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This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (“MAR”).

For immediate release

04 October 2022

Horizonte Minerals Plc

(“Horizonte”, the “Company” or the “Group”)

Proposed Equity Fundraise of approximately £61.7 million

Horizonte Minerals Plc (AIM: HZM, TSX: HZM) announces its intention to conduct a proposed fundraising (the “**Fundraise**”) to raise gross proceeds of approximately £61.7 million (approximately US\$70 million) at a price of 90.5 pence per Placing Share (the “**Placing Price**”). The Fundraise comprises:

- A conditional placing to new and existing institutional investors (the “**Placing**”) to raise £35.2 million (approximately US\$40.0 million) (before expenses) through the issue of new ordinary shares (the “**Placing Shares**”). As part of the Placing, La Mancha Investments s.a r.l. (“**La Mancha**”) has indicated its intention to participate for up to £23.8 million (approximately US\$27.0 million) and BMO Capital Markets Limited (“**BMO**”) has conditionally agreed to underwrite a portion of the Placing of up to £11.4 (approximately US\$13.0 million) as further detailed in the appendix to this announcement.
- A proposed conditional subscription for new Ordinary Shares (the “**Subscription Shares**”, and together with the Placing Shares, the “**Fundraise Shares**”) by Glencore International AG (“**Glencore**”) and certain Directors either directly or through associated entities to raise up to approximately £26.4 million (approximately US\$30.0 million) (the “**Subscriptions**”).

Since the commencement of construction at the start of the year, Horizonte has achieved a number of key milestones in the development of Araguaia, and the project is running to schedule with US\$375 million of capital commitments placed on budget as of the end of August 2022. However, in light of global inflationary pressures and engineering improvements to de-risk the project as disclosed in the operational update press release published earlier today, the total capital cost for the Company’s Araguaia nickel project in Brazil (“Araguaia” or the “Project”) has increased by 12.6% now forecast to be US\$537 million versus the US\$477 million originally budgeted in November 2021. The Fundraise is anticipated to allow the Company to complete the construction of the Project, which remains on schedule for first production in Q1 2024. In addition, the Fundraise will allow the Company to accelerate engineering studies and basic engineering for the development of line 2 at Araguaia, as well as further invest in its decarbonisation strategy for the Project.

In November 2021, the Company secured a US\$633 million funding package (the "**Primary Capital Raise**") for the construction of Araguaia including a senior debt facility of approximately US\$346 million and significant equity participation from strategic investors. Together with the Primary Capital Raise, the Fundraise is anticipated to allow the Company to draw down on its senior debt facility (subject to conditions and covenants to be satisfied at each draw down customary for a financing of this nature, including formal agreement of the cost to complete construction at that time).

BMO and Peel Hunt LLP ("**Peel Hunt**") (together, BMO and Peel Hunt being the "**Joint Bookrunners**") are acting as joint bookrunners in relation to the Placing. Paradigm Capital Inc. ("**Paradigm**") is acting as a financial adviser in relation to the Placing.

The Placing will be conducted in accordance with the terms and conditions set out in the Appendix to this announcement (which forms part of this announcement, such announcement and the Appendix together being this "**Announcement**") by way of an accelerated bookbuild ("**Bookbuild**" or "**ABB**") at the Placing Price which will be launched immediately following this Announcement. The Bookbuild will close on the 5th October 2022. However the Joint Bookrunners and the Company may choose to close the ABB at an earlier juncture at their sole discretion and the allocations are at the absolute discretion of the Joint Bookrunners and the Company. The results of the Placing and Subscriptions will be announced as soon as practicable after the close of the Bookbuild. BMO is underwriting a portion of the Placing as set out in the Appendix. Other than this partial underwriting by BMO, the Placing is not underwritten.

Unfortunately, the Company is unable to conduct a retail offering alongside the Fundraise due to having offered the maximum number of securities to retail shareholders permissible within the exemptions outlined in Article 3(2) of the Prospectus Regulation within the 12 months preceding this Announcement. Given the incremental cost of preparing a Prospectus and the time it would take to seek approval of the Prospectus from the FCA, the Directors have determined that it is in the best interests of the Company to secure additional financing required and to proceed with the Fundraise without a retail element against the backdrop of very challenging market conditions.

The Fundraise is conditional on, *inter alia*, the approval of Shareholders at a General Meeting, admission of the Fundraise Shares to trading on AIM becoming effective, receipt of conditional approval of the Toronto Stock Exchange, and the Placing Agreement not being terminated in accordance with its terms.

A Circular, containing details of the Fundraise and convening the General Meeting to consider the Resolutions to approve the issue of the Fundraise Shares, free of pre-emption rights, is expected to be posted by the Company to its shareholders on or before 14 October 2022 and subsequently filed on the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.horizonteminerals.com. The General Meeting is expected to be held on 04 November 2022.

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

The Company is also pleased to confirm its intention to appoint Simon Retter (CFO) to the board of Directors following completion of the Fundraise. Simon's appointment will be announced following finalisation of the terms of his appointment and the completion of the necessary regulatory due diligence in accordance with the AIM Rules for Companies, which is expected to be completed in Q4 2022.

(* calculated using the Bloomberg spot rate on 04 October 2022 for pounds sterling of £1.00 = US\$ 1.1349, £1.00 = C\$1.5424)

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For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055 (as transposed into the laws of the United Kingdom), the person responsible for arranging for the release of this Announcement on behalf of the Company is Simon Retter, Chief Financial Officer.

Background to and reasons for the Fundraise

Horizonte has made good progress with the development of the Araguaia project following the closing of the US\$633 million funding package in 2021. The Company broke ground in May 2022, has secured a number of key construction contracts including furnace, EPCM, and earthworks and has appointed two industry leaders to the board.

The Fundraise will *inter alia* strengthen the Company's balance sheet as Araguaia enters a critical phase of development, enable the Company to continue certain capital expenditure which has been impacted by inflationary pressures and escalating interest rate costs, and if more than the amount of the proposed Fundraise is raised the Fundraise, will also provide additional contingencies and working capital to the group.

Horizonte wholly owns both the advanced Araguaia nickel project and the Vermelho nickel-cobalt project, located in the south of the Carajás mineral district in northern Brazil. A feasibility study for Araguaia was published in November 2018. The study demonstrated the robust economics of Araguaia.

Ore will be sourced from eight open pits, with a targeted 0.9mt per annum of ore to a central processing and smelting facility. A 30+-year production schedule is envisaged with approximately 16 months of construction remaining before the initial ramp up to full scale commercial production is expected to commence. Key economic highlights of the Project from the Araguaia Technical Report and based on a nickel price of US\$23,000/t are as follows:

- Highly cash generative: approximately US\$4.8 billion net cash flow
- Post-tax NPV(8%) of US\$1.5 billion
- Post-tax IRR of 43.0%
- Payback of approx. 2.0 years
- Lowest quartile cash cost (years 1-10) of US\$6,794 /t Ni

In each case based upon the same assumptions as those underlying the economic analysis presented in the Feasibility Study outlined in the Araguaia Technical Report, which remains current and does not include the forecast increase in the capital expenditure amount to US\$537 million.

