

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are advised to consult your own stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares in Zanaga Iron Ore Company Limited, please pass this document, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

ZANAGA IRON ORE COMPANY LIMITED

(a company incorporated and registered in the British Virgin Islands with registered number 1557213)

Notice of General Meeting

Notice of a General Meeting of Zanaga Iron Ore Company Limited ("**ZIOC**" or the "**Company**") to be held at the offices of Bryan Cave Leighton Paisner LLP, Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR on 13 December 2022 at 9.00 a.m. is set out at pages 29 to 32 of this document and the recommendation of the Directors is set out on page 28.

Shareholders will find enclosed a Form of Proxy for use at the General Meeting (also referred to as the "**GM**", "**General Meeting**" or "**Meeting**"). The Form of Proxy should be completed and returned to Computershare Investor Services (BVI) Limited, c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 9.00 a.m. on 9 December 2022 or 48 hours before any adjourned meeting, excluding any part of such 48 hours period falling on a non-Business Day. Holders of Depositary Interests should complete the enclosed Form of Instruction and return this to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, England as soon as possible but in any event to be received not later than 9.00 a.m. on 8 December 2022 or 72 hours before any adjourned meeting, excluding any part of such 72 hours period falling on a non-Business Day. If you hold your Shares in uncertificated form (i.e. in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST manual so that it is received by the issuer's agent (ID 3RA50) by not later than 9.00 a.m. on 8 December 2022 or 72 hours before any adjourned meeting, excluding any part of such 72 hours period falling on a non-Business Day. The time of receipt will be taken to be the time from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

The action to be taken in respect of the General Meeting is set out in the Letter from the Chair.

General

All statements, other than statements of historical facts, included in this document, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance, achievements of or dividends paid by the Company to be materially different from actual results, performance or achievements, or dividend payments expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's net asset value, present and future business strategies and income flows and the environment in which the Company will operate in the future.

These forward-looking statements speak only as of the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.

Shareholders should read the risk factors set out in this document that could affect the Company's future performance and the industry in which the Company operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur.

Competent Persons

The statement in this document relating to Ore Reserves is based on information compiled by Dr Iestyn Humphreys, FIMM, AIME, PhD who is a Corporate Consultant, and Practice Leader with SRK. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012). The Competent Person, Dr Iestyn Humphreys, confirms that the Ore Reserve Estimate is accurately reproduced in this document and has given his consent to the inclusion in the document of the matters based on his information in the form and context within which it appears.

The information in this document that relates to Mineral Resources is based on information compiled by Malcolm Titley, BSc MAusIMM MAIG, of CSA Global (UK) Ltd. Malcolm Titley takes overall responsibility for the report as Competent Person. He is a Member of the Australasian Institute of Mining and Metallurgy ("AUSIMM") and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the JORC Code. The Competent Person, Mr Malcolm Titley, has reviewed this Mineral Resource statement and given his permission for the publication of this information in the form and context within which it appears.

DEFINITIONS

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

"Acquisition" means the proposed acquisition of Glencore Projects' 50% + one share interest in Jumelles for a minority shareholding in the Company.

"Admission" means the admission to trading on AIM of the Consideration Shares in accordance with the AIM Rules for Companies.

"Affiliate" means any entity that, directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with the entity in question and **"Affiliates"** shall be construed accordingly. For the purpose of this definition, **"control"** means the beneficial ownership of 50% or more of the issued equity of any entity (or the whole or majority of the entity's assets), and / or the right or ability to direct or otherwise control the entity or the votes attaching to the entity's issued share capital and **"controlled"** or **"under common control"** shall have a similar meaning.

"AIM" means the AIM market operated by the London Stock Exchange.

"AIM Rules for Companies" means the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange.

"Articles" means the articles of association of the Company as amended from time to time.

"Board" or **"Directors"** means the directors of the Company from time to time.

"Business Days" means any day (excluding Saturdays and Sundays) on which the major clearing banks are open for business in London, United Kingdom and **"Business Day"** shall be construed accordingly.

"BVI" means the British Virgin Islands.

"Chair" means the chairman of the General Meeting.

"Completion" means completion of the purchase of the Sale Shares by the Company in accordance with the terms of the Sale and Purchase Agreement.

"Consideration Shares" means 286,340,379 Shares to be issued by the Company to Glencore Projects pursuant to the Acquisition.

"Corporate Governance Code" means the 2018 UK Corporate Governance Code.

"CREST" means the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear in accordance with the CREST regulations.

"CREST Proxy Instruction" means the form of proxy instruction for CREST members in connection with the Meeting of Shareholders.

"Depository Interests" means the interests representing Shares held through Computershare Investor Services PLC as depository.

"Director Acceptance Letter" means a letter from the Company to each Nominated Director regarding the terms of each Nominated Director's appointment as a non-executive director of the Company and **"Director Acceptance Letters"** shall be construed accordingly.

"Euroclear" means Euroclear UK & Ireland Limited, the operator of CREST.

"Form of Instruction" means the form of instruction for holders of Depository Interests in connection with the Meeting of Shareholders.

"Form of Proxy" means the form of proxy for use by Shareholders in connection with the Meeting of Shareholders.

"General Meeting", "Meeting of Shareholders", "Meeting" or "GM" means the meeting of Shareholders to be held at 9.00 a.m. on 13 December 2022.

"Glencore International" means Glencore International AG, a company incorporated in Switzerland with the unique enterprise identification number CHE-106.909.694.

"Glencore Projects" means Glencore Projects Pty Limited, a company incorporated in Australia with registered number 128109115.

"Group" means the Company and its subsidiaries.

"Jumelles" means Jumelles Limited, a company incorporated and registered in the British Virgin Islands under company number 1024369.

"Loan Agreement" means the loan agreement dated 29 June 2022 between Jumelles (as borrower) and Glencore Projects (as lender), as amended from time to time.

"Loan Amendment" means the amendment letter dated 22 November 2022 between each of the Company, Jumelles and Glencore Projects amending the terms of the Loan Agreement.

"London Stock Exchange" means London Stock Exchange plc.

"Marketing Agreement" means the marketing agreement dated 22 November 2022 regarding the grant of offtake rights in respect of the supply of high quality iron ore product from the Project entered into between MPD, ZIOC and Glencore International which will take effect immediately prior to Completion.

"Mine" means the Zanaga iron ore mine located in the Republic of Congo that is being developed and shall be owned and operated by MPD or one of its Affiliates.

"MPD" means MPD Congo S.A., the indirect wholly owned subsidiary of Jumelles which holds the benefit of the Project's mining licence.

"Nominated Director" means a proposed non-executive director of the Company nominated by Glencore Projects and to be appointed in accordance with the terms of the Relationship Agreement and the Director Acceptance Letter.

"Notice" or "Notice of GM" means the notice of the General Meeting.

"Product" means all iron ore conforming to certain specifications produced by MPD or its Affiliates from the Mine or in the Republic of Congo using similar infrastructure that is not subject to existing sales arrangements.

"Project" means the Zanaga Iron Ore Project located in the Republic of Congo.

"Relationship Agreement" means the relationship agreement to be entered into regarding the relationship between Glencore Projects (as a Shareholder) and the Company, with effect from Completion.

"Resolutions" means the resolutions set out in the Notice.

"Sale and Purchase Agreement" means the sale and purchase agreement dated 22 November 2022 entered into between the Company and Glencore Projects in respect of the Acquisition.

"Sale Shares" means 2,000,001 issued ordinary shares of US\$1 par value in the capital of Jumelles to be transferred to the Company pursuant to the Acquisition.

"Shareholders" means registered holders of Shares in the Company and **"Shareholder"** shall be construed accordingly.

"Shares" means ordinary shares of no par value of the Company.

"UK City Code" means the UK City Code on Takeovers and Mergers.

"Xstrata" means Xstrata PLC.

"2014 FS" means the feasibility study, managed by Glencore Projects, which confirms the project economics for the Project.

