

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action you should take, you should consult an independent financial adviser authorised and regulated under the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this Circular should be read. You should be aware that an investment in the Company involves a high degree of risk and prospective investors should carefully consider the section entitled “Risk Factors” set out in Part IV of this Circular.

If you have sold or otherwise transferred all of your Ordinary Shares prior to the date on which the Ordinary Shares are marked ex-entitlement by the London Stock Exchange, please forward this Circular and accompanying Application Form at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom you have sold or transferred your shares for delivery to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction where to do so might constitute a violation of local securities law or regulation. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

A prospective investor should be aware of the risks of investing in the Company and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the UK Listing Authority has examined or approved the contents of this Circular.

The Existing Ordinary Shares are currently admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective, and dealings for normal settlement in the New Ordinary Shares will commence, at 8.00 a.m. on 7 October 2015. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Ordinary Shares to the Official List of the UK Listing Authority. Neither the Existing Ordinary Shares nor the New Ordinary Shares will be dealt on any other recognised investment exchange and no other such application will be made.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The AIM Rules are less demanding than those of the Official List.

NORTH RIVER RESOURCES PLC

(Incorporated and registered in England and Wales with registered number 5875525)

**Fully Underwritten Placing and Open Offer of up to 900,677,910 New Ordinary Shares
at 0.2 pence per share on the basis of 2 Open Offer Shares for every 3 Existing Ordinary Shares**

This document should be read as a whole. Your attention is drawn to the letter from the Senior Independent Director & Interim Chairman of the Company which is set out as Part I of this Circular and the section headed “Risk Factors” in Part IV of this Circular.

The total consideration under the Open Offer shall be less than €5 million (or an equivalent amount in US dollars or sterling) in aggregate. Therefore, in accordance with section 85 and Schedule 11A of FSMA, this Circular is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules published by the FCA and has not been approved by the FCA or any other authority or regulatory body. In addition, this Circular does not constitute an admission document drawn up in accordance with the AIM Rules.

This Circular and any other materials relating to the New Ordinary Shares have not been, and will not be, lodged or registered as a prospectus in Australia with the Australian Securities and Investments Commission (“ASIC”). Accordingly, this Circular and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Ordinary Shares, may not be issued, circulated or distributed, nor may the New Ordinary Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Australia except those qualified under the relevant exemptions in Section 708 of the Australian Corporations Act 2001 (Cth) (“Corporations Act”).

The New Ordinary Shares may not be publicly offered, sold or advertised directly or indirectly in or into Switzerland. The New Ordinary Shares will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. Neither this Circular nor any other offering or marketing material relating to the New Ordinary Shares or the Open Offer have been prepared with regard to the disclosure standards for issuance prospectuses under art.652a or art.1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art.27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland and therefore do not constitute a prospectus within the meaning of the Swiss Code of Obligations, the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Circular nor any other offering or marketing material relating to the New Ordinary Shares or the Open Offer may be publicly distributed or otherwise made publicly available in Switzerland.

In addition, as the total consideration under the Open Offer shall be less than €5 million (or an equivalent amount in US dollars or sterling) in aggregate, in accordance with Article L. 411-2 of the French Monetary Code (*Code monétaire et financier*) and Article 2-112 2° of the French Regulations, this Circular is not, and is not required to be, a prospectus for the provisions of the French Regulations and has not been approved by the Autorité des Marchés Financiers.

A presente oferta particular foi endereçada a menos de 150 participantes potenciais, previa e individualmente identificados e bem determinados, com residência ou estabelecimento em Portugal. A oferta não foi precedida ou acompanhada de prospeção ou de recolha de intenções de investimento ou de promoção publicitária. A presente oferta tem um valor total na União Europeia inferior a € 5.000.000, calculado em função das ofertas realizadas ao longo de um período de 12 meses. The Open Offer is addressed to less than 150 potential participants, previously and individually identified and properly selected, with domicile or establishment in Portugal. The Open Offer has not been preceded or accompanied by prospection work or the collection of investment intentions or advance publicity. The open offer has a total value in the EU that does not exceed €5,000,000, calculated on the basis of offers made over a 12 month period.

The Open Offer closes at 11.00 a.m. on 30 September 2015. If you are an Eligible Shareholder and wish to apply for Open Offer Shares under the Open Offer you should follow the procedure set out in Part II of this Circular and, if you are an Eligible non-CREST Shareholder, complete and return the accompanying Application Form. Eligible CREST Shareholders (who will not receive an Application Form) will receive instead a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements which will be enabled for settlement on 16 September 2015. If you do not wish to participate in the Open Offer then you should not return your Application Form or send a USE instruction through CREST. Applications under the Open Offer may only be made by the Eligible Shareholders originally entitled thereto or by persons becoming so entitled, by virtue of a *bona fide* market claim arising out of the sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares are marked 'ex' the entitlement by the London Stock Exchange.

The New Ordinary Shares will, following allotment, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared made or paid on the Ordinary Share capital of the Company.

This document is being sent to all Shareholders, but in relation to those Shareholders who are not Eligible Shareholders (which means any Shareholders resident outside of the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal it is being sent to them for information purposes only.

Capitalised terms in this Circular have the meaning ascribed to them in the section headed "Definitions" on pages 8 to 13 of this Circular. References to times are to London, United Kingdom, time unless otherwise stated. References to dates and times in this Circular should be read as being subject to adjustment. The Company will make an appropriate announcement via a regulatory information service giving details of any revised dates and/or times, but Shareholders may not receive any further written communication.

Strand Hanson Limited ("**Strand Hanson**"), which is authorised and regulated in the United Kingdom by the FCA, is the Company's nominated and financial adviser for the purposes of the AIM Rules and, as such, its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person or entity in respect of his reliance on any part of this Circular. Strand Hanson is acting exclusively for the Company, as nominated adviser for the purposes of the AIM Rules, in relation to the matters described in this Circular and is neither taking responsibility for the commercial assessment of the Open Offer or the Placing, which remains the sole responsibility of the Board, nor for any matters outside the duties of a nominated adviser, as prescribed by the AIM Rules, nor is it advising any other person and accordingly will not be responsible to any person other than the Company for providing the protections afforded to the clients of Strand Hanson or for providing advice in relation to the matters described in this Circular. No representation or warranty, express or implied is made by Strand Hanson for the accuracy of any information or opinions contained in this Circular or for the omission of any material information, for which it is not responsible.

RFC Ambrian Limited ("**RFC Ambrian**"), which is authorised and regulated in the United Kingdom by the FCA, is the Company's broker for the purposes of the AIM Rules. RFC Ambrian is acting for the Company and no one else in relation to the subject matter of this Circular and will not be responsible to any other person for providing the protections afforded to customers of RFC Ambrian nor for providing advice in relation to the contents of this Circular or any matter referred to herein. No representation or warranty, express or implied, is made by RFC Ambrian for the accuracy of any information or opinions contained in this Circular or for the omission of any material information, for which it is not responsible.

No person has been authorised to give any information or make any representations other than as contained in this Circular and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Strand Hanson, RFC Ambrian or any other person. Without prejudice to the Company's obligations under the AIM Rules, the delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group since the date of this Circular or that the information contained herein is correct as at any time subsequent to its date.

Copies of this Circular are available from the Company's registered office from the date of this Circular until the close of the Open Offer. This Circular will also be available for download from the Company's website: <http://www.northriverresources.com>

IMPORTANT INFORMATION

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or an applicable exemption from such registration requirements. None of the Existing Ordinary Shares, the New Ordinary Shares or the Placing Shares have been, nor will they be, registered under the Securities Act or under the securities legislation of any state of the United States. There will be no public offering of the Existing Ordinary Shares, the New Ordinary Shares or the Placing Shares in the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Open Offer or the Placing has been, nor will it be, lodged with, or registered by, the Australian Securities and Investments Commission; and no registration statement has been, nor will be, filed with the Japanese Ministry of Finance in relation to the Open Offer or the Placing. Neither the New Ordinary Shares nor the Placing Shares may, directly or indirectly, be offered or sold within any territory other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, or offered or sold to a person within any territory other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction. Persons (including, without limitation, nominees and trustees) receiving this Circular and/or an Application Form should not, in connection with the Open Offer, distribute or send this Circular or Application Form into any jurisdiction when to do so would, or might contravene local securities laws or regulations or be contrary to the terms and conditions of the Open Offer.

This document contains “forward-looking statements” which includes all statements other than statements of historical fact including, without limitation those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “might”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. 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 or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this Circular. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

Neither the Open Offer Shares nor the Placing Shares have been, nor are they intended to be, registered or qualified for sale in any jurisdiction other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal. Accordingly, in relation to the Open Offer, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Existing Shareholders with registered addresses in any jurisdiction other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Shareholder whose registered address is elsewhere but who is in fact a resident or domiciled in a territory other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, he/she should not seek to take up his/her allocation.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlement under the Open Offer	5.00 p.m. on 11 September 2015
Existing Ordinary Shares marked 'ex' by London Stock Exchange	8.00 a.m. on 15 September 2015
Posting of this Circular and the Application Forms	15 September 2015
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST of Eligible CREST Shareholders	8.00 a.m. on 16 September 2015
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 24 September 2015
Latest time for depositing Open Offer Entitlements into CREST	3.00 p.m. on 25 September 2015
Latest time for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 28 September 2015
Latest time and date for receipt of Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions	11.00 a.m. on 30 September 2015
Expected date of announcement of results of the Open Offer through an RIS	1 October 2015
Expected date of announcement of results of the Placing through an RIS, if applicable	5 October 2015
Expected time and date for Admission and commencement in dealings in the New Ordinary Shares, the Placing Shares and the New Greenstone Shares on AIM	8.00 a.m. on 7 October 2015
Expected date for crediting of the New Ordinary Shares, the Placing Shares and the New Greenstone Shares in uncertificated form to CREST accounts	7 October 2015
Expected date of dispatch of definitive share certificates for the New Ordinary Shares, the Placing Shares and the New Greenstone Shares	on or before 19 October 2015

Notes:

- (1) References to times in this Circular are to London, United Kingdom, time (unless otherwise stated).
- (2) The dates and timing of the events in the above timetable and in the rest of this Circular may be subject to change (with the agreement of the Nominated Adviser and the Broker). If any of the above times or dates should change, the details of the revised times and/or dates will be notified by an appropriate announcement via a regulatory information service, but Shareholders may not receive any further written communication.
- (3) In order to subscribe for Open Offer Shares under the Open Offer, Eligible Shareholders will need to follow the procedure set out in Part II of this Circular and, where relevant, complete the accompanying Application Form. If you have any questions relating to this Circular, and the completion and return of the Application Form, please telephone Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Capita Asset Services are open between 9.00 a.m. till 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

ILLUSTRATIVE STATISTICS RELATING TO THE OPEN OFFER & THE PLACING

Market price per Existing Ordinary Share ¹	0.205 pence
Issue price per Open Offer Share & Placing Share	0.2 pence
Number of Existing Ordinary Shares in issue ²	1,915,875,310
Number of Convertible Loan Notes in issue ³	US\$1,200,000
Number of Ordinary Shares available under the Open Offer ⁴	900,677,910
Number of Ordinary Shares in issue on Admission ⁵	3,205,910,780
Basis of Open Offer	2 Open Offer Shares for every 3 Existing Ordinary Shares
Approximate percentage of the Enlarged Share Capital represented by the New Ordinary Shares and Placing Shares ⁵	28.10 per cent.
Number of Convertible Loan Notes in issue following completion of the Open Offer and the Placing, should the full amount of US\$2.8 million be raised pursuant to the Open Offer and the Placing ⁶	0
Number of Convertible Loan Notes in issue following completion of the Open Offer and the Placing, should the Underwriting Facility be used in full by the Company (including the Tranche One Notes) ⁶	US\$4,000,000
Estimated net proceeds of the Greenstone Placing, Open Offer and the Placing ⁷	US\$3,422,000
Gross proceeds of the Greenstone Placing, Open Offer and the Placing ⁷	US\$4 million

Notes:

- (1) The mid-market closing price on 14 September 2015 derived from the London Stock Exchange, being the last practicable Business Day prior to the announcement of the Open Offer.
- (2) As at the close of business on 14 September 2015, being the last practicable Business Day prior to the publication of this Circular.
- (3) Being the Tranche One Notes, issued to Greenstone pursuant to the Greenstone Placing.
- (4) The actual number of New Ordinary Shares to be issued will be subject to rounding down to eliminate fractional entitlements.
- (5) Assuming that the maximum number of 900,677,910 Ordinary Shares available under the Open Offer and the Placing are allotted pursuant to the Open Offer and the Placing (combined) and that the New Greenstone Shares are issued in full.
- (6) If the Open Offer and the Placing proceed to raise US\$2.8 million from investors other than Greenstone, the Tranche One Notes will be converted in full such that Greenstone will hold approximately 29.76 per cent. of the Issued Share Capital following the Open Offer and the Placing and such conversion (leaving no Convertible Loan Notes outstanding following such conversion).
- (7) Pursuant to the terms of the Greenstone Placing, and subject to the continued satisfaction or waiver of the Conditions thereto, the Open Offer and the Placing have been fully underwritten by Greenstone in accordance with the terms of the Subscription Agreement. This gross figure includes the gross amount of US\$1.2 million already received by the Company pursuant to the Greenstone Placing.
- (8) Share prices and premiums have been derived from the London Stock Exchange and represent the closing mid-market prices on the relevant date.

DIRECTORS, SECRETARY AND ADVISORS

Directors	Brett Richards (<i>Senior Independent Director & Interim Chairman</i>) James Beams (<i>Chief Executive Officer</i>) Keith Marshall (<i>Independent Non-Executive Director</i>) Ken Sangster (<i>Independent Non-Executive Director</i>) Mark Thompson (<i>Independent Non-Executive Director</i>) Ding Chan (<i>Non-Executive Director</i>) Mark Sawyer (<i>Non-Executive Director</i>)
Company Secretary	Ben Harber Shakespeare Martineau LLP One America Square Crosswall London EC3N 2SG
Registered office	One America Square Crosswall London EC3N 2SG
Nominated Adviser	Strand Hanson Limited 26 Mount Row London W1K 3SQ
Broker	RFC Ambrian Limited Level 5, Condor House 10 St Paul's Churchyard London EC4M 8AL
Solicitors to the Company as to English law	Watson Farley & Williams LLP 15 Appold Street London EC2A 2HB
Auditors to the Company	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W1YW
Registrars	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Receiving Agent	Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

DEFINITIONS

The following definitions apply throughout this Circular, except where the context requires otherwise:

“2006 Act” or “Companies Act” or “Act”	the Companies Act 2006 (as amended, modified, consolidated, re-enacted or replaced from time to time)
“2014 Investment Agreement”	has the meaning given to that term in paragraph 2 of Part I of this Circular
“Admission”	means the admission of the Open Offer Shares and/or the Placing Shares and/or the New Greenstone Shares (as the context may require) to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“Affiliate”	has the meaning provided in the Code (and “Affiliated” and “Affiliates” shall be construed accordingly)
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the rules for AIM companies as issued by the London Stock Exchange from time to time governing, <i>inter alia</i> , the admission of securities to AIM
“Applicable Securities Laws”	has the meaning given to that term in paragraph 5 of Part II of this Circular
“Application Form”	the application form which accompanies this Circular on which Eligible non-CREST Shareholders may apply for Open Offer Shares under the Open Offer
“Articles”	the articles of association of the Company, in force from time to time
“ASIC”	Australian Securities and Investments Commission
“Board” or “Directors”	the board of directors of the Company, whose names are set out on page 14 of Part I of this Circular
“Business Day”	any day (excluding Saturdays, Sundays and public holidays) on which banks are open in the City of London for the conduct of normal banking business
“Capita Asset Services”	a trading name of Capita Registrars Limited
“certificated” or “certificated form”	not in uncertificated form
“Circular”	this document including all attachments and enclosed papers
“Code”	the UK Takeover Code on Takeovers and Mergers
“Company”	North River Resources PLC, a company incorporated in England and Wales with registered number 5875525, whose registered office is at One America Square, Crosswall, London, EC3N 2SG
“Conditions”	means the conditions applicable to the Tranche One Notes and the Underwriting Facility as more fully described in paragraph 7.6(b) of Part V of this Circular
“Convertible Loan Notes”	means the unsecured 10 per cent. convertible loan notes 2018 issued and/or to be issued to Greenstone in accordance with the terms of

	the Convertible Loan Note Instrument and Subscription Agreement, subject to the satisfaction or waiver of the Conditions
“Convertible Loan Note Instrument”	means the convertible loan note instrument dated 28 August 2015 and executed by the Company constituting the Convertible Loan Notes
“Conversion Price”	has the meaning given to that term in paragraph 7.7(a) of Part V of this Circular
“Conversion Requirement”	has the meaning given to that term in paragraph 7.6(d) of Part V of this Circular
“Corporations Act”	Australian Corporations Act 2001 (Cth)
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertificated securities (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the Regulations)
“DFS”	has the meaning given to that term in paragraph 2 of Part I of this Circular
“Eligible CREST Shareholders”	Eligible Shareholders holding Ordinary Shares in uncertificated form
“Eligible non-CREST Shareholders”	Eligible Shareholders holding Ordinary Shares in certificated form
“Eligible Shareholders”	Shareholders (other than certain Overseas Shareholders) whose names appear on the register of members of the Company on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions set out in this Circular and, where relevant, in the Application Form
“Enlarged Share Capital”	the issued ordinary share capital of the Company comprising the Existing Ordinary Shares, the New Ordinary Shares, the Placing Shares and the New Greenstone Shares
“EBITDA”	means Earnings Before Interest, Taxes, Depreciation and Amortization
“Ex date”	8.00 a.m. on 15 September 2015 in respect of the entitlements of Eligible Shareholders under the Open Offer
“Excess Application Facility”	the arrangement pursuant to which Eligible Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlements
“Excess CREST Open Offer Entitlements”	in respect of each Eligible CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this Circular
“Excess Open Offer Entitlement”	an entitlement for each Eligible Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be