Vermelho was acquired from Vale SA and is a nickel cobalt project, located approximately 85 kilometres north west of the Company's Araguaia North nickel project. A pre-feasibility study representing the economics of developing Vermelho was released in October 2019. These two projects, which are located within close proximity of each other, create a large, high-grade flexible resource base with the combined potential to produce in excess of 60,000 tonnes of nickel per year.

The proceeds of the Fundraise will, in addition to increasing the Company's current cash balance, enable the Company to continue construction of the Araguaia project, including covering the increased capital costs that have resulted from the current inflationary environment and escalating interest rate costs, and creates the opportunity to broaden the Company's shareholder base through the introduction of new investors. The Fundraise is anticipated to allow the Company to draw down on its senior debt facility in Q4 2022 (subject to conditions and covenants to be satisfied at each draw down customary for a financing of this nature, including formal agreement of the cost to complete construction at that time) and complete the construction of Araguaia, which remains on schedule for first production in Q1 2024.

Use of proceeds

The net proceeds of the proposed Fundraise will be used to meet increased capital requirements for the construction of the Company's Araguaia ferro-nickel project in Brazil. The table below summarises the use of proceeds from the Fundraise assuming the proposed amount is raised:

Proposed uses for the proposed Fundraise	US\$M
Capex ⁽¹⁾	\$43.0
Additional working capital and other ⁽²⁾	\$19.0
Engineering studies and design for Araguaia line 2	\$3.0
Corporate	\$5.0
Total uses of funds	\$70.0

Note 1: Key drivers include equipment supply, electromechanical erection and electrical materials, construction support and concrete supply, owners costs and EPCM, state and municipal road upgrades

Note 2: Includes increases to pre-production operating costs and working capital, advisor/legal costs and interest costs during construction

Should the Company receive demand in excess of the amount of the proposed Fundraise, any additional funds raised will be used for contingencies and general working capital purposes.

Details of the Placing

The Joint Bookrunners will commence the Bookbuild immediately following the release of this Announcement in respect of the Placing. The book will open with immediate effect following this Announcement. The Bookbuild is expected to close on the 5th October 2022, however the Joint Bookrunners and the Company may choose to close the ABB at an earlier juncture at their sole discretion. The timing of the closing of the book and allocations are at the absolute discretion of the Joint Bookrunners, in consultation with the Company.

The results of the Placing will be announced as soon as practicable after the close of the Bookbuild. The Placing is subject to the terms and conditions set out in the appendix (the "**Appendix**") to this announcement (which forms part of this Announcement). La Mancha has indicated that it intends to participate in the Fundraise via the Placing. Should La Mancha participate, it is expected that as part of its investment, La Mancha will be granted the right to nominate a further director to the Board of the Company at any time when its holding in the issued share capital of the Company is twenty per cent (20%) or more.

The Placing is being partially underwritten by BMO but is not otherwise being underwritten by the Joint Bookrunners and is subject to the conditions and termination rights set out in the Placing Agreement between the Company and the Joint Bookrunners. The completion of the Placing is conditional upon, *inter alia*, shareholder approval at a General Meeting, completion of the Subscriptions (other than any condition relating to completion of the Placing), admission of the Placing Shares to trading on AIM and receipt of conditional approval of the Toronto Stock Exchange. The Placing Shares, if issued, will be fully paid and will rank *pari passu* in all respects with each other and the Subscription Shares and with the existing ordinary shares, including the right to receive all dividends and other distributions declared, made or paid on or in respect of the ordinary shares after the date of issue of the Placing Shares.

The Company acknowledges that it is seeking to issue Fundraise Shares on a non pre-emptive basis, and the Placing and Subscription structure has been chosen as it minimises cost, time to completion and use of management time. The Board believes that in the circumstance the Fundraise is in the best interests of shareholders, as well as wider stakeholders in the Company.

A Circular, containing details of the Fundraise and convening the General Meeting to consider the Resolutions, is expected to be posted by the Company to its shareholders on or before 14 October 2022 and subsequently filed on the Company's profile on SEDAR at www.sedar.com and on the Company's website at . The General Meeting is expected to be held on 04 November 2022.

On Admission of the Placing Shares it will trigger an adjustment under the terms of the Convertible Loan Notes issued on 23 November 2021 to Orion and La Mancha to ensure that the percentage of new Ordinary Shares in the Company's share capital to be issued on conversion will remain unchanged following the Fundraise. Pursuant to the terms of the Convertible Loan Instruments, in the event of an Adjustment Event (as defined therein) taking place, the price at which the Convertible Loan Notes may be converted ("**Conversion Price**") and/or the number of Ordinary Shares into which the Convertible Loan Notes may convert ("**Conversion Shares**") must be adjusted such that that after the adjustment the total number of Conversion Shares carries (as nearly as possible) the same entitlement to participate in the profits and assets of the Company (including on liquidation) and the same proportion of the voting rights attached to all the issued and outstanding Ordinary Shares (on a fully diluted basis) as if there had been no such Adjustment Event. The Fundraising is an Adjustment Event and will result in the Conversion Price being decreased and as a result the number of Conversion Shares being increased. The adjustments to the Conversion Price are dependent on, among other things, the amount of accrued interest under the Convertible Loan Notes at the time of the relevant Adjustment Event and as such it is not possible to confirm what the adjustments will be following completion of the Fundraise.

Details of the Subscriptions

Glencore has indicated its intention to enter into a conditional subscription agreement with the Company and indicated their intention to invest in aggregate approximately US\$30 million via the issue of Subscription Shares at the Placing Price. The subscription for the Subscription Shares by Glencore will be conditional upon, among other things, the approval of the issue of the Subscription Shares, free of pre-emption rights by Company's shareholders at the General Meeting; completion of the Placing (other than any conditions relating to completion of the Subscription) and the Fundraise raising approximately US\$60 million, the approval of the subscription by the TSX and admission of the Subscription Shares to trading on AIM.

Certain Horizonte Directors have expressed an interest to subscribe for Subscription Shares at the Placing Price up to a value of approximately US\$56,000. The Director subscriptions will be conditional, *inter alia*, on the close of the Bookbuild, Admission occurring, and the Placing Agreement not being terminated prior to Admission. Any subscriptions will be announced with the closing of the Bookbuild.

The Subscriptions are not being undertaken by the Joint Bookrunners nor are the Subscriptions underwritten by the Joint Bookrunners.

Settlement and dealings

Settlement of the Fundraise Shares is expected to take place on or before 8.00am on 08 November 2022 (being two business days after the date of the General Meeting) and an application will be made for admission of the Fundraise Shares to trading on AIM and to the TSX in due course.

