

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000.

This document comprises a Prospectus relating to Chesterfield Resources plc prepared in accordance with the Prospectus Rules. This document has been approved by the FCA and has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Rules. Application has been made to the UK Listing Authority and the London Stock Exchange for all of the ordinary share capital of the Company, issued and to be issued pursuant to the Placing, to be admitted to the Official List (by way of a Standard Listing) under Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence on 29 August 2017. Dealings on the London Stock Exchange before Admission will only be settled if Admission takes place. All dealings in Ordinary Shares prior to the commencement of unconditional dealings will be at the sole risk of the parties concerned.

The Company and each of the Directors, whose names appear on page 28 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors (who have each taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE COMPANY, AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" ON PAGES 12 TO 21 OF THIS DOCUMENT.



CHESTERFIELD RESOURCES PLC

(Incorporated and registered in England and Wales with number 10545738)

Placing of 26,000,000 new ordinary shares of 0.1p each at 5p per share and admission of the Ordinary Shares to the Standard Listed segment of the Official List and to trading on the London Stock Exchange's Main Market

*ORDINARY SHARE CAPITAL IMMEDIATELY FOLLOWING THE PLACING AND ADMISSION
Issued and fully paid Ordinary Shares*

Nominal Value	Number
£28,600	28,600,000

The Ordinary Shares have not been, nor will they be, registered under the US Securities Act or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Canada, Australia, the Republic of South Africa or Japan. Subject to certain exceptions, the Ordinary Shares may not, directly or indirectly, be offered, sold, taken up or delivered in, into or from the United States, Canada, Australia, the Republic of South Africa or Japan or to or for the account or benefit of any national, resident or citizen of the United States, or any person resident in Canada, Australia, the Republic of South Africa or Japan. This document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The distribution of this document in other jurisdictions may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves of and observe any restrictions. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the US Securities Act. There will be no public offer in the United States. The Company has not been and will not be registered under the US Investment Company Act pursuant to the exemption provided by Section 3(c)(7) thereof and Shareholders will not be entitled to the benefits of that Act. The Ordinary Shares are being offered outside the United States in offshore transactions within the meaning of and in accordance with the safe harbour from the registration requirements provided by Regulation S under the US Securities Act. The Ordinary Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing commissions or authorities passed comment upon or endorsed the merit of the offer of the Ordinary Shares or the accuracy or the adequacy of this document. Any representation to the contrary is a criminal offence in the United States. The distribution of this document in or into other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document is not, and under no circumstances is to be construed as, a prospectus within the meaning of Canadian securities laws, an advertisement or a public offering of the securities described herein in Canada. No prospectus has been filed with any securities commission or similar authority in Canada in connection with the offering of the Placing Shares. In addition, no securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the Placing Shares and any representation to the contrary is an offence. In Canada, the offering of the Placing Shares is being made on a private placement basis to "accredited investors" (as such term is defined under applicable Canadian securities laws) in the Canadian provinces of British Columbia and Ontario only and not in, or to the residents of, any other province or territory of Canada. Each Canadian investor that purchases Placing Shares will be deemed to have made certain representations, warranties, acknowledgements and agreements (see the section entitled "*Notices to Prospective Placees*" in Part VIII of this document).

APPLICATION HAS BEEN MADE FOR THE ORDINARY SHARES, ISSUED AND TO BE ISSUED PURSUANT TO THE PLACING, TO BE ADMITTED TO STANDARD LISTING. A STANDARD LISTING WILL AFFORD SHAREHOLDERS A LOWER LEVEL OF REGULATORY PROTECTION THAN THAT AFFORDED TO INVESTORS IN COMPANIES WITH PREMIUM LISTINGS, WHICH ARE SUBJECT TO ADDITIONAL OBLIGATIONS UNDER THE LISTING RULES. IT SHOULD BE NOTED THAT THE UK LISTING AUTHORITY WILL NOT HAVE THE AUTHORITY TO (AND WILL NOT) MONITOR THE COMPANY'S COMPLIANCE WITH ANY OF THE LISTING RULES WHICH THE COMPANY HAS INDICATED HEREIN THAT IT INTENDS TO COMPLY WITH ON A VOLUNTARY BASIS, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY SO TO COMPLY.

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SUMMARY

Section A - Introduction and warnings		
A.1	Introduction and warning	<p>THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THIS DOCUMENT. ANY DECISION TO INVEST IN THE ORDINARY SHARES SHOULD BE BASED ON CONSIDERATION OF THIS DOCUMENT AS A WHOLE.</p> <p>Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this document before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary, including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this document, or if this summary does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the Ordinary Shares.</p>
A.2	Consent and financial intermediaries	Not applicable. The Company has not and will not give its consent to the use of this document for subsequent resale or final placement of securities by financial intermediaries.

