other Joint Bookrunner. Any breach, non-performance or default by a Joint Bookrunner will not constitute a breach, non-performance or default of the other.

Nothing contained or implied hereby or by acceptance of the Placing constitutes a Joint Bookrunner acting as the partner, agent or representative of the other Joint Bookrunner for any purpose or creates any partnership, agency or trust between the Joint Bookrunners, and no Joint Bookrunner has any

authority to bind another Joint Bookrunner in any way.

Neither of the Joint Bookrunners will be liable for any loss, damage or claim arising out of the actions taken or advice given by the other Joint Bookrunner. In addition, the rights of a Joint Bookrunner in respect of that Joint Bookrunner under the representations, warranties, acknowledgements and undertakings set out below will in no way be affected by the actions taken or alleged to have been taken or advice given or alleged to have been given by the other Joint Bookrunner.

### **Offer Personal**

The offering of Placing Shares and the agreement arising from acceptance of the Placing is personal to each Placee and does not constitute an offering to any other person or to the public. A Placee may not assign, transfer, or in any other manner, deal with its rights or obligations under the agreement arising from the acceptance of the Placing, without the prior written agreement of the Joint Bookrunners in accordance with all relevant legal requirements.

### **No prospectus**

No offering or admission document or prospectus has been or will be submitted to be approved by the FCA or London Stock Exchange plc in relation to the Placing and Placees' commitments will be made solely on the basis of the information contained in this announcement (including this Appendix). Each Placee, by accepting a participation in the Placing, agrees that the content of this announcement is exclusively the responsibility of the Company and confirms to the Joint Bookrunners and the Company that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of either Joint Bookrunner (other than the amount of the relevant Placing participation in the oral confirmation given to Placees), any of their respective Affiliates, any persons acting on their behalf or the Company and neither Joint Bookrunner nor any of their Affiliates, nor any persons acting on their behalf, nor the Company will be liable for the decision of any Placee to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). By participating in the Placing, each Placee acknowledges to and agrees with the Joint Bookrunners for themselves and as agents for the Company that, except in relation to the information contained in this announcement, it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Timetable, Registration and settlement**

The General Meeting, at which the Resolutions to grant the Directors authority to allot the Placing Shares on a non-pre-emptive basis will be proposed, is scheduled for 11:00 a.m. on 23 June 2015.

Admission is expected to become effective at 8.00 a.m. on 24 June 2015 or such later date as the Company and the Joint Bookrunners may otherwise agree but not being later than 5.00 p.m. on 23 July 2015

Settlement of transactions in the Placing Shares (ISIN CY0000100319) following Admission will take place within the CREST system administered by Euroclear UK and Ireland Limited ("**CREST**"), on a delivery versus payment basis with Placing Shares allocated to Placees being allotted and issued to Computershare Investor Services PLC (the "**Depository**") and the Company procuring that dematerialised depository interests ("**Depository Interests**") representing those Shares are so delivered, subject to certain exceptions.

Settlement of transactions in CREST will take place by the crediting of Depository Interests to CREST accounts operated by the respective Joint Bookrunner for the Company and the Joint Bookrunners will enter their respective delivery (DEL) instructions into the CREST system. The input to CREST by each Placee of a matching or acceptance instruction will then allow delivery of the relevant Depository Interests to that Placee against payment of the Purchase Price.

The Joint Bookrunners reserve the right to require settlement for and delivery of the Placing Shares to Placees by such other means as the Joint Bookrunners respectively deem necessary if delivery or

settlement is not possible or practicable within the CREST or CDS system within the timetable set out in this document or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Trade date:	On or before 12 June 2015
Settlement date:	24 June 2015
ISIN code for the Shares:	CY0000100319
Deadline for input instructions into CREST:	3pm (UK time) on 23 June 2015

It is expected that settlement will be on 24 June 2015 in accordance with the instructions given to the Joint Bookrunners.