GLOSSARY OF TECHNICAL TERMS

AL ₂ O ₃	Alumina (Aluminium Oxide)
Beneficiation	the process of improving (benefiting) the economic value of the ore by removing the waste minerals, which results in a higher grade product (concentrate)
dmtu	Dry Metric Tonne Unit
Fe	Iron
FS	Feasibility Study
IODEX	Iron Ore Index
JORC Code	the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
LOI	Loss on ignition
LOM	Life of mine
Mineral Resource	a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories
Mn	Manganese
Mtpa	Million Tonnes Per Annum
Ore Reserve	the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the

material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves. A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve but is of sufficient quality to serve as the basis for a decision on the development of the deposit

P Phosphorus

SiO₂ Silica

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication date of this document	25 November 2022
Last time and date for receipt of CREST Proxy Instructions for the General Meeting	9.00 a.m. on 8 December 2022
Last time and date for receipt of a Form of Proxy for the General Meeting	9.00 a.m. on 9 December 2022
Date and time of the General Meeting	9.00 a.m. on 13 December 2022
Completion of the Acquisition	on or by 16 December 2022
Long Stop Date	31 December 2022

Notes:

1. All time references in this document are to the time and date in London, United Kingdom, unless otherwise stated.
2. The dates and times given in this document are based on the Company's current expectation and may be subject to change.
3. Any changes to the timetable set out above will be announced via a regulatory information service.

Letter from the Chair of the Company

(Incorporated and registered in the British Virgin Islands with registered number 1557213)

Registered Office: 2nd Floor, Coastal Building, Wickham's Cay II, P.O. Box 2221, Road Town,
Tortola, British Virgin Islands

Directors:

Clifford Thomas Elphick (Non-Executive Chairman)

Clinton James Dines (Non-Executive Director)

Jonathan Andrew Velloza (Non-Executive Director)

25 November 2022

Dear Shareholder

NOTICE OF GENERAL MEETING

1 INTRODUCTION

I am pleased to invite you to a General Meeting which will be held at the offices of Bryan Cave Leighton Paisner LLP at Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR at 9.00 a.m. on 13 December 2022.

Following the announcement on 23 November 2022 of the Acquisition, the General Meeting will be held to seek authority for the Directors to: (i) issue the Consideration Shares pursuant to the Acquisition; and (ii) not require Glencore Projects to make a takeover offer in accordance with Regulation 33 of the Articles in connection with the Acquisition. The resolutions authorising the Directors to issue the Consideration Shares and to waive the takeover provisions in the Articles in respect of the issue of the Consideration Shares are both a condition to the Acquisition and if Shareholders do not approve the Resolutions, the Acquisition will not proceed.

2 DETAILS OF THE ACQUISITION

2.1 Background

Shortly following the Company's admission to trading on AIM in November 2010, the Board strategically focused on the appraisal of the Project, and based on 2014 FS, raising funds to develop an iron ore resource in connection with the Project. A part of the Company's strategy included the possibility of securing the investment of a major mining company with the view of advancing the Project's construction. The Company developed the strategy with the expectation of a buoyant global iron ore market largely due to on-going robust Chinese demand for iron ore (at the time), which resulted in exceptionally high iron ore prices within the industry.

In 2011, as part of a call option agreement entered into between Xstrata and Jumelles, Xstrata exercised an option to acquire a 50% plus one share interest in Jumelles in connection with the Project. Further, in relation to Xstrata's exercise of the option, a joint venture agreement was entered into between Xstrata and the Company whereby the parties agreed to control and manage the Project through Jumelles.

Following substantial investment in the Project by Xstrata, a bankable feasibility study was produced in Q1 2014 (referred to as the 2014 FS).

However, before the 2014 FS was produced:

- (a) in May 2013, Glencore plc completed a takeover of Xstrata;
- (b) the global economy faced certain challenges which resulted in a substantial decrease in global demand for iron ore and a related significant decrease in iron ore prices; and
- (c) mining companies increased their supply of iron ore to the global market, and became equipped with protected trading margins related to rationalisation programmes.

Following May 2013, Glencore Projects continued to fund the Project on a reduced cost basis with the Company contributing its proportionate share of the ongoing costs.

Since 2017, iron ore market conditions have improved and stabilised. Due to environmental considerations, higher premiums are also being paid for higher grade and quality iron ore products similar to that which the Company expects the Project to produce. Additionally, a number of international mining and steel companies are evaluating options to replenish their "resources stocks" and have been assessing the potential for high-grade resources.

2.2 Transaction overview

The Company and Glencore Projects' ownership of the Project is managed through a joint venture agreement in respect of Jumelles. The Company currently holds 50% less one share of the entire issued share capital of Jumelles, whilst Glencore Projects owns 50% plus one share of the entire issued share capital of Jumelles. The Company is proposing to purchase Glencore Projects' entire holding in the Project (comprising 50% plus one share interest in Jumelles) in consideration for issuing new Consideration Shares in the Company to Glencore Projects.

2.3 Transaction rationale

The Project is one of the largest iron ore deposits in Africa and the Company expects that the Project has the potential to become a world-class iron ore producer. Based on 2014 FS, the quality of the Project's iron ore resource indicates the potential to produce premium iron ore product with prospective premium pricing. It is expected that new strategic investors are required to enable the development and construction of the Project.

The Acquisition will:

- (a) consolidate the Company's ownership of Jumelles to provide a clear ownership structure and direction in respect of the development and management of the Project;
- (b) provide Glencore Projects with the right to appoint up to two non-executive directors of the Company (comprising of a minority within the Board) whilst still also requiring Glencore Projects to observe the terms of the Relationship Agreement;
- (c) provide a new structure that is expected to facilitate capital raising and enhance liquidity for Shareholders; and
- (d) remove the complexities of the current joint venture structure.

The Company expects that the factors mentioned above will enhance the attractiveness of the Project as a potential investment for large strategic investors.

2.4 Expenditure and Financing

The Company had cash reserves of US\$90,000 as at 22 November 2022 and is expected to have cash reserves of US\$80,000 as at Completion and the Company continues to take a prudent approach to managing these funds which are required to cover corporate head office costs. To assist with this, each of the Directors has agreed to defer their fees until such time as is resolved by the Board.

Whether or not Completion occurs, the Project's work programme and budget is currently funded until 30 June 2023 under the terms of the Loan Agreement from Glencore Projects, which is then repayable on that date.

Pursuant to the terms of the Loan Agreement, as amended by the Loan Amendment (summarised further below) which will become effective on Completion, Glencore Projects has agreed to provide Jumelles with a line of credit to finance the Project's continuing work programme and budget of approximately US\$1.2 million for the twelve months to 31 December 2023, US\$200,000 of which can be advanced as an intragroup loan by Jumelles to the Company to meet the Company's working capital requirements from Completion until 31 December 2023. The Company's working capital requirement from Completion until 31 December 2023 have been budgeted at approximately US\$200,000.

Whilst the Loan Amendment provides Jumelles and the Company with the funding necessary to maintain the Project from Completion, the development of the Project remains dependent on the Company securing additional finance. The Directors believe that the Acquisition will assist the Company when seeking such finance as the Acquisition will consolidate the Company's sole ownership and control of Jumelles providing a clear ownership structure and direction in respect of the development and management of the Project.

2.5 Conditions to Completion

Subject to the passing of the Resolutions, it is anticipated that Completion will occur on or before 16 December 2022. Completion is conditional upon (amongst other matters):

- (a) the Resolutions being duly passed at the General Meeting;
- (b) Admission of the Consideration Shares;
- (c) entry into certain transaction documents by various parties; and
- (d) other matters which are customary for an acquisition of this nature.

In addition to the conditions, each of the parties has limited termination rights prior to Completion. Accordingly, if the Resolutions are not passed at the General Meeting, the Sale and Purchase Agreement will terminate and the Acquisition will not proceed.

If the Acquisition does not complete, the Loan Amendment will not become effective and whilst the Loan Agreement will meet the Project's work programme and budget until 30 June 2023, the Company will remain responsible for funding its share of the work programme. The Company will therefore need to raise additional funding for this and to also repay the loan facility under the Loan Agreement which will, in those circumstances, become due on 30 June 2023. If the Company is unable to fund its share of the work programme, then ultimately its interest in the Project may be diluted.