The Fundraise is conditional upon, among other things, shareholder approval of the issue of the Fundraise Shares, free of pre-emption rights, at a General Meeting, admission of the Fundraise Shares becoming effective and the Placing Agreement (as defined in the Appendix to this Announcement) between the Company and the Joint Bookrunners not being terminated in accordance with its terms.

The Appendix to this Announcement sets out further information relating to the terms and conditions of the Placing.

This Announcement, including its Appendix, should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement. Unless otherwise stated, capitalised terms in this Announcement have the meanings ascribed to the Appendix.

Qualified Person(s)

David Hall acting as a consultant to the Company is a qualified person as defined in National Instrument 43-101, has reviewed, approved and verified the technical and scientific disclosure contained in this press release.

For additional information, including with respect to the economic parameters discussed herein on the Araguaia and the Vermelho projects, and the key assumptions and risks associated thereto, please refer to the Company's technical reports entitled *Feasibility Study for the Araguaia Nickel Project Federative Republic of Brazil NI 43-101 Technical Report*, dated November 2018 (the Araguaia Technical Report) and *Pre-Feasibility Study ('FS') for the Vermelho Nickel-Cobalt Project Federative Republic of Brazil NI 43-101 Technical Report*, dated October 2019 available at www.sedar.com.

IMPORTANT NOTICES

It is expected that an application will be made to the London Stock Exchange, and an application will be made to the TSX, for the ordinary shares of the Company issuable and to be issued in connection with the Fundraise to be admitted to trading on AIM and TSX, respectively. For the purposes of TSX approvals in connection with the Fundraise, the Company intends to rely on the exemption set forth in Section 602.1 of the TSX Company Manual, which provides that the TSX will not apply its standards to certain transactions involving eligible inter-listed issuers on a recognized exchange, such as AIM.

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No action has been taken by the Company, Peel Hunt or BMO or any of their respective affiliates, or any of its or their respective directors, officers, partners, employees, advisers and/or agents (collectively, "**Representatives**") that would permit an offer of the Placing Shares or the Subscription Shares or possession or distribution of this Announcement or any other publicity material relating to such Placing Shares or Fundraise Shares in any jurisdiction where action for that purpose is required. Persons receiving this Announcement are required to inform themselves about and to observe any restrictions contained in this Announcement. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action. Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so.

Investors Resident in the United Kingdom and the EEA

This Announcement is directed at and is only being distributed to: (a) persons in member states of the European Economic Area who are "qualified investors", as defined in Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**") ("**Qualified Investors**"), (b) persons in the United Kingdom, who are qualified investors, being persons falling within the meaning of Article 2(e) of Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), and who (i) have professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or are high net worth companies, unincorporated associations or partnerships or trustees of high value trusts as described in Article 49(2)(a) to (d) of the Order and (ii) are Qualified Investors, or (c) otherwise, persons to whom it may otherwise lawfully be communicated (each such person in (a), (b) and (c), a "**Relevant Person**"). No other person should act on or rely on this Announcement and persons distributing this Announcement must satisfy themselves that it is lawful to do so. By accepting the terms of this Announcement, you represent and agree that you are a Relevant Person. This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Announcement or the Placing relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

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No offering document or prospectus will be made available in any jurisdiction in connection with the matters contained or referred to in this Announcement or the Placing and no such prospectus is required (in accordance with either the Prospectus Regulation or the UK Prospectus Regulation) to be published.

This Announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This Announcement is not an offer for sale into the United States. The securities referred to herein have not been and will not be registered under U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States except pursuant to an applicable exemption from registration. No public offering is being made in the United States or elsewhere.

Cautionary Statements Regarding Forward-Looking Information

Certain statements in this Announcement are forward-looking statements with respect to the Company's expectations, intentions and projections regarding its future performance, strategic initiatives, anticipated events or trends and other matters that are not historical facts and which are, by their nature, inherently predictive, speculative and involve risks and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. All statements that address expectations or projections about the future, including statements about expected growth in nickel global demand, production potential, the results of the feasibility and pre-feasibility studies, including, without limitation, expected NPV, IRR, construction period, pay back period, mine life, expected costs, cash generation and operating performance and other metrics, the Company's expectations with respect to its financing package (including without limitation, ability to draw down under such funding package) and the timing of commencement of construction for Araguaia, the intended use of proceeds from the proposed Fundraise, the intended reliance on the exemption set forth in Section 602.1 of the TSX Company Manual, strategic initiatives, objectives, market position, industry trends, general economic conditions, expected expenditures, expected cost savings and financial results, are forward-looking statements. Any statements contained in this Announcement that are not statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements, which may use words such as "aim", "anticipate", "believe", "could", "intend", "estimate", "expect", "may", "plan", "project" or words or terms of similar meaning or the negative thereof, are not guarantees of future performance and are subject to known and unknown risks and uncertainties. There are a number of factors including, but not limited to, commercial, operational, economic and financial factors, that could cause actual results, financial condition, performance or achievements to differ materially from those expressed or implied by these forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as changes in taxation or fiscal policy, approval from senior lenders to draw down under existing debt facilities, future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governments or governmental regulators, or other risk factors, such as changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation, recession and consumer confidence, on a global, regional or national basis. Given those risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of this Announcement. Each of the Company, Peel Hunt and/or BMO expressly disclaims any obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless required to do so by applicable law or regulation. The information in this Announcement is subject to change.

Other Cautions

Peel Hunt and BMO, each which is authorised and regulated in the United Kingdom by the FCA, are acting exclusively for the Company and for no one else in connection with the Placing and will not regard any other person (whether or not a recipient of this Announcement) as a client in relation to the Fundraise or any other matter referred to in this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for giving advice in relation to the Placing or any other matter referred to in this Announcement. Peel Hunt's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person.

In connection with the Placing, Peel Hunt, BMO and any of their respective affiliates, acting as investors for their own account, may take up a portion of the shares in the Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for the own accounts or otherwise deal for their own account in such shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to Placing Shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, Peel Hunt, BMO and any of their respective affiliates acting in such capacity. In addition, Peel Hunt, BMO and any of their respective affiliates may enter into financing arrangements (including swaps) with investors in connection with which Peel Hunt, BMO and any of their respective affiliates may from time to time acquire, hold or dispose of shares. Neither Peel Hunt nor BMO intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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This Announcement does not constitute a recommendation concerning any investor's options with respect to the Fundraise. Recipients of this Announcement should conduct their own investigation, evaluation and analysis of the business, data and other information described in this Announcement. This Announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Fundraise Shares. The price and value of securities can go down as well as up and investors may not get back the full amount invested upon the disposal of the shares. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his or her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

Any indication in this Announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial periods would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

The Placing Shares to be issued pursuant to the Placing and the Subscription Shares will not be admitted to trading on any stock exchange other than the AIM Market of the London Stock Exchange and the TSX. The Fundraise Shares, will, when issued in accordance with the rules of the TSX, form part of the ordinary shares of the Company currently listed for trading on the TSX.