### **Canadian Settlement**

Placing Shares purchased pursuant to the Placing by a Placee in Canada will be delivered and deposited into such account with CDS Clearing and Depositary Services Inc. ("**CDS**") as may be specified in the delivery instructions in that Placee's Subscription Confirmation subject to receipt of the Purchase Price for those Placing Shares.

Following the close of the Bookbuild for the Placing, each Placee allocated Placing Shares in the Placing will be sent a conditional trade confirmation stating the number of Placing Shares allocated to it, the Placing Price, the aggregate amount owed by such Placee to Canaccord Genuity or Brandon Hill (as the case may be) and settlement instructions. It is expected that such trade confirmation will be despatched on 12 June 2015 and that this will also be the trade date. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which it has in place with Canaccord Genuity or Brandon Hill (as appropriate).

Subject to the passing of the Resolutions, it is expected that settlement will be on or about 24 June 2015 in CREST in accordance with the instructions set out in the conditional trade confirmation.

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 the base rate of Barclays Bank Plc.

Each Placee is deemed to agree that if it does not comply with these obligations, Canaccord Genuity and/or Brandon Hill may sell any or all of the Placing Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for its own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, the Placee should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in the Placee's name or that of its nominee or in the name of any person for whom the Placee is contracting as agent or that of a nominee for or on behalf of such person, such Placing Shares will, subject as provided below, be so registered free from any liability to stamp duty or stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax is payable in respect of the issue of the Placing Shares, neither Canaccord Genuity, Brandon Hill, nor the Company shall be responsible for the payment thereof. Placees will not be entitled to receive any fee or commission in connection with the Placing.

### **Money laundering**

It is also a term of these terms and conditions that, to ensure compliance with the FCA Rules, the Proceeds of Crime Act 2002 and the Money Laundering Regulations (2007) (the “**Money Laundering Regulations**”) (as applicable) the Joint Bookrunners may, in their absolute discretion, require verification of a Placee's identity to the extent that it has not already provided the same. Pending the provision to the Joint Bookrunners of evidence of identity, definitive certificates in respect of the Placing Shares or the crediting of the relevant CREST accounts may be retained or delayed at the Joint Bookrunners' absolute discretion.

If within a reasonable time after a request for verification of identity, the relevant Joint Bookrunner has not received evidence satisfactory to it, a Joint Bookrunner may, in its absolute discretion, terminate a Placee's Placing participation (but without prejudice to the Joint Bookrunners' rights or the Company's rights to take proceedings to recover any loss suffered by either or both of them as a result of a failure to provide satisfactory evidence), in which event the monies payable on acceptance of the relevant Placing Shares will, if paid, be returned without interest to the account of the bank from which they were originally debited. No Placing Shares will be placed with a Placee if before Admission its acceptance of any Placing Shares is rejected pursuant to the Money Laundering Regulations. The Joint Bookrunners will not be liable to a Placee or any other person for any loss suffered or incurred as a result of the exercise of such discretion or as a result of any sale of shares comprised in a Placee's Placing participation.

### **Representations and warranties**

By participating in the Bookbuild and the Placing, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood this Appendix and, in the case of Placees not subject to the laws of Canada, the announcement in its entirety and acknowledges that its participation in the Placing will be governed by the terms of this announcement;
2. acknowledges that no prospectus or offering or admission document has been or will be prepared or approved by the FCA in the United Kingdom under section 87A of the FSMA in connection with the Placing of the Placing Shares or in any other jurisdiction;
3. agrees to indemnify on an after-tax basis and hold harmless each of the Company, Canaccord Genuity, Brandon Hill their respective Affiliates and any person acting on behalf of any such person 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 in this document and further agrees that the provisions of this announcement shall survive after completion of the Placing;
4. acknowledges that the Ordinary Shares are (and the Placing Shares issued pursuant to the Placing will be) admitted to trading on AIM and listed on the TSX, and the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of AIM and the TSX (which includes a description of the nature of the Company's business and the Company's most recent resource statements, financial statements, and similar statements for preceding financial years) 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 AIM quoted company, without undue difficulty;
5. acknowledges that neither Canaccord Genuity, Brandon Hill nor any of their respective Affiliates nor any person acting on behalf of any such person has provided, and will not provide it with any material or information regarding the Placing Shares or the Company other than, in the case of Placees not subject to the laws of Canada, the announcement; nor has it requested Canaccord Genuity, Brandon Hill, any of their respective Affiliates nor any person acting on behalf of any such person to provide it with any such material or information;
6. acknowledges that the Placing Shares issued to residents of countries other than Canada pursuant to the Placing may not be sold, transferred or otherwise disposed on the TSX or, except pursuant to an exemption from prospectus requirements under Canadian securities laws, to any person in Canada, on the TSX or otherwise into Canada for a period of four months plus one day from the date of completion of the Placing;
7. acknowledges that (i) it is not and, if different, the beneficial owner of the Placing Shares is not at the time the Placing Shares are acquired will not be a resident of Australia, Canada (unless it has completed a Subscription Confirmation) or Japan, and (ii) that the Placing