Section B – Issuer		
B.1	Legal and commercial name	The legal and commercial name of the issuer is Chesterfield Resources plc.
B.2	Domicile, legal form, legislation and country of incorporation	<p>The Company was incorporated and registered in England and Wales on 4 January 2017 with registered number 10545738 as a private limited company under the Companies Act with the name Chesterfield Resources Limited. On 8 May 2017, the Company was re-registered as a public limited company under the Companies Act and accordingly changed its name to Chesterfield Resources plc.</p> <p>The principal legislation under which the Company operates and under which the Ordinary Shares have been created is the Companies Act.</p> <p>The Company is domiciled in the United Kingdom.</p>
B.3	Current operations / principal activities and markets	Chesterfield Resources is a newly established company formed for the purpose of acquiring a company, business or asset that has operations in the mining sector that it will then look to develop and expand. The Company will focus primarily on opportunities in the Exchange Traded Non-Ferrous Metals mining segment within the European geographic region.
B.4a	A description of the most significant recent trends in the Company and its industry	<p>The Company is a special purpose acquisition company and has no operations or principal activities.</p> <p>Whilst the Company has not yet identified a target, the Directors believe that a number of opportunities exist in the Company's target sector, the mining sector, for the Acquisition.</p> <p>A combination of underinvestment in the exploration and mining sector and a rise in global growth, principally from China, caused commodity prices to rise from 2002, reaching a peak in 2011.</p> <p>Following almost a decade of growth, from 2011 mining companies were faced with declining commodity prices and were forced to find ways to reduce costs. Over the next five years the sector witnessed a substantial downturn characterised by the following:</p> <ul style="list-style-type: none"> • significant decline in exploration spending by most companies across most commodities; • reductions in workforce such that geologists, mining engineers and other technical individuals were looking for work; • mining service companies reduced the price of contract mining, exploration drilling and other related services; • large and mid-tier mining companies divested assets as they continued to downsize operations to manage cashflow; • smaller mining and exploration companies were put on care and maintenance, delisted or were sold; and

		<ul style="list-style-type: none">investors moved away from deploying capital in the sector, leading to significant underinvestment. <p>Since 2016, commodity prices have been robust and investment capital is returning to the sector, a trend the Directors expect to continue.</p> <p>On a macroeconomic level, in 2016 China experienced GDP growth of 6.6 per cent. and India, which is viewed as a rising economy that will require a significant amount of resources as its GDP and economy continues to expand, saw 2016 GDP growth of 7.6 per cent. In addition, the United States is expected to embark on an investment programme that could materially increase infrastructure spending.</p>																																																															
B.5	Group structure	The Company is not part of a group and has no subsidiary undertakings.																																																															
B.6	Notifiable interests, different voting rights and controlling interests	<p>The Company is aware of the following persons who are interested and who, immediately following Admission, are expected to be interested, directly or indirectly, in three per cent. or more of the issued ordinary share capital of the Company.</p> <table><thead><tr><th><i>Name</i></th><th><i>As at the date of this document</i></th><th></th></tr><tr><th></th><th><i>Number of Ordinary Shares</i></th><th><i>Percentage of Existing Ordinary Shares</i></th></tr></thead><tbody><tr><td>Peter Damouni</td><td>400,000</td><td>15.38</td></tr><tr><td>Mark Stephenson</td><td>375,000</td><td>14.42</td></tr><tr><td>Glenn Olrick</td><td>375,000</td><td>14.42</td></tr><tr><td>John Kutzschan</td><td>375,000</td><td>14.42</td></tr><tr><td>Michael Johnson</td><td>375,000</td><td>14.42</td></tr><tr><td>David Cliff</td><td>350,000</td><td>13.46</td></tr><tr><td>Derek Crowhurst</td><td>250,000</td><td>9.62</td></tr><tr><td>Christopher Hall</td><td>100,000</td><td>3.85</td></tr></tbody></table> <table><thead><tr><th><i>Name</i></th><th><i>Immediately following Admission</i></th><th></th></tr><tr><th></th><th><i>Number of Ordinary Shares</i></th><th><i>Percentage of Enlarged Ordinary Share Capital</i></th></tr></thead><tbody><tr><td>Claudio Ciavarella</td><td>2,400,000</td><td>8.39</td></tr><tr><td>Leo Berezan</td><td>2,080,000</td><td>7.27</td></tr><tr><td>Glenn Olrick</td><td>1,475,000</td><td>5.16</td></tr><tr><td>Michael Johnson</td><td>1,375,000</td><td>4.81</td></tr><tr><td>Peter Damouni</td><td>1,200,000</td><td>4.20</td></tr><tr><td>Stephen Catterson</td><td>1,000,000</td><td>3.50</td></tr><tr><td>Helen Johnson</td><td>1,000,000</td><td>3.50</td></tr><tr><td>David Williams</td><td>1,000,000</td><td>3.50</td></tr><tr><td>John Kutzschan</td><td>947,000</td><td>3.31</td></tr></tbody></table> <p>The voting rights of all shareholders are the same in respect of each Ordinary Share held.</p> <p>The Company has no controlling parties.</p>	<i>Name</i>	<i>As at the date of this document</i>			<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	Peter Damouni	400,000	15.38	Mark Stephenson	375,000	14.42	Glenn Olrick	375,000	14.42	John Kutzschan	375,000	14.42	Michael Johnson	375,000	14.42	David Cliff	350,000	13.46	Derek Crowhurst	250,000	9.62	Christopher Hall	100,000	3.85	<i>Name</i>	<i>Immediately following Admission</i>			<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Ordinary Share Capital</i>	Claudio Ciavarella	2,400,000	8.39	Leo Berezan	2,080,000	7.27	Glenn Olrick	1,475,000	5.16	Michael Johnson	1,375,000	4.81	Peter Damouni	1,200,000	4.20	Stephen Catterson	1,000,000	3.50	Helen Johnson	1,000,000	3.50	David Williams	1,000,000	3.50	John Kutzschan	947,000	3.31
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B.7	Historical financial information	<p>The following selected financial information has been extracted from the historical financial information of the Company for the period from incorporation on 4 January 2017 to 30 April 2017.</p> <table><thead><tr><th><i>Statement of financial position as at 30 April 2017</i></th><th><i>£</i></th></tr></thead><tbody><tr><td>Current assets: Cash at bank and in hand</td><td>100,610</td></tr><tr><td>Current liabilities: Trade and other payables</td><td>(10)</td></tr><tr><td>Net current assets</td><td>100,600</td></tr><tr><td>Net assets</td><td>100,600</td></tr><tr><td>Share capital</td><td>100,600</td></tr><tr><td>Equity attributable to the owners of the Company</td><td>100,600</td></tr></tbody></table>	<i>Statement of financial position as at 30 April 2017</i>	<i>£</i>	Current assets: Cash at bank and in hand	100,610	Current liabilities: Trade and other payables	(10)	Net current assets	100,600	Net assets	100,600	Share capital	100,600	Equity attributable to the owners of the Company	100,600																																																	
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B.8	Pro forma financial information	<p>The following unaudited pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results.</p> <table><tr><td></td><td><i>As at 30 April 2017</i></td><td><i>Adjustments</i></td><td><i>Pro forma as at 30 April 2017</i></td></tr><tr><td></td><td>£</td><td>£</td><td>£</td></tr><tr><td>Current assets</td><td>100,610</td><td>1,300,000</td><td>1,400,610</td></tr><tr><td>Trade and other payables</td><td>(10)</td><td>(150,000)</td><td>(150,010)</td></tr><tr><td>Net current assets</td><td>100,600</td><td>1,150,000</td><td>1,250,600</td></tr><tr><td>Non-current liabilities</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Net assets</td><td>100,600</td><td>1,150,000</td><td>1,250,600</td></tr></table>		<i>As at 30 April 2017</i>	<i>Adjustments</i>	<i>Pro forma as at 30 April 2017</i>		£	£	£	Current assets	100,610	1,300,000	1,400,610	Trade and other payables	(10)	(150,000)	(150,010)	Net current assets	100,600	1,150,000	1,250,600	Non-current liabilities	-	-	-	Net assets	100,600	1,150,000	1,250,600
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B.9	Profit forecasts	No profit forecast or estimate is included in this document.																												
B.10	Qualifications in the audit report	No audit reports have been refused by the auditors of the Company and no audit reports contain qualifications or disclaimers.																												
B.11	Working capital	As at the date of this document, the Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements (that is, for at least the next twelve months from the date of this document).																												