The Appendix to this Announcement sets out the terms and conditions of the Placing. By participating in the Placing, each Placee will be deemed to have read and understood this Announcement (including the Appendix) in its entirety, to be participating in the Placing and making an offer to acquire and acquiring Placing Shares on the terms and subject to the conditions set out in the Appendix to this Announcement and to be providing the representations, warranties, undertakings and acknowledgements contained in the Appendix to this Announcement.

Members of the public are not eligible to take part in the Placing and no public offering of Placing Shares is being or will be made.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this Announcement.

This Announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and Canada and the information disclosed may not be the same as that would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom and Canada.

Information to Distributors

THE DISTRIBUTION OF THIS ANNOUNCEMENT AND THE OFFERING OF THE PLACING SHARES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO ACTION HAS BEEN TAKEN BY THE COMPANY, THE JOINT BOOKRUNNERS OR ANY OF THEIR RESPECTIVE AFFILIATES THAT WOULD PERMIT AN OFFERING OF THE PLACING SHARES OR POSSESSION OR DISTRIBUTION OF THIS ANNOUNCEMENT OR ANY OTHER OFFERING OR PUBLICITY MATERIAL RELATING TO THE PLACING SHARES IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. PERSONS INTO WHOSE POSSESSION THIS ANNOUNCEMENT COMES ARE REQUIRED BY THE COMPANY AND THE JOINT BOOKRUNNERS TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

Persons distributing this Announcement must satisfy themselves that it is lawful to do so. Persons (including without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement (or any part thereof) should seek appropriate advice before taking any action.

UK Product Governance Requirements

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK MiFIR Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in paragraphs 3.5 and 3.6 of COBS; and (ii) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Peel Hunt and BMO will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of COBS; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

APPENDIX

TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS “**ANNOUNCEMENT**”) ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (A) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (“**EEA**”), PERSONS WHO ARE QUALIFIED INVESTORS (“**EEA QUALIFIED INVESTORS**”), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(e) OF REGULATION (EU) 2017/1129 (THE “**PROSPECTUS REGULATION**”); OR (B) IF IN THE UNITED KINGDOM, PERSONS WHO ARE QUALIFIED INVESTORS (“**UK QUALIFIED INVESTORS**”), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(e) OF PROSPECTUS REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE “**UK PROSPECTUS REGULATION**”), AND WHO ARE (I) PERSONS FALLING WITHIN THE DEFINITION OF “INVESTMENT PROFESSIONAL” IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “**ORDER**”) OR (II) PERSONS WHO FALL WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES,

UNINCORPORATED ASSOCIATIONS, ETC) OF THE ORDER, OR (C) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS REFERRED TO IN (A), (B) AND (C) TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”).

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

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

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

THIS ANNOUNCEMENT IS NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA. THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM REGISTRATION. NO PUBLIC OFFERING IS BEING MADE IN THE UNITED STATES.

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE QUALIFIED FOR DISTRIBUTION TO THE PUBLIC UNDER APPLICABLE CANADIAN SECURITIES LAWS.

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

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

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

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offering in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or South Africa and may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

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

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

By participating in the Bookbuild and the Placing, each Placee (including individuals, funds or otherwise) by whom or on whose behalf a commitment to subscribe for Placing Shares has been given will (i) be deemed to have read and understood this Announcement in its entirety and (ii) be participating, making an offer and subscribing for Placing Shares on the terms and conditions contained in this Appendix, including being deemed to be providing (and shall only be permitted to participate in the Placing on the basis that they have provided) the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix. Upon being notified

of its allocation of Placing Shares, a Placee who chooses to participate in the Placing by making an oral and legally binding offer shall be contractually committed to acquire the number of Placing Shares allocated to it and to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate or otherwise withdraw from such commitment.

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

- 1 it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- 2 in the case of a Relevant Person in a member state of the EEA or in the UK (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placing:
 - (a) it is a Qualified Investor within the meaning of Article 2(e) of the Prospectus Regulation or the UK Prospectus Regulation, as applicable; and
 - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation or the UK Prospectus Regulation, as applicable:
 - (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in a member state of the EEA other than EEA Qualified Investors or persons in the United Kingdom other than Relevant Persons, or in circumstances in which the prior consent of the Joint Bookrunners have been given to the offer or resale; or
 - (ii) where Placing Shares have been acquired by it on behalf of persons in a member state of the EEA other than EEA Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons; or
 - (iii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom other than Relevant Persons, the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons; and
- 3 it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and
- 4 it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix; and
- 5 it (and any account referred to in paragraph 4 above) is either: (a) outside the United States acquiring the Placing Shares in offshore transactions as defined in, and in accordance with, Regulation S under the US Securities Act.; or (b) a "qualified institutional buyer" as defined in Rule 144A under the US Securities Act (a "**QIB**").

No prospectus required for Placing Shares

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

Each Placee, by participating in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of the Joint Bookrunners or the Company or any other person and none of the Joint Bookrunners, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Announcement to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Placing Agreement and the Placing Shares

The Joint Bookrunners are acting as placement agents in connection with the Placing. The Joint Bookrunners have entered into a placing agreement (the "**Placing Agreement**") with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, the Joint Bookrunners, as agents for and on behalf of the Company, have severally (and not jointly or jointly and severally) agreed to use their respective reasonable endeavours to procure Placees for the Placing Shares. The number of Placing Shares in the Placing will be determined following completion of the Bookbuild and set out in a term sheet to be entered into between Joint Bookrunners and the Company. The Placing and Subscriptions are expected to raise aggregate gross proceeds of at least US\$70,000,000 (being the "**Proposed Fundraise**"). The final number of Placing Shares will be decided at the close of the Bookbuild. The timing of the closing of the book and allocations will be at the discretion of the Joint Bookrunners. Details of the number of Placing Shares will be announced as soon as practicable after the close of the Bookbuild.

In accordance with the terms and subject to the conditions in the Placing Agreement, the Placing is only partially underwritten by BMO in the event that subscribers are not obtained for those shares in excess of the indications of intention or commitments received from Glencore under the Glencore Subscription (as defined below), the Directors under the Directors' Subscriptions (as defined below) and La Mancha in the placing and the Proposed Fundraise (being the "**Unplaced Shares**"). In such instance, BMO will take up such Unplaced Shares at the Placing Price. The Placing is not underwritten by Peel Hunt. In the event of a default to subscribe for or make payment by Glencore or La Mancha, there will be no obligation on BMO to take up the Unplaced Shares and on either Joint Bookrunner to subscribe for any defaulted Subscription Shares. In the event of a default to make payment by any subscribers procured by the Joint Bookrunners,

there will be no obligation on either Joint Bookrunner to subscribe for any defaulted Placing Shares.