Further details of the risks associated with the Acquisition are set out in section 6 below.

2.6 Shareholder approval

The Company is acquiring the Sale Shares (in connection with the Project) in exchange for issuing the Consideration Shares. The Company has also entered into the Marketing Agreement pursuant to which it will grant an offtake over 100% of all future iron ore produced by MPD, ZIOC or their respective Affiliates in the Republic of Congo. By virtue of the fact that the Company is acquiring the half of the Project that it does not currently own, the total consideration for the Acquisition is estimated to be around the same value as 100% of the Company's issued share capital on Completion as at the date of the Sale and Purchase Agreement.

The Directors believe that the Acquisition is akin to a corporate restructuring, with Glencore Projects moving its approximate 50% interest in the Project from the joint venture level in Jumelles to a holding in the Company, rather than a commercial acquisition or disposal.

Whilst the Acquisition is not a reverse takeover under the AIM Rules for Companies requiring shareholder approval, pursuant to the Resolutions, the Company is seeking Shareholder approvals required in connection with the issue of the Consideration Shares pursuant to the Acquisition. Therefore, existing Shareholders have the right to consider the merits of the Acquisition and to decide whether to vote in favour of the Resolutions, approval of the Resolutions are necessary for the Acquisition to proceed.

3 THE ZANAGA IRON ORE PROJECT

3.1 The Project

The Group currently has a 50% less one share interest in the Project and following Completion will own the Project.

The Project is planned to be a large scale iron ore mine, processing and infrastructure operation to produce 30Mtpa of high grade iron ore (pellet feed) concentrate over a 30 year life of mine and developed in two stages.

- Stage One – 12Mtpa of pellet feed
- Stage Two – 18Mtpa expansion to 30Mtpa of pellet feed

The primary facilities for the Project are currently proposed to include:

- An open pit mining operation and associated process plant and mine infrastructure.
- Slurry pipeline for transport of iron ore concentrate from the mine to the port facilities.
- Port facilities and infrastructure for dewatering and handling of the iron ore products for export to the global sea-borne iron ore market located within a proposed third party constructed port facility.

3.2 Feasibility Study highlights

In 2014, the Company published the results of the 2014 FS, managed by the Company's joint venture partner Glencore Projects, which confirmed attractive project economics for the Project. The FS was completed on the basis of the staged development of the Project outlined above and the following attributes:

- Stage One 12Mtpa initial operation
 - \$32/t FOB bottom quartile operating costs including royalty

- \$2.2bn capital expenditure
 - Premium quality 66% Fe content iron ore pellet feed product
- Stage Two expansion to 30Mtpa operation
 - \$2.5bn capital expenditure for additional 18Mtpa production
 - \$26/t FOB bottom quartile operating costs including royalty
 - Premium quality 67.5% Fe content iron ore pellet feed product
- Benefits of Staged Development
 - Lowers capital and execution risk
 - Reduces financing requirements
 - Maximises return on capital
- Permitting
 - Environmental Permit received
 - Mining Licence received
 - Mining Convention in place

3.3 **Potential DSO**

There is an opportunity to supplement the Project's pipeline pellet feed production with up to 2Mtpa of direct shipping ore ("**DSO**"). The defined mineral resource includes some high grade material that can be classified as DSO and an area of the deposit has been identified that includes a concentration of material at surface which can be simply crushed and screened to produce a saleable iron ore lump and / or fines product without any requirement for beneficiation.

Any decision to proceed with the DSO operation will be dependent upon confirmation of a suitable transport solution, including obtaining access to rail and port infrastructure on acceptable terms.

3.4 **Reserves and Resource**

The Project has defined a 6.9 billion tonne Mineral Resource and a 2.1 billion tonne Ore Reserve, reported in accordance with the JORC Code, and defined from only 25km of the 47km strike length of the orebody so far identified.

Ore Reserve Statement

The Ore Reserve estimate (announced by the Company on 5 May 2021) was prepared by independent consultants, SRK Consulting (UK) Ltd and is based on the 30Mtpa FS and the 6,900 million tonnes Mineral Resource (announced by the Company on 8 May 2014).

As stipulated by the JORC Code, proven and probable Ore Reserves are of sufficient quality to serve as the basis for a decision on the development of the deposit. Based on the studies performed, the mine plan as reported in the 2014 FS was reassessed in respect of the updated

sales revenue, operating expenditure and capital expenditures and confirmed as at 31 December 2020 to be technically feasible and economically viable.

Ore Reserve Category	Tonnes (Mt _{dry})	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)
Proved	774	37.3	35.1	4.7	0.04
Probable	1,296	31.8	44.7	2.3	0.05
Total	2,070	33.9	41.1	3.2	0.05

Notes:

Long term price assumptions are based on a CFR IODEX 65%Fe forecast of US\$90tdry (USc138/dmtu) with adjustments for quality, deleterious elements, moisture and freight.

Discount rate 10% applied on an ungeared 100% equity basis

Mining dilution ranging between 5% and 6%

Mining losses ranging between 1% and 5%

Mineral Resource

Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	Mn (%)	LOI (%)
Measured	2,330	33.7	43.1	3.4	0.05	0.11	1.46
Indicated	2,460	30.4	46.8	3.2	0.05	0.11	0.75
Inferred	2,100	31	46	3	0.1	0.1	0.9
Total	6,900	32	45	3	0.05	0.11	1.05

Reported at a 0% Fe cut-off grade within an optimised "Whittle" shell representing a metal price of 130 USc/dmtu. Mineral Resources are inclusive of reserves. A revised Mineral Resource, prepared in accordance with the JORC Code was announced on 8 May 2014.

Note: The figures shown are rounded; they may not sum to the subtotals shown due to the rounding used.

The Mineral Resource was estimated as a block model within constraining wireframes based upon logged geological boundaries. Tonnages and grades have been rounded to reflect appropriate confidence levels and for this reason may not sum to totals stated.

3.5 Project next steps

Total Stage One capital expenditures for the Project are estimated to be US\$2.2 billion, with US\$1.2 billion of direct costs and US\$1 billion of indirect costs and contingency.

Total Stage Two capital expenditures for the Project are estimated to be US\$2.5 billion, with US\$1.5 billion of direct costs and US\$1 billion of indirect costs and contingency.

Stage One capital costs have been estimated to a 2014 FS level of definition. The Stage Two costs are supported by a lower level of engineering (PFS level) but significantly leverages the work completed for the Stage One development. Cost escalation is excluded from the capital cost estimate. The capital cost estimate assumes the use of a third party port facility at Pointe-Indienne.

The Project team are progressing key value-adding activities on the Project. These important preparatory steps will place the Project in a position to seek financing and progress to development when market conditions are favourable. These value adding activities include the establishment of port and power agreements, and issue of the environmental permit.

In addition, the Project team are investigating the potential for commencement of smaller scale production by utilising existing and improved logistics infrastructure.

4 IMPACT OF THE TRANSACTION ON THE COMPANY

4.1 Business of the Company

The business of the Company will remain the same, the development of the Project. Following Completion, the Company intends to continue to progress the Project and the Loan Amendment will provide the Company with a line of credit to enable the Company to fund the work programme of the Company until 31 December 2023. During this time, the Company will also seek to engage with potential funders for the development of the Project. The acquisition of Glencore Projects' interest in Jumelles simply enables the Company to have more direct control over the Project and a simplified ownership structure which should assist in attracting funding.

4.2 Board composition

Following Completion and on the assumption that Glencore Projects chooses to exercise its right to appoint directors to the Board as provided for in the Relationship Agreement, the new Board will comprise five directors. Glencore Projects will have the right to nominate two directors and the remaining three Directors will comprise the three Directors currently serving on the Board, who are all non-executive directors. The existing directors will therefore remain a majority on the Board.

A further announcement will be made when the Glencore Projects appointees are appointed and as required by applicable rules and regulations, including the information required by the AIM Rules for Companies.