Section C – Securities																	
C.1	Description of the Ordinary Shares	<p>The Placing Shares are ordinary shares of 0.1p each in the capital of the Company.</p> <p>The ISIN of the Ordinary Shares is GB00BF2F1X78.</p>															
C.2	Currency of the Ordinary Shares	The nominal value of the Ordinary Shares is denominated in sterling and the Placing Price is payable in sterling.															
C.3	Amount paid up and par value	<p>The Company's issued share capital, as at the date of this document, is:</p> <table> <tr> <th colspan="2"><i>Issued and fully paid</i></th><th></th></tr> <tr> <td><i>Ordinary Shares</i></td><td></td><td><i>Nominal Value</i></td></tr> <tr> <td>2,600,000</td><td></td><td>£2,600</td></tr> <tr> <td><i>Deferred Shares</i></td><td></td><td><i>Nominal Value</i></td></tr> <tr> <td>2,000,000</td><td></td><td>£98,000</td></tr> </table>	<i>Issued and fully paid</i>			<i>Ordinary Shares</i>		<i>Nominal Value</i>	2,600,000		£2,600	<i>Deferred Shares</i>		<i>Nominal Value</i>	2,000,000		£98,000
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		<p>Immediately following Admission, the Company's issued share capital is expected to be:</p> <table><tr><th colspan="2"><i>Issued and fully paid</i></th></tr><tr><th><i>Ordinary Shares</i></th><th><i>Nominal Value</i></th></tr><tr><td>28,600,000</td><td>£28,600</td></tr><tr><th><i>Deferred Shares</i></th><th><i>Nominal Value</i></th></tr><tr><td>2,000,000</td><td>£98,000</td></tr></table>	<i>Issued and fully paid</i>		<i>Ordinary Shares</i>	<i>Nominal Value</i>	28,600,000	£28,600	<i>Deferred Shares</i>	<i>Nominal Value</i>	2,000,000	£98,000
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C.4	Rights attaching to the Ordinary Shares	<p>Subject to any special terms as to voting on which any shares may have been issued, on a show of hands every member who being an individual is present in person or by proxy or, being a corporation is present by a duly authorised representative, has one vote, and on a poll every member has one vote for every share of which he is the holder.</p> <p>Subject to the provisions of the Companies Act and to any special rights attaching to any shares, the Shareholders are to distribute amongst themselves the profits of the Company according to their respective rights and priorities, provided that no dividend will be declared in excess of the amount recommended by the directors of the Company. Interim dividends may be paid if profits are available for distribution and if the Board so resolves. Any dividend unclaimed after a period of 12 years from the date of its declaration will be forfeited and will revert to the Company.</p> <p>On a winding-up of the Company, the balance of the assets available for distribution will, subject to any sanction required by the Companies Act, be divided amongst the members.</p> <p>The Ordinary Shares are not redeemable.</p> <p>The Company may sell any share if, during a period of 12 years, at least three dividends in respect of such shares have been paid, no cheque or warrant in respect of any such dividend has been cashed and no communication has been received by the Company from the relevant member. The Company must advertise its intention to sell any such share in both a national daily newspaper and in a newspaper circulating in the area of the last known address to which cheques or warrants were sent. Notice of the intention to sell must also be given to the UK Listing Authority.</p> <p>The provisions of section 561(1) of the Companies Act (to the extent not disapplied pursuant to sections 570-571 of the Companies Act) confer on shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in section 560 of the Companies Act) which are, or are to be, paid up in cash.</p>										
C.5	Restrictions on free transferability of the Ordinary Shares	<p>The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares provided that the transfers are in favour of not more than four transferees, the transfers are in respect of only one class of share and the provisions in the Articles, if any, relating to registration of transfers have been complied with.</p>										
C.6	Admission	<p>Application has been made to the UK Listing Authority and the London Stock Exchange for all of the ordinary share capital of the Company, issued and to be issued pursuant to the Placing, to be admitted to the Official List (by way of a Standard Listing) under Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence on 29 August 2017.</p>										
C.7	Dividend policy	<p>The Board's current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.</p>										