The Placing Shares will, when issued, be subject to the articles of association of the Company and credited as fully paid and will rank pari passu in all respects with the existing issued ordinary shares of £0.20 (“**Ordinary Shares**”) in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

The Placing is conditional upon, amongst other things, the Subscription Agreements remaining in full force and effect and having become unconditional in all respects other than for Admission, the passing of the Resolutions at the GM, the admission of the Fundraising Shares to trading on AIM becoming effective, the receipt of conditional approval of the TSX to the admission of the Fundraising Shares to trading on the TSX and the Placing Agreement remaining in full force and effect and becoming unconditional (described further below).

In addition to the Placing, Glencore has agreed, pursuant to a subscription agreement, to subscribe for US\$30,000,000 of new Ordinary Shares at the Placing Price (“**Glencore Subscription**”) conditional, inter alia, upon Admission and the Placing becoming unconditional other than in respect of Admission or any condition relating to the Glencore Subscription (as defined below).

Certain of the Directors have also indicated their intention to subscribe for 55,248 new Ordinary Shares in aggregate at the Placing Price (“**Directors’ Subscriptions**”) conditional, inter alia, upon Admission and the Placing becoming unconditional other than in respect of Admission or any condition relating to the Director Subscriptions.

Applications for admission to listing and trading

Application will be made to the London Stock Exchange for admission of the Fundraising Shares to trading on AIM. Application will be made to the TSX for the Fundraising Shares to be admitted to trading on the TSX.

It is expected that AIM Admission will take place on or before 8.00 a.m. (London time) on 8 November 2022 and that dealings in the Fundraising Shares on AIM will commence at the same time.

It is expected that trading in the Fundraising Shares on the TSX will take place on or before 9.30 a.m. (Toronto time) on 8 November 2022 and that dealings in the Fundraising Shares on the TSX will commence at the same time.

Bookbuild process

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

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

Principal terms of the Bookbuild and Placing

- 1 BMO and Peel Hunt are acting as joint global coordinators to the Placing and BMO and Peel Hunt are acting as joint bookrunners to the Placing, as agents of the Company.
- 2 **Participation in the Placing will only be available to persons who may lawfully be, and are, invited by the Joint Bookrunners to participate. The Joint Bookrunners and any of their respective affiliates are entitled to enter bids in the Bookbuild.**
- 3 The number of the Placing Shares will be established in the Bookbuild and announced by the Company through a Regulatory Information Service (the "**Placing Results Announcement**") following the completion of the Bookbuild and the entry into the Placing Term Sheet by the Company and the Joint Bookrunners. The Joint Bookrunners and the Company reserve the right to increase the amount to be raised and the number of Placing Shares to be issued pursuant to the Placing in their absolute discretion.
- 4 The aggregate proceeds to be raised through the Placing will be agreed between the Joint Bookrunners and the Company following completion of the Bookbuild. The aggregate proceeds will be announced through the Placing Results Announcement following the completion of the Bookbuild.
- 5 To bid in the Bookbuild, Placees should communicate their bid by telephone to their usual sales contact at the relevant Joint Bookrunner. Each bid should state the number of Placing Shares which a prospective Placee wishes to subscribe for at the Placing Price. Bids may be scaled down by the Joint Bookrunners on the basis referred to in paragraph 10 below. The Joint Bookrunners are arranging the Placing severally, and not jointly, or jointly and severally, as agents of the Company.
- 6 The Bookbuild is expected to close no later than 4:30pm (London time) on 5 October 2022 but may be closed earlier or later at the discretion of the Joint Bookrunners. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild has closed. The Company reserves the right (upon agreement of the Joint Bookrunners) to reduce or seek to increase the amount to be raised pursuant to the Placing, in its discretion.
- 7 **Each Placee's allocation will be determined by the Joint Bookrunners following consultation with the Company and will be confirmed orally by the relevant Joint Bookrunner to Placees. The relevant Joint Bookrunner's oral confirmation of an allocation will give rise to a legally binding commitment by the Placee concerned, in favour of the relevant Joint Bookrunner and the Company, under which it agrees to subscribe for the number of Placing Shares allocated to it on the terms and subject to the conditions set out in this Appendix and the Company's articles of association.**
- 8 The Company will release the Placing Results Announcement following the close of the Bookbuild, detailing the aggregate number of the Placing Shares to be issued.
- 9 Each Placee's allocation and commitment will be evidenced by a contract note or electronic confirmation issued to such Placee by the relevant Joint Bookrunner. A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and the terms of this Appendix will be deemed incorporated into the contract note, the form of which will be dispatched to each Placee as soon as possible after its allocation of Placing Shares has been confirmed orally to it by the relevant Joint Bookrunner.

- 10 Subject to paragraphs 5, 6 and 7 above, each of the Joint Bookrunners may choose to accept bids, either in whole or in part, on the basis of allocations determined at their discretion and may scale down any bids for this purpose on such basis as they may determine or be directed. The Joint Bookrunners may also, notwithstanding paragraphs 5, 6 and 7 above, subject to the prior consent of the Company:
- (a) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and
 - (b) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time.
- 11 Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to the relevant Joint Bookrunner and the Company, to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
- 12 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.
- 13 Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made on the basis explained below under "*Registration and Settlement of the Placing Shares*".
- 14 All obligations under the Bookbuild and Placing will be subject to fulfilment of the conditions referred to below under "*Conditions of the Placing*" and to the Placing not being terminated on the basis referred to below under "*Termination of the Placing*".
- 15 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.
- 16 To the fullest extent permissible by law, none of:
- (a) the Joint Bookrunners;
 - (b) any of their respective affiliates, agents, directors, officers, consultants or employees; nor
 - (c) to the extent not contained within (a) or (b), any person connected with the Joint Bookrunners as defined in the FSMA ((b) and (c) being together "affiliates" and individually an "affiliate" of the Joint Bookrunners),

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

Registration and settlement of the Placing Shares

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic trade confirmation which will confirm the number of Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to the relevant Joint Bookrunner.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by the relevant Joint Bookrunner in accordance with either the standing CREST or certificated settlement instructions which they have in place with the relevant Joint Bookrunner. It is expected that such contract note or electronic confirmation will be despatched on or around 4 November 2022 and that this will be the trade date.

Settlement of transactions in the Placing Shares placed by the Joint Bookrunners following Admission will take place within CREST, subject to certain exceptions. Settlement of the Placing Shares through CREST will be on a T+2 basis unless otherwise notified by any Joint Bookrunner and is expected to occur on 8 November 2022 in accordance with the contract note or electronic trade confirmation.