4.3 Employees and consultants

The Company does not expect any material changes to its current employees and / or consultants following Completion and to the delivery of the work programme in 2023. During this time, the Company will also seek to initiate discussions regarding the funding required for the development of the Project. Once funding has been secured and work on the development of the Project has commenced, the Company expects to recruit an executive team to meet the demands of the Company and the Project.

4.4 Corporate governance

The Company remains committed to maintaining high standards of corporate governance throughout its operations and to ensuring that all of its practices are conducted transparently and efficiently. The Company believes that scrutinising all aspects of its business and reflecting, analysing and improving its procedures will result in the continued success of the Company and improve Shareholder value.

The Company adheres to the following objectives of the Corporate Governance Code:

- it is led by an effective and entrepreneurial Board which is collectively responsible for the long-term success of the Company;
- the role of the Board is to promote the long-term sustainable success of the Company;
- the Board has the appropriate balance of skills, experience, independence, and knowledge of the Company to enable it to discharge its duties and responsibilities effectively;

- the Board establishes a formal and transparent arrangement for considering how it applies the corporate reporting, risk management, and internal control principles and for maintaining an appropriate relationship with the Company's auditors; and
- there is a dialogue with Shareholders based on the mutual understanding of objectives.

In view of the constraints on the Company, the Board currently operates on a streamlined basis and is expected to continue to do so following Completion until financing is secured to develop the Project.

The Board currently consists of only three Directors although this will increase to up to five Directors following Completion on the assumption that Glencore Projects chooses to exercise its right to appoint directors to the Board as provided for in the Relationship Agreement. As part of such streamlined approach the audit committee, the remuneration committee and the Health, Safety, Social and Environment Committee have been discontinued and the duties and responsibilities which were delegated to them have reverted to the Board and this will continue to be the case immediately following Completion. As previously announced, responsibility for nominations to the Board continues to be reserved to the Board; consequently no nominations committee has been put in place (Corporate Governance Code Provisions 17 and 23). The Board is also responsible for monitoring the activities of the executive management team, as and when one is appointed.

Following Completion, the Company expects to continue to depart from the following provisions of the Corporate Governance Code for the reasons stated below:

- The division of powers between the non-executive chairman and a chief executive officer. In addition, the Company departs from the Corporate Governance Code by only having non-executive directors (Corporate Governance Code Principle G and Corporate Governance Code Provisions 9 and 13).
- In view of the small size of the Company and the limited number of directors, the establishment of a nomination committee and the formal appointment of a senior independent director are regarded as unnecessary. Where new directors are to be appointed, the non-executive chairman conducts an informal consultation process with the other directors. Consequently, Corporate Governance Code Principles J and Corporate Governance Code Provisions 12, 17 and 23 are departed from.
- In view of the small size of the Company and the limited number of directors, there is no fixed requirement for the chairman to stand down after a period of years or for all directors to seek annual re-election, thereby departing from Corporate Governance Code Provisions 18 and 19.
- As explained above, the Board has decided not to appoint an audit committee or a remuneration committee, thereby departing from the following Corporate Governance Code Provisions: 24 to 26 inclusive, 32 and 33.
- In view of the small size of the Company, a streamlined approach for the Board's role in relation to the remuneration of directors and staff and the establishment and implementation of share incentive schemes has been adopted. Consequently there is a degree of departure from Corporate Governance Code Provisions 36 and 37.
- As mentioned and for the reasons stated above, no internal audit function has been set up, thereby departing from Corporate Governance Code Provisions 24 to 26 inclusive.

The Company will continue to assess its corporate governance approach including if and when it secures additional financing and intends to incorporate additional corporate governance procedures and policies to reflect the Company's expected growth and future changes when appropriate.

4.5 **Working capital**

The Directors believe, taking account of the monies available for drawdown pursuant to the Loan Amendment and a loan agreement between Jumelles and the Company, that the working capital available to the Group is sufficient for the Group's current requirements that is for at least the next 12 months from Completion.

4.6 **Share capital**

As at 24 November 2022 (being the latest practicable Business Day prior to the publication of this document), the Company's total issued share capital consists of 307,034,367 Shares, carrying one vote each. Immediately following Completion, the Company's total issued share capital is expected to be 593,374,746 Shares. As at 24 November 2022, there were 18,236,106 share options outstanding.

4.7 **Substantial share interests**

As at 21 November 2022, the percentage of Shares not in public hands was 26.42%. This reflects the Shares and share options in which non-executive directors of the Company are interested. Following Completion and assuming that there are no further issues of shares or acquisitions or disposals of shares other than pursuant to the Acquisition, the percentage of Shares not in public hands is expected to be 61.78%.

Following Completion, the following Shareholders are expected to be interested, directly or indirectly, in 3 per cent. or more of the Company's issued share capital, assuming that they do not make any acquisitions or disposal prior to Completion and no options are exercised prior to Completion:

Shareholder	Number of Shares	% of share capital
Glencore Projects	286,340,379	48.26%
Guava Minerals Limited*	80,252,592	13.52%

*Clifford Elphick, the non-executive chairman of the Company, is indirectly interested in these Shares, currently representing 26.14% of the issued share capital of the Company, by virtue of his interest as a potential beneficiary in a discretionary trust which has an indirect interest in these Shares.

4.8 **UK City Code / Articles**

Whilst, as a company incorporated under the laws of BVI, the Company is not subject to the UK City Code, the Company has included provisions in its Articles which reflect, in substance, the requirements of Rule 9 of the UK City Code (Regulation 33). Whilst it is in power of the Directors to waive these provisions, given Shareholder approval is in any event needed to issue the Consideration Shares, the Directors believe that Shareholders should be asked to authorise the directors to formally waive compliance with this provision in the Articles. The resolution authorising the directors to waive the takeover provisions in the Articles in respect of the issue

of the Consideration Shares is a condition to the Acquisition and if Shareholders do not approve this resolution, the Acquisition will not proceed.

Following Completion, Regulation 33 of the Articles will continue to provide that if at any time when the Company is not subject to the UK City Code or any successor regime governing the conduct of takeovers and mergers in the United Kingdom or any other regime governing the same in any other country (any of such being the "**Takeover Regime**"):

- (a) any person who, together with persons acting in concert with him, acquires, whether by a series of transactions over a period of time or not, interests in Shares which (taken together with interests in Shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of the Company; or
- (b) any person who, together with persons acting in concert with him, holds interests in Shares representing not less than 30 per cent. but not more than 50 per cent. of the voting rights and such person, or any person acting in concert with him, acquires an interest in additional Shares which increase his percentage of the voting rights,

the Board shall be entitled, but not obliged, to require such person (other than Computershare Investor Services plc in its capacity as depository / custodian for Shares issued in uncertificated form) (the "**offeror**") to extend an offer, on the basis set out in Regulation 33, to all the Shareholders in the Company.

No acquisition of Shares which would give rise to a requirement for any offer under Regulation 33 may be made or registered if the making or implementation of such offer would or might be dependent on the passing of a shareholder resolution of the offeror or upon any other conditions, consents or arrangements. Offers made under Regulation 33 must, in respect of each class of Shares involved, be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with it for Shares of that class during the offer period and within 12 months prior to its commencement. Offers made under Regulation 33 must be made in writing and publicly disclosed and must be open for acceptance for a period of not less than 30 days. The cash offer or the cash alternative must remain open after the offer has become or is declared unconditional as to acceptances for not less than 14 days after the date on which it would otherwise have expired.

The offer shall be made on terms that would be required by the UK City Code, save to the extent that the Company's board of directors otherwise determines. Except with the consent of the Company's board of directors, Shareholders shall comply with the requirements of the UK City Code in relation to any dealings in any Shares of the Company and in relation to their dealings with the Company in relation to all other matters. Any matter which under the UK City Code would fall to be determined by the United Kingdom Panel on Takeovers and Mergers (the "**Panel**") shall be determined by the Company's board of directors in its absolute discretion or by such person appointed by the Company's board of directors to make such determination provided that no infringement is ever made of the general principle of equality between Shareholders. Any notice which under the UK City Code is required to be given to the Panel or any person (other than the Company) shall be given to the Company at its registered office.