	subject to scaling back in accordance with the provisions of this Circular
“Excess Shares”	New Ordinary Shares in addition to the Open Offer Entitlement for which Eligible Shareholders may apply under the Excess Application Facility
“Exchange Information”	has the meaning given to that term in paragraph 5 of Part II of this Circular
“Existing Ordinary Shares”	the 1,915,875,310 Ordinary Shares in issue at the date of this Circular
“FCA”	the Financial Conduct Authority
“FEED”	has the meaning given to that term in paragraph 3 of Part I of this Circular
“French Regulations”	the rules and regulations (<i>réglement général</i>) of the Autorité des Marchés Financiers implementing Directive 2003/71/EC
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“FT Exchange Rate”	means the rate of £1.00:US\$1.541 being the exchange rate from £ to US\$ quoted in the Financial Times on the Business Day immediately prior to the date of this Circular
“GM Circular”	the circular issued by the Company to Shareholders dated 11 August 2015 giving details of, <i>inter alia</i> , the Greenstone Placing
“GM Resolution”	has the meaning given to that term in paragraph 1 of Part I of this Circular
“Greenstone”	Greenstone Resources L.P. (No, 1911) a limited partnership registered in Guernsey and whose registered office is at 1st Floor Royal Chambers, St Julian’s Avenue, St Peter Port, Guernsey, GY1 3JX
“Greenstone Placing”	has the meaning given to that term in paragraph 1 of Part I of this Circular
“Group”	the Company and its subsidiaries as at the date of this Circular
“Issue Price”	0.2 pence per new Ordinary Share
“Issued Share Capital”	the issued share capital of the Company from time to time, being 1,915,875,310 as at the date of this Circular
“London Stock Exchange”	London Stock Exchange Plc
“Mandatory Offer”	means the requirement under Rule 9 of the Code which provides that where: <ul style="list-style-type: none"> (i) any person acquires an interest in shares (as defined in the Code) which, when taken together with shares in which he or persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company subject to the Code; or (ii) any person who, together with persons acting in concert with him, is interested in not less than 30 per cent. but does not

hold shares carrying more than 50 per cent. of the voting rights of a company subject to the Code and such person, or persons acting in concert with him, acquires further interests in shares which increase his percentage of the voting rights,

such persons are normally obliged to make a general offer to all the remaining shareholders to purchase, in cash, their shares at the highest price paid by him, or any person acting in concert with him, within the preceding 12 months

“Mining Licence”	a mining licence in respect of a defined area of land, which is situated within the wider exploration area covered by the exploration licence EPL2902 held by the Company in relation to the Namib Project, for which an application is pending
“Ministry”	has the meaning given to that term in paragraph 4 of Part I of this Circular
“Namib Project”	the Company’s Namib Lead Zinc project located in Namibia
“Net Cashflow”	means the net free cashflow from operations after capital expenditure, taxation and royalties
“New Revenue”	means the revenue from metal sales less treatment charges, refining charges and penalties
“New Greenstone Shares”	the 389,357,566 new Ordinary Shares issuable to Greenstone on conversion in full of the Tranche One Notes pursuant to the Conversion Requirement
“New Ordinary Shares”	the Excess Shares and the Open Offer Shares
“Open Offer Entitlements”	an Eligible Shareholder’s pro-rata entitlement to Open Offer Shares
“Open Offer”	the Open Offer of up to 900,677,910 New Ordinary Shares at a price of 0.2 pence per Open Offer Share
“Open Offer Shares”	the new Ordinary Shares to be issued pursuant to the Open Offer
“Operating Margin”	means the total EBITDA divided by total Net Revenue
“Ordinary Shares”	the ordinary shares of 0.2 pence each in the capital of the Company
“Overseas Shareholder”	a Shareholder who is resident in, or who is a citizen of, or who has a registered address in, a jurisdiction outside the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal
“Panel”	the Panel on Takeovers and Mergers
“Payback Period”	means the number of months from the first month of Net Revenue to a positive cumulative Net Cashflow
“Phase One Fundraising”	has the meaning given to that term in paragraph 4 of Part I of this Circular
“Phase Two Fundraising”	has the meaning given to that term in paragraph 4 of Part I of this Circular
“Places”	means the places under the Placing
“Placing”	has the meaning given to that term in paragraph 1 of Part I of this Circular

“Placing Agreement”	means the placing agreement dated on or around the date of this Circular entered into between RFC Ambrian and the Company relating to the Placing
“Placing Shares”	the new Ordinary Shares which are not subscribed by Eligible Shareholders under their Open Offer Entitlements or under the Excess Applications Facility, and which are subsequently placed by RFC Ambrian pursuant to the Placing Agreement
“Post-tax NPV”	means the post-tax net present value
“Post-tax IRR”	means the post-tax internal rate of return
“Record Date”	5.00 p.m. on 11 September 2015 in respect of the entitlements of Eligible Shareholders under the Open Offer
“Registrar” or “Receiving Agent”	Capita Asset Services acting in its capacity as registrar pursuant to the terms of the agreement for the provision of registry services entered into between the Company and Capita Asset Services
“Recruitment Process”	means the recruitment by the Company of a new Chief Financial Officer, a General Manager of Mining for the Namib Project and a Project Controller for the Namib Project
“Regulations”	the Uncertificated Securities Regulations 2001 (S1 2001 No. 3755) as amended
“Relationship Agreement”	means the relationship agreement entered into between the Company and Greenstone dated 3 July 2014, as amended by the Subscription Agreement
“Restricted Jurisdictions”	means any jurisdiction other than the United Kingdom (excluding the Channel Islands), Australia, the Isle of Man, France, Switzerland or Portugal
“Rule 9”	Rule 9 of the Code
“Securities Act”	US Securities Act of 1933, as amended
“Shareholders”	holders of Ordinary Shares
“Significant Interest”	means an interest in voting rights representing 15 per cent. or more of the rights to vote at a general meeting of the Company attaching to Ordinary Shares
“Strand Hanson”	Strand Hanson Ltd, the Company’s nominated and financial adviser for the purpose of the AIM Rules
“Subscription Agreement”	means the subscription agreement entered into between the Company and Greenstone on 10 August 2015 relating to the Greenstone Placing
“Tranche One Notes”	US\$1.2 million of Convertible Loan Notes issued to Greenstone on 8 September 2015, as more fully described in paragraph 1 of Part I of this Circular
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “uncertificated form”	held in uncertificated form in CREST

“Underwriting Facility”	has the meaning given to that term in paragraph 1 of Part I of this Circular
“Underwriting Loan Notes”	such portion of US\$2.8 million of Convertible Loan Notes for which Greenstone may be required to subscribe pursuant to the Underwriting Facility, as more fully described in paragraph 7.9 of Part V of this Circular
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction
“VWAP”	has the meaning given to that term in paragraph 1 of Part I of this Circular
“Work Programme”	has the meaning given to that term in paragraph 7.9 of Part V of this Circular
“£”	pounds sterling, the lawful currency of the UK from time to time
“US\$”	US dollars, the lawful currency of the United States from time to time

PART I

LETTER FROM THE SENIOR INDEPENDENT DIRECTOR & INTERIM CHAIRMAN

NORTH RIVER RESOURCES PLC

(Incorporated and registered in England and Wales with registered number 5875525)

Directors:

Brett Richards (*Senior Independent Director & Interim Chairman*)
James Beams (*Chief Executive Officer*)
Keith Marshall (*Independent Non-Executive Director*)
Ken Sangster (*Independent Non-Executive Director*)
Mark Thompson (*Independent Non-Executive Director*)
Ding Chan (*Non-Executive Director*)
Mark Sawyer (*Non-Executive Director*)

Registered Office:

One America Square
Crosswall
London
EC3N 2SG

15 September 2015

Dear Shareholders

Fully Underwritten Placing and Open Offer of up to 900,677,910 New Ordinary Shares at 0.2 pence per share on the basis of 2 Open Offer Shares for every 3 Existing Ordinary Shares

1. Introduction

The Company announced on 22 July 2015 plans for two stages of fundraising. The first would provide working capital to enable ongoing development of the Namib Project through to the point at which a decision can be taken to commence construction of the mine. The second would be to fund construction of the mine and would represent the larger proportion of the total estimated requirement of US\$25-30 million.

On 11 August 2015, the Company announced further details of its plans for the first stage of that fundraising, being a total amount of US\$4.0 million, comprising an initial US\$1.2 million in convertible loan notes (the “**Tranche One Notes**”) to be placed with Greenstone, and a placing and open offer, open to all Eligible Shareholders, to raise the balance of US\$2.8 million. The full further amount of US\$2.8 million is conditionally underwritten by Greenstone (the “**Underwriting Facility**”) and the Tranche One Notes, together with the Underwriting Facility, constitute the “**Greenstone Placing**”).

Following the approval of the resolution put to Shareholders at the general meeting of the Company held on 28 August 2015 (the “**GM Resolution**”), the Tranche One Notes were issued to Greenstone on 8 September 2015 for a total amount of US\$1.2 million (before expenses).

The Board is grateful for the continued support received from Shareholders with the passing of the GM Resolution and is now pleased to offer all Eligible Shareholders the opportunity to participate in the issue of new equity in the Company by making the Open Offer to all Eligible Shareholders at 0.2 pence per share (the “**Issue Price**”). The Issue Price is at a discount of approximately 2.4 per cent. to the closing mid-market price on 14 September 2015, being the last trading day before the date of this Circular, and a discount of approximately 1.3 per cent. to the VWAP from 11 August 2015 to 14 September 2015. The VWAP period reflects the trading period since the announcement of the Greenstone Placing.

The Board now wishes to proceed with raising the balance of approximately £1.8 million (approximately US\$2.8 million) pursuant to the Open Offer and Placing, such that (when combined with amounts received by the Company pursuant to the Greenstone Placing), the total gross amount to be raised under the Open Offer, the Placing and the Greenstone Placing shall be US\$4.0 million (approximately £2.6 million), representing the amount anticipated as being required by the Company for the Phase One Fundraising.

Eligible Shareholders are being given the opportunity to subscribe for their Open Offer Entitlements at the Issue Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings on the basis of:

2 Open Offer Shares for every 3 Existing Ordinary Shares

held at the Record Date. Open Offer Entitlements will be rounded down to the nearest whole number of shares and fractional entitlements which would have otherwise arisen will not be issued.

As stated above, Greenstone has already advanced the full US\$1.2 million under the Tranche One Notes as part of the Phase One Fundraising. Assuming the Open Offer and the Placing proceed to raise the full US\$2.8 million, in aggregate, from Eligible Shareholders and investors (respectively) other than Greenstone, there will be no drawdown under the Underwriting Facility and the Tranche One Notes will be converted fully at the Issue Price such that Greenstone will hold approximately 29.76 per cent. of the Issued Share Capital following the Open Offer and the Placing and no Convertible Loan Notes will be outstanding following such conversion).

In order that other Eligible Shareholders do not suffer dilution as a consequence of the proposed conversion of the Tranche One Notes following the close of the Open Offer and Placing, Greenstone has undertaken and agreed to be excluded from the Open Offer subject to its rights and obligations under the Underwriting Facility (and, in addition, has been deemed ineligible to participate in the Open Offer by virtue of the jurisdiction of its holding). Consequently, entitlements under the Open Offer are calculated excluding Greenstone's shareholding, and the take-up by Eligible Shareholders of their *pro rata* entitlements under the Open Offer will lead to such Eligible Shareholders' interest in the Company not being diluted.

Furthermore, Eligible Shareholders have the opportunity to apply for additional Open Offer Shares under the Excess Applications Facility (further details of the Excess Applications Facility are set out in paragraph 5 of this Part I and Part II of this Circular.

In the event that the Open Offer is not fully subscribed following subscriptions by Eligible Shareholders of their Open Offer Entitlements and subscriptions under the Excess Applications Facility, the Directors have reserved the right to place the balance of the Open Offer Shares, at not less than the Issue Price, in order to raise a total amount of US\$2.8 million under the Open Offer and Placing (totalling, when aggregated with amounts already received from Greenstone pursuant to the Greenstone Placing, US\$4.0 million, being the total amount anticipated as being required by the Company for the Phase One Fundraising). Consequently, the Company has entered into the Placing Agreement with RFC Ambrian, pursuant to which RFC Ambrian has conditionally agreed that it will use its reasonable endeavours to procure subscribers for the Placing Shares following the close of the Open Offer. Further details of the Placing Agreement are set out in Part III of this Circular. The Placing will include a commitment in respect of 66,813,472 Placing Shares, being £133,627, subscribed by certain Directors, which further demonstrates the Board's commitment to, and belief in, the Company and its prospects.

There is no guarantee that, in the event the Open Offer is not fully subscribed, such shortfall will be taken up under the Placing. Consequently, if the Open Offer and Placing do not raise the full US\$2.8 million, in aggregate, the Company would be obliged to draw down such shortfall under Underwriting Facility in order that it raises, in aggregate, US\$4.0 million (approximately £2.6 million), representing the amount anticipated as being required by the Company for the Phase One Fundraising. Furthermore, the Tranche One Notes would not be fully converted into new Ordinary Shares.

The Underwriting Facility is subject to satisfaction or waiver of the Conditions.

It is anticipated that Admission of the New Ordinary Shares, the Placing Shares and the New Greenstone Shares (if any) will become effective and that dealings will commence in these new Ordinary Shares (if any) by 8.00 a.m. on 7 October 2015.

The purpose of this Circular is, amongst other things, to provide Eligible Shareholders with the details of the Open Offer and to outline the background to, and reasons for, the Open Offer and the Placing. The background to, and reasons for, the Open Offer and the Placing are described in paragraph 2 of this Part I of this Circular.

The terms of the Open Offer are described in paragraph 4 of this Part I and Part II of this Circular. The terms of the Placing are described in Part III of this Circular.

2. Background to and reasons for the Open Offer and the Placing

As set out in the Company's announcement dated 22 July 2015, and the GM Circular, it was originally anticipated that part of the funding requirement to develop the Namib Project would be met from the remainder of the conditional commitments from Greenstone as set out in the investment agreement dated 3 July 2014 (the "**2014 Investment Agreement**"). The Company received two funding tranches from Greenstone, amounting to a total of US\$6.0 million pursuant to the 2014 Investment Agreement. Greenstone's obligation to advance the remaining third and fourth tranches, totalling US\$6.0 million (the "**Final Tranches**"), was subject to the Company achieving a number of project milestones.

The development timeframe for the Namib Project has changed since the 2014 Investment Agreement was agreed. A Board review of the definitive feasibility study ("**DFS**"), which was announced in November 2014, highlighted additional work required to allow the Board to make an informed investment decision to develop the Namib Project. This review, and the resulting need for additional work, resulted in a revised development timeframe. In light of the revised development timeframe for the Namib Project, the Board (excluding Mark Sawyer) concluded that the relevant project milestones, including completion of the engineering design work to the degree of accuracy required under the 2014 Investment Agreement that would allow the Board to make an informed construction decision, were not achievable before the long-stop date under the 2014 Investment Agreement of 4 October 2015. As a result, the Company and Greenstone agreed to terminate the 2014 Investment Agreement. However, Greenstone has indicated that it remains a committed Shareholder and is supportive of the Company's development plans for the Namib Project and the next phase of work. The Board appreciates the commitment Greenstone has made, as a strategic cornerstone investor to support the Phase One Fundraising by way of the subscription for the Tranche One Notes and Underwriting Facility.

On 25 June 2015, Shareholders voted against the resolution to dis-apply statutory pre-emption rights at the Company's annual general meeting. As a result the Company was constrained as it did not have the authority to make any offer of Ordinary Shares to any investor (whether existing Shareholders or third party investors) without first offering such Ordinary Shares to all Shareholders, in every jurisdiction in which any Shareholder is based, in proportion to Shareholders' existing holdings. The Company was (and remains) of the view, having taken appropriate advice, that the financial and time cost of any such pre-emptive offer would be prohibitive, and that any such fully pre-emptive offer therefore was (and currently remains) impracticable.

The Company, having reviewed current weak commodity market conditions and following consultation with its broker, RFC Ambrian Limited, also determined that, in order for Eligible Shareholders to have adequate time to participate in the Open Offer and in order for the Company to most effectively market the issue to investors, it would not have been appropriate to launch the Open Offer and Placing during the summer period. As such, the decision was taken to launch the Open Offer and the Placing in September 2015 (in accordance with this Circular) and close the US\$1.2 million financing under the Tranche One Notes in the meantime.

Consequently, in the interim period before the Open Offer and the Placing were launched, the Company requested Greenstone, and Greenstone agreed, to commit to enter into the Greenstone Placing. Following approval of the GM Resolution and satisfaction or waiver of the Conditions insofar as they relate to the Tranche One Notes, the Greenstone Placing secured a commitment for the immediately required funds and provided a cash injection so that progress on the Namib Project (as set out in paragraph 4 below) could be continued while the Company prepared for the Open Offer and the Placing. Such preparation included obtaining Shareholder approval to the GM Resolution to allow the Open Offer to be made in a cost efficient and practical manner (as set out above).