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

General

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

Each Placee is deemed to agree that if it does not comply with these obligations, the relevant Joint Bookrunner may sell any or all of the Placing Shares allocated to that Placee on their behalf and retain from the proceeds, for the Company's own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the Placing Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf. By communicating a bid for Placing Shares, such Placee confers on the Joint Bookrunners all such authorities and powers necessary to carry out such sale and agrees to ratify and confirm all actions which the Joint Bookrunners lawfully take in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom

stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

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

- (a) AIM Admission taking place not later than 8.00 a.m. on 8 November 2022 or such later date as is agreed in writing between the Company and the Joint Bookrunners, but in any event not later than 8.00 a.m. on the Long Stop Date;
- (b) the TSX conditionally approving the listing of all the Fundraising Shares subject to the Company fulfilling the requirements of the TSX, set forth in the letter from the TSX conditionally approving the listing of such Fundraising Shares, on or before the dates stipulated in such letter;
- (c) the warranties on the part of the Company in the Placing Agreement being true, accurate and not misleading on and as of the date of the Placing Agreement, the date of the Placing Term Sheet, the date of the publication of the Circular, the date of the General Meeting and at all times up to and immediately prior to the date of AIM Admission, as though they had been given and made on such dates by reference to the facts and circumstances then subsisting, and no matter having arisen prior to AIM Admission which might reasonably be expected to give rise to a claim under the indemnity contained in the Placing Agreement;
- (d) the Company complying with its obligations under the UK Placing Agreement to the extent the same fall to be performed prior to AIM Admission;
- (e) despatch of the Circular and the Form of Proxy to Shareholders by no later than 6:00 pm on the Business Day immediately following publication of the Placing Results Announcement (or such other later time as the Joint Bookrunners may agree with the Company);
- (f) the Placing Agreement and the Subscription Agreements becoming unconditional (in each case other than in respect of AIM Admission and the Placing Agreement and the Subscription Agreements becoming unconditional);
- (g) in any of the Joint Bookrunners' opinion acting in good faith, there not having occurred since the date of the Placing Agreement a Material Adverse Change (as defined in the Placing Agreement)(whether or not foreseeable at the date of the Placing Agreement); and
- (h) the GM having taken place on the date set out in the Notice, no adjournment of the GM having occurred without the prior written consent of the Joint Bookrunners and the Resolutions having been passed thereat without amendment,

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

If (i) any of the conditions are not fulfilled or waived by the Joint Bookrunners (acting jointly) by the respective time or date where specified (or such later time or date as the Company and the Joint Bookrunners may agree, save that such time shall not be extended beyond 8.00 a.m. on the Long Stop Date); (ii) any of such conditions becomes incapable of being fulfilled; or (iii) the Placing Agreement is terminated in the circumstances specified below, the Placing in relation to the Placing Shares will lapse and

the Placee's rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee against either the Company or any of the Joint Bookrunners in respect thereof.

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

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

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

Termination of the Placing

Each Joint Bookrunner is entitled at any time before AIM Admission, to terminate the Placing Agreement in accordance with its terms in certain circumstances, including, *inter alia*, if:

- 1 the Company has failed to comply with any of its obligations contained in the UK Placing Agreement; or
- 2 any of the representations or warranties of the Company contained in the Placing Agreement was, when given, untrue, inaccurate or misleading or is not, or has ceased to be, true, accurate or not misleading (or would not be true, accurate or not misleading if then repeated) by reference to the facts subsisting at the time; or
- 3 there has occurred, in a Joint Bookrunner's opinion, acting in good faith, a Material Adverse Change (as defined in the Placing Agreement) whether or not foreseeable at the date of the Placing Agreement;
- 4 the occurrence of a suspension or cancellation by the London Stock Exchange or the TSX of trading in the Company's securities; or
- 5 there is introduced, or there is a public announcement of a proposal to introduce any change in Market Rules or any other applicable law in the United Kingdom, the United States or Canada, which does or is likely to prohibit or restrict the Placing, the Subscriptions, capital issues or stock

markets or materially adversely affect the Group.

- 6 any of the Subscription Agreements having been terminated or otherwise being no longer in full force or effect;
- 7 either of the Convertible Loan Note Instruments having been terminated or otherwise being no longer in full force or effect;
- 8 the Cost Overrun Facility having been varied or amended or terminated, an event of default occurring under such agreement or such agreement is otherwise no longer in full force or effect; or
- 9 the Facility Agreement having been varied or amended or terminated, an event of default occurring under such agreement or such agreement is otherwise no longer in full force or effect.

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

Any termination by one Joint Bookrunner of its rights under the Placing Agreement shall be without prejudice to the obligations and rights of the other Joint Bookrunners and the Placing Agreement shall continue in full force and effect. No consents or approvals in respect of the Placing shall be required of any Joint Bookrunner who has terminated its rights under the Placing Agreement.

By participating in the Bookbuild, each Placee agrees with the Company and the Joint Bookrunners that the exercise by the Company or the Joint Bookrunners of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or the Joint Bookrunners or for agreement between the Company and the Joint Bookrunners (as the case may be) and that neither the Company nor the Joint Bookrunners need make any reference to such Placee and that none of the Company, the Joint Bookrunners, nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

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

Representations, warranties and further terms of Placing

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

- 1 it has read and understood this Announcement in its entirety and that its acquisition of and subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information; it acknowledges no offering document or prospectus or admission document has been or will be prepared in connection with the Placing or is required under the Prospectus Regulation or the Prospectus Regulation and it has not received and will not receive a prospectus, admission document or other offering document in connection with Admission, the Bookbuild, the Company, the Placing or the Placing Shares;
- 3 it acknowledges that the Ordinary Shares are traded on AIM and the TSX and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules for Companies, MAR, the TSX Listing Rules or applicable law (collectively, the "**Exchange Information**"), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account, and similar statements for preceding financial years and that it has reviewed such Exchange Information and that it is able to obtain or access such Exchange Information;
- 4 acknowledges that its obligations are irrevocable and legally binding and shall not be capable of rescission or termination by it in any circumstances;
- 5 it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and none of the Joint Bookrunners nor the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Announcement or the Publicly Available Information; nor has it requested any of the Joint Bookrunners, the Company, any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;
- 6 none of the Joint Bookrunners nor any person acting on behalf of them nor any of their respective affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
- 7 the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the

terms of the Placing based on Publicly Available Information;

- 8 none of the Joint Bookrunners, nor the Company (nor any of their respective affiliates, agents, directors, officers and employees) have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information;
- 9 none of the Joint Bookrunners, (nor any of their respective affiliates, agents, directors, officers and employees) accepts any responsibility for any acts or omissions of the Company or any of the directors of the Company or any other person (other than the relevant Joint Bookrunner) in connection with the Placing;
- 10 it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing;
- 11 it has not relied on any investigation that the Joint Bookrunners or any person acting on their behalf may have conducted with respect to the Company, the Placing or the Placing Shares;
- 12 the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that none of the Joint Bookrunners nor any persons acting on their behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;
- 13 it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Canada, Japan or the Republic of South Africa;
- 14 it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Canada, and it acknowledges and agrees that the UK Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Canada and may not be offered, sold, or acquired, directly or indirectly, within that jurisdiction; the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Australia, Canada, Japan or the Republic of South Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, Japan or the Republic of South Africa or in any country or jurisdiction where any such action for that purpose is required;
- 15 it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will pay the total subscription amount in accordance with the terms of this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as the Joint Bookrunners determine;
- 16 it and/or each person on whose behalf it is participating:
 - (a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and