Section D – Risks

D.1	Key risks specific to the Company or the mining industry	<p><i>Although the Company has no history of trading and no current trading activities, the Placing Shares will be issued at a premium to the net asset value of the Ordinary Shares and the Company has limited cash resources</i></p> <ul style="list-style-type: none"> • The premium of the Placing Price to the estimated net asset value per share of approximately 14.35 per cent. places an intangible value on the strategy proposed by the Directors and the human capital contained in the Board, as well as reflecting the costs incurred in the Placing and Admission. • Following Admission and payment of the expenses of the Placing and Admission, the Company expects to have cash at bank of approximately £1,250,000. Given the Company's anticipated operating costs and that the Company currently has no sources of revenue other than interest on deposits, it is expected that the Company's cash resources will diminish. <p><i>The Company is a newly formed entity with no operating history and no revenues</i></p> <ul style="list-style-type: none"> • The Company is a newly formed entity with no operating history and, therefore, there is no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating a business or company. • The Company will not generate any revenues from operations until after completion of the Acquisition. <p><i>There is no assurance that the Directors will identify suitable acquisition opportunities or that the Company will be successful in completing the Acquisition</i></p> <ul style="list-style-type: none"> • The Company's business strategy is dependent on the ability of the Directors to identify sufficient suitable acquisition opportunities. • If the Directors do not identify a suitable acquisition target, the Company may not be able to utilise the Net Placing Proceeds to increase potential returns. • If the Directors do identify a suitable target company, business or asset, there can be no guarantee that the Company will be able to acquire it at a price that is consistent with its objectives or at all. • In addition, if the Company fails to complete an acquisition which it has been pursuing, it may be left with substantial unrecovered transaction costs, potentially including substantial break fees. <p><i>The Company is currently unable to ascertain the merits or risks of a target business' operations and Shareholders will be relying on the ability of the Directors to source appropriate and suitable acquisition opportunities</i></p> <ul style="list-style-type: none"> • Because the Company and the Directors have not yet identified any prospective targets for the Acquisition, Shareholders currently have no basis on which to evaluate the possible merits or risks of a target business' operations. • Furthermore, no assurance can be made that an investment in Ordinary Shares will ultimately prove to be more favourable to Shareholders than a direct investment, if such opportunity were available, in a target business. • Shareholders will be relying on the ability of the Directors to source acquisition opportunities, evaluate their merits, conduct or monitor appropriate due diligence and conduct negotiations. <p><i>The Company may be unable to obtain financing to complete the Acquisition or to fund the operations of a target business</i></p> <ul style="list-style-type: none"> • There can be no guarantee that the Company will be able to obtain debt financing or, if available, to obtain such financing on terms attractive to the Company. • The Company may not receive sufficient support from its Shareholders to raise additional equity and/or potential investors may be unwilling to invest on terms that are favourable to the Company. • The Company may, therefore, be compelled either to restructure or abandon the Acquisition, or proceed with the Acquisition on less favourable terms, which may reduce the Company's return on the investment. • The Company may also require financing to implement operational improvements in the acquired business. • The failure to secure additional financing or to secure such additional financing on terms acceptable to the Company could have a material adverse effect on the continued development or growth of the acquired business.
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		<p><i>Following the Acquisition, the Company will be a holding company whose principal source of operating cash will be income received from the business it has acquired</i></p> <ul style="list-style-type: none"> • Following the Acquisition, the Company will be dependent on the income generated by the acquired business to meet the Company's expenses. • If the acquired business is unable to distribute sufficient amounts to the Company, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares. <p><i>The Company may be subject to restrictions in offering its Ordinary Shares as consideration for the Acquisition or may have to provide alternative consideration</i></p> <ul style="list-style-type: none"> • In certain jurisdictions, there may be legal, regulatory or practical restrictions on the Company using its Ordinary Shares as consideration for the Acquisition or which may mean that the Company is required to provide alternative forms of consideration. • Such restrictions may limit the Company's acquisition opportunities or make a certain acquisition more costly. <p><i>In assessing and completing the Acquisition, the Company may estimate resources and reserves, which may be less than actually recovered</i></p> <ul style="list-style-type: none"> • The Company may estimate or employ third party experts to estimate, a potential target's resources and reserves, which estimates will be subject to a number of assumptions, including the price of commodities, production costs and recovery rates. • Fluctuations in the variables underlying the Company's or third party expert's estimates may result in material changes to such reserve estimates and such changes may have a materially adverse impact on the financial condition and prospects of the Company following the Acquisition. <p><i>The Directors may have potential conflicts of interest between their duties to the Company and their private interests and/or duties</i></p> <ul style="list-style-type: none"> • None of the Directors are required to commit their full time to the Company's affairs, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments. • Each of the Directors has, is currently or may in the future become affiliated with or have financial interests in entities engaged in business activities similar to those intended to be conducted by the Company and they may decide to present business opportunities to such other entities in addition to, or instead of, presenting them to the Company. • The Directors may negotiate to remain with the Company after the completion of the Acquisition and the personal and financial interests of such Directors may give rise to a conflict of interest on the part of the Directors in their decision to proceed with an acquisition.
D.3	Key risks specific to the Ordinary Shares	<p><i>If a proposed Reverse Takeover by the Company is announced or leaked, the listing of the Ordinary Shares may be suspended</i></p> <ul style="list-style-type: none"> • The UK Listing Authority may decide to exercise its power to suspend a company's listing where the Company undertakes a transaction which would constitute a Reverse Takeover. • Any such suspension would be likely to continue until sufficient financial information on the transaction is made public and the period during which the Ordinary Shares would be suspended may therefore be significant. • If the Ordinary Shares have been suspended from trading for more than six months, the listing will be cancelled. • A suspension of the Ordinary Shares would materially reduce liquidity in such shares which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can effect such realisation. <p><i>The Company's listing will be cancelled on completion of a Reverse Takeover</i></p> <ul style="list-style-type: none"> • The Listing Rules provide that the listing of a company's equity securities will be cancelled when it completes a Reverse Takeover. In such circumstances, the Company would expect to seek readmission to listing or admission to trading on AIM or an alternative share trading platform at the time of completion of any such Reverse Takeover. • The process for readmission to the Official List following a Reverse Takeover would require publication of a Prospectus and for the Company as enlarged by the Acquisition to meet the eligibility requirements set by the UK Listing