If an offer shall be made pursuant to Regulation 33 and:

- (a) the offeror (together with persons acting in concert with him) has by virtue of acceptance of the offer acquired or contracted to acquire some (but not all) of the Shares to which the offer relates; and
- (b) those Shares, with or without any other Shares which the offeror (together with persons acting in concert with him) holds or has acquired or contracted to acquire,

would result in the offeror (together with persons acting in concert with him) obtaining or holding an interest in Shares conferring in aggregate 90 per cent. or more of the voting rights conferred by all the Shares then in issue then:

- (c) the offeror shall be entitled to give a notice (the "**Squeeze Out Notice**") to all other holders of Shares in respect of all the Shares then in issue and held by them in respect of which the offer has not yet been accepted; and
- (d) the Squeeze Out Notice shall be made in writing, be, at the same price and on the same terms as the offer and be capable of acceptance for a period of not less than 30 days after the date of the Squeeze Out Notice.

Upon delivery of the Squeeze Out Notice each of the recipients ("**Called Shareholders**") (a) shall be deemed to have accepted the offer in respect of all Shares held by it and (b) shall become obliged to deliver to the offeror or as the offeror may direct an executed transfer of such Shares and (if it exists) the certificate(s) in respect of the same. Squeeze Out Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Called Shareholders' Shares within 60 days after the date of service of the Squeeze Out Notice. The offeror shall be entitled to serve further Squeeze Out Notices following the lapse of any particular Squeeze Out Notice.

4.9 **Joint Venture Agreement**

Upon the Company becoming the sole shareholder of Jumelles the existing joint venture agreement in respect of Jumelles will terminate, save in respect of prior breaches and certain general provisions.

5 TRANSACTION DOCUMENTS

5.1 Sale and Purchase Agreement

Under the Sale and Purchase Agreement, which was entered into on 22 November 2022, the Company will purchase Glencore Projects' 50% plus one share interest in Jumelles, comprising of the Sale Shares. The total consideration for the Sale Shares is the issue on Completion to Glencore Projects of the Consideration Shares, which are expected to represent 48.26% of the Shares on Completion. Under the Sale and Purchase Agreement, Completion is subject to various conditions, including, amongst others:

- (a) Admission;
- (b) entry by various parties into each of the Marketing Agreement, the Relationship Agreement, the Director Acceptance Letters and the Loan Amendment (each as described further below);
- (c) the appointment of each proposed Nominated Director;
- (d) the passing of the Resolutions;
- (e) the Project's mining licence remaining unrevoked; and
- (f) the adoption by the Company of a revised anti-corruption and bribery policy.

Given the historical nature of the joint venture arrangements and the relationship between each of Glencore Projects and the Company in respect of Jumelles, the parties have provided a limited scope of seller and buyer warranties in relation to the Project. Under the SPA, ZIOC has also agreed not to issue any further Shares or rights over shares prior to Completion other than pursuant to matters previously announced by the Company.

5.2 Loan Amendment

In order to fund the Project's approved budget and work programme and the working capital requirements of the Company until 31 December 2023, on 22 November 2022 Glencore Projects agreed to amend the terms of the Loan Agreement, pursuant to the Loan Amendment, with effect from Completion. The Loan Amendment includes the following amendments to the Loan Agreement:

- (a) the aggregate sum of the loan facility shall be increased from US\$1.2 million to US\$1.8 million;
- (b) the repayment date shall be extended to 31 December 2023; and
- (c) Jumelles will repay in full the outstanding US\$1.8 million debt owed by Jumelles to Glencore Projects following any equity raise (or raises) by the Company which result in net proceeds to the Company greater than or equal to US\$1.8 million (determined on a rolling twelve month basis).

In addition, the Company has agreed to become a direct party to the Loan Amendment and has undertaken to transfer to Jumelles such equity capital raising funds that Jumelles requires to repay the outstanding debt under the Loan Agreement, as amended by the Loan Amendment.

The additional funds received pursuant to the Loan Agreement, as amended by the Loan Amendment, are intended to be applied towards the retention of the Project's mining licence, community work, engagement with technical consultants in connection with the Project and

general costs and financing in respect of the Project and the Company. Under the Loan Amendment, Jumelles is permitted to advance an intragroup loan of up to US\$200,000 to the Company to meet its working capital requirements.

5.3 Relationship Agreement

Once the Consideration Shares in the Company have been issued to Glencore Projects in accordance with the Sale and Purchase Agreement and have been admitted to trading on AIM, Glencore Projects will exercise or control 30% or more of the votes to be cast on all or substantially all matters at general meetings of the Company. The Company and Glencore Projects have agreed to enter into the Relationship Agreement to regulate the relationship between them, with effect from Completion. Under the Relationship Agreement, for so long as Glencore Projects individually or together with its Associates (as defined in the Relationship Agreement) holds 10% or more of the Shares, Glencore Projects is entitled to appoint one non-executive director, and for so long as Glencore Projects individually or together with its Associates (as defined in the Relationship Agreement) holds 25% or more of the Shares, Glencore Projects is entitled to appoint two non-executive directors, who, in each case, may be appointed or replaced by written notice from Glencore Projects to the Company from time to time.

The Relationship Agreement shall continue in full force and effect from Completion until:

- (a) Glencore Projects and / or its Associates (as defined in the Relationship Agreement) individually or together cease to be interested in 10% or more of the Shares; or
- (b) the Shares cease to be admitted to trading on AIM (which for the avoidance of doubt does not include any period of suspension of trading).

However, if Glencore Projects and / or its Associates (as defined in the Relationship Agreement) individually or together become interested in 10% or more of the Shares within three months of ceasing to hold such interests the Relationship Agreement shall be re-instated and once again be in full force and effect.

The Relationship Agreement also includes various undertakings given by Glencore Projects to ensure that the Company can carry on its business independently of Glencore Projects and provides that any transactions between the parties will be on arm's length terms. Glencore Projects has also agreed to certain restrictions regulating the manner in which Glencore Projects exercises its voting rights in the Company including restricting Glencore Projects from using its shareholding to requisition a general meeting of the Company for the purposes of proposing any resolution to de-list the Shares from trading on AIM. Glencore Projects has also agreed that any non-executive directors appointed to the Board by Glencore Projects, in consultation with the Company's Nominated Adviser, will comply with certain requirements set out in the Relationship Agreement.

Further, under the terms of the Relationship Agreement, Glencore Projects has agreed that it will not dispose of any of the Consideration Shares in the Company in the six months following Admission without the consent of the Company (not to be unreasonably withheld or delayed) other than in certain limited circumstances and to comply with orderly market provisions in the following six months.

5.4 Marketing Agreement

MPD and ZIOC have entered into a life-of-mine marketing agreement with Glencore International which will take effect immediately prior to Completion, pursuant to which MPD has granted Glencore International the exclusive marketing right for all iron ore produced from the Zanaga iron ore mine located in the Republic of Congo that is being developed and shall be owned and operated by MPD or one of its Affiliates and any other production of iron ore

from assets belonging to MPD, ZIOC or their respective Affiliates in the Republic of Congo using similar infrastructure, subject to the terms and conditions of the Marketing Agreement and in the case of any projects acquired subject to pre-existing marketing rights.