- regulations of all relevant jurisdictions;
- (b) has fully observed such laws and regulations;
 - (c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
 - (d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;
- 17 it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan or the Republic of South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, Japan or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
- 18 it understands that there may be certain consequences under United States and other tax laws resulting from an investment in the Placing and it has made such investigation and has consulted its own independent advisers or otherwise has satisfied itself concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws generally;
- 19 it understands that the Company has not undertaken to determine whether it will be treated as a passive foreign investment company ("**PFIC**") for US federal income tax purposes for the current year, or whether it is likely to be so treated for future years and none of the Company nor any of the Joint Bookrunners makes any representation or warranty with respect to the same. Accordingly, neither the Company nor any of the Joint Bookrunners can provide any advice to US investors as to whether the Company is or is not a PFIC for the current tax year, or whether it will be in future tax years. Accordingly, neither the Company nor any of the Joint Bookrunners undertakes to provide to US investors or shareholders any information necessary or desirable to facilitate their filing of annual information returns, and US investors and shareholders should not assume that this information will be made available to them;
- 20 none of the Joint Bookrunners, their respective affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of any Joint Bookrunner and that no Joint Bookrunner has any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
- 21 that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and

consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Joint Bookrunners, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;

- 22 it will make payment to the relevant Joint Bookrunner for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement on the due times and dates set out in this Announcement, failing which the relevant Placing Shares may be placed with others on such terms as the relevant Joint Bookrunner determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
- 23 its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that the Company may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
- 24 no action has been or will be taken by any of the Company, the Joint Bookrunners or any person acting on behalf of the Company or the Joint Bookrunners that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
- 25 the person who it specifies for registration as holder of the Placing Shares will be:
 - (a) the Placee; or
 - (b) a nominee of the Placee, as the case may be;
- 26 the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
- 27 if in the United Kingdom, that it is a Relevant Person and it undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
- 28 if it is acting as a financial intermediary, as that term is used in Article 2(d) of the Prospectus Regulation or the Prospectus Regulation, as the case may be, that the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA other than EEA Qualified Investors or persons in the United Kingdom other than Relevant Persons, or in circumstances in which the prior consent of the Joint Bookrunners and the Company has been given to the proposed offer or resale;
- 29 that it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the EEA, except to EEA Qualified Investors

or otherwise in circumstances which have not resulted and which will not result in an offer to the public in any member state in the EEA within the meaning of Article 2(d) of the Prospectus Regulation;

- 30 that it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the United Kingdom, except to Relevant Persons or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of Article 2(d) of the UK Prospectus Regulation;
- 31 that any offer of Placing Shares may only be directed at persons in member states of the EEA who are EEA Qualified Investors and represents, warrants and undertakes that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Admission except to EEA Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation;
- 32 if in a member state of the EEA and except as disclosed in this Announcement under "Details of the Placing", that it is (i) an EEA Qualified Investor and (ii) a "professional client" or an "eligible counterparty" within the meaning set out in EU Directive 2014/65/EU on markets in financial instruments (MIFID II), as implemented into national law of the relevant EEA state;
- 33 it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by any of the Joint Bookrunners in their capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
- 34 it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);
- 35 if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not:
- (a) dealt in the securities of the Company;
 - (b) encouraged or required another person to deal in the securities of the Company; or
 - (c) disclosed such information to any person, prior to the information being made publicly available;
- 36 none of the Joint Bookrunners, the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of the Joint Bookrunners or their respective affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of any of the Joint Bookrunners' rights and obligations thereunder including any rights to waive or vary any conditions or exercise any

termination right;

- 37 each Joint Bookrunner and its affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, the Joint Bookrunners and/or any of their respective affiliates acting as an investor for its or their own account(s). None of the Joint Bookrunners nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
- 38 it has complied with its obligations under the Criminal Justice Act 1993, MAR and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Money Laundering Sourcebook of the FCA and any related or similar rules, regulations or guidelines issued, administered or enforced by any government agency having jurisdiction in respect thereof (together, the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
- 39 in order to ensure compliance with the Regulations, each Joint Bookrunner (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to the relevant Joint Bookrunner or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at the relevant Joint Bookrunner's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at the relevant Joint Bookrunner's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity the relevant Joint Bookrunner (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, the relevant Joint Bookrunner and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
- 40 it acknowledges that its commitment to acquire Placing Shares on the terms set out in this Announcement will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Bookrunners' conduct of the Placing;
- 41 it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of the Joint Bookrunners;
- 42 it irrevocably appoints any duly authorised officer of each Joint Bookrunner as its agent for the

purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Announcement;

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

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

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

stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor the Joint Bookrunners shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify the Joint Bookrunners accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and the Joint Bookrunners in the event that any of the Company and/or the Joint Bookrunners have incurred any such liability to such taxes or duties.

The Joint Bookrunners and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to indemnify the Company and the Joint Bookrunners in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of a Joint Bookrunner or transferred to a CREST stock account of a Joint Bookrunner who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it.

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

Each Placee and any person acting on behalf of the Placee acknowledges that the Joint Bookrunners do not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

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

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

References to time in this Announcement are to London time, unless otherwise stated.

All times and dates in this Announcement may be subject to amendment. Placees will be notified of any changes.

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

the Company.

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

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than 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.

DEFINITIONS

In this Announcement:

“**Admission**” means AIM Admission and TSX Admission (or one of them as the context may require);

“**AIM**” means AIM, a market operated by the London Stock Exchange;

“**AIM Admission**” means admission of the Fundraising Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies.

“**AIM Rules**” means the AIM Rules for Companies and the AIM Rules for Nominated Advisers;

“**AIM Rules for Companies**” means the AIM Rules for Companies as issued by the London Stock Exchange, from time to time;

“**AIM Rules for Nominated Advisers**” means the AIM Rules for Nominated Advisers as issued by the London Stock Exchange, from time to time;

“**Announcement**” means this announcement (including the Appendix);

“**Appendix**” means the appendix to this Announcement;

“**Applicable Canadian Securities Law**” means all applicable securities laws in each of the Canadian Jurisdictions and the respective rules, regulations, instruments, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements of the securities commissions in the Canadian Jurisdictions, together with the TSX Listing Rules.