		<p>Authority. Similarly, the Company would be required to publish certain documentation and meet the eligibility requirements of the London Stock Exchange or the relevant market operator in order to be admitted to trading on AIM or an alternative share trading platform. However, there is a risk that such eligibility criteria will not be met and therefore there is no guarantee that such readmission or admission would be granted.</p> <ul style="list-style-type: none"> • A cancellation of the listing of the Ordinary Shares would materially reduce liquidity in the Ordinary Shares, which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can effect any such realisation. <p><i>The proposed Standard Listing of the Ordinary Shares will afford Shareholders a lower level of regulatory protection than a Premium Listing</i></p> <ul style="list-style-type: none"> • A Standard Listing will afford Shareholders a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules, which may have an adverse effect on the valuation of the Ordinary Shares. <p><i>The use of new Ordinary Shares as consideration for the Acquisition could result in significant dilution of Shareholders</i></p> <ul style="list-style-type: none"> • The pre-emption rights of Shareholders have been disapplied in respect of the issue of new Ordinary Shares on exercise of subscription rights attaching to the Series A Warrants and otherwise with an aggregate nominal value of up to £100,000. • If the Company does offer its Ordinary Shares as consideration or part consideration in making the Acquisition, depending on the number of new Ordinary Shares offered and the value of such new Ordinary Shares at the time, the issuance of such new Ordinary Shares could materially reduce the percentage ownership of the Company and the value of the Ordinary Shares held by existing Shareholders at the time.
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Section E – Offer		
E.1	Net proceeds and expenses of the Placing	The total costs (including fees and commissions) (inclusive of VAT) payable by the Company in connection with the Placing and Admission are estimated to amount to approximately £150,000, of which a total of approximately £50,000 is commission payable to Shard. The estimated net proceeds accruing to the Company from the Placing are approximately £1,150,000.
E.2a	Reasons for the Placing, and use of proceeds	<p>Chesterfield Resources is a newly established company formed for the purpose of acquiring a company, business or asset that has operations in the mining sector that it will then look to develop and expand.</p> <p>The Company's intention is to use the Net Placing Proceeds to pay the Company's ongoing corporate costs and expenses (including directors' fees and other internal costs of sourcing, reviewing and pursuing the Acquisition), which are estimated to amount to approximately £150,000 per annum, with the balance being used to fund the external due diligence and other transaction costs in respect of the Acquisition and to contribute towards any cash element of the purchase consideration for the Acquisition and/or the development of the acquired business.</p>
E.3	Terms and conditions of the Placing	Under the Placing, the 26,000,000 Placing Shares have been conditionally subscribed for by the Placees at the Placing Price of 5p per Ordinary Share. The Placing is conditional on, <i>inter alia</i> , Admission. Conditional upon Admission becoming effective by 8.00 a.m. London time on or prior to 29 August 2017 (or such later date as the Company and Shard may agree (not being later than 11 September 2017)), a Placee who has applied for Ordinary Shares agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by Shard at the Placing Price. To the fullest extent permitted by law, Placees will not be entitled to rescind their agreement at any time. Each Placee has undertaken to pay the Placing Price for the Placing Shares allocated to such Placee in such manner as directed by Shard in the Placing Letter. In the event that Admission does not occur by 8.00 a.m. London time on or prior to 29 August 2017 (or such later date as the Company and Shard may agree (not being later than 11 September 2017)), Placees will receive a full refund of monies subscribed.
E.4	Interests material to the Placing	There are no interests, including conflicting interests, that are material to the Placing.

E.5	The offeror and locked-in persons	<p>All of the Placing Shares are new Ordinary Shares being placed on behalf of the Company.</p> <p>On 22 August 2017, the Company and Shard entered into a lock-in deed with each of the Directors pursuant to which each of the Directors agreed with the Company and Shard that, save in certain limited circumstances, they shall not dispose of any interest in shares in the capital of the Company for a period of six months following the Acquisition. The lock-in deed also contains certain orderly market arrangements for any disposals permitted during the lock-in period and all other disposals which apply for six months after the expiry of the initial lock-in period.</p>
E.6	Dilution	The Placing will result in the Existing Ordinary Shares being diluted so as to constitute 9.09 per cent. of the Enlarged Ordinary Share Capital.
E.7	Expenses	No expenses will be charged by the Company to Placees in connection with the Placing.