The Greenstone Placing and the launch of the Open Offer and Placing will raise sufficient financing to see the Company through to the end of 2015 and a construction decision in relation to the Namib Project, assuming that the Mining Licence is issued and Phase Two Fundraising is achieved without undue delay (it being noted that the current Work Programme nominally assumes that the Mining Licence will be issued on

or before 31 October 2015). As at 11 September 2015, the Company has, following the approval of the GM Resolution and issue of the Tranche One Notes, total cash resources of approximately US\$980,000 (£640,000), but requires additional working capital to maintain development of the Namib Project according to the current timetable in accordance with the Phase One Fundraising.

As further noted above, if the Open Offer and the Placing proceed to raise US\$2.8 million, in aggregate, from Eligible Shareholders and investors (respectively) other than Greenstone, no drawdown under the Underwriting Facility will be required and the Tranche One Notes will be converted fully at the Issue Price such that Greenstone will hold approximately 29.99 per cent. of the Issued Share Capital following the Open Offer and the Placing. No Convertible Loan Notes will be outstanding following such conversion.

There can, however, be no guarantee that the Open Offer and/or the Placing will be fully subscribed, and so the Company may need to draw-down under the Underwriting Facility in order to raise the balance of the funds required for the Phase One Fundraising and the Tranche One Notes may not be fully converted.

The net proceeds of the Open Offer and the Placing will be used to progress the Namib Project, as summarised in paragraph 7 of this Part I of this Circular.

If the grant of the Mining Licence is delayed beyond 31 October 2015 or the Phase Two Fundraising is not completed by December 2015, the Company may require additional working capital to continue development of the Namib Project.

3. Namib Project Economics Summary

On 26 November 2014, the Company published the results of the DFS which demonstrated that the Namib Project was economically viable based on reserves of 585,000 tonnes at 6.2% zinc, 2.9% lead and 46ppm silver and resources of 1,250,000 tonnes of ore at 6.5% zinc, 2.5% lead and 44ppm silver. In 2015, the Company completed further metallurgical testwork which led to an updated process flowsheet, optimised grind and new reagent regime in which the board has greater confidence. The mine development plan has also been updated, including a change from a mix of 12 tonne and 20 tonne trucks in the DFS to standard 12 tonne trucks (thereby simplifying the operation and maintenance regime) and changes to shift patterns. The board believes it now has a process flowsheet which it can take forward to the Front End Engineering & Design (“FEED”) to define the Namib Project design and costs in greater detail necessary for full project financing and the final decision to commence construction.

As a result of these changes, the Company has updated its indicative assessment of the Namib Project’s economics. In addition to the refinements to the process flow sheet and mine development plan, the following issues have also been addressed in preparing the revised internal assessments:

- The DFS had assumed that the Namib Project would source electricity from the local grid for which the existing transmission line to site would need to be upgraded. With less certainty now of available supply from the grid in the short term, the Company is anticipating using diesel generators located on site. A full trade off study of this change will be completed as part of FEED;
- Tax calculations have been updated taking into account tax losses available within the Group; and
- Additional work is planned to explore the potential to reprocess old tailings and further drilling is planned to expand the resource base.

The original and revised estimates of the Namib Project's economics are set out below:

	<i>Unit</i>	<i>DFS Resource Value (Life of Mine)¹ (November 2014)</i>	<i>Revised Resource Value² (September 2015)</i>
EBITDA	US\$'000	79,083	78,800
Net Cashflow	US\$'000	33,754	37,500
Post-tax NPV (8%)	US\$'000	23,993	24,500
Post-tax IRR	%	52	60
Operating Margin	%	64	61
Payback Period	Months	12	14
Life of Mine	Months	42	42

Notes:

- (1) The DFS was completed by CSA Global and dated November 2014. These financial metrics were for the 100 per cent. owned Namib Project and assumed that the Namib Project would commence in Q1 2015, following receipt of the Mining Licence, with first production 13 months later.
- (2) The Company internal estimates are as at September 2015 and have not been independently reviewed or verified and are subject to further review and completion of additional work, including the FEED work. These financial metrics are for the 100 per cent. owned Namib Project and assume the Namib Project commences construction in Q1 2016, assuming receipt of the Mining Licence and financing for the Phase Two Fundraising is secured, with first production on year later.
- (3) The Company expects to reinvest c.US\$1.0m per annum towards resource expansion and estimates corporate overheads at US\$2.5m per annum. These costs are not included in the estimates above.
- (4) In both the DFS and the Company's revised estimates (which have not been independently verified), price assumptions for the metals are taken as US\$2,400 per tonne for zinc, US\$2,300 per tonne for lead and US\$21 per ounce for silver. Since the DFS was published in November 2014, spot prices for lead and zinc have weakened in line with commodity prices generally and currently stand at US\$1,714 per tonne and US\$1,807 per tonne respectively (source: London Metals Exchange as at 11 September 2015) – the economics for the Namib Project would be materially lower at these prices. The fall in prices for these metals is believed to reflect increased uncertainty around global economic growth, particularly in China, and, linked to that, weaker demand. However, over the period in which the Namib Project is expected to come into production, there is an expectation of strong underlying fundamentals for lead and zinc and industry consensus estimates for all three metals for 2017 onwards are not materially different to the assumptions used in preparing these estimates.
- (5) The Payback Period is calculated from the start of production.

4. Update on the Company

As set out in the announcement made by the Company on 22 July 2015 and the GM Circular, the Company submitted its application for a Mining Licence in April 2014 while working through the final phase of the DFS, which was announced in November 2014. The results of the DFS, in combination with a detailed Board-level review, identified key additional studies on the mine development plan and mining process flow sheet that would be required ahead of the Company being in a position to take an investment decision on the Namib Project.

The Company advanced these studies during the first half of 2015, announcing the results of the metallurgical test work programme on 22 July 2015. This positions the Company to commence FEED work on an optimised processing plant as well as providing the catalyst to progress early mine development work. Subject to the receipt of the US\$4.0 million under the Phase One Fundraising, the Company expects to be in a position to complete these phases of work during the fourth quarter of 2015, which should be sufficient to support an investment decision on the Namib Project.

The Company is cognisant that the above constitutes a revised timeline to project development of the Namib Project. The requirement to complete these additional studies, alongside discussions with the Ministry of Mines and Energy in Namibia (the "**Ministry**") on the award of the Mining Licence, have delayed the originally scheduled commencement of construction of the Namib Project. As regards the Mining Licence, the Company is pleased to have hosted the newly appointed Minister of Mines and Energy, the Honourable Obeth Kandjoze, as well as a ministerial delegation on a recent site visit at the Namib Project. The Company

looks forward to continuing to work with the Ministry on the Mining Licence application and remains confident that the Mining Licence will be granted in due course, but this cannot be guaranteed.

In light of the above, the Company has devised a revised funding strategy for the Namib Project. Subject to timing of commencing construction and the definitive capital requirement estimate post completion of early engineering and design, the Company estimates a total funding requirement of approximately US\$30 million through to expected project commissioning of the Namib Project. It is the Company's intention that this financing will be structured in two phases:

- (a) an initial equity fundraising of US\$4.0 million to cover the short term working capital required for initial FEED, early development of the Namib Project's North decline, sourcing of plant and equipment, and the ongoing underground development programme required to establish access for the next phase of resource expansion drilling ("**Phase One Fundraising**"). This is intended to finance the Company to take the Namib Project through to the end of 2015 and a construction decision, assuming that the Mining Licence is issued and Phase Two Fundraising is achieved without undue delay (it being noted that the current Work Programme nominally assumes that the Mining Licence will be issued on or before 31 October 2015); and
- (b) a second fundraising, subject to the formal grant and issue of the Mining Licence by the Namibian authorities, which is anticipated to comprise both debt and equity, and which will cover the cost of construction and an ongoing resource expansion drilling programme ("**Phase Two Fundraising**").

As noted in the GM Circular and in paragraph 2 of this Part I above, the Company had an immediate funding requirement which it addressed through the issue of the Tranche One Notes pursuant to the Greenstone Placing. The GM Resolution was approved on 28 August 2015, following which the Tranche One Notes were issued to Greenstone on 8 September 2015, raising a total amount of US\$1.2 million before expenses.

It is intended that the balance of the funds required for the Phase One Fundraising will be raised through the Open Offer and the Placing (together, US\$2.8 million), which are being conditionally fully underwritten by the Underwriting Facility pursuant to the Greenstone Placing (subject to satisfaction or waiver of the Conditions).

Further to the announcement made by the Company on 2 July 2015, it is noted that Brett Richards will be moving abroad to take up new responsibilities and, as a consequence, has indicated his intention to step down from the Board post completion of the Phase One Fundraising. As previously announced, the Company has asked Strand Hanson, to commence the search for a replacement independent director and that process remains on-going (and the Company will provide further updates in due course).

5. Principal terms of the Open Offer

A total of approximately £1.8 million (approximately US\$2.8 million) is being raised through the Open Offer pursuant to which up to 900,677,910 New Ordinary Shares are being hereby offered at an issue price of 0.2 pence per share to Eligible Shareholders on the terms and conditions set out in this Circular and in the Application Form. The Issue Price is at a discount of approximately 2.4 per cent. to the closing mid-market price on 14 September 2015, being the last trading day before the date of this Circular, and a discount of approximately 1.3 per cent. to the VWAP from 11 August 2015 to 14 September 2015. The VWAP period reflects the trading period since the announcement of the Greenstone Placing.

The Open Offer is only being made to Eligible Shareholders whose names appear on the register of members of the Company on the Record Date as holders of Existing Ordinary Shares and who are resident in the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal.

In order that other shareholders do not suffer dilution as a consequence of the proposed conversion of the Tranche One Notes following the close of the Open Offer and Placing, Greenstone has undertaken and agreed to be excluded from the Open Offer (and, in addition, has been deemed to be ineligible to participate in the Open Offer by virtue of the jurisdiction of its holding). Consequently, entitlements under the Open Offer are calculated excluding Greenstone's shareholding and the take-up by Eligible Shareholders of their pro rata entitlements under the Open Offer will lead to such Eligible Shareholders' interest in the Company not being diluted.

Eligible Shareholders have an increased opportunity to apply for additional Open Offer Shares under the Excess Applications Facility (further details of the Excess Applications Facility are set out in paragraph 5 of this Part I and Part II of this Circular).

Eligible Shareholders may apply for more or less Open Offer Shares than they are entitled to under the Open Offer and applications in excess of the Open Offer Entitlements will be dealt with under the Excess Application Facility. Once subscriptions under the Open Offer Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part, and no assurance can be given that applications by Eligible Shareholders for Excess Shares under the Excess Application Facility will be met in full or in part or at all. To the extent that Excess Shares are not subscribed by existing Eligible Shareholders, Open Offer Entitlements not taken up will lapse.

Fractions of Open Offer Shares will not be allotted to Eligible Shareholders in the Open Offer and, where necessary, entitlements under the Open Offer will be rounded down to the nearest whole number of New Ordinary Shares.

The Board considers that an offer to existing Shareholders by way of a rights or other pre-emptive issue is not currently feasible due to the significant costs and delays that would be incurred through the production and approval of a prospectus having regard to the Company's funding needs. The Open Offer allows Eligible Shareholders the opportunity to participate in the fundraising at the Issue Price and, subject to the terms of the Excess Application Facility, increase their participation by subscribing for Excess Shares.

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Existing Shareholders with registered addresses in any jurisdiction other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Shareholder whose registered address is elsewhere but who is in fact a resident or domiciled in a territory other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, he/she should not seek to take up his/her allocation.

In the event that the Open Offer is not fully subscribed following subscriptions by Eligible Shareholders of their Open Offer Entitlements and subscriptions under the Excess Applications Facility, the Directors have reserved the right to place the shortfall of any Open Offer Shares, at not less than the Issue Price, in order to raise the full amount of US\$2.8 million under the Open Offer and Placing (totalling, when aggregated with amounts already received from Greenstone pursuant to the Greenstone Placing, US\$4.0 million, being the total amount anticipated as being required by the Company for the Phase One Fundraising). Consequently, the Company has entered into the Placing Agreement with RFC Ambrian, pursuant to which RFC Ambrian has conditionally agreed that it will use its reasonable endeavours to procure subscribers for the Placing Shares following the close of the Open Offer. Further details of the Placing Agreement are set out in Part III of this Circular. The Placing will include a commitment in respect of 66,813,472 Placing Shares, being £133,627, subscribed by certain Directors, which further demonstrates the Board's commitment to, and belief in, the Company and its prospects.

The Open Offer and the Placing, if fully subscribed, will, between them, result in the issue of 900,677,910 new Ordinary Shares (representing approximately 28.10 per cent. of the Enlarged Share Capital). The Open Offer Shares and Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Placing Shares or Open Offer Shares. No temporary documents of title will be issued.

Part II of this Circular, together with the accompanying Application Form, contains further terms and conditions of the Open Offer.

6. Action to be taken

If an Eligible Shareholder does not wish to apply for Open Offer Shares he/she should not complete or return the Application Form nor send a USE message through CREST.

(i) ***Eligible Non-CREST Shareholders (i.e. holders of Ordinary Shares who hold their shares in certificated form)***

If you are an Eligible Non-CREST Shareholder and wish to participate in the Open Offer, you should carefully read the Application Form accompanying this Circular and send the Application Form along with the appropriate remittance to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 11.00 a.m. on 30 September 2015 and in accordance with the procedure set out at paragraph 4 of Part II of this Circular.

(ii) ***Eligible CREST Shareholders (i.e. holders of Ordinary Shares who hold their shares in uncertificated form through CREST)***

If you are an Eligible CREST Shareholder, no Application Form is enclosed. You will instead receive a credit to your account in CREST in respect of your Open Offer Entitlements. You should refer to the procedure for application set out in paragraph 4 of Part II of this Circular.

Eligible CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this Circular and the Open Offer. Eligible Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of their applications. If you are not an Eligible Shareholder and a person who has a contractual or other legal obligation to forward this Circular or an Application Form into a jurisdiction outside the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal and who has a registered address in, or who is resident or ordinarily resident in, or a citizen of, or which is a corporation, partnership or another entity created or organised under the law of a country other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, then your attention is drawn to the information in paragraph 7 of Part II of this Circular.

Eligible CREST Shareholders should note that, although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claim Processing Unit. Eligible non-CREST Shareholders should note that their Application Form is not a negotiable entitlement and cannot be traded.

7. Use of Proceeds

As agreed between the Company and Greenstone pursuant to the Subscription Agreement, the proceeds of the Open Offer, the Placing and the Greenstone Placing shall be used for the purposes stated in the Work Programme (which nominally assumes that the Mining Licence will be issued on or before 31 October 2015). This includes, among other things, to cover the costs through to the end of 2015 and a construction decision for FEED on the revised process flow sheet, early development of the Namib Project's North decline, sourcing of plant and equipment, and the ongoing underground development programme required to establish access for the next phase of resource expansion drilling and the initial recruitment required to advance the Namib Project.

The proceeds of the Open Offer, the Placing and the Greenstone Placing will also cover general corporate overheads and costs associated with fundraising, including the costs related to the Phase One Fundraising.

The Board will only be able to take a decision to commence construction once the Mining Licence has been granted, appropriate financing to cover the costs of construction (by way of the Phase Two Fundraising) has been agreed and subject to an assessment of the economics of the Namib Project at the time.

While the Company believes that the total amount of US\$4.0 million proposed to be raised pursuant to the Open Offer and the Placing, including the Greenstone Placing, should be sufficient for the Phase One Fundraising

provided that the Mining Licence is issued and Phase Two Fundraising is achieved without undue delay, it is possible that additional working capital may be required if there are delays or unexpected costs and/or if the Company is not permitted to disburse funds raised pursuant to the Greenstone Placing (which are limited to purposes stated in the Work Programme) in respect of any of its costs. It is noted that the Company has been engaging with multiple parties in order to prepare for the inclusion of a debt package into the Namib Project's Phase Two Fundraising package at the point of a construction decision. While conversations with debt providers continue to progress, it is clear that the availability of debt for the sector is becoming tougher to obtain due to weak commodity prices, even for commodities with positive fundamentals such as zinc and lead. The Company is conscious that there is no guarantee that debt finance will be available at the relevant time and as such is aware of the need to make the necessary provisions for this in its financing strategy. On completion of the FEED phase the Company intends to progress debt discussions as a priority and will update its Shareholders on the outcomes of this process, as well as the other financing instruments that are being considered. The Company therefore sought, and obtained, additional authority pursuant to the GM Resolution to raise further equity of up to a further US\$2.0 million for working capital purposes free from statutory pre-emption rights.

8. Overseas Shareholders

Information for Shareholders who have registered addresses outside the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal appears in paragraph 7 of Part II of this Circular, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this Circular.

9. Taxation

Information regarding taxation in the United Kingdom in connection with the Open Offer is set out in paragraph 6 of Part V of this Circular. Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult their professional adviser as soon as possible.