Shares have not been and will not be registered under the securities legislation of the United States, Australia, Canada or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, in or into those jurisdictions;

8. acknowledges that the content of this announcement is exclusively the responsibility of the Company and that neither Canaccord Genuity, Brandon Hill nor any of their respective Affiliates nor any person acting on behalf of any such person will be responsible for or shall have any liability for any information, representation or statement relating to the Company contained in this announcement or any information previously published by or on behalf of the Company and neither Canaccord Genuity, Brandon Hill nor any of their respective Affiliates nor any person acting on behalf of any such person will be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing to subscribe for the Placing Shares is, in the case of Placees not subject to the laws of Canada, contained in this announcement, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares, and that it has relied on its own investigation with respect to the Placing Shares and the Company in connection with its decision to subscribe for the Placing Shares and acknowledges that it is not relying on any investigation that Canaccord Genuity, Brandon Hill any of their respective Affiliates nor any person acting on behalf of any such person may have conducted with respect to the Placing Shares or the Company and none of such persons has made any representations to it, express or implied, with respect thereto;
9. acknowledges that it has not relied on any information relating to the Company contained in any research reports prepared by Canaccord Genuity, Brandon Hill, their respective Affiliates or any person acting on behalf of any such person and understands that (i) none of Canaccord Genuity, Brandon Hill any of their respective Affiliates nor any person acting on behalf of any such person has or shall have any liability for public information or any representation; (ii) none of Canaccord Genuity, Brandon Hill, any of their respective Affiliates nor any person acting on behalf of any such person has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this document or otherwise; and that (iii) none of Canaccord Genuity, Brandon Hill any of their respective Affiliates nor any person acting on behalf of any such person makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this announcement or otherwise;
10. represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company or the Placing Shares in accepting an invitation to participate in the Placing;
11. represents and warrants that (i) it is entitled to acquire the Placing Shares under the laws and regulations of all relevant jurisdictions which apply to it; (ii) it has fully observed such laws and regulations and obtained all such governmental and other guarantees and other consents and authorities which may be required thereunder and complied with all necessary formalities; (iii) it has all necessary capacity to commit to participation in the Placing and to perform its obligations in relation thereto and will honour such obligations; (iv) it has paid any issue, transfer or other taxes due in connection with its participation in any territory and (v) it has not taken any action which will or may result in the Company, Canaccord Genuity, Brandon Hill, any of their respective Affiliates or any person acting on behalf of any such person being in breach of the legal and/or regulatory requirements of any territory in connection with the Placing;
12. represents and warrants that it has such knowledge and experience in financial, business and tax matters as to be capable of evaluating the merits and risks of its investment in the Placing Shares and it is able to bear the economic risks and complete loss of such investment in the Placing Shares;
13. represents and warrants that the issue to the Placee, or the person specified by the Placee for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance system;