“**Applications**” means the applications made by the Company (i) to the London Stock Exchange for AIM Admission and (ii) to the TSX for TSX Admission and references to “**Application**” shall be to any of such applications as the context may require;

“**BMO**” means BMO Capital Markets Limited, a company incorporated in England and Wales with registered number 02928824 whose registered office is at 95 Queen Victoria Street London EC4V 4HG, United Kingdom;

“**Bookbuild**” means the accelerated bookbuild process in relation to the Placing, on the terms described in the Placing Agreement and the other documents relating to the Placing, which will establish the number of Placing Shares to be issued and allotted pursuant to the Placing;

“**Business Day**” means any day, other than a Saturday or Sunday, when clearing banks are open for business in London, United Kingdom, Toronto, Canada and New York, United States of America;

“**Canadian Jurisdictions**” means each of the provinces and territories of Canada, except Québec;

“**Circular**” means the circular to be published by the Company in relation to the Placing, the Subscriptions and a notice convening the General Meeting;

“**Company**” means Horizonte Minerals PLC, a company incorporated in England and Wales with registered number 05676866 whose registered office is at Rex House, 4 - 12 Regent Street, London, England, SW1Y

4RG, United Kingdom;

“Convertible Loan Note Instruments” means the La Mancha Convertible Loan Instrument and the Orion Convertible Loan Note Instrument;

“Cost Overrun Facility” means the cost overrun facility agreement in the amount of US\$25 million to be entered into by the Company and Orion;

“CREST” means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations);

“CREST Regulations” means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time;

“Directors” means the directors of the Company for the time being;

“DTRs” means the Disclosure Guidance and Transparency Rules sourcebook published by the FCA from time to time;

“Exchanges” means the LSE and TSX and **“Exchange”** shall be construed accordingly;

“FCA” means the Financial Conduct Authority of the United Kingdom;

“Form of Proxy” means the form of proxy for use in connection with the GM;

“FSMA” means the Financial Services and Markets Act 2000, as amended;

“Fundraising Documents” means together this Announcement, these Terms and Conditions, the Placing Term Sheet, the Investor Presentation, the Circular and the Placing Results Announcement;

“Fundraising Shares” means the Placing Shares and the Subscription Shares;

“General Meeting” or **“GM”** means the general meeting of the Company convened for 4 November, notice of which is set out at the end of the Circular;

“Glencore” means Glencore International AG of Baarerstattstrasse 3, CH-6340 Baar, Switzerland;

“GM Date” means 4 November 2022 (or such other date as agreed between the Company and the Joint Bookrunners prior to publication of the Circular).

“Group” means the Company and all its subsidiary undertakings, and **“Group Company”** means any of them;

“Investor Presentation” means the presentation slides prepared by the Company and used by it in meetings with institutional investors in connection with the Placing;

“Joint Bookrunners” means BMO and Peel Hunt in their roles as joint bookrunners for the Company and

“Joint Bookrunner” shall be construed accordingly;

“**Joint Bookrunners**” means BMO and Peel Hunt;

“**La Mancha**” means La Mancha Investments s.à.r.l, a private limited liability company (société responsabilité limitée) incorporated under the laws of Luxembourg, registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés) under registration number B253567 whose registered office is at 31-33, Avenue Pasteur, L-2311 Luxembourg, Grand-Duchy of Luxembourg

“**La Mancha Convertible Loan Note Instrument**” means the convertible loan note instrument between the Company and La Mancha dated 23 November 2021;

“**LIBOR**” means the London interbank offered rate;

“**London Stock Exchange**” or “**LSE**” means London Stock Exchange plc;

“**Long Stop Date**” means 18 November 2022;

“**MAR**” means Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and from 1 January 2021 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018;

“**Market Rules**” means any law, regulation or stock or financial market rule, or policy statement, ruling, order or other regulatory instrument of any securities regulatory authority in the UK, Canada, the US or any such other jurisdiction in which the Placing Shares are offered or sold, applicable to the Company as a result of the Placing or its Ordinary Shares being listed or quoted or admitted to AIM, the Exchanges, including, without limitation, the AIM Rules, the rules and regulations of the London Stock Exchange, MAR and the DTRs;

“**Material Adverse Change**” means any material change in, or any event or circumstance that might reasonably result in such a material adverse change in, or affecting, the business, management, results of operations, assets, liabilities, financial position or prospects (financial, trading or otherwise) or profits of the Company or the Group (taken as a whole) (as the case may be) whether or not arising in the ordinary course of business;

“**Notice**” means the notice of the GM set out at the end of the Circular;

“**Ordinary Shares**” means the ordinary shares of £0.20 each in the capital of the Company;

“**Orion**” means Orion Mine Finance Fund III F Ltd, a company established under the laws of the Cayman Islands with number 354407 whose registered office is at PO Box 309, Ugland House, Grand Cayman, KY1-1104

“**Orion Convertible Loan Note Instrument**” means the convertible loan note instrument between the Company and Orion dated 23 November 2021;

“**Peel Hunt**” means Peel Hunt LLP, registered in England and Wales with number 0C357088, whose

registered office is at 7th Floor, 100 Liverpool Street, London EC2Y 5ET, United Kingdom;

“Placees” means persons to be procured by the Joint Bookrunners pursuant to the Placing Agreement who agree to subscribe for Placing Shares;

“Placing” means the placing of the Placing Shares by the Joint Bookrunners pursuant to the Placing Agreement and the Fundraising Documents;

“Placing Price” means 90.5 pence per Placing Share;

“Placing Results Announcement” means the announcement of the results of the Bookbuild via a Regulatory Information Service;

“Placing Shares” means, subject to the passing of the Resolutions at the GM, the new Ordinary Shares proposed to be allotted and issued by the Company fully paid up and admitted to, quoted or listed (as applicable) on the Exchanges pursuant to the Placing in accordance with the terms of the Placing Agreement following the Bookbuild as set out in the Placing Term Sheet;

“Placing Term Sheet” means the term sheet in relation to the Placing to be entered into by the Company and the Joint Bookrunners following the Bookbuild;

“Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended and supplemented from time to time);

“Prospectus Regulation Rules” means the latest edition of the “Prospectus Regulation Rules” made pursuant to section 73A of FSMA;

“Publicly Available Information” means the information contained in this Announcement and any information publicly announced through a Regulatory Information Service by or on behalf of the Company on or prior to the date of this Announcement;

“Regulation S” means Regulation S under the US Securities Act;

“Resolutions” means the resolutions to be proposed at the GM contained in the Notice required to authorise the allotment and issue of the Placing Shares and to disapply pre-emption rights in respect of those shares;

“Regulatory Information Service” means a Regulatory Information Service that is on the list of approved Regulatory Information Services maintained by the FCA;

“Rule 144A” means Rule 144A of the US Securities Act;

“Subscriptions” means the proposed conditional subscriptions for the Subscription Shares pursuant to the terms of the Glencore Subscription and the Directors’ Subscriptions.

“Subscription Shares” means the 29,264,139 new Ordinary Shares proposed to be issued by the

Company pursuant to the Subscription Agreements.

“**Toronto Stock Exchange**” or “**TSX**” means the Toronto Stock Exchange operated by TMX Group Limited;

“**TSX Company Manual**” means the TSX Company Manual of the TSX, as amended from time to time;

“**TSX Listing Rules**” means the rules and regulations of the TSX as set out in the TSX Company Manual;

“**UK Prospectus Regulation**” means Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018;

“**United Kingdom**” or “**UK**” means the United Kingdom of Great Britain and Northern Ireland;

“**US Securities Act**” means the US Securities Act of 1933, as amended;