Pursuant to the terms of the Marketing Agreement in respect of the Mine:

- (a) The Marketing Agreement shall remain in effect on an evergreen life-of-mine basis, until otherwise terminated in accordance with the terms of the Marketing Agreement by Glencore International or by MPD where there is an unremedied material breach by Glencore International. If Completion has not occurred by 31 December 2022, or if the Sale and Purchase Agreement is terminated in accordance with its terms, the Marketing Agreement will be automatically terminated, unless otherwise agreed in writing by the parties. For these purposes, "life-of-mine" means the time in which, through the employment of the available capital, the iron ore reserves, or such reasonable extension of the iron ore reserves as conservative geological analysis may justify, will be extracted from the Mine.
- (b) Glencore International has agreed to purchase all or part of the Product from MPD, and will be entitled to receive a marketing fee in relation to the arrangement.
- (c) MPD has agreed to grant Glencore International the exclusive marketing right for all of the Product produced by the Mine during the term of the Marketing Agreement in accordance with the terms and conditions set out in the Marketing Agreement.
- (d) MPD and ZIOC shall procure that MPD, ZIOC and / or any of Affiliate of ZIOC shall offer to Glencore International for purchase, whether under the terms of the Marketing Agreement or a separate agreement, any other production of iron ore from assets belonging to MPD, ZIOC or their Affiliates, but in each case only to the extent such assets are located in the Republic of Congo and use similar infrastructure that is not subject to existing sales arrangements as at the later of: (i) the Effective Date (as defined in the Marketing Agreement) or (ii) in the case of an Affiliate of MPD or an Affiliate of ZIOC, the date that such Affiliate became an Affiliate (the "**Relevant Date**") (including any such production that becomes available following the expiry or termination of any sales arrangements following the Relevant Date). MPD and ZIOC shall procure that any such additional production shall be offered to Glencore International under the same pricing terms as established in the Marketing Agreement and on terms and conditions that are materially similar to the terms and conditions set out in the Marketing Agreement. If Glencore International elects to accept such an offer, the parties (and / or such Affiliate of MPD or the Company as applicable) shall enter into an amendment to the Marketing Agreement or a separate agreement (at the election of Glencore International) to implement the sales arrangement.
- (e) Glencore International shall be entitled to be paid an arm's length marketing fee as a result of Glencore International's services during the term of the Marketing Agreement.
- (f) MPD will receive full payment for each shipment once it has arrived at Glencore Projects' nominated discharge port, in each case subject to the detailed provisions of the Marketing Agreement.
- (g) The price payable for each shipment of Product shall be the Final FOB Value (as defined in the Marketing Agreement) of that shipment, which shall be calculated in accordance with the detailed provisions of the Marketing Agreement, based on the price which is achieved by Glencore International in the market when it sells the Product to a final buyer.

- (h) The Marketing Agreement contains provisions exempting both parties in certain circumstances from liability for delays in performing or failure to perform any of their obligations (except for failure to pay money when due) due to events of force majeure.
- (i) If there is a direct or indirect change in ownership of MPD amounting to 50% + 1 share or more of the issued share capital of the relevant target entity, and, following such change in ownership, MPD notifies Glencore International in accordance with the terms of the Marketing Agreement that it wishes to cancel the Marketing Agreement and enter into a new life-of-mine marketing agreement (a "**New Marketing Agreement**") in respect of 100% of the production of the Mine with the relevant investor or its Affiliate (a "**New Buyer**"), then Glencore International may notify MPD, subject to the terms and requirements of the Marketing Agreement, that either:
 - (i) it shall match the terms of the New Marketing Agreement, in which event the parties shall discuss and agree in good faith such minimum amendments required to the Marketing Agreement to align with the key commercial terms agreed between MPD and the New Buyer under the New Marketing Agreement; or
 - (ii) it agrees to the termination of the Marketing Agreement, in which event the Marketing Agreement shall be terminated upon execution by MPD of the New Marketing Agreement and thereafter Glencore International shall be entitled, for the term of the New Marketing Agreement and / or any replacement or supplement to such agreement, to receive a fee in each calendar month by way of consideration for the initial marketing role played by Glencore International under the Marketing Agreement ("**Royalty**"), and

the Marketing Agreement shall be terminated only upon execution of the Royalty by Glencore International and MPD in a form acceptable to Glencore International acting reasonably.

If Glencore International fails to provide a response to MPD in accordance with the requirements of the Marketing Agreement, it shall be deemed to have accepted the termination of the Marketing Agreement, in which event the terms of paragraph (i)(ii) above shall apply.

MPD has also agreed to indemnify Glencore International in respect of any breach by MPD.

5.5 **Director Acceptance Letter**

The Company shall enter into director acceptance letters with each of the non-executive directors of the Company appointed by Glencore Projects pursuant to the Relationship Agreement. The letters are contracts for services on similar terms to the current director acceptance letters that are in force in respect of the Board and set out, amongst other things, the duties and obligations of the Nominated Directors, the term of their appointment, and their annual fee of £57,500 per annum. Annual fees in respect of the Nominated Directors are to be paid by the Company to Glencore International, however payment is to be deferred until such date as is determined by the Board.

6 **RISKS RELATING TO THE ACQUISITION**

In addition to the risks set out in the Company's AIM Admission Document and in its annual report and accounts, Shareholders should note the following additional risks in respect of the Acquisition.

6.1 **Future financing**

Following Completion, the Company is solely responsible for ensuring sufficient financing for the Group. Following Completion, the Group will require additional financing. There can be no assurance that additional financing will be available, or, if available, that it will be on terms acceptable or favourable to the Group or the Shareholders. The failure to obtain such additional financing on reasonable terms or at all may have a material adverse effect on the Group. If the Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interest in some or all of its properties and licences, incur financial penalties or reduce or terminate its operations.

6.2 **Limited warranties are being given in respect of the Acquisition**

Given the parties have been joint venture partners for a number of years, Glencore Projects has given limited warranties to the Company in the Sale and Purchase Agreement. The scope of warranties remains strictly in respect of title, capacity, consents, breach or default, solvency, anti-corruption and money laundering. Whilst the Company has appointees to the board of Jumelles, there is no guarantee that the Company has otherwise obtained material information in respect of the Acquisition that could have been solicited through detailed and varied warranties.

6.3 **No takeover protection**

The UK City Code will not apply to the Company (as the Company is incorporated in BVI) and BVI law does not contain provisions similar to those contained in the UK City Code. As a result, any takeover offer for the Company or consolidation of control in the Company will not be regulated by the UK City Code or any other takeover regime. The Articles contain certain limited takeover protections, but do not provide the full protections afforded by the UK City Code.

6.4 **Dependence on key executives and personnel**

The future performance of the Group will to a significant extent be dependent on its ability to retain the services of its board and for the development of the Project to attract, recruit, motivate and retain other suitably skilled, qualified and industry experienced personnel to form a high calibre management team when the Project has been financed and moves towards development. Such key executives are expected to play an important role in the development and growth of the Group, in particular by maintaining good business relationships with regulatory and governmental departments and essential partners, contractors and suppliers.

There is a risk that the Group will struggle to recruit the key personnel required for its operations. Shortages of labour, or of skilled workers, may cause delays or other stoppages during operations. There can be no assurance that the Group will retain the services of any key executives, advisers or personnel who have entered, or will subject to Admission enter, into service agreements or letters of appointment with the Group. The loss of the services of any of the key personnel may have a material adverse effect on the business, operations, relationships and / or prospects of the Group.

The Group currently has no key-man insurance policy in place and, therefore, there is a risk that the unexpected departure or loss of a key individual could have a material adverse effect on the business, financial condition and results of operations of the Group and there can be no assurance that the Group will be able to attract or retain a suitable replacement.

6.5 **Licences**

There is no guarantee that the Project's mining licence will remain unchallenged and in full force following Completion. Should the Company proceed to Completion and the Project's mining licence is then subsequently revoked and / or made invalid following Completion the benefits to the Company expected to result from Completion may not be achieved, which could result in a material adverse effect on the Company's business, operations, financial performance, cash flow, and future prospects.

In addition, further statutory and regulatory permits and approvals may be required in order to operate future operations in connection with the Project. There can be no assurance that relevant authorities will issue relevant permits and approvals in a timely manner. Failure to maintain or obtain required permits or approvals may result in the interruption of operations and may have a material adverse effect on the Group's business, operations, financial performance, cash flow and future prospects.

There is no guarantee that an unforeseen defect in title, changes in law or change in their interpretation or political events will not arise to defeat or impair the claim of the Group to any assets that it currently owns or may acquire which could result in a material adverse effect on the Group's business, operations, financial performance and cash flow and future prospects.