RISK FACTORS

Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, risks relating to the natural resources sector, risks relating to taxation and risks relating to the Ordinary Shares. The risks referred to below are the material risks relating to the Company. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company's business, financial condition or results of operating.

Prospective Shareholders should review this document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the market price of the Ordinary Shares, the target rate of return, and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, Shareholders could lose all or part of their investment.

GENERAL TRANSACTION RISK

Although the Company has no history of trading and no current trading activities, the Placing Shares will be issued at a premium to the net asset value of the Ordinary Shares and the Company has limited cash resources

The Placing Shares are being issued at the Placing Price of 5p per share. The estimated net asset value per Ordinary Share post the Placing will be approximately 4.37p. The premium of the Placing Price to the estimated net asset value per share of approximately 14.35 per cent. places an intangible value on the strategy proposed by the Directors and the human capital contained in the Board, as well as reflecting the costs incurred in the Placing and Admission. The Founders (being Derek Crowhurst, Peter Damouni and David Cliff) who financed the Company at its incorporation have subscribed for Ordinary Shares, constituting 2.10 per cent. of the Enlarged Ordinary Share Capital, at the par value of 0.1p per share, being a lower price per share than the Placing Price. There can be no guarantee that the Ordinary Shares will be valued on the same basis used for the Placing following Admission and the price of the Ordinary Shares may fall.

At the date of this document, the Company has cash at bank of approximately £65,000. The Net Placing Proceeds are estimated to be approximately £1,150,000. Following Admission and payment of the expenses of the Placing and Admission, the Company expects to have cash at bank of approximately £1,250,000. Given the Company's anticipated operating costs and, as the Company currently has no sources of revenue other than interest on deposits, it is expected that the Company's cash resources will diminish. In addition, if the Company makes an Acquisition, it is likely that a significant proportion of the Company's existing cash resources will be expended on the costs associated with the Acquisition, principally due diligence and transaction costs involved in a Reverse Takeover. There can be no guarantee that the diminishing of the Company's cash resources will not result in a fall in the market price of the Ordinary Shares in the future.

RISKS RELATING TO THE COMPANY'S BUSINESS STRATEGY

The Company is a newly formed entity with no operating history and no revenues, and there is no management history on which to evaluate the Company's ability to achieve its objective of acquiring a business or company

The Company is a newly formed entity with no operating results and it will not commence operations prior to receiving the Net Placing Proceeds. Because the Company lacks an operating history, there is no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating a business or company in the mining or broader natural resources sector. Currently, there are no plans, arrangements or understandings with any prospective target business or company regarding such an Acquisition. The Company will not generate any revenues from operations until after completion of the Acquisition.

There is no assurance that the Directors will identify suitable acquisition opportunities or that the Company will be successful in completing the Acquisition

The Company's business strategy is dependent on the ability of the Directors to identify sufficient suitable opportunities for the Acquisition. The Company can provide no assurance that the Directors will be able to identify suitable acquisition opportunities or that the Company will make an Acquisition that will generate positive returns for Shareholders. If the Directors do not identify a suitable acquisition target, the Company may not be able to utilise the Net Placing Proceeds to increase potential returns. If the Directors do identify a suitable target company, business or asset, there can be no guarantee that the Company will be able to acquire it at a price that is consistent with its objectives or at all. In addition, if the Company fails to complete an acquisition which it has been pursuing (for example, because it has been outbid), it may be left with substantial unrecovered transaction costs, potentially including substantial break fees.

Because the Company and the Directors have not yet selected any target for the Acquisition, the Company is currently unable to ascertain the merits or risks of a target business' operations and Shareholders will be relying on the ability of the Directors to source appropriate and suitable acquisition opportunities

Because the Company and the Directors have not yet identified any prospective targets for the Acquisition, Shareholders currently have no basis on which to evaluate the possible merits or risks of a target business' operations. Furthermore, no assurance can be made that an investment in Ordinary Shares will ultimately prove to be more favourable to Shareholders than a direct investment, if such opportunity were available, in a target business. Shareholders will be relying on the ability of the Directors to source acquisition opportunities, evaluate their merits, conduct or monitor appropriate due diligence and conduct negotiations. The prospective Acquisition will be subjected to an extensive legal, financial and technical due diligence process to minimise this risk.

The Company's business strategy depends on the effectiveness of the operating strategies devised by the Board and there is no assurance that these strategies will be successfully implemented or, if implemented, that they will be effective in increasing the valuation of any business acquired

There can be no assurance that the Company or the Board will be able to propose and/or implement effective operational improvements for any company, business or assets which the Company acquires or to effectively implement the other features of its post-acquisition value creation strategy. In addition, even if the Company completes the Acquisition, general economic and market conditions or other factors outside the Company's control could make the Company's operating strategies difficult to implement. Any failure to implement these strategies successfully and/or the failure of these strategies to deliver the anticipated benefits could have a material adverse effect on the Company's results of operations and financial condition. As a result, the Company may be unable to achieve attractive returns for its Shareholders.

Although the Company believes that a number of suitable acquisition opportunities exists, there may be competition for certain of these opportunities

There may be competition from others interested in some or all of the acquisition opportunities that the Company may explore. Such competition may, for example, come from strategic buyers, mining companies, existing controlling shareholders in potential acquisition targets and public and private investment funds. Although the Company believes that it is well placed to compete for opportunities, the Company can give no assurance that it will be successful against such competition.