14. represents and warrants that it understands that the Placing Shares have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States;
15. represents and warrants that neither it nor its affiliates nor any person acting on its or their behalf have engaged or will engage in any “directed selling efforts” with respect to the Placing Shares;
16. represents and warrants that it is not a US Person and is not acquiring the Placing Shares for the account or benefit of a US Person;
17. represents and warrants that, if it is in Canada, it is an “accredited investor” as defined in National Instrument 45-106 - Prospectus and Registration Exemptions and that it has not received the announcement;
18. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom prior to Admission except to “qualified investors” as defined in Article 2.1(e) of the Prospectus Directive;
19. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which it is permitted to do so pursuant to section 21 of FSMA;
20. represents and warrants that it has complied, and will comply, with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving the United Kingdom;
21. represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Criminal Justice Act 1993, the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Anti-terrorism Crime and Security Act 2001 and the Money Laundering Regulations and, if it is 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 Money Laundering Regulations;
22. represents and warrants that it is (i)(a) a person falling within Article 19(5) of the FPO or (b) a person falling within Article 49(2)(a) to (d) of the FPO 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 or (ii) a person falling within Article 43 of the FPO, to the extent that article relates to the Company;
23. unless otherwise agreed by the Joint Bookrunners, represents and warrants that it is a qualified investor as defined in section 86(7) of FSMA, being a person falling within Article 2.1(e)(i), (ii) or (iii) of the Prospectus Directive;
24. undertakes that it (and any person acting on its behalf) will pay for the Placing Shares acquired by it in accordance with this document on the due time and date set out herein against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other Placees or sold as Canaccord Genuity or Brandon Hill may, in their absolute discretions, determine 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 document) which may arise upon the sale of such Placee’s Placing Shares on its behalf;
25. acknowledges that none of Canaccord Genuity, Brandon Hill, any of their respective Affiliates, nor any person acting on behalf of any such person is making any recommendations to it or advising it regarding the suitability or merits of any transaction it may enter into in connection with the Placing, and acknowledges that neither Canaccord Genuity, Brandon Hill, any of their respective Affiliates nor any person acting on behalf of any such person has any duties or responsibilities to it for providing advice in relation to the Placing or in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or for the exercise or performance of any of the Joint Bookrunners’ individual or joint rights and obligations thereunder, including any right to waive or vary any condition or exercise any termination right contained therein;
26. undertakes that (i) the person whom it specifies for registration as holder of the Placing Shares will be (a) the Placee or (b) the Placee’s nominee, as the case may be, (ii) none of Canaccord Genuity, Brandon Hill nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement and (iii) the Placee and any person acting on its behalf agrees to acquire the Placing Shares on the basis that the Placing Shares will be allotted to the CREST stock account of Canaccord