6.6 **The success of the Acquisition is not guaranteed**

Part of the Company's strategy to acquire Jumelles as a 100% subsidiary of the Company is to overcome challenges with the current joint venture arrangements and focus on strategic investment and progress in respect of the construction of the Project. The success of this strategy will depend on the Company's ability to raise finance for the development of the Project and, if such funding is obtained, to successfully and cost-efficiently construct, and manage the Project. No assurance is given that this strategy will be successful under all or any market conditions or that the Company will be able to use this strategy to generate returns for Shareholders.

6.7 **Capital expenditure**

The estimated capital expenditure requirements for the Group are estimates based on anticipated costs and are made on certain assumptions. If those capital expenditure requirements turn out to be higher than currently anticipated, or the Group's available resources or cash flows are not sufficient to cover this capital expenditure requirements, then the Company may need to seek additional funds that it may not be able to secure on reasonable commercial terms, or at all, to satisfy the increased capital expenditure requirements. If this occurs, the Group's business, operations, financial performance, cash flow and future prospects may be materially adversely affected.

In addition, if the Group is required to provide further capital in pursuit of additional opportunities, the Company may need to seek further external debt and future equity financing. There is no guarantee that such additional funding, if required, will be available at all, or on acceptable terms, at the relevant time. Furthermore, any additional debt financing may involve restrictive covenants, which may limit or affect the Company's operating flexibility or ability to distribute dividends. If additional equity funding is raised, Shareholders may experience a dilution in their percentage holdings in the Company.

Moreover, if the Group does not meet its work and / or expenditure obligations under any agreements or any existing or future permits and / or licences in which it has a participating interest this may lead to dilution of its interest in, or the loss of, such agreements, permits or licences.

6.8 **Exploration and development**

The future value of the Group is largely dependent on the success or otherwise of its activities, which are directed towards the Project.

The Project may be delayed or adversely affected by factors outside the control of the Group, including adverse climatic or geological conditions, the performance of its various partners or other third parties on whom the Group may be or may become reliant and compliance with governmental requirements. In addition, the availability of equipment and the cost of this equipment may affect the ability of the Group to continue the development of its assets required to meet its licence obligations. The Group may also be exposed to shortages or delays in installing and commissioning facilities and equipment or import or customs delays. Problems may also arise due to the quality or failure of locally obtained equipment or interruptions to services (such as power, water, fuel or transport or processing capacity) or technical support that result in failure to achieve expected target dates for development or production and / or result in a requirement for greater expenditure. These factors could result in the Group's activities being delayed or abandoned and sustained losses could be incurred.

Any of the above may cause a material adverse effect on the Group's business, operations, financial performance, cash flow and future prospects.

6.9 **Substantial Shareholders**

Following Completion, Glencore Projects will be a substantial shareholder with the Consideration Shares expected to represent a shareholding of 48.26% in ZIOC on Completion. As a result, Glencore Projects may be able to exercise significant influence over matters requiring Shareholder approval, including significant corporate transactions. Notwithstanding the existence of the Relationship Agreement, the concentration of ownership may have the effect of delaying or deterring a change in control of the Company.

6.10 **Issuance of debt**

From time to time the Company may enter into transactions to acquire assets or the shares of other organisations. These transactions may be financed in whole or in part with debt, which may increase Company's debt levels above industry standards for iron ore companies of similar size. The Company may require additional equity and / or debt financing that may not be available or, if available, may not be available on favourable terms. The level of the Company's indebtedness from time to time, could impair the Company's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

6.11 **Forward-looking information may prove inaccurate**

Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this document.

7 **DETAILS OF THE GENERAL MEETING**

This Notice of the GM describes the business that will be proposed at the GM and sets out the procedures for your participation and voting. The official business of the GM is set out on page 29. A detailed explanation of the business can be found on pages 26 to 27.

The GM will be held at the offices of Bryan Cave Leighton Paisner LLP at Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR. We look forward to welcoming Shareholders in

person at our GM. At the time of publication of this Notice of GM, the UK Government has lifted all restrictions on public gatherings and non-essential travel and it is therefore anticipated that the GM will go ahead as normal as a physical meeting. However, it is uncertain what regulations or public health guidance may be in place at the time of the GM which may restrict the number of people who may gather in public and therefore the number of permitted attendees. Any changes to the arrangements for the GM (including any change to the location of the GM) will be communicated to shareholders in advance of the GM through our website at <https://www.zanagairon.com> and via a RNS announcement.

Should we need to change the arrangements in this way, it is possible that we will not be in a position to accommodate shareholders beyond the minimum required to hold a quorate meeting. In light of this uncertainty, shareholders are strongly encouraged to submit their votes by proxy in advance of the GM in accordance with the instructions set out in the Notice of GM and to appoint the Chair of the GM as their proxy to vote on their behalf. You can appoint a proxy by:

- completing and returning the enclosed Form of Proxy by post to Computershare Investor Services (BVI) Limited, c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 9.00 a.m. on 9 December 2022 or 48 hours before any adjourned meeting, excluding any part of such 48 hours period falling on a non-Business Day;
- if you are a holder of Depositary Interests, completing and returning the enclosed Form of Instruction by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 9.00 a.m. on 8 December 2022 or 72 hours before any adjourned meeting, excluding any part of such 72 hours period falling on a non-Business Day; or
- submitting (if you are a CREST member) a proxy appointment electronically, by using the CREST voting service.

The completion and return of a Form of Proxy will not prevent you from attending the GM and voting in person should you wish to do so, subject to the prevailing UK Government guidance and to the restrictions set out in this Notice of GM and on our website. All valid proxy votes will be included in the poll to be taken at the Meeting, the results of which will be announced as soon as practicable after the conclusion of the GM.

General Meeting

The Notice of GM is given on pages 29 to 32 of this document. The Notice of GM sets out the resolutions that Shareholders are being asked to consider. These are proposed as ordinary resolutions.

These resolutions will be considered and, if thought fit, approved at the GM.

Further details of the Resolutions are set out below.

Resolution 1 – Authority to issue the Consideration Shares

This resolution deals with the Directors' authority to issue the Consideration Shares pursuant to the Acquisition.

As a condition of the Acquisition, this resolution will, if passed, authorise the Directors to issue 286,340,379 Shares to Glencore Projects pursuant to the Acquisition, provided that the authority shall, unless renewed, varied or revoked by the Company, expire on 31 December 2022 or, if earlier, the conclusion of the next annual general meeting of the Company.

The Directors intend to exercise this authority in order to issue the Consideration Shares to Glencore Projects in consideration for the purchase by the Company of the Sale Shares from Glencore Projects.

Resolution 2 – To authorise the Directors to not require Glencore Projects to make a takeover offer in accordance with Regulation 33 of the Articles of Association

Regulation 33.1 of the Articles provides that if:

1. any person who, together with persons acting in concert with him, acquires, whether by a series of transactions over a period of time or not, interests in Shares which (taken together with interests in Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
2. any person who, together with persons acting in concert with him, holds interests in Shares representing not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires an interest in additional Shares which increase his percentage of the voting rights,

the Board shall be entitled, but not obliged, to require such person (other than the depository in its capacity as such) to extend an offer, on the basis set out in Regulation 33, to the holders of all the issued Shares in the Company.

As a condition of the Acquisition, Resolution 2 authorises the Board to not require Glencore Projects to extend an offer in accordance with Regulation 33 in respect of the issue of the Consideration Shares to Glencore Projects which may otherwise be required under the provisions of Regulation 33.1.

Action to be taken

Shareholders will find enclosed a Form of Proxy for use at the GM. The Form of Proxy should be completed and returned to Computershare Investor Services (BVI) Limited, c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 9.00 a.m. on 9 December 2022 or 48 hours before any adjourned meeting, excluding any part of such 48 hours period falling on a non-Business Day. Holders of Depository Interests should complete the enclosed Form of Instruction and return this to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, England as soon as possible but in any event to be received not later than 9.00 a.m. on 8 December 2022 or 72 hours before any adjourned meeting, excluding any part of such 72 hours period falling on a non-Business Day. If you hold your Shares in uncertificated form (i.e. in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST manual so that it is received by the issuer's agent (ID 3RA50) by not later than 9.00 a.m. on 8 December 2022 or 72 hours before any adjourned meeting, excluding any part of such 72 hours period falling on a non-Business Day. The time of receipt will be taken to be the time from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Given the uncertainty around what regulations or public health guidance may be in place at the time of the GM, we recommend that all Shareholders submit their votes by proxy in advance of the GM in accordance with the instructions set out in the Notice of GM and appoint the Chair of the GM as their proxy to vote on their behalf. This will ensure that your vote will be counted even if attendance at the meeting is restricted.