10. Recommendation

The Board believe that the Open Offer is in the best interests of the Company, and the Shareholders as a whole, for the following reasons:

- (a) the Open Offer will, if fully subscribed, provide the funds anticipated as being required by the Company for the Phase One Fundraising without recourse to the Underwriting Facility which Greenstone has conditionally agreed to provide, if required, pursuant to the Greenstone Placing;**
- (b) furthermore, if US\$2.8 million is raised pursuant to the Open Offer and Placing, the Tranche One Notes will be converted in full into the New Greenstone Shares such that Greenstone will hold no more than 29.99 per cent. of the Issued Share Capital following the Open Offer and the Placing and such conversion (leaving no Convertible Loan Notes outstanding following such conversion); and**
- (c) it provides Shareholders with the opportunity to further support the Company through the Open Offer at this exciting time for the Company.**

11. Further Information

Your attention is drawn to the Risk Factors relating to the Group set out in Part IV of this Circular, the additional information set out in Part V of this Circular and the terms and conditions of the Open Offer and the Placing set out in Part II and Part III (respectively) of this Circular, as well as the Application Form.

Yours faithfully,

Brett Richards

Senior Independent Director & Interim Chairman

PART II

TERMS AND CONDITIONS OF THE OPEN OFFER

1. Introduction

The Company hereby invites Eligible Shareholders to apply, on and subject to, the terms and conditions set out in this Circular and in the Application Form, and subject to the Articles of the Company, for Open Offer Shares at the Issue Price, free from all expenses, payable in cash in full on application. Subject to certain minimum subscriptions set out below, Eligible Shareholders are being given the opportunity to subscribe for their Open Offer Entitlement at the Issue Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings.

Only Eligible Shareholders, that is Shareholders who are resident in the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, will be eligible to make an application for Open Offer Shares. Shareholders domiciled in any other territory, including any other EEA member state, will not be permitted to apply for any Open Offer Shares.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid after the date of their issue. The allotment and issue of the Open Offer Shares will be made upon and be subject to the terms and conditions set out in this Circular and in the Application Form.

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Open Offer Shares will commence on AIM at 8.00 a.m. on 7 October 2015.

If an Eligible Shareholder does not wish to apply for Open Offer Shares he/she should not complete or return the Application Form.

A maximum number of 900,677,910 Open Offer Shares will be offered to Eligible Shareholders as part of the Open Offer. In no circumstances will more than this number of Ordinary Shares be issued pursuant to the Open Offer.

The total consideration under the Open Offer shall be less than €5 million (or an equivalent amount in US dollars or sterling) in aggregate.

2. Principal terms and conditions of the Open Offer

Eligible Shareholders are being given the opportunity to subscribe for their Open Offer Entitlement at the Issue Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings on the basis of:

2 Open Offer Shares for every 3 Existing Ordinary Shares

held at the Record Date. Open Offer Entitlements will be rounded down to the nearest whole number of shares and fractional entitlements which would have otherwise arisen will not be issued.

Eligible Shareholders may apply for, on and subject to the terms and conditions set out in this Circular and in the accompanying Application Form, any whole number of Open Offer Shares at the Issue Price. Once initial *pro rata* entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications under the Excess Application Facility in full or in part.

Only Eligible Shareholders, which means only Shareholders who are resident in the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, will be eligible to make an application for Open Offer Shares. Shareholders domiciled in any other territory, including any other EEA member state, will not be permitted to apply for any Open Offer Shares.

Eligible Shareholders should be aware that the Open Offer is not a rights issue and the Application Form is not a negotiable document and cannot be traded. Applications for Open Offer Shares may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit.

Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer but will first be made available to applicants under the Excess Application Facility and thereafter any remaining Open Offer Shares will be issued to Placees under the Placing, with the net proceeds being retained for the benefit of the Company and Eligible Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer. Subject to satisfaction or waiver of the Conditions, any further shortfall under the Open Offer and Placing will be taken up under the Underwriting Facility by way of issue of further Notes.

3. Further terms of the Open Offer

No temporary documents of title will be issued in respect of the Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Eligible Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 19 October 2015. In respect of those Eligible Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by as soon as possible after 8.00 a.m. on 7 October 2015.

All monies received by the Receiving Agent in respect of Open Offer Shares will be credited to a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this Circular, the Company will make an appropriate disclosure to AIM and, where appropriate, notify Shareholders.

4. Procedure for Application and Payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Application Form in respect of the Open Offer or you have Open Offer Entitlements credited to your CREST stock account.

Eligible Shareholders who hold all their Existing Ordinary Shares in certificated form will receive a personalised Application Form. The Application Form will show the number of Ordinary Shares held at the Record Date. It will also show Eligible Shareholders their Open Offer Entitlement and the total number of Open Offer Shares available under their Open Offer Entitlement that can be allotted in certificated form. Eligible Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Eligible Shareholders who hold Existing Ordinary Shares partly in certificated and partly in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Eligible Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST.

Eligible Shareholders who do not wish to apply for any Open Offer Shares under the Open Offer should not complete or return the Application Form or submit a USE message through CREST. Eligible Shareholders who hold their Ordinary Shares through a nominee and who wish to apply for Open Offer Shares must contact their nominee as such Eligible Shareholders will not be able to apply for Open Offer Shares directly using the Application Form.

(a) *If you receive an Application Form in respect of your Open Offer Entitlements under the Open Offer*

(i) *General*

Subject as provided in paragraph 7 of this Part II in relation to Overseas Shareholders, Eligible Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Open Offer Record Date.

It also shows the number of Open Offer Shares for which you may apply pursuant to your Open Offer Entitlement, (on an initial *pro rata* basis) as shown by the total number of Open Offer Shares allocated to you. You may apply for less than your initial *pro rata* entitlement should you wish to do so. You may apply for more Open Offer Shares than you are entitled to should you wish to do so through the Excess Application Facility as long as you have taken up all of your Open Offer Entitlements. The total number of Open Offer Shares is fixed and will not be increased in response to any applications in excess of what is available under the Excess Application Facility. Applications under the Excess Application Facility will therefore only be satisfied to the extent that other Eligible Shareholders do not apply for their Open Offer Entitlements in full. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications for excess Open Offer Shares by Eligible Shareholders will be met in full or in part or at all.

Eligible Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim. The instructions and other terms set out in the Application Form forms part of the terms of the Open Offer in relation to Eligible Non-CREST Shareholders.

(ii) *Bona fide market claims*

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Eligible Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Ordinary Shares through the market prior to the Ex date. Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3 p.m. on 28 September 2015. The Application Form will not be a negotiable document and will not be separately tradable.

An Eligible Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary Shares prior to the Ex date should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee. Eligible Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however be forwarded to or transmitted to any territory outside the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2(b) below.

(iii) *Application procedures*

Eligible Non-CREST Shareholders wishing to apply to acquire Open Offer Shares should complete the Application Form in accordance with the instructions printed on it.

Completed Application Forms should be posted in the pre-paid envelope accompanying the Application Form or returned by post or by hand (during normal business hours only) to Capita Asset Services (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 30 September 2015, after which time Application Forms will not be valid. Eligible Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Eligible Shareholders are recommended to allow at least four working days for delivery if posted by first class post. If you have any questions relating to this Circular, and the completion and return of the Application Form, please telephone Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged

at the applicable international rate. Capita Asset Services are open between 9.00 a.m. till 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

All payments must be in pounds sterling and made by cheque or banker's draft made payable to Capita Registrars Limited re: North River Resources Plc – Open Offer A/C and crossed "A/C Payee Only".

Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the cheque or draft to confirm that the relevant Eligible Shareholder has title to the underlying funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer.

If an Application Form encloses a payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and return the cheque or refund the payment to the Eligible non-CREST Shareholder in question; or
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the Eligible non-CREST Shareholder in question, save that any sums of less than £1.00 will be retained for the benefit of the Company; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Open Offer Shares referred to in the Application Form, refunding any unutilised sums to the Eligible non-CREST Shareholder in question, save that any sums of less than £1.00 will be retained for the benefit of the Company.

All monies received by the Receiving Agent in respect of Open Offer Shares will be held in a separate non-interest bearing client account.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) application Forms received after 11.00 a.m. on 30 September 2015; or
- (ii) applications in respect of which remittances are received before 11.00 a.m. on 30 September 2015 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If Open Offer Shares have already been allotted to an Eligible Non-CREST Shareholder and such Eligible Non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Eligible Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, Capita Asset Services shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Eligible Non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. Neither Capita Asset Services nor the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Eligible Non-CREST Shareholders.

The instructions, notes and other terms set out in the Application Form constitute part of the terms of the Open Offer.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or you can contact the Receiving Agent, Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Capita Asset Services are open between 9.00 a.m. till 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(b) ***If you have your Open Offer Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer***

(i) ***General***

Each Eligible CREST Shareholder will receive a credit to their stock account in CREST in respect of their Open Offer Entitlements. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Ordinary Shares held on the Record Date by the Eligible CREST Shareholder in respect of whom the Open Offer Entitlements have been allocated. An Eligible CREST Shareholder may apply for more or less Open Offer Shares than he is entitled to should he wish to do so. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine in their absolute discretion and, as such, no assurance can be given that the applications for excess Open Offer Shares by Eligible CREST Shareholders will be met in full or in part or at all. If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Eligible CREST Shareholders cannot be credited by, 3.00 p.m. on 16 September

2015, or such later time and/or date as the Company may decide, an Application Form will be sent to each Eligible CREST Shareholder in substitution for the Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Circular will be adjusted as appropriate and the provisions of this Circular applicable to Eligible Non-CREST Shareholders with Application Forms will apply to Eligible CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below.

Should you need advice with regard to these procedures, please contact the Receiving Agent, Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Capita Asset Services are open between 9.00 a.m. till 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(ii) *Market claims*

Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Eligible Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. Transactions identified by the CREST Claims Processing Unit as “CUM” the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

(iii) *Excess Application Facility*

Eligible CREST Shareholders at the Record Date who wish to make applications for additional Open Offer Shares (in excess of their initial *pro rata* entitlement) and who have taken up all of their Open Offer Entitlements should follow the instructions below for submitting a USE in respect of the Excess Application Facility.

Once subscriptions under the Open Offer Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any excess applications in full or in part, and no assurance can be given that applications by Eligible Shareholders for Excess Shares under the Excess Application Facility will be met in full or in part or at all.

A credit of 350,000,000 Excess Open Offer Entitlements will be made to the CREST account of each Eligible CREST Shareholder; if an Eligible CREST Shareholder would like to apply for a larger number of Excess Shares under the Excess Application Facility such Eligible CREST Shareholder should contact Capita Asset Services and arrange for a further credit of Excess Open Offer Entitlements to be made, subject at all times to the maximum number of Excess Shares available.

(iv) *Unmatched Stock Event (“USE”) instructions*

Eligible CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an USE instruction to Euroclear which, on its settlement, will have the following effect: (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

(v) *Content of USE instruction in respect of Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of Open Offer Shares for which application is being made and the number of Open Offer Entitlements being delivered to the Receiving Agent;
- (b) the ISIN of the Open Offer Entitlements. This is GB00BYMKRR12;
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;
- (f) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 28641NOR;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 30 September 2015; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 30 September 2015. In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 30 September 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 5 October 2015 or such later time and date as the Company may determine (being no later than 8.00 a.m. on 30 October 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Eligible CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(vi) *Content of USE Instructions in respect of the Excess Application Facility*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of excess Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (b) the ISIN of the Excess Application Facility. This is GB00BYMKRS29;

- (c) the participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 7RA33;
- (f) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 28641NOR;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (i) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 30 September 2015; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 30 September 2015.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 30 September 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 5 October 2015 or such later time and date as the Company may, in its absolute discretion, elect (being no later than 8.00 a.m. on 30 October 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Eligible CREST Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

(vii) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

An Eligible Non-CREST Shareholder's entitlements to apply for Open Offer Shares under the Open Offer set out in this Application Form may be deposited into CREST (either into the account of the Eligible Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Eligible Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlements under the Open Offer are reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) to the provisions of the Application Form. A holder of an Application Form who is proposing to deposit the entitlements set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable a person holding or acquiring such Open Offer Entitlements following their deposit into CREST, to take all necessary steps in connection with taking up such entitlements prior to 3.00 p.m. on 25 September 2015. A holder

of an Application Form who deposits his Open Offer Entitlement into his CREST account, will receive a credit to such account for his Open Offer Entitlement which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements, is 3.00 p.m. on 25 September 2015 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 24 September 2015 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 30 September 2015. Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Eligible Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that they are not a citizen or resident (of any territory other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(viii) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 30 September 2015 will constitute a valid application under the Open Offer.

(ix) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 30 September 2015. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(x) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- (a) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and

- (c) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilized sum to the CREST member in question (without interest).

(xi) *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion:

- (a) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part II;
- (b) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (c) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (d) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

(xii) *Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 5 October 2015 or such later time and date as the Company may determine (being no later than 30 October 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Eligible CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

5. Warranties

An Eligible Shareholder who makes or is treated as making a valid application for Open Offer Shares represents, covenants, agrees and acknowledges as set out in this paragraph 5 of this Part II of this Circular:

- (a) the Company and others will rely upon its representations, warranties, covenants, agreements and acknowledgements set forth herein, and it agrees to notify the Company promptly in writing if any of its representations, warranties, covenants, agreements or acknowledgements ceases to be accurate and complete;
- (b) it has read and understood and accepted the terms and conditions of the Open Offer contained in this Circular and its application for Open Offer Shares shall be on and subject to the terms and conditions of this Circular and, if it is an Eligible Non-CREST Shareholder, the Application Form;

- (c) it agrees that all applications, and contracts resulting therefrom, under the Open Offer or in connection therewith shall be governed by, and construed in accordance with, the laws of England;
- (d) it agrees to pay the amount payable on application in accordance with the payment procedures described in this Part II of this Circular;
- (e) it is an Eligible Shareholder originally entitled to the Open Offer Entitlements and Excess Open Offer Entitlements, or if it has received some or all of its Open Offer Entitlements and Excess Open Offer Entitlements from a person other than the Company, it is entitled to apply under the Open Offer in relation to such Open Offer Entitlements and Excess Open Offer Entitlements by virtue of a bona fide market claim;
- (f) it may lawfully acquire the Open Offer Shares to be subscribed by it pursuant to the Open Offer (including the Excess Application Facility) and has the capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Open Offer Shares and will honour such obligations;
- (g) it agrees that its obligations under this schedule shall not be capable of rescission or termination by it in any circumstance;
- (h) in agreeing to acquire the Open Offer Shares, it is relying on the information contained in this Circular and it is not relying on any other information given or representation, warranty, undertaking, agreement or statement made at any time by the Company or any of its officers, directors, agents, employees or advisers, or any other person in relation to the Company or its subsidiary undertakings, the Open Offer or the Open Offer Shares to be issued pursuant to the Open Offer, and neither the Company nor any other person will be liable for any Eligible Shareholder's decision to participate in the Open Offer based on any other information, representation, warranty, undertaking, agreement or statement which Eligible Shareholders may have obtained or received. In addition, it has neither received nor relied on any confidential price sensitive information. Nothing in this paragraph shall exclude the liability of any person for fraud;
- (i) it meets all required qualifications and other requirements to be offered Open Offer Shares and is entitled to acquire the Open Offer Shares under the terms of the Open Offer and the laws of all relevant jurisdictions which apply to it (the "**Applicable Securities Laws**") and it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has not taken any action or omitted to take any action which will or may result in the Company or any of its respective officers, directors, agents, employees or advisers acting in breach of any law or regulatory requirement of any territory or jurisdiction in connection with the Open Offer or its entitlement;
- (j) it is not, nor is it applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction except where proof satisfactory to the Company has been provided to the Company that the Eligible Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome and the Eligible Shareholder is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction (except where proof satisfactory to the Company has been provided to the Company that the Eligible Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor such person otherwise prevented by legal or regulatory restrictions from applying for the Open Offer Shares under the Open Offer;
- (k) it irrevocably appoints any director of the Company as its agent for the purpose of executing and delivering to the Company and/or the Receiving Agent any documents on its behalf necessary to enable it to be registered as the holder of the Open Offer Shares;

- (l) it is not, and nor is it applying for the Open Offer Shares as nominee or agent for, a person who is or may be liable to notify and account for stamp duty or stamp duty reserve tax at any of the increased rates referred to in sections 67 to 72 inclusive and sections 93 to 97A inclusive of the Finance Act 1986 (Depositary Receipts and Clearance Services) and, in the event of any breach of this warranty, it agrees that the Company will not have any liability to it or other persons in respect of such duty or tax;
- (m) the Applicable Securities Laws do not require the Company to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind in connection with the Open Offer in the jurisdiction in which it is resident;
- (n) the purchase by it of Open Offer Shares does not trigger in the jurisdiction in which it is resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action;
- (o) its application for Open Offer Shares under the Open Offer will not result in it and/or persons acting in concert with it obtaining an interest in greater than 29.9 per cent. of the total number of Ordinary Shares in issue following the Open Offer;
- (p) it and any person acting on its behalf is aware of the obligations in connection with money laundering under the Money Laundering Regulations to the extent applicable to it and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as required by the Money Laundering Regulations;
- (q) it agrees to be bound by the terms of the Memorandum of Association and Articles of Association of the Company in force immediately following Admission;
- (r) it will not deal or cause or permit any other person to deal in all or any of the Open Offer Shares unless and until Admission becomes effective;
- (s) the Company is relying on one or more exemptions from the registration requirements of the Securities Act and, as a consequence of acquiring the Open Offer Shares pursuant to such exemption(s), certain protections, rights and remedies provided by applicable securities laws will not be available to it, including an obligation on the Company to provide it with a prospectus or other disclosure document, and, save for this Circular, no offer document, admission document or prospectus has been, or is required to be, prepared in connection with the Open Offer;
- (t) it has not received a prospectus or admission document or, save for this Circular, other offering document in connection with the Open Offer, and no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Open Offer Shares or the fairness or suitability of the investment in the Open Offer Shares nor have such authorities passed upon or endorsed the merits of the offering of the Open Offer Shares;
- (u) it acknowledges that the Existing Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the rules of AIM (the “**Exchange Information**”), and that it is able to obtain or access the Exchange Information without undue difficulty;
- (v) neither the Company nor any person acting on its behalf nor any of its affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in the Exchange Information, any other information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person;