The Company may not be able to deploy the Net Placing Proceeds for a substantial period of time, which could result in significantly lower returns on the Net Placing Proceeds than if the Acquisition were completed immediately following the Placing

The Company cannot estimate or guarantee how long it will take to use the Net Placing Proceeds to complete the Acquisition. The Directors will not recommend any particular acquisition to the Company, and the Directors will not take any decision to carry out any possible transaction, prior to receiving the Net Placing Proceeds. Following the Placing, suitable acquisition opportunities may not be immediately available and, even if such opportunities are available, the Company intends to conduct appropriate due diligence in relation to such opportunities prior to completion of the Acquisition. Prior to the completion of the Acquisition, the Company will invest or deposit the Net Placing Proceeds in sterling denominated money market instruments, government securities, commercial paper, asset backed commercial paper, corporate bonds and/or deposits with commercial banks. None of such instruments or commercial banks will be less than AA- rated at the time of investment or deposit by the Company. Interest on the Net Placing Proceeds so deposited or invested may be significantly lower than the potential returns from an investment in an Acquisition. The Net Placing Proceeds will be so managed, invested and/or deposited by the Company and will not be placed in any form of trust or escrow arrangement. The Company will principally seek to preserve capital and, therefore, the yield on the instruments in which it invests is likely to reflect the highly rated, investment grade status of the instrument.

Unfavourable general economic conditions may have a negative impact on the results of operations, financial condition and prospects of a potential target business

The Company cannot predict the severity or extent of periods of slow or negative economic growth and any resultant weakening of consumer and business confidence may lead to lower levels of demand for many products across a wide variety of industries, including those industries for which commodities in the natural resources sector are an important raw material. Accordingly, the Company's estimate of the results of operations, financial condition and prospects of an acquisition target will be uncertain and may be adversely impacted by unfavourable general global, regional and national macroeconomic conditions.

Further details of the effects of unfavourable global, regional or national macroeconomic conditions on the natural resources sector are set out in the risk factors headed "Changes in global supply and demand owing to an economic downturn may adversely affect the business, results of operations, cash flows and financial condition of the Company" and "The natural resources sector is subject to fluctuations in commodity prices, which may adversely impact the results of operations, financial condition and prospects of the Company following the Acquisition".

Any due diligence by the Company in connection with the Acquisition may not reveal all relevant considerations or liabilities of a target, which could have a material adverse effect on the Company's financial condition or results of operations

Prior to the Acquisition, the Company will conduct such due diligence investigations as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to the transaction. The objective of the due diligence process will be to identify material issues which might affect the decision to proceed with the Acquisition. The Company also intends to use information revealed during the due diligence process to formulate its business and operational planning for any target business.

While conducting due diligence and assessing a potential Acquisition, the Company and its advisers will rely on available information provided by the relevant acquisition target where such target is willing or able to provide such information and, in some circumstances, third party investigations. There can be no assurance that the due diligence undertaken with respect to a potential acquisition will reveal all relevant facts that may be necessary to evaluate such Acquisition or to formulate a business strategy. Furthermore, there can be no assurance that the information provided during due diligence will be adequate or accurate. As part of the due diligence process, the Company will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity. There can be no assurance that any due diligence will result in the Acquisition being successful. If the due diligence investigation fails correctly to identify material information regarding an opportunity, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with the Acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following the Acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during the due diligence process and which could have a material adverse effect on the Company's financial condition and results of operations (especially if the due diligence is required to be undertaken in a short timeframe or in a competitive situation).

The Company may be unable to obtain financing to complete the Acquisition or to fund the operations of a target business

Although the Company has not identified any prospective target businesses and cannot currently predict the amount of capital that may be required, the Net Placing Proceeds may not be sufficient to effect the Acquisition, taking into account the due diligence to be undertaken on the Acquisition and other transaction costs associated with the Acquisition. Accordingly, the Company is likely to need to seek additional equity and/or debt financing. There can be no guarantee that the Company will be able to obtain debt financing or, if available, to obtain such financing on terms attractive to the Company. The Company may not receive sufficient support from its Shareholders to raise additional equity and/or potential investors may be unwilling to invest on terms that are favourable to the Company. To the extent that additional financing is necessary to complete the Acquisition and remains unavailable or only available on terms that are unacceptable or unattractive to the Company, the Company may be compelled either to restructure or abandon the Acquisition, or proceed with the Acquisition on less favourable terms, which may reduce the Company's return on the investment. The Company may also require financing to implement operational improvements in the acquired business. The failure to secure additional financing or to secure such additional financing on terms acceptable to the Company could have a material adverse effect on the continued development or growth of the acquired business.

The Company may be unable to hire or retain personnel required to support the Company after the Acquisition

The Acquisition is expected to be a substantial transaction requiring the commitment of significant resources, both in the evaluation, structuring and execution phases as well as the operation of the Company post-Acquisition. Although the Company expects to rely on external professional advisers where appropriate, there is a risk that the Company may require additional skilled personnel both before and following the Acquisition. The Company will evaluate the skills required in connection with completing the Acquisition and operating the acquired business or businesses to identify areas where additional skills are required. There can be no assurance that existing personnel of the target business or businesses will be adequate or qualified to carry out the Company's strategy, or that the Company would be able to retain or recruit experienced, qualified employees to carry out the Company's strategy.

Following the Acquisition, the Company will be a holding company whose principal source of operating cash will be income received from the business it has acquired

Following the Acquisition, the Company will be dependent on the income generated by the acquired business to meet the Company's expenses. The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Company will depend on many factors, including such target's results of operations and financial condition, limits on dividends under applicable law and its constitutional documents and other factors which may be outside the control of the Company. If the acquired business is unable to distribute sufficient amounts to the Company, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares.