Voting by proxy

Your participation at the GM is important to your Board and I would encourage you, whether or not you intend to attend the GM in person, to appoint the Chair of the GM, as opposed to any other person, to act as your proxy to ensure your vote is counted. If the Chair of the GM is appointed as your proxy, he or she will vote in accordance with any instructions given to him or her; if he or she is given discretion as to how to vote, the Chair of the GM will vote in line with the Board's recommendations on all of the resolutions to be proposed at the GM.

You can appoint a proxy in one of the following ways:

- completing and returning the enclosed Form of Proxy by post to Computershare Investor Services (BVI) Limited;
- if you are a holder of Depository Interests (as defined in the Notice of GM), completing and returning the enclosed Form of Instruction by post to Computershare Investor Services PLC; or
- submitting (if you are a CREST member) a proxy appointment electronically, by using the CREST voting service.

Proxy votes must be received by 9.00 a.m. on 9 December 2022. Further information on the appointment of proxies and how to complete the Form of Proxy and Form of Instruction can be found on pages 30 to 32. Note that submitting a proxy vote in advance of the GM would not prevent a Shareholder from also attending and/or voting at the GM in person if so entitled.

Voting at the GM will be taken by poll. The results of the poll will be published on our website, <https://www.zanagairon.com> and released via a regulatory information service as soon as reasonably practicable after the GM.

Recommendation

The Directors believe that all the proposals to be considered at the GM are in the best interests of both the Company and its shareholders. Accordingly, the Directors unanimously recommend that you vote in favour of the proposed resolutions as they intend to do in respect of their own shareholdings.

Yours faithfully

Clifford Thomas Elphick

Non-Executive Chairman

25 November 2022

ZANAGA IRON ORE COMPANY LIMITED

(Registered Number 1557213)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a general meeting of Zanaga Iron Ore Company Limited (the "**Company**") will be held at the offices of Bryan Cave Leighton Paisner LLP at Governor's House, 5 Laurence Pountney Hill, London EC4R 0BR on 13 December 2022 at 9.00 a.m. to consider and, if thought fit, approve the following resolutions, which will be proposed as ordinary resolutions as indicated below.

ORDINARY RESOLUTIONS

1 **AUTHORITY TO ISSUE THE CONSIDERATION SHARES**

THAT, in addition to any existing authorities, the directors of the Company (the "**Directors**") be and are hereby generally and unconditionally authorised to issue 286,340,379 ordinary shares of no par value of the Company (the "**Consideration Shares**") to Glencore Projects Pty Limited ("**Glencore Projects**") in connection with the proposed acquisition by the Company of 2,000,001 issued ordinary shares of US\$1 par value in Jumelles Limited, provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 December 2022 or, if earlier, the conclusion of the next annual general meeting of the Company.

2 **AUTHORITY TO NOT REQUIRE GLENCORE PROJECTS TO MAKE A TAKEOVER OFFER IN ACCORDANCE WITH REGULATION 33 OF THE ARTICLES OF ASSOCIATION**

THAT, for the purposes of the Company's articles of association (the "**Articles of Association**"), the Directors be and are hereby authorised to not require Glencore Projects to extend an offer to all holders of the issued ordinary shares of no par value of the Company pursuant to Regulation 33 of the Articles of Association, in respect of the issue of the Consideration Shares to Glencore Projects which may otherwise be required under the provisions of Regulation 33.1.

Proxies

As a shareholder of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. Please refer to notes on pages 30 to 32.

Holders of Depositary Interests

If you are a holder of Depositary Interests you are requested to complete, sign and return your Form of Instruction instructing Computershare Company Nominees Limited. Please refer to notes on pages 30 to 32.

By order of the board.

Secretary: Elysium Fund Management Limited

Dated: 25 November 2022

Registered office: 2nd Floor, Coastal Building, Wickham's Cay II, P.O. Box 2221, Road Town, Tortola, British Virgin Islands

NOTES TO THE NOTICE OF GENERAL MEETING

The following notes explain your general rights as a Shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

- (i) Only members of the Company are entitled to attend and vote at the GM. A member of the Company entitled to attend and vote is entitled to appoint a proxy or proxies to exercise all or part of their rights to attend and to speak and vote on their behalf at the GM. A member of the Company may appoint more than one proxy in relation to the GM provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that member. A proxy need not be a member of the Company. Whilst the Board welcomes members' attendance at the GM in person, to ensure members' votes are cast should the attendance arrangements need to change, shareholders appointing a proxy are strongly encouraged to appoint the Chair of the GM to be their proxy in order that their proxy vote can be counted.
- (ii) A Form of Proxy for holders of Shares for use at the GM accompanies this document and, to be valid, must be completed and returned, together with any power of attorney or other authority under which it is signed, to Computershare Investor Services (BVI) Limited, c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In either case the Form of Proxy must be returned as soon as possible but in any event to be received not later than 9.00 a.m. on 9 December 2022 or 48 hours before any adjourned meeting, excluding any part of such 48 hours period falling on a non-Business Day.
- (iii) A Form of Instruction for holders of Depositary Interests for use at the GM accompanies this document and, to be valid, must be completed and returned to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, England as soon as possible but in any event to be received not later than 9.00 a.m. on 8 December 2022 or 72 hours before any adjourned meeting, excluding any part of such 72 hours period falling on a non-Business Day.
- (iv) Completing a Form of Proxy does not prevent a shareholder from attending and voting in person if so entitled. However, if the UK Government's current guidance on social distancing changes, proxies other than the Chair of the GM may be prevented from attending the GM in person, therefore shareholders appointing a proxy are strongly encouraged to appoint the Chair of the GM to be their proxy in order that their proxy vote can be counted.
- (v) A vote withheld option is provided on the Form of Proxy to enable you to instruct your proxy to abstain on any particular resolution. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.
- (vi) A Shareholder must inform Computershare Investor Services (BVI) Limited as the Company's registrars in writing of any termination of the authority of a proxy.
- (vii) In the case of joint holders of Shares, the signature of only one of the joint holders is required on the Form of Proxy but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.
- (viii) If a member returns more than one proxy appointment, either by paper or electronic communication, the appointment received last by Computershare Investor Services (BVI) Limited as the Company's registrars before the latest time for the receipt of proxies will take precedence. Members are advised to read the terms and conditions of use carefully.

(ix) To be entitled to attend and vote at the GM (for the purpose of the determination by the Company of the number of votes they may cast), a member of the Company must be entered in the register of members of the Company at 9.00 a.m. on 9 December 2022. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote on the business of the GM.

(x) Electronic proxy appointment through CREST

CREST members who wish to issue an instruction through the CREST electronic voting appointment service may do so for the Meeting to be held at 9.00 a.m. on 13 December 2022 and any adjournment(s) thereof by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for an instruction made using the CREST service to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes an instruction or is an amendment to a previously made instruction must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than 72 hours before the time appointed for the GM, excluding any part of such 72 hours period falling on a non-Business Day. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions made through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001, as amended.

(xi) In accordance with the Articles of Association, all resolutions will be taken on a poll so as to accurately record the decision of all Shareholders based on their shareholding interests in the Company.

(xii) Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that they do not do so in relation to the same shares.

(xiii) You may not use any electronic address provided either in this notice or in any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

- (xiv) As at 24 November 2022 (being the latest practicable business day prior to the publication of this notice), the Company's issued share capital consists of 307,034,367 Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 24 November 2022 are 307,034,367.

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Tortola
British Virgin Islands
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