- (w) if it is acquiring any Open Offer Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, covenants, agreements and acknowledgements on behalf of each such account;
- (x) it acknowledges that neither the Open Offer Shares or the Open Offer Entitlements or the Excess Open Offer Entitlements have been nor will they be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
- (y) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Circular (or any part thereof) to or within the United States or any other Restricted Jurisdiction nor will it do any of the foregoing;
- (z) it is purchasing the Open Offer Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Open Offer Shares in any manner that would violate the Securities Act, or any other applicable securities laws, and it does not have a present arrangement to effect any distribution of the Open Offer Shares to or through any person or entity;
- (aa) it is not acquiring any the Open Offer Shares for resale in the United States and it has not and will not deliver or forward any advertisement or other offering material in relation to the Open Offer Shares in or into the United States;
- (bb) it will indemnify and hold the Company and its affiliates 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, agreements and covenants in this Circular. All representations, warranties, agreements and covenants given by it in this Circular are given to the Company and will survive completion of the Open Offer;
- (cc) it is acquiring the Open Offer Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act;
- (dd) at the time it received the offer to purchase the Open Offer Shares it was not in the United States;
- (ee) it (i) understands and acknowledges that the offering and sale of the Open Offer Shares are not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States; and (ii) acknowledges that no Application Form, where appropriate, will be accepted by any such use, means, instrumentality or facility or from within the United States, and doing so may render such Application Form invalid;
- (ff) its receipt and execution of the Application Form, where appropriate, each occurred outside the United States;
- (gg) it is not acquiring the Open Offer Shares as a result of or due to, and will not engage in, any “directed selling efforts” (as defined in Regulation S under the Securities Act) in the United States in respect of the Open Offer Shares, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Open Offer Shares, including placing an advertisement in a publication with a general circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States;
- (hh) if resident or incorporated or established in Australia, it acknowledges that this Circular has been given to it and any offer to it is conditional upon the understanding of the Company that it (i) qualifies as a ‘sophisticated investor’ under Section 708(8) of the Corporations Act or (ii) qualifies as a ‘professional investor’ under Section 708(11) of the Corporations Act, and that it can provide the

Company with sufficient evidence of such qualification upon request from the Company. In the event that it is not an investor qualifying under one of those categories set out above, it should return this Circular to the Company immediately. It may not forward or circulate this Circular to any other person in Australia; and

- (ii) caso sejam residentes, ou entidades constituídas ou com estabelecimento em Portugal, pela aceitação da presente oferta, os subscritores reconhecem e garantem que são indivíduos residentes ou entidades com sede ou estabelecimento em Portugal, constituídas ou registadas em conformidade com a legislação Portuguesa e, em qualquer caso, cumprindo, para os efeitos da presente oferta, todos os requisitos legais constantes do Código dos Valores Mobiliários e da restante regulamentação da CMVM (if resident or incorporated or established in Portugal, by accepting the present offer the subscribers represent that they are individuals resident or entities domiciled or established in Portugal (and, if so, incorporated or registered in accordance with Portuguese law) and, in either case, fulfilling all the remaining requirements for the effect of the present Open Offer set out in the Portuguese Securities Code and in the Portuguese Securities Market Commission's regulations ("CMVM")).

6. Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations 2007 (the "**Regulations**") as subsequently amended, it is a term of the Open Offer that the Registrars may, at their absolute discretion, require verification of identity including by electronic means from any person completing an Application Form or sending a USE message through CREST (the "**Applicant**") and, without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of a cheque or banker's draft drawn on an account in the name of any person or persons other than the Applicant or (ii) appears to Capita Asset Services to be acting on behalf of some other person.

This may involve verification of the identity of any person on whose behalf the Applicant appears to be acting.

Lodging of an Application Form and sending the USE message through CREST with the appropriate remittance constitutes a warranty by the Applicant that the Regulations will not be breached by the acceptance of the remittance and an undertaking to provide such evidence of identity at the time of lodging an Application Form or, in the absolute discretion of the Company, within a reasonable time thereafter (in each case to be determined at the absolute discretion of the Company and the Receiving Agent) as may be required to ensure compliance with the Regulations.

If satisfactory evidence of identity has not been received by Capita Asset Services within a reasonable period of time, then the Application Form or USE message through CREST in question may be rejected, in which event the application will not proceed any further and the application monies (without interest) will be returned to the bank account on which the cheque was drawn at the Applicant's own risk. Where possible Applicants should make payment by cheque in their own name. If a bankers' draft or building society cheque is used, the Applicant should write his/her name and address on the back of the draft or cheque and, in the case of an individual, record his/her date of birth against his/her name; and ask the bank or building society to endorse on the reverse of the draft or cheque the full name and account number of the person whose account number is being debited and stamp such endorsement.

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting Capita Asset Services' right to require verification of identity as indicated above).

7. Overseas Shareholders

Only Eligible Shareholders, which means only Shareholders that are resident and domiciled in the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, will be eligible to make an application for Open Offer Shares, and in particular no person receiving a copy of this Circular or the Application Form in any other territory may treat the same as constituting an offer or invitation to him/her nor should he/she in any event complete the Application Form. Accordingly, persons receiving this Circular and Application

Form should not send the same into any other territory, and any copy of this Circular or the Application Form which is received in any such jurisdiction is sent for information only, is confidential and should not be copied or distributed.

The Company reserves the right to treat as invalid any application or purported application to subscribe for new Ordinary Shares pursuant to the Open Offer which appears to the Company or its agent to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or which does not include the warranties set out in the Application Form.

The Open Offer Shares have not been and are not intended to be registered or qualified for sale under in any jurisdiction other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in any other jurisdiction other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Shareholder whose registered address is elsewhere but who is in fact a resident or domiciled in a territory other than the United Kingdom, Australia, the Isle of Man, France, Switzerland or Portugal, he/she should not seek to take up his/her allocation.

8. Withdrawal rights

Eligible Shareholders wishing to exercise or direct the exercise of statutory withdrawal rights pursuant to section 87Q(4) of the FSMA after the issue by the Company of a prospectus supplementing this document must do so by lodging a written notice of withdrawal, which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the CREST participant ID and the CREST member account ID of such CREST member with Capita Asset Services, Corporate Actions, The Registry, Beckenham Road, Beckenham, Kent, BR3 4TU or email to withdraw@capita.co.uk so as to be received by no later than two Business Days after the date on which the supplementary prospectus is published, withdrawal being effective as at posting of the written notice of withdrawal. Notice of withdrawal given by any other means or which is deposited with or received by Capita Asset Services after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant Eligible Shareholders of its subscription in full and the allotment or New Ordinary Shares to such Eligible Shareholders becoming unconditional, save to the extent required by statute. In such event, Shareholders are advised to seek independent legal advice.

9. Admission, Settlement and Dealings

Application will be made for the admission of the New Ordinary Shares to trading on AIM. The result of the Open Offer is expected to be announced on or about 1 October 2015 and, subject to the Open Offer becoming unconditional in all respects, trading in the Open Offer Shares is anticipated to commence on AIM for normal settlement on 7 October 2015.

Application will be made for the New Ordinary Shares to be admitted to CREST with effect from Admission and applicants for Open Offer Shares will be able to hold their Open Offer Shares in certificated or uncertificated form.

Notwithstanding any other provision of this Circular or of the Application Form, the Company reserves the right to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST), or on the part of the facilities and/or systems operated by the Company's registrars in connection with CREST. This right may also be exercised if the correct details in respect of *bona fide* market claims (such as the Member Account ID and Participation ID details) are not provided as requested on the Application Form.

For more information as to the procedure for application in each case, Eligible Shareholders are referred to the Application Form.

10. Times and dates

The Company reserves the right to amend or extend the closing time of the Open Offer from 11.00 a.m. on 30 September and all related dates set out in this Circular. In such circumstances, the Company shall make an announcement via a regulatory information service.

If a supplementary circular is published by the Company two or fewer business days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this Circular, the latest date for acceptance under the Open Offer shall be extended to the date that is at least three business days after the date of publication of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

11. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this Circular, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this Circular or the Application Form including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this Circular or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Circular and, where applicable, the Application Form, Eligible Shareholders irrevocably submit to the jurisdiction of the courts of England and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

12. Further information

Your attention is drawn to the further information set out in this Circular and also to the terms, conditions and other information printed on any Application Form.

PART III

TERMS OF THE PLACING

Pursuant to a placing agreement between the Company and RFC Ambrian dated the date of this Circular (the “**Placing Agreement**”), RFC Ambrian has conditionally agreed that, in the event that the Open Offer is not fully subscribed following subscriptions by Eligible Shareholders of their Open Offer Entitlements and subscriptions under the Excess Applications Facility, it will, as agent for the Company, use its reasonable endeavours to procure placees for Placing Shares at the Issue Price.

Under the terms of the placing letters which it is proposed to be entered into between the Placees and RFC Ambrian (as agent for the Company), each Placee would agree to subscribe for its placing commitment at the Issue Price. In each case, the new Ordinary Shares would be conditionally placed with institutional and other investors by RFC Ambrian. The Company shall, in its absolute discretion, determine final allocations under the Placing.

The Placees’ obligations under the placing letters will be conditional upon the Placing Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

The Placing Agreement is conditional upon, amongst other things:

- (a) Admission occurring on or before 8.00 a.m. on 7 October 2015 (or such later time and/or date as the Company and RFC Ambrian may agree, being not later than 8.00 a.m. on 16 October 2015, being the longstop date under the Placing Agreement); and
- (b) the Greenstone Placing not having been terminated prior to Admission.

The Placing Agreement contains warranties from the Company in favour of RFC Ambrian for itself and as trustee for Placees in relation to, amongst other things, the accuracy of the information in this Circular and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify RFC Ambrian in respect of certain liabilities which RFC Ambrian and its associated persons may incur in respect of the Placing. RFC Ambrian has the right to terminate its obligations under the Placing Agreement in certain circumstances prior to Admission, including in the event of a breach of the warranties or a force majeure event.

In consideration of the agreement of RFC Ambrian to provide its services in connection with the Open Offer and Placing, the Company will pay to RFC Ambrian a commission, payable on Admission. The Company shall also pay to RFC Ambrian all reasonably and properly incurred costs which are directly attributable to work carried out by RFC Ambrian in connection the Placing and Admission.

PART IV

RISK FACTORS

In addition to the other relevant information set out in this Circular, the following specific factors should be considered carefully when evaluating an investment in the Group. The investment offered in this Circular may not be suitable for all of its recipients. If you are in any doubt as to the action you should take, you should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Group is suitable for him/her in the light of his/her personal circumstances and the financial resources available to him/her.

The exploration for, and development of, natural resources is a highly speculative activity which involves a high degree of risk. Accordingly the Ordinary Shares should be regarded as a highly speculative investment and any investment in the Company should only be made by those with the necessary expertise to evaluate the investment fully. The Directors consider that the risks and other factors described below are the most significant and should be considered carefully together with all the information contained in this Circular, prior to applying for New Ordinary Shares. It should be noted that the risks described below are not the only risks faced by the Group; there may be additional risks that the Directors currently consider not to be material or of which they are currently unaware.

If any of the risks referred to in this Part IV crystallise, the Company's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of its shares could decline and investors may lose all or part of their investment.

SECTION A: TRANSACTION SPECIFIC RISK FACTORS

RISKS ASSOCIATED WITH THE PLACING AND OPEN OFFER FAILING TO RAISE US\$2.8 MILLION AND THE UNDERWRITING FACILITY NOT BEING MADE AVAILABLE

Shareholders should note the following risk factors related to the Open Offer and Placing failing to raise US\$2.8 million and the Underwriting Facility not being made available for any reason:

Conditionality of the Underwriting Facility

The availability of the Underwriting Facility pursuant to the Subscription Agreement is subject to the Conditions being waived or satisfied (as more fully described in paragraph 7.6 of Part V of this Circular).

Although, as at 14 September 2015, being the last practicable date prior to the date of this Circular, the Company is not aware of any reason why the Conditions should not be met in full should the Company need to call upon the Underwriting Facility following the Open Offer and Placing, there can be no assurance that the Underwriting Facility will be made available if any of the Conditions are not met. In the event that the Open Offer and Placing do not proceed to raise approximately US\$2.8 million before expenses, and the Underwriting Facility is not made available, in full or at all, the Company will be required to look for alternative sources of funding, which cannot be guaranteed to be available on the same terms or at all.

Impact on Group's financial resilience

If the Placing and the Open Offer do not proceed to raise all or part of the required US\$2.8 million before expenses and if the Underwriting Facility is not made available, the Group will have less financial flexibility particularly in the event of any significant deterioration in market conditions and will have to consider alternative funding options which may not be as favourable. In the event that the Placing and the Open Offer do not proceed to raise all or part of the required US\$2.8 million before expenses and if the Underwriting Facility is not made available, and no alternative sources of funds become available, the Company will likely be in financial distress, and will, in all likelihood, have to cease work on the Namib Project and continue on a care and maintenance basis. If such position continues indefinitely, the Company may have to consider liquidation.

RISKS ASSOCIATED WITH THE PLACING AND OPEN OFFER FAILING TO RAISE US\$2.8 MILLION AND THE UNDERWRITING FACILITY BEING MADE AVAILABLE

If the Open Offer and Placing do not proceed to raise all or part of the required US\$2.8 million, or the Greenstone Placing does complete, Shareholders should note the following risk factors:

Possible requirement for Greenstone to make a Mandatory Offer for the Company

Greenstone is not seeking a waiver from the Panel (and approval of such waiver from the independent Shareholders of the Company) of the requirement to make a Mandatory Offer on any increase to Greenstone's percentage shareholding of the then Issued Share Capital to 30 per cent. or more.

As such, if Greenstone increases its shareholding to 30 per cent. or more of the then Issued Share Capital, it will be required to make a Mandatory Offer for the Company at the highest price paid by Greenstone (or any party with whom it is acting in concert) for any interest in Ordinary Shares in the previous 12 month period.

Following the issue of the Tranche One Notes, Greenstone continues to own approximately 29.48 per cent. of the Issued Share Capital and will have the ability to increase its shareholding on any conversion of the Tranche One Notes. Pursuant to the terms of the Subscription Agreement and Convertible Loan Note Instrument, the Tranche One Notes will convert automatically into new Ordinary Shares (being the New Greenstone Shares) on completion of the Open Offer and Placing, but only so far as will not cause Greenstone's shareholding to exceed 29.99 per cent. of the then Issued Share Capital.

However, Greenstone may, at its discretion, convert all of the Tranche One Notes at the Conversion Price and trigger a Mandatory Offer for the Company at the highest price paid by Greenstone (or any party with whom it is acting in concert) for any interest in Ordinary Shares in the previous 12 month period.

Depending on the level of acceptances received under the Open Offer and the Excess Applications Facility, participation in the Placing and satisfaction or waiver of the Conditions, Greenstone may, pursuant to the Underwriting Facility, be required to subscribe for the Underwriting Loan Notes in addition to the Tranche One Notes (up to a total amount of US\$4.0 million). Further, the Company may be required to issue additional Convertible Loan Notes to settle unpaid interest, which could amount to up to approximately US\$1.2 million (ignoring any possible grossing up for withholding tax) of additional Convertible Loan Notes if no interest were paid (and more if they continue unpaid after the expected final repayment date).

If the Underwriting Facility is used, or further Convertible Loan Notes are issued in respect of unpaid interest, Greenstone may, at its discretion, convert the Tranche One Notes and the Underwriting Loan Notes and any such further Convertible Loan Notes and trigger a Mandatory Offer for the Company at the highest price paid by Greenstone (or any party with whom it is acting in concert) for any interest in Ordinary Shares in the previous 12 month period (although it should be noted that it would be for the Shareholders to decide at the relevant time whether to accept or reject such offer, depending on the offer price, the then prevailing price per Ordinary Share and other relevant circumstances at that time).

It should be noted that the Convertible Loan Notes are freely transferable, and so the above analysis may, also, depending on the relevant holding of interests in Ordinary Shares of any transferee to whom Greenstone transfers Convertible Loan Notes, apply to such transferee.

As at the date of this Circular, Greenstone has not indicated any intention to trigger a Mandatory Offer.

Influence of significant Shareholder and Relationship Agreement

As noted above Greenstone may have the ability to increase its shareholding on any conversion of the Tranche One Notes to 30 per cent. or more of the then Issued Share Capital.

As further noted above, if the Underwriting Facility is used, or further Convertible Loan Notes are issued in respect of unpaid interest, Greenstone will have the ability to further increase its shareholding, and any such conversion will likely cause Greenstone's holding to exceed 30 per cent. or more of the then Issued Share Capital.

If Greenstone were to convert the Convertible Loan Notes in full or in part, then, whether or not a Mandatory Offer is required and whether or not any such Mandatory Offer is accepted or rejected, Greenstone would be able to exercise significant influence over the Company and may, depending on its resulting shareholding, be able to control all matters requiring approval by Shareholders including the election of directors, sales of assets, share issues and amendments to the Articles.