- Genuity or Brandon Hill which will hold them as settlement agent as nominee for the Placees until settlement in accordance with its standing settlement instructions with payment for the Placing Shares being made simultaneously upon receipt of the Placing Shares in the Placee's stock account on a delivery versus payment basis;
27. acknowledges that any agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract;
  28. acknowledges that it irrevocably appoints any director of Canaccord Genuity or Brandon Hill as its agent for the purposes 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 agreed to be taken up by it under the Placing;
  29. represents and warrants that it is not a resident of any Prohibited Jurisdiction and acknowledges that the Placing Shares have not been and will not be registered nor will a prospectus be cleared in respect of the Placing Shares under the securities legislation of any Prohibited Jurisdictions and, subject to certain exceptions, may not be offered, sold, taken up, renounced, delivered or transferred, directly or indirectly, within any Prohibited Jurisdiction;
  30. represents and warrants that any person who confirms to Canaccord Genuity or Brandon Hill on behalf of a Placee an agreement to subscribe for Placing Shares and/or who authorises Canaccord Genuity or Brandon Hill to notify the Placee's name to the Company's registrar, has authority to do so on behalf of the Placee;
  31. acknowledges that the agreement to settle each Placee's acquisition of Placing Shares (and/or the acquisition of a person for whom it is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to an acquisition by it and/or such person direct from the Company of the Placing Shares in question. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. If there were any such arrangements, or the settlement related to other dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which none of the Company nor Canaccord Genuity nor Brandon Hill will be responsible. If this is the case, the Placee should take its own advice and notify Canaccord Genuity or Brandon Hill accordingly;
  32. acknowledges that the Placing Shares will be issued subject to the terms and conditions set out in this document;
  33. acknowledges that when a Placee or any person acting on behalf of the Placee is dealing with Canaccord Genuity or Brandon Hill any money held in an account with Canaccord Genuity or Brandon Hill 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. The 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 Joint Bookrunners' money in accordance with the client money rules and will be used by the Joint Bookrunners in the course of their respective businesses; and the Placee will rank only as a general creditor of Canaccord Genuity or Brandon Hill (as the case may be);
  34. acknowledges and understands that the Company, Canaccord Genuity, Brandon Hill and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements, undertakings and acknowledgements;
  35. acknowledges that the basis of allocation will be determined by the Joint Bookrunners at their absolute discretion. The right is reserved to reject in whole or in part and/or scale back any participation in the Placing; and
  36. acknowledges that time shall be of the essence as regards obligations pursuant to this Appendix.
  37. acknowledges and agrees that any Placing Shares that it is allocated in the Placing delivered through CREST will be allotted and issued to the Depositary, and that the Company shall procure that the Depositary shall issue Depositary Interests representing the Placing Shares allocated to it in accordance with the procedures set out under 'Timetable, Registration and Settlement' herein, and that the Joint Bookrunners shall have no responsibility or liability in respect of the acts of, or failure to act by, the Depositary.

The acknowledgements, agreements, undertakings, representations and warranties referred to above are

given to each of the Company, Canaccord Genuity and Brandon Hill (for their own benefit and, where relevant, the benefit of their respective Affiliates and any person acting on behalf of any such person) and are irrevocable.

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares are issued or transferred (as the case may be) into CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee.

Any arrangements to issue or transfer the Placing Shares into a depositary receipts system or a clearance service or to hold the Placing Shares as agent or nominee of a person to whom a depositary receipt may be issued or who will hold the Placing Shares in a clearance service, or any arrangements subsequently to transfer the Placing Shares, may give rise to stamp duty and/or stamp duty reserve tax, for which none of the Company, Canaccord Genuity or Brandon Hill will be responsible and the Placee to whom (or on behalf 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 stamp duty or stamp duty reserve tax undertakes to pay such stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company, Canaccord Genuity and Brandon Hill in the event that any of the Company and/or Canaccord Genuity and/or Brandon Hill has incurred any such liability to stamp duty or stamp duty reserve tax.

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 UK 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.

All times and dates in this document may be subject to amendment. Canaccord Genuity or Brandon Hill shall notify the Placees and any person acting on behalf of the Placees of any such changes.

This announcement has been issued by the Company and is the sole responsibility of the Company.

The rights and remedies of Canaccord Genuity, Brandon Hill and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise or partial exercise of one will not prevent the exercise of others.

Each Placee may be asked to disclose in writing or orally to Canaccord Genuity or Brandon Hill:

- (a) if he is an individual, his nationality; or
- (b) if he is a discretionary fund manager, the jurisdiction in which the funds are managed or owned.

### **Entire Agreement**

The terms set out in this Appendix and the allocation of Placing Shares (including the subscription amount payable) as confirmed to a Placee, and any applicable Subscription Confirmation, constitute the entire agreement to the terms of the Placing and a Placee's participation in the Placing to the exclusion of prior representations, understandings and agreements between them. Any variation of such terms must be in writing.

### **Governing Law and Jurisdiction**

The agreement arising out of acceptance of the Placing and any dispute or claim arising out of or in connection with the Placing or formation thereof (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England. Each Placee irrevocably agrees to submit to the exclusive jurisdiction of the courts of England to settle any claim or dispute that arises out of or in connection with the agreement arising out of acceptance of the Placing or its subject matter or formation (including non-contractual disputes or claims).