Pursuant to the Relationship Agreement, which remains in force for such time that Greenstone (or any member of its group) retains a Significant Interest in the Company, certain restrictions are placed on Greenstone, including (but not limited to) a requirement for all agreements between the Company and Greenstone (or its group) to be concluded on an arm's length basis, an undertaking not to influence or seek to influence the running of the Company or any member of the Group at an operational level (without the consent of the Company's chief executive officer), an undertaking not to exercise voting rights to seek or procure any amendment to the Articles which would be inconsistent with the terms of the Relationship Agreement, and usual orderly market restrictions.

Greenstone also enjoys certain benefits and protections pursuant to the Relationship Agreement, including (but not limited to) the right to appoint a director to the Board whilst Greenstone (or any member of its group) holds a Significant Interest, the right for the Greenstone-nominated director to join certain committees of the Company, a right to participate in any issue of equity carried out by the Company so as to maintain Greenstone's percentage shareholding, and certain marketing rights in relation to the products produced by the Company's projects (including, without limitation, the Namib Project).

In relation to marketing rights under the Relationship Agreement, Greenstone will have the right, from 3 July 2017, being the third anniversary from the date of the Relationship Agreement, and for so long as it holds an interest in voting rights representing 15 per cent or more of the rights to vote at a general meeting of the Company, to nominate potential customers and be afforded the opportunity to negotiate and purchase on an arm's length basis and on terms no less favourable to the Company than those offered to third parties a proportion of the Company's mineral production, equal to its interest in such voting rights. Therefore, for so long as such right exists, any conversion of Convertible Loan Notes will increase such right.

Events of default under the Convertible Loan Note Instrument

Pursuant to the terms of the Convertible Loan Note Instrument, the Convertible Loan Notes shall become repayable in full at the election of holders of a majority of the Convertible Loan Notes, following applicable grace periods, on the occurrence of certain events triggering a default, as summarised in paragraph 7.17 of Part V of this Circular.

Potential dilution of current Shareholders

Shareholders who do not (or, due to regulatory restrictions, are not given the opportunity to) participate in the Open Offer to the full extent of their pro rata entitlement will experience significant dilution in their ownership and voting interests in the Company on any conversion of the Convertible Loan Notes by Greenstone. In such circumstances, such Shareholders' proportionate ownership and voting rights in the Company will be reduced and the percentage that their Ordinary Shares will represent of the then total Issued Share Capital will be reduced accordingly.

SECTION B: ECONOMIC RISK

There may be a number of associated risks over which the Group will have no, or limited, control. These may include contract renegotiation, contract cancellation, economic, social, or political instability or change, hyperinflation, currency non-convertibility or instability and changes of laws affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing and mineral export licensing and export duties as well as government control over domestic mineral pricing. While most of the Group's financial obligations are denominated in US\$, Namibian dollars or Pounds Sterling, foreign currency effects may arise from exchange rate movements.

SECTION C: RISKS RELATING TO THE COMPANY

Requirement for Additional Funding

The Proceeds of the Open Offer, the Placing and the Greenstone Placing are only anticipated to be sufficient to fund the Company's working capital needs for around 3 months from the date of completion of the Open Offer and the Placing (being the interim period to enable to development of the Namib Project through to the point at which a decision can be taken by the Board to commence construction of the Namib Project). Further funds will be required to develop the Namib Project and may include funds required for additional working capital as well as the Phase Two Fundraising. Failure to secure the Mining Licence and/or to obtain sufficient financing for the Namib Project and any future projects may result in a delay or indefinite postponement of exploration, development or production on the Group properties or even a loss of a property interest. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Nominal value of Ordinary Shares

The Ordinary Shares have a nominal value of 0.2 pence each. As a matter of English law, companies are not permitted to issue shares at below nominal value. Therefore, if at any time the Company wishes or needs to issue Ordinary Shares at a lower value to this current nominal value, the Company will need to propose resolutions to its Shareholders to re-organise its share capital as appropriate (and create a new class of deferred shares) to permit it to issue new ordinary shares at above nominal value. There can be no guarantee that such resolutions would, if proposed, achieve the required majority to enable them to be passed such as to enable the Company to issue shares at or above nominal value.

Ability to raise sufficient debt finance

The Company has been engaging with multiple parties in order to prepare for the inclusion of a debt package into the Namib Project's Phase Two Fundraising package at the point of a construction decision. While conversations with debt providers continue to progress, it is clear that the availability of debt for the sector is becoming tougher to obtain due to weak commodity prices, even for commodities with positive fundamentals such as zinc and lead. The Company is conscious that there is no guarantee that debt finance will be available at the relevant time, or at all, and, as such, it may become necessary for the Company to seek the finance for the Phase Two Fundraising from alternative sources.

Volatility of Mineral Prices

The activities of the Group and the viability of its projects will be subject to fluctuations in demand and prices for minerals generally. A significant reduction in global demand for the minerals to be sold by the Group, leading to a fall in prices, could lead to a delay in exploration and production or even abandonment of one or more of the Group's projects should they prove uneconomical to develop.

There is also uncertainty as to the possibility of increases in world production both from existing mines and as a result of mines currently closed being reopened in the future if price increases make such projects economic. Consequently, price forecasting can be difficult to predict or imprecise. Any future income from mineral sales may be subject to exchange rate fluctuations and become subject to exchange control or similar restrictions.

The availability of a ready market for the minerals expected to be produced by the Group depends upon numerous factors beyond its control. These factors (the list of which is not exhaustive) include: general economic activity, world metal market prices, action taken by other producing nations, the availability and pricing of other substitute minerals, the extent of governmental regulation and taxation. The aggregate effect of these factors on the Group's activities is difficult to predict.

Taxation Risk

Any change in the Group's tax status, the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the Group, the Company's ability to provide returns to Shareholders and/or post-tax returns to Shareholders. Statements in this Circular concerning the taxation of the Company's investors are based upon current tax law and practice, which is subject to change.

Exploration and Mining Licences

All of the licences currently held by the Group are exploration licences. Prior to the commencement of mining and processing activities, mining licences and all other permits and regulatory consents will need to be obtained.

Although the Company believes that such licences, permits and regulatory consents should be obtained for the commencement of mining and production activities, there can be no assurance regarding these matters.

The exploration licences currently held by the Group and any mining or prospecting licences acquired by the Group in the future will be subject to licence requirements, which include, inter alia, certain financial commitments which, if not fulfilled, could result in the suspension or ultimate forfeiture of the relevant licences.

The Group has applied for the Mining Licence in relation to the Namib Project. If such application is successful, this will provide mining rights in relation to the Namib Project under Namibian mining law for a period of up to 25 years. Failure by the Group to obtain the Mining Licence or other necessary mining licences or government consents for its other projects either at all or within anticipated timeframes or on acceptable terms, or revocation of existing licences could materially jeopardize the viability of the Group's projects.

In particular, the proposed Phase One Fundraising nominally assumes that the Mining Licence will be issued on or before 31 October 2015. Failure by the Group to obtain the Mining Licence by such time may adversely affect the Company's requirements for the Phase One Fundraising and/or Phase Two Fundraising and/or result in additional working capital being required.

Political and Other Potential Country Risks

The Group's operations are based in Namibia. As a result, there are important political and economic risks relating to Namibia which could affect an investment in the Company. Whilst the Namibian government has been stable for many years, the Company is subject to the political, economic and social factors affecting both Africa generally and Namibia in particular, including regional diplomatic developments and changes in laws, regulations and policies. Government actions, changes in government or ministry personnel or changes in political conditions (and the impact thereof on the domestic economy) in the future could have a significant effect on political or economic conditions in Namibia, which could adversely affect the Group's business and its financial results.

In addition, the Group may be adversely affected by changes in judicial, administrative, taxation or other regulatory factors in the United Kingdom or elsewhere.

Labour Risk

The Group needs to employ both skilled and unskilled labour force to undertake its exploration, evaluation and development programme. The labour risk identifies that a suitably skilled labour force may not be available. To mitigate the risk, the Group has undertaken to train employees in the skills required and will engage suitably skilled specialists as required.

Joint Ventures

Members of the Group hold interests in joint ventures. Joint ventures involve special risks associated with the possibility that the joint venture partners may: (i) have economic or business interests or targets that are inconsistent with those of the Group; (ii) take action contrary to the Group's policies or objectives with respect to their investments, for instance by veto of proposals in respect of joint venture operations; (iii) be unable or unwilling to fulfil their obligations under the joint venture or other agreements; or (iv) experience financial or other difficulties. Any of the foregoing may have a material adverse effect on the results of operations or financial condition of the Group. In addition, the termination of certain of these joint venture agreements, if not replaced on similar terms, could have a material adverse effect on the results of operations or financial condition of the Group.

Competition

A number of other mining companies operate mineral exploration and development assets in the regions in which the Company currently operates and may operate in the future, thereby providing competition to the Group. Larger companies, in particular, may have access to greater resources than the Group which may give them a competitive advantage.

Legal systems

Jurisdictions in which the Group operates or might operate in the future may have less developed legal systems than more established economies, which could result in risks such as:

- effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain;
- a higher degree of discretion on the part of governmental authorities;
- the lack of judicial or administrative guidance on interpreting applicable rules and regulations;
- inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- relative inexperience of the judiciary and courts in such matters.

In certain jurisdictions, the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the Group's licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

SECTION D: RESOURCE SECTOR RISKS

General Business Risk

The activities of the Group are subject to the usual commercial risks and factors such as competition. In addition economic conditions may generally affect the Group's ability to generate income or achieve its objectives.

Environmental Risk

The Group's operations are subject to existing and possible future environmental and health and safety legislation, regulations and actions which could impose significant costs and burdens on the Group (the extent of which cannot be predicted) both in terms of compliance and potential penalties, liabilities and remediation. Breach of any environmental obligations could result in penalties and civil liabilities and/or suspension of licences or operations, any of which could adversely affect the Group.

Resources Risk

The potential resources of the Group's projects have been independently reviewed and confirmed. However, the figures for potential resources are estimates and no assurance can be given that the anticipated tonnage and grades will be achieved. The exploration of mineral rights is speculative in nature and is frequently unsuccessful. Therefore, the Company may not define resources that can be economically exploited. The Directors are committed to complying with and reporting under the JORC Code and this reporting will be done by competent persons as defined by the JORC Code.

Exploration Risk

Whether or not income will result from the Group's projects depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and mineral prices affect successful project development, as does the design and construction of efficient

processing facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants.

Mineral exploration is speculative in nature, involves many risks and frequently is unsuccessful. There can be no assurance that any discovered mineralisation will result in an increase in the reserves or resources of the Group. If reserves are developed, it can take a number of years from the initial phases of drilling and identification of mineralisation until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish reserves through drilling, to determine processes to extract minerals and, in the cases of new properties, to construct mining and processing facilities. Even if the Group recovers commercial quantities of minerals, there is a risk that it will not achieve a commercial return. For example, the Group may not be able to transport the minerals to commercially viable markets at a reasonable cost or may not be able to sell the minerals to customers at a price and quantity which would cover its operating and other costs.

Exploration and evaluation may be hampered by mining, heritage and environmental legislation, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies. Adverse weather conditions over a prolonged period could also negatively affect exploration, mining and drilling operations and the timing of earning revenues.

As a result of these uncertainties, no assurance can be given that the exploration programmes undertaken by the Group will result in any new commercial mining operations being brought into operation.

Mining risk

The business of the development and exploitation of mineral deposits involves a high degree of risk. The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological, geotechnical and seismic factors, environmental hazards (including discharge of pollutants or hazardous chemicals), industrial and mechanical accidents, occupational and health hazards, unscheduled plant shutdowns or other processing problems, technical failures, labour disputes, unusual or unexpected rock formations, unanticipated ground or water conditions, flooding and extended interruptions due to inclement or hazardous weather conditions, explosions and other acts of god.

The occurrence of any of these hazards may delay or interrupt production, increase production costs and result in liability to the owner or operator of the mine. The Group may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities for which it was not responsible.

Development Projects

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, estimates of proven and probable reserves and cash operating costs are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of cash operating costs based upon anticipated recoveries to be mined and processed, the configuration of the mineral body, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns may differ from those currently estimated.

Production Estimates

Actual production may vary from estimates of future production for a variety of reasons. It is likely that actual production will vary from estimates of production for properties not yet in production.

SECTION E: GENERAL RISKS

Possible volatility of the price of ordinary shares

The market price of the Ordinary Shares may not reflect the underlying value of the Company's net assets and could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares (or securities similar to them) or in response to various factors and events, including any regulatory changes affecting the Group's operations, variations in the Group's operating results and business developments of the Group or its competitors. Stock markets have from time to time experienced significant price and volume fluctuations which have affected the market prices for securities which may be unrelated to the Group's operating performance or prospects. Furthermore the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Ordinary Shares. The trading prices of the Ordinary Shares may go down as well as up and Shareholders may, therefore, not recover their original investment costs.

Substantial sales of Ordinary Shares could cause the price of Ordinary Shares to decline

There can be no assurance that the Directors or other shareholders will not elect to sell their Ordinary Shares when they are legally entitled so to do. The market price of Ordinary Shares could decline as a result of any sales of such Ordinary Shares or as a result of the perception in the market which may occur as a result of such a sale. If these or any other sales were to occur, the Company may in the future have difficulty in offering or selling Ordinary Shares at a time or at a price it deems appropriate.

General Economic Conditions

Market conditions, particularly those affecting resource companies, may affect the ultimate value of the Company's share price regardless of operating performance. The Company could be affected by unforeseen events outside its control, including natural disasters, terrorist attacks and political unrest and/or Government legislation or policy. Market perception of resource companies may change which could impact on the value of investors' holdings and impact on the ability of the Company to raise further funds by an issue of further shares in the Company. General economic conditions may affect exchange rates, interest rates and inflation rates. Movements in these rates will have an impact on the Company's cost of raising and maintaining debt financing.

Insurance Risk

The Company has in place indemnity insurance to protect the Group's assets. The insurance obtained also indemnifies the insurable interests of the Group. However, the insurance coverage may prove inadequate to satisfy potential claims and losses.

Further, the Group may become subject to liabilities that cannot be insured against or against which it may elect not to be insured fully or at all because of high premium costs.

Litigation Risk

Legal proceedings may arise from time to time in the course of the Company's business. The Company cannot preclude the possibility that litigation may be brought against it or other companies in the Group.

Legal Risk

There is a possibility that new legislation or regulations in any relevant jurisdiction may be adopted in the future that may materially adversely affect the Group's operations or its cost structure. New legislation or regulations, or different or more stringent interpretation or enforcement of existing laws and regulations, may also require the Group or its suppliers or customers to change operations significantly or incur increased costs which could have a material adverse effect on the financial results of the Group.

Key Personnel and Management Risks

There can be no assurance that the Group's current personnel, systems, procedures and controls will be adequate to support the Group's operations. Any failure of management to manage effectively the Group's growth and development could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is dependent on retaining the services of a small number of key personnel of the appropriate calibre as the business develops. The success of the Group is, and will continue to be to a significant extent, dependent on the expertise and experience of the Directors and senior management.

Whilst the Group has entered into contractual arrangements with the aim of securing the services of the existing management team, the retention of their services cannot be guaranteed. Accordingly, the loss of one or more could have a material adverse effect on the Group.

Dividends

The dividend policy of the Company is dependent upon its financial condition, cash requirements, future prospects, profits available for distribution and other factors deemed to be relevant at the time and on the continued health of the markets in which it operates. As a matter of English law, the Company can pay dividends only to the extent that it has distributable reserves available which, as the Company is a group holding company is dependent on the Company's ability to receive funds for such purposes, directly or indirectly, from operating subsidiaries in a manner which creates distributable reserves for the Company. The Company's ability to pay dividends to shareholders is therefore a function of existing Group distributable reserves, future Group profitability, the ability to distribute or dividend profits from subsidiaries up the Group structure to the Company and other factors that the Directors deem significant from time to time, such as capital requirements and general economic conditions. There can be no guarantee that the Company will pay dividends in the foreseeable future.

Forward looking statements

This Circular contains "forward-looking statements" which includes all statements other than statements of historical fact including, without limitation those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "might", "anticipates", "would", "could" or similar expressions or negatives thereof. 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 or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this Circular. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law.

This list of risk factors should not be considered an exhaustive statement of all potential risk and uncertainties.

PART V

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names are set out in paragraph 6 below, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Information on the Group

- 2.1 The legal and commercial name of the Company is North River Resources Plc.
- 2.2 The Company was incorporated and registered in England and Wales on 13 July 2006 under the Companies Act 1985 as a public company limited by shares with registered number 5875525. The domicile of the Company is England and Wales.
- 2.3 The Company's registered office is at One America Square, Crosswall, London, EC3N 2SG. Its principal place of business is at c/o North River Resources Namibia (Pty) Limited, 84 Dr Frans Indongo Street, Windhoek, Namibia.
- 2.4 The principal legislation under which the Company operates and under which the New Ordinary Shares will be created is the Act and the Company is subject to the AIM Rules. The liability of the members of the Company is limited.
- 2.5 The Company is the ultimate parent company of the Group. All operating activities are conducted by companies which are members of the Group. The significant subsidiaries of the Company are listed in paragraph 2.6 below.
- 2.6 The following table shows the significant subsidiaries of the Company (being those subsidiaries that the Company considers are likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses).

<i>Company Name</i>	<i>Per cent. owned by the Company</i>	<i>Country of Incorporation</i>	<i>Principal activity</i>
NRR Energy Minerals Limited	100%	United Kingdom	Exploration and mining
NRR Mozambique Limited	100%	United Kingdom	Exploration and mining
West Africa Gold Exploration (Namibia) (Pty) Ltd	100%	Namibia	Exploration and mining
Namib Lead and Zinc Mining (Pty) Ltd	100%	Namibia	Exploration and mining
North River Resources Namibia (Pty) Ltd	100%	Namibia	Administration
North River Resources (Mavuzi) Limitada	100%	Mozambique	Inactive

3. Share Capital

- 3.1 The following table shows the issued share capital of the Company as at the date of this Circular and on completion of the Open Offer and the Placing (assuming full subscription for the Open Offer and Placing, and following the issue of the New Greenstone Shares):

		<i>Issued Ordinary Shares</i>	
	<i>£</i>	<i>Number</i>	<i>Nominal Value</i>
Date of this Circular	3,831,750.62	1,915,875,310	£0.002
Completion of Open Offer, the Placing and issue of the New Greenstone Shares	6,411,821.56	3,205,910,780	£0.002

- 3.2 Following the implementation of the Act, the Company does not have an authorised share capital.

3.3 The following resolutions relating to the share capital of the Company have been passed by the Company:

3.3.1 On 25 June 2015 (inter alia), the following ordinary resolution:

“THAT the directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (“the Act”), in substitution for all previous powers granted to them, to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company (“Rights”) up to an aggregate nominal amount of £6,000,000 such authority shall, unless previously revoked or varied by the Company in general meeting, expire on the conclusion of the Annual General Meeting of the Company to be held in 2016 provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the directors may allot shares or grant Rights pursuant to any such offer or agreement as if the authority conferred hereby had not expired.”

3.3.2 On 28 August 2015, the following special resolution:

“THAT the Directors, pursuant to Section 570 of the Companies Act 2006, be empowered to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash up to a total aggregate nominal amount of £6,000,000, pursuant to the authority conferred by an ordinary resolution (numbered resolution 7) approved at the Company’s Annual General Meeting held on 25 June 2015, as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment provided that this power shall be limited to the allotment of (words and expressions used below having the meaning given to them in the Company’s Circular to Shareholders dated 11 August 2015):

- (i) US\$4.0 million nominal amount of Convertible Loan Notes on, and subject to, the terms of the Subscription Agreement and Convertible Loan Note Instrument, and any further Convertible Loan Notes arising from settlement of unpaid interest by the issue of further Convertible Loan Notes in accordance with the Convertible Loan Note Instrument;*
- (ii) new ordinary shares in the capital of the Company on any conversion of the Convertible Loan Notes at the Conversion Price on, and subject to, the terms of the Convertible Loan Note Instrument;*
- (iii) new ordinary shares in the capital of the Company on, and subject to, the terms of the Open Offer where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their holdings of such ordinary shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with equity securities representing fractional entitlements and with legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in, any territory;*
- (iv) new ordinary shares in the capital of the Company on, and subject to, the terms of the Placing; and*
- (v) other than pursuant to (i) to (iv) above (inclusive), new ordinary shares in the capital of the Company to raise up to US\$2.0 million,*

and this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.”

- 3.4 Following the general meeting of the Company held on 28 August 2015, the Directors have sufficient authority to issue and allot the Open Offer Shares and the Placing Shares in full in accordance with the 2006 Act, free of statutory pre-emption rights.
- 3.5 Save as disclosed in paragraph 3.3.2 above, the provisions of section 561 of the Act, which, to the extent not dis-applied pursuant to section 570 of the Act, confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash (other than allotments to employees under employee share schemes), apply to the authorised but unissued share capital of the Company. The 2006 Act allows the disapplication of the statutory pre-emption rights, by a special resolution of Shareholders, either generally or specifically, for a maximum period not exceeding five years.
- 3.6 No securities of the Company are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 3.7 The Ordinary Shares are not redeemable.

4. Articles of Association

A copy of the Articles of Association can be located at the Company's website www.northriverresources.com. Hard copies of the Articles of Association can be obtained from the company secretary by telephoning 0207 264 4366.

5. Existing Directors & Further Information

- 5.1 The Directors and their respective functions are as follows:

Brett Richards (*Senior Independent Director & Interim Chairman*)

James Beams (*Chief Executive Officer*)

Keith Marshall (*Independent Non-Executive Director*)

Ken Sangster (*Independent Non-Executive Director*)

Mark Thompson (*Independent Non-Executive Director*)

Ding Chan (*Non-Executive Director*)

Mark Sawyer (*Non-Executive Director*)

- 5.2 As at the close of business on 14 September 2015, being the last practicable date prior to publication of this Circular, the interests of the Directors and their immediate families and the persons connected with them (within the meaning of sections 252 to 255 of the Act) in relevant securities (whether by interests, rights to subscribe or short positions) of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director are as follows:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Issued Share Capital as at the date of this Circular</i>
Brett Richards	22,619,047	1.18
James Beams	–	–
Keith Marshall	–	–
Ken Sangster	–	–
Mark Thompson	28,571,429	1.49
Ding Chan*	266,666,667	13.92
Mark Sawyer**	564,858,446	29.48

* Note: held indirectly through Kalahari Gold Limited and Kalahari Diamonds Limited, each of which is a wholly owned subsidiary of Extract Resources Limited, which in turn is owned by Taurus Minerals Limited (Ms Ding Chan is the appointee of Taurus Minerals Limited).

** Note: held indirectly through Greenstone. Mark Sawyer does not have any direct interest in the Ordinary Shares or any options over Ordinary Shares but is a founding partner of Greenstone. Greenstone also holds the Tranche One Notes, pursuant to the terms of the Greenstone Placing.

- 5.3 As at 14 September 2015, being the last practicable date prior to the publication of this Circular, the Directors held no options in the Company.
- 5.4 None of the Directors or any member of their respective families (as defined in the AIM Rules) has a related financial product (as defined in the AIM Rules) referenced to the Ordinary Shares.
- 5.5 Save as disclosed in this paragraph 6 of this Part V, none of the Directors nor any person connected with them, has any interest in the share capital of the Company or of any of its subsidiary or associated undertakings or any rights to subscribe for or to convert any security into Ordinary Shares.
- 5.6 Since 1 January 2015 (being the date of the commencement of the current financial year of the Company) no options over Ordinary Shares have been issued to any Directors or persons connected with them.

6. United Kingdom Taxation

The following information is intended only as a general guide to individuals and companies that are resident in the United Kingdom (UK) for UK tax purposes. Special rules apply to UK resident individuals who are not domiciled in the UK; those rules are not described in this summary. The summary is based upon existing tax legislation and current HM Revenue and Customs published practice, both of which are subject to change at any time, possibly with retrospective effect.

These statements do not apply to certain classes of shareholders, such as dealers in securities, or to shareholders who are not absolute beneficial owners of their Ordinary Shares.

The statements below do not constitute advice to any person.

Any person who is in any doubt as to their tax position should consult their professional adviser without delay.

6.1 *Tax residence of the Company*

The Company is incorporated and registered in England and Wales, and is treated as being resident in the United Kingdom for tax purposes.

6.2 *Dividends*

Under current UK tax legislation, no UK tax is withheld from dividends paid by the Company.

Eligible UK tax resident individual shareholders will be entitled to a tax credit in respect of any dividend received equal to one-ninth of the amount of the dividend. Liability to UK income tax is calculated on the sum of the dividend and the tax credit (the “gross dividend”). A UK resident individual shareholder who is liable to income tax at the basic rate will be subject to tax on the dividend at the rate of 10% of the gross dividend, so that the tax credit (if available) will satisfy in full such shareholder’s liability to income tax on the dividend.

UK tax resident individual shareholders who are subject to income tax at the higher rate and the additional rate will have to account for additional income tax. The special rate of income tax set for higher rate tax payers who receive dividends is 32.5 per cent. and for the additional rate taxpayers is 37.5 per cent. After taking account of the one-ninth tax credit (where available), higher rate tax payers would have to account for additional income tax of 25 per cent. on the actual amount of the cash dividend received, and additional rate taxpayers 30.6 per cent.

In determining what tax rates apply to a UK tax resident individual shareholder, dividend income is treated as the top slice of income.

A shareholder who is not liable to income tax on the dividend (or any part of it) is not able to claim repayment of the tax credit (or part of it) in cash from HMRC.

A UK resident corporate shareholder (including authorised unit trusts and open ended investment companies) and pension funds will generally not be liable to UK corporation tax on any dividend received and will not be entitled to payment in cash of a tax credit.

6.3 *UK taxation of chargeable gains*

The published practice of HMRC to date has been to treat an acquisition of shares by an existing shareholder up to its *pro rata* entitlement pursuant to the terms of an open offer as a reorganisation but it is understood that HMRC may not apply this practice in circumstances where an open offer is not made to all shareholders, as is the case with this offer.

To the extent that the acquisition of New Ordinary Shares under the Open Offer is regarded as a reorganisation, the New Ordinary Shares acquired by each Eligible Shareholder under the Open Offer and the Existing Ordinary Shares in respect of which they are issued will, for the purposes of UK taxation of chargeable gains, be treated as the same asset and as having been acquired at the same time. The amount paid for the New Ordinary Shares will be added to the base cost of the Existing Ordinary Shares when computing any gain or loss on any subsequent disposal.

If the acquisition of New Ordinary Shares by Eligible Shareholders up to their *pro rata* entitlement pursuant to the Open Offer is not regarded as a reorganisation, those New Ordinary Shares would, for the purposes of UK taxation of chargeable gains, be treated as acquired as part of a separate acquisition of Ordinary Shares.

New Ordinary Shares acquired by Eligible Shareholders in excess of their *pro rata* entitlement should in any event be treated as acquired as part of a separate acquisition of Ordinary Shares.

A disposal or deemed disposal of New Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may give rise to a capital gain (or allowable loss) for the purposes of UK capital gains tax (where the Shareholder is an individual) and UK corporation tax on chargeable gains (where the Shareholder is within the charge to UK corporation tax), depending on their circumstances and subject to any available exemption or relief.

6.4 *Inheritance tax*

For the purposes of UK Inheritance Tax and on the basis that the Company's share register is maintained in the UK, the New Ordinary shares will constitute property situated in the UK. Individuals and trustees, wherever resident, may be liable to inheritance tax in respect of shares gifted during the lifetime or on the death of an individual and on certain other occasions in relation to settled property. 100 per cent. business property relief may be available subject to satisfying the statutory conditions.

6.5 *Stamp duty*

No stamp duty should be payable on the issue by the Company of any Open Offer Shares.

7. **Material Contracts**

The following is a summary of each contract (not being a contract entered into in the ordinary basis of business): (i) to which any member of the Group is or has been a party within the two years immediately preceding the date of this Circular which are, or may be, material; or (ii) that has been entered into by any member of the Group which contains any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this Circular:

7.1 *Drill for Equity Agreement between (inter alia) the Company and Mr. Wilhelm Shali*

Pursuant to a memorandum of understanding signed on or around 29 January 2014 (the “**Drill for Equity Agreement**”):

- (a) Mr Shali agreed to subscribe for 29,166,667 Ordinary Shares at a price of 0.6 pence per Ordinary Share for a total consideration of £175,000 (“**Shali Shares**”);
- (b) the Company and North River Resources Namibia (Pty) Ltd (“**NRR Namibia**”) agreed that the Company would lend an amount equal to £175,000 to NRR Namibia by way of an interest free loan;
- (c) NRR Namibia and Shali Mining (Pty) Ltd (“**Shali Mining**”) agreed that NRR Namibia shall pay £175,000 to Shali Mining in respect of services rendered under a diamond drilling agreement entered into between NRR Namibia and Shali Mining dated 15/17 November 2013 (the “**Drilling Contract**”), pursuant to one or more invoices from Shali Mining to NRR Namibia;
- (d) the parties agreed that the value of the payment due for the Shali Shares would be deducted from the amount due under the Drilling Contract, and that all payments due for the Shali Shares and the amount specified under the Drilling Contract would be deemed to have been made on the date of the Drill for Equity Agreement.

Pursuant to the terms of the Drill for Equity Agreement, Mr Shali undertook that he would not, for a period of 3 months from the date of issue of the Shali Shares, transfer, sell, charge, grant options over or otherwise dispose of any interest in the Shali Shares, or enter into any agreement to do the same, without the prior written consent of the Company.

The Drill for Equity Agreement was amended by a deed of amendment dated on or around 9 October 2014 (the “**Deed of Amendment**”), pursuant to which the Company agreed to pay N\$3,243,065 to Shali Mining and Shali Mining agreed to pay an amount of £175,000 to the Company (the “**Shali Debt**”).

Pursuant to a letter signed on or around 12 December 2014 by Mr Shali and Shali Mining (the “**Instruction to Dispose of Shares**”), and in order to settle the Shali Debt (which remains outstanding and is immediately due and payable), Shali irrevocably instructed the Company to: (a) arrange the sale of the Shali Shares through the Company’s broker or otherwise (the “**Shali Share Sale**”); (b) retain, from the proceeds of the Shali Share Sale, an amount equal to the Shali Debt plus associated costs; and (c) thereafter, pay to Shali any remaining proceeds from the Shali Share Sale.

Shali agreed (inter alia) to indemnify the Company in the event that the proceeds from the Shali Share Sale were insufficient to satisfy the Shali Debt and Company’s costs associated with the Shali Share Sale, and granted an irrevocable power of attorney in favour of the Company for a period of 6 months in order to effect the Shali Share Sale.

The Shali Share Sale has not yet occurred, and the Shali Debt remains outstanding immediately due and payable.

Each of the Drill for Equity Agreement and the Deed of Amendment and the Instruction to Dispose of Shares is governed by the laws of England and each party irrevocably submits to the non-exclusive jurisdiction of the English courts.

7.2 *£200,000 Company Placing Letters*

On 21 March 2014 the Company entered into placing letters with a number of institutional investors, pursuant to which the Company raised a total amount of £200,000 through a placing of 30,769,232 Ordinary Shares at a price of £0.002 per Ordinary Share.

Pursuant to the terms of the placing letters, each respective investor gave certain representations, warranties and undertakings to the Company regarding (inter alia) its investor status and ability to participate in the relevant placing in compliance with all applicable securities laws.

Each placing letter is governed by English law, and the parties thereto irrevocably submit to the non-exclusive jurisdiction of the English courts.

7.3 *Greenstone Placing Letter*

On 30 June 2014 the Company entered into a placing letter with Greenstone (the “**Greenstone Placing Letter**”), pursuant to which Greenstone agreed to subscribe for 33,333,333 Ordinary Shares at a price of 0.6 pence per Ordinary Share for a total consideration of US\$340,320 (applying an exchange rate of £1: US\$1.7016)

Pursuant to the terms of the placing letter:

- (a) Greenstone gave certain representations, warranties and undertakings to the Company regarding (inter alia) its investor status and its ability to participate in the placing in compliance with all applicable securities laws; and
- (b) the Company gave certain representations and warranties to Greenstone regarding (inter alia) the capital structure of the Company, the Company’s wholly owned subsidiary Namib Lead and Zinc Mining (Pty) Ltd, the Namib Project and the financial position of the Company.

The liability of the Company under the placing letter is limited in a number of ways, including by a financial cap on the Company’s liability.

The placing letter is governed by English law, and the parties irrevocably submit to the non-exclusive jurisdiction of the English courts.

7.4 *Relationship Agreement between the Company and Greenstone*

On 3 July 2014 and, as part of the 2014 Investment Agreement, the Company entered into a relationship agreement with Greenstone (the “**Relationship Agreement**”) to govern the relationship between the parties for such time as Greenstone, any member of its group which is a wholly-owned or managed associate or any permitted transferee (which, for the avoidance of doubt, shall be required to enter into a relationship agreement in substantially the same form as the Relationship Agreement prior to completion of any such transfer) has a Significant Interest.

Pursuant to the Relationship Agreement, inter alia:

- (a) Greenstone has the right to appoint one director to the board of the Company and to certain operational board committees to. The Greenstone-appointed director will not receive director fees;
- (b) Greenstone has the right to maintain its percentage shareholding in the Company by participating in future equity issues;
- (c) Greenstone will have the right, from the third anniversary from the date of the Relationship Agreement, to nominate potential customers to be afforded the opportunity to negotiate and purchase, on an arms-length basis, a proportion of the Company’s mineral production, equal to its interest in the Company on terms no less favourable to the Company than those afforded to third parties; and
- (d) the Company has agreed that it shall not, for so long as Greenstone holds a Significant Interest, issue any equity securities in consideration for equity securities or assets or otherwise raise cash in order to fund the acquisition of another company or project without an ordinary resolution of the Company’s shareholders or, if required under law, a special resolution of shareholders to approve in each case the proposed acquisition. This obligation will not be owed by the Company to any permitted transferee which acquires a Significant Interest from Greenstone.

The Relationship Agreement contains other standard terms, including (but not limited to) orderly market and corporate governance provisions.

The terms of the Relationship Agreement have been amended, in part, by the Subscription Agreement, as summarised in paragraph 7.6(f) of Part V of this Circular.

The Relationship Agreement is governed by the laws of England and Wales, and each party irrevocably submits to the non-exclusive jurisdiction of the courts of England and Wales.

7.5 Appointment of RFC Ambrian as Broker

Pursuant to a letter of engagement dated 31 July 2015, the Company appointed RFC Ambrian Limited (“**RFC Ambrian**”) to act as its sole broker for a minimum period of 12 months on the following terms:

- (a) the Company agrees to pay to RFC Ambrian an annual retainer fee, together with any reasonable and properly incurred out of pocket expenses;
- (b) RFC Ambrian is also entitled to receive commission in relation to equity fund raising carried out by the Company (both with and without the involvement of RFC Ambrian);
- (c) the appointment may be terminated (after the minimum 12 month term) by either party giving the other party 90 days’ written notice. If the Company seeks to terminate the appointment before the end of the minimum term, the Company will be liable to pay to RFC Ambrian the entirety of the fees owing to RFC Ambrian pursuant to the letter of engagement for the remainder of the minimum term;
- (d) The appointment may also be terminated by either party on notice in certain circumstances including:
 - (i) in the case of RFC Ambrian, where there has been a material change in the business and/or financial condition of the Company, where the Company’s securities cease to be traded on AIM, the occurrence of an insolvency event in relation to the Company or on the occurrence of an un-remedied material breach of the agreement by the Company (including, any material failure to comply with the AIM Rules); and
 - (ii) in the case of the Company, where RFC Ambrian ceases to be a member firm of the LSE, the occurrence of an insolvency event in relation to RFC Ambrian or on the occurrence of an un-remedied material breach by RFC Ambrian of its obligations under the agreement;
- (e) the Company irrevocably agrees to indemnify and hold harmless and keep indemnified RFC Ambrian, each member of its group, and its, and their, directors, officers, employees and agents, from, inter alia, all losses, claims, proceedings or judgments which may be incurred by any such person directly or indirectly as a result of the appointment and the services provided as set out in the letter of engagement (save where the same results from the fraudulent act or the wilful default, recklessness or negligence of such indemnified person); and
- (f) the agreement is governed by English law and the parties irrevocably submit to the non-exclusive jurisdiction of the English courts.

7.6 Subscription Agreement

Pursuant to the Subscription Agreement, dated 10 August 2015:

- (a) Greenstone has agreed, subject to satisfaction or waiver of the Conditions (which are summarised in paragraph 7.6(b) of this Part V of this Circular below):
 - (i) to subscribe for the Tranche One Notes at par within 12 Business Days after the tranche one completion date (being approximately 14 Business Days); and

- (ii) to subscribe, at par, for up to US\$2.8 million of Convertible Loan Notes (the “**Underwriting Loan Notes**”), with the actual number of Underwriting Loan Notes to be subscribed being the number of Underwriting Loan Notes by which the Phase One Fundraising amount (being US\$4.0 million) exceeds the aggregate of: (i) the Tranche One Notes; and (ii) the gross proceeds of the Open Offer and the Placing (excluding, for the avoidance of doubt, any conversion of the Tranche One Notes) on the Business Day following the date on which the Company announces the results of the Open Offer and Placing (with payment due within approximately 12 Business Days thereafter).
- (b) Greenstone’s obligations under the Subscription Agreement remain subject to the satisfaction or waiver of the following conditions (which apply equally to the issue of the Tranche One Notes and any Underwriting Loan Notes):
 - (i) no material change having occurred prior to the date of the relevant subscription as to the business, assets, capital structure or prospects of the Company, in the reasonable opinion of Greenstone; and
 - (ii) nothing having occurred or failed to occur which amounts to an event of default pursuant to the terms of the Convertible Loan Note Instrument (as summarised in paragraph 7.7(g) of this Part V of this Circular below, or would do so if at the time of the occurrence or failure in question the Convertible Loan Note Instrument had been executed (conditions (i) and (ii) together being the “**Conditions**”).
- (c) Greenstone has the sole right to determine whether the Conditions have been satisfied or have become incapable of satisfaction.
- (d) Following completion of the Open Offer and the Placing, and subject to the continued satisfaction of the Conditions, Greenstone shall be required to convert (and the Company and Greenstone will agree the extent to which Greenstone shall be required to convert) the Tranche One Notes into Ordinary Shares in accordance with the terms of the Convertible Loan Note Instrument to the extent that Greenstone would, following such conversion, be interested in exactly (and no more than) 29.99 per cent. of the then Issued Share Capital. Greenstone has undertaken with the Company that, on such agreement being reached, Greenstone will promptly exercise its conversion rights attaching to the Tranche One Notes to that, and only to that, extent. In the event of any dispute between the Company and Greenstone as to the extent to which the Tranche One Notes shall be converted, such dispute will be decided by the Company’s auditors (the “**Conversion Requirement**”).
- (e) The Company undertakes to Greenstone that:
 - (i) it will not knowingly do, or omit to do, anything which would result in the occurrence of an event of default under the Convertible Loan Note Instrument (as summarised in this Part II of this Circular, below);
 - (ii) it will use all reasonable endeavours to progress: (A) the work programme agreed between the Company and Greenstone (the “**Work Programme**”) in accordance with the timescales contained therein; and (ii) the Recruitment Process so as to conclude the same to the reasonable satisfaction of Greenstone by 30 October 2015; and
 - (iii) it will not use the funds invested by Greenstone pursuant to the Greenstone Placing or received by the Company under the Open Offer and the Placing for any purposes other than the purposes set out in the Work Programme without Greenstone’s prior written consent.
- (f) The Relationship Agreement was, with effect from the time the Tranche One Notes were issued, amended such that the existing restrictions on acquisitions by Greenstone and its group contained therein (which apply for such time as Greenstone holds a Significant Interest) were deleted and replaced with the following restrictions, which shall apply for such time as Greenstone holds a Significant Interest):

- (i) Greenstone agrees that it shall not acquire any interest in Ordinary Shares at any time prior to conversion, repayment or redemption in full of the Convertible Loan Notes except:
 - (A) pursuant to the terms of the Subscription Agreement and the Convertible Loan Note Instrument;
 - (B) on any conversion of Convertible Loan Notes (in full or in part) by Greenstone in accordance with the terms of the Convertible Loan Note Instrument;
 - (C) pursuant to any acquisition by Greenstone of Ordinary Shares from other shareholders of the Company as a result of any Mandatory Offer required to be made, and duly made, by Greenstone in accordance with Rule 9 of the Code following any conversion of Convertible Loan Notes (in full or in part) by Greenstone in accordance with the terms of the Convertible Loan Note Instrument;
 - (D) pursuant to any exercise by Greenstone of its rights under the Relationship Agreement to participate pro-rata in any future issue of Ordinary Shares carried out by the Company; or
 - (E) pursuant to a voluntary offer by Greenstone made in accordance with the Code or the obtaining of undertakings from other shareholders to accept such an offer if made, or pursuant to market purchases of Ordinary Shares (where permitted by the Code) following the announcement by Greenstone of a firm intention to make such a voluntary offer for the Company;
- (ii) Greenstone further agrees not to acquire Ordinary Shares at any time after the conversion, repayment or redemption in full of the Convertible Loan Notes if such acquisition would increase its aggregate shareholding by more than one (1) per cent. of the then total Issued Share Capital without giving the Company prior written notice (so that the Company can make the necessary disclosures regarding shareholders' shareholdings required by law) except in the circumstances set out in paragraph (f)(i)(C) to (f)(i)(E) above.

The restrictions set out in (i) above will cease to apply: (A) following conversion, repayment or redemption in full of the Convertible Loan Notes; and (B) in the event that Greenstone has, in compliance with (i) or (ii) above, acquired a majority of the Ordinary Shares in issue.

The Company and Greenstone have agreed that, in the event that the Company issues Ordinary Shares to a third party which, following such issue, represents 15 per cent. or more of the then Issued Share Capital, the Company will disclose to Greenstone the precise terms of any restrictions accepted by such third party on the acquisition of additional Ordinary Shares, and Greenstone may elect that such provisions applying to the third party apply equally to Greenstone, rather than the restrictions set out in (i) and (ii) above.

- (g) The Company and Greenstone give certain warranties to each other regarding due incorporation and capacity. The Company gives additional warranties to Greenstone (including, but not limited to, warranties regarding the assets, business and financial position of the Company). The Company's liability under such additional warranties is limited.
- (h) Greenstone is entitled to deduct its professional and other costs, charges and expenses relating to the negotiation, execution and implementation of the Subscription Agreement and Convertible Loan Note Instrument from any amounts payable by Greenstone under the Subscription Agreement, subject to providing reasonable evidence of such costs, charges and expenses.

- (i) The Company further agrees that Greenstone may deduct from the Tranche One Notes amount (being US\$1.2 million) (on payment thereof in accordance with the terms of the Subscription Agreement) the sum of US\$200,000 (being 5 per cent. of the total amount of Greenstone's commitment of US\$4 million pursuant to the Greenstone Placing) in consideration for the obligations of Greenstone under the Subscription Agreement.

The Subscription Agreement is governed by English law, and the parties have irrevocably submitted to the non-exclusive jurisdiction of the courts of England and Wales.

7.7 *Convertible Loan Note Instrument*

The Convertible Loan Note Instrument, dated 28 August 2015, constitutes up to US\$4.0 million of Convertible Loan Notes, plus further Convertible Loan Notes in respect of unpaid interest as noted in paragraph (e) below.

- (a) The Convertible Loan Notes shall be convertible at a price equal to the lower of Issue Price converted into US\$ applying the FT Exchange Rate and US\$0.0046413 (the "**Conversion Price**"). Save for the Conversion Requirement, the Company is not entitled to require conversion of the Convertible Loan Notes to any extent.
- (b) The Ordinary Shares to be issued on any conversion of the Convertible Loan Note Instrument will rank pari passu with the fully paid Ordinary Shares of the Company on issue at the date of allotment of such new Ordinary Shares.
- (c) The Convertible Loan Notes will be issued, pursuant to the terms of the Subscription Agreement, in denominations and integral multiples of US\$1.00 in nominal amount (or such other multiples as the Company may permit).
- (d) The Convertible Loan Notes shall not be listed on AIM or any other recognised investment exchange, whether in the United Kingdom or elsewhere, however if the Convertible Loan Notes are not fully converted pursuant to the Conversion Requirement in accordance with the terms of the Subscription Agreement by 30 October 2015, the noteholders shall, at the request of the Company, cooperate with the Company to achieve a listing of the Convertible Loan Notes on the Channel Islands Stock Exchange.
- (e) The Convertible Loan Notes shall bear interest at a compound rate of 10 per cent. per annum, which shall be payable quarterly in arrears. In the event that the Company fails to pay any amount of interest when due, the noteholder may call for the Company to issue to it further Convertible Loan Notes at par in satisfaction of such liability in whole or in part by notice in writing to the Company within 40 Business Days after the relevant interest payment date. If the Company fails to pay any amount of interest or principal on any Convertible Loan Note when such amount is due then, unless and save to the extent any amount of interest is satisfied by the issue of further Convertible Loan Notes, interest at the standard 10 per cent. per annum rate, plus 2 per cent. per annum shall accrue on the unpaid amount from the due date until the date of payment.
- (f) The Convertible Loan Notes are repayable on the third anniversary of the date of issue of the Tranche One Notes (or, if such date is not a Business Day, the last Business Day prior to such date). On maturity, the Company will pay to the noteholder the full principal amount of the Convertible Loan Notes to be repaid (less any amounts converted, repaid or redeemed) together with any accrued interest on such Convertible Loan Notes (less any tax which the Company is required by law to deduct or withhold from such payment but subject to any grossing up required pursuant to the terms of the Convertible Loan Note Instrument) up to and including the date of payment. Save with noteholder consent, the Company does not have the right to repay the Convertible Loan Notes early.

- (g) The Convertible Loan Notes are subject to certain events of default, the most salient details of which are summarised below (each being an event of default):
- (i) the Company fails to pay any principal or interest on any of the Convertible Loan Notes within 10 Business Days after the due date for payment thereof (and such failure continues for 10 Business Days after demand for payment of such sum and is not satisfied by the issue of further Convertible Loan Notes);
 - (ii) the Company fails duly to perform or comply with any of its obligations under the Convertible Loan Note Instrument (other than an obligation to pay principal or interest in respect of the Convertible Loan Notes) and such failure continues for 15 Business Days a request for remedy of such breach;
 - (iii) any indebtedness of the Company or any member of the Group to any third party not being a noteholder is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Company or any member of the Group becomes entitled to declare any such indebtedness due and payable prior to its specified maturity and the same is not remedied within 10 Business Days after its occurrence and such failure continues for 10 Business Days after a request for payment by the noteholder or noteholders;
 - (iv) the occurrence of certain insolvency events which are not cured within appropriate grace periods;
 - (v) any encumbrance on or over the assets of the Company or any member of the Group (other than liens arising in the ordinary course of business) becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that encumbrance;
 - (vi) the Company or any material member of the Group ceases to carry on the business it carries on at the date of the Convertible Loan Note Instrument;
 - (vii) any licence relating to the Namib Project is terminated for whatever reason or any act or event occurs which in the reasonable opinion of the noteholder or a majority of noteholders, may entitle the Government of Namibia to terminate such licence, in each case other than as a result of the grant of the Mining Licence;
 - (viii) the Company declares or pays any dividends or return of capital in respect of its issued share capital or any part thereof;
 - (ix) it is or becomes or will become unlawful for the Company to perform or comply with any of its material obligations under the Convertible Loan Note Instrument, or any such obligation is not or ceases to be legal, valid and binding and, if capable of remedy, such unlawfulness continues for 10 Business Days after written notice requiring remedy;
 - (x) the Recruitment Process has not concluded to the reasonable satisfaction of noteholders holding a majority of notes, by 30 October 2015;
 - (xi) the net proceeds of the Greenstone Placing, Open Offer and the Placing being applied to any material extent without the prior written consent of noteholders holding a majority of notes, for purposes other than those set out in the Work Programme;
 - (xii) the Company (without the prior written consent of noteholders holding a majority of notes) failing to use such net proceeds to further the Work Programme substantially in accordance with the timescales contained therein and such failure continues after written notice has been given by a noteholders holding a majority of notes to the Company requiring the Company to remedy such failure; and

- (xiii) the application for the Mining Licence made in April 2014 is rejected or the Mining Licence is issued subject to conditions which in the reasonable opinion of a noteholders holding a majority of notes are unacceptable or, the Mining Licence having been issued, the Mining Licence is terminated for whatever reason or any act or event occurs which in the reasonable opinion of noteholders holding a majority of notes may entitle the Government of Namibia to terminate the Mining Licence.
- (xiv) At any time after an event of default has occurred, noteholders, holding a majority of the notes may, by notice to the Company, declare that all outstanding Convertible Loan Notes, accrued interest and all other amounts accrued or outstanding the Convertible Loan Note Instrument shall be immediately due and payable.
- (h) The Convertible Loan Notes are unsecured.
- (i) The Convertible Loan Note Instrument contains certain standard provisions, dealing with (inter alia) automatic conversion on a change of control (save where the same would trigger a Mandatory Offer), adjustment in the event of any variation of the share capital of the Company by way of capitalisation, rights issue, consolidation, subdivision or reduction of capital, the procedure for conversion of the Convertible Loan Notes, the giving of notices and the procedure for noteholder meetings.
- (j) The Convertible Loan Note Instrument is governed by English law, and the parties have irrevocably submitted to the exclusive jurisdiction of the courts of England and Wales.

7.9 ***Placing Agreement***

The principal terms of the Placing Agreement are summarised in Part III of this Circular.

8. General

- 8.1 The total expenses of, or incidental to, the Greenstone Placing, the Open Offer and the Placing which are payable by the Company are estimated to amount to approximately £360,000. The net proceeds of the Open Offer and the Placing are expected to be approximately £2,220,400 (assuming either the maximum number of new Ordinary Shares are allotted pursuant to the Open Offer and Placing or the Underwriting Facility is used in full).
- 8.2 The Company's auditors are UHY Hacker Young LLP whose principal place of business is at Quadrant House, 4 Thomas More Square, London E1W 1YW. UHY Hacker Young LLP are chartered accountants and registered auditors.
- 8.3 The Company's registrars are Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
- 8.4 The New Ordinary Shares have not been marketed, nor are they available, in whole or in part, to the public in connection with the application for admission to trading on AIM, save under the terms of the Open Offer. Application for trading for the New Ordinary Shares is not being and will not be sought on another stock exchange other than AIM.
- 8.5 The Existing Ordinary Shares are in registered form but, are capable of being held in uncertificated form (when admitted to trading on AIM). The New Ordinary Shares will, when issued, be in registered form and will be capable of being held in certificated and uncertificated form. Title to the certificated New Ordinary Shares will be evidenced by entry in the register of members of the Company and title to uncertificated New Ordinary Shares will be evidenced by entry in the operator register maintained by Euroclear UK & Ireland (which forms part of the register of members of the Company). No share certificates will be issued in respect of the New Ordinary Shares in uncertificated form. If any such shares are converted to be held in certificated form, share certificates will be issued in respect of those shares in accordance with applicable legislation.

- 8.6 Following Admission, share certificates representing the New Ordinary Shares are expected to be despatched by post to investors who do not wish to receive shares in uncertificated form, at the relevant investors' sole risk. It is expected that certificates in respect of the New Ordinary Shares will be despatched by 19 October 2015. No temporary documents of title will be issued in connection with the Open Offer. Pending the despatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.
- 8.7 The CREST accounts of investors who have duly elected to receive their Open Offer Shares in uncertificated form are expected to be credited to the designated CREST account on 7 October 2015.
- 8.8 The ISIN of the New Ordinary Shares will be GB00B3XGRQ09.
- 8.9 Share prices and premiums have been derived from the London Stock Exchange and represent the closing mid-market prices on the relevant date.
- 8.10 US\$ figures have been converted from £ at the FT Exchange Rate.

9. Availability of this Circular

This Circular will be made available on the Company's website www.northriverresources.com free of charge.

Dated: 15 September 2015