The Company may be subject to restrictions in offering its Ordinary Shares as consideration for the Acquisition or may have to provide alternative consideration which may have an adverse effect on its operations

The Company may offer new Ordinary Shares or other securities, for example in the form of fixed or floating rate loan notes which may or may not be convertible into Ordinary Shares, as consideration for the purchase of a target business in the Acquisition. However, in certain jurisdictions, there may be legal, regulatory or practical restrictions on the Company using its Ordinary Shares in this manner or which may mean that the Company is required to provide alternative forms of consideration. Such restrictions may limit the Company's acquisition opportunities or make a certain acquisition more costly, which in turn may have an adverse effect on the results of operations of the Company and/or the ability of the Company to achieve an attractive return for Shareholders. As the jurisdiction in which the Acquisition will take place is not yet known, the details of such potential restrictions are also unknown, however, they may include local central bank currency controls and prohibitions regarding the issue of publicly traded securities not approved by local regulators. Such restrictions may make the Acquisition infeasible to complete, as the proposed contractual consideration may be unable to be accepted by the vendor(s).

The use of new Ordinary Shares as consideration for the Acquisition could result in significant dilution of Shareholders

The pre-emption rights of Shareholders have been disapplied in respect of the issue of new Ordinary Shares on exercise of subscription rights attaching to the Series A Warrants and otherwise with an aggregate nominal value of up to £100,000. If the Company does offer its Ordinary Shares as consideration or part consideration in making the Acquisition, depending on the number of new Ordinary Shares offered and the value of such new Ordinary Shares at the time, the issuance of such new Ordinary Shares could materially reduce the percentage ownership of the Company and the value of the Ordinary Shares held by existing Shareholders at the time. Where an acquisition target has an existing large shareholder, an issue of new Ordinary Shares as consideration or part consideration may result in such shareholder subsequently holding a large stake in the Company, which may, in turn, enable it to exert significant influence over the Company (to a greater or lesser extent depending on the size of its holding). In order to avoid triggering a mandatory bid under the Takeover Code, the Company may, if appropriate, issue shares with limited or no voting rights for a period of time.

RISKS ASSOCIATED WITH SUSPENSION, RE-ADMISSION AND COST OF COMPLIANCE WITH A STANDARD LISTING

If a proposed Reverse Takeover by the Company is announced or leaked, the listing of the Ordinary Shares may be suspended owing to insufficient information being available, which will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and may adversely affect the price at which a Shareholder can sell Ordinary Shares

It is the Company's duty under the Listing Rules to contact the UK Listing Authority as early as possible if a Reverse Takeover has been agreed or is in contemplation, to discuss whether a suspension of the listing is appropriate. The UK Listing Authority retains a general power to suspend a company's securities where it considers it necessary to protect investors. The UK Listing Authority may decide to exercise such power where the Company undertakes a transaction which would constitute a Reverse Takeover. The Listing Rules provide that generally when a Reverse Takeover is announced or leaked, there will be insufficient

information in the market about the proposed transaction and the listed company will be unable to assess accurately its financial position and inform the market appropriately, so suspension of trading in the listed company's securities will often be appropriate.

Any such suspension would be likely to continue until sufficient financial information on the transaction is made public and the period during which the Ordinary Shares would be suspended may therefore be significant. Depending on the nature of the Acquisition and the stage at which it is announced or leaked, it may take a substantial period of time to compile the relevant information, particularly where a target does not have financial or other information readily available which is comparable with the information a listed company would be expected to provide. If the Ordinary Shares have been suspended from trading for more than six months, the listing will be cancelled. A suspension or, as discussed below, cancellation of the Ordinary Shares would materially reduce liquidity in such shares which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can effect such realisation.

The Company's listing will be cancelled on completion of a Reverse Takeover and, if the Ordinary Shares are not readmitted to the Official List or admitted to trading on AIM or an alternative share trading platform, this will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and may adversely affect the price at which a Shareholder can sell them

The Listing Rules provide that the listing of a company's equity securities will be cancelled when it completes a Reverse Takeover. In such circumstances, the Company would expect to seek readmission to listing or admission to trading on AIM or an alternative share trading platform at the time of completion of any such Reverse Takeover. The process for readmission to the Official List following a Reverse Takeover would require publication of a Prospectus and it would be necessary for the Company as enlarged by the Acquisition to meet the eligibility requirements set by the UK Listing Authority in order to be readmitted to the Official List. Similarly, the Company would be required to publish certain documentation and meet the eligibility requirements of the London Stock Exchange or the relevant market operator in order to be admitted to trading on AIM or an alternative share trading platform. However, there is a risk that such eligibility criteria will not be met and therefore there is no guarantee that such readmission or admission would be granted. A cancellation of the listing of the Ordinary Shares would materially reduce liquidity in the Ordinary Shares, which may affect a Shareholder's ability to realise some or all of his investment and/or the price at which such Shareholder can effect any such realisation.

The cost to the Company of complying with its continuing obligations under the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules will be financially material

The cost to the Company of complying with its continuing obligations under the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules will be financially material due to the relatively small size of the Company on Admission. If the Company is unable to complete the Acquisition within two years of Admission, these costs may become difficult to sustain for a materially longer period. If the Acquisition is not completed before the second anniversary of Admission, then (unless the Acquisition has been previously announced but completes after the second anniversary of Admission or the Company is in active negotiations relating to the Acquisition which is announced shortly after the second anniversary of Admission and subsequently completes) the Board will recommend to Shareholders either that the Company be wound up by Special Resolution (in order to return to Shareholders any remaining distributable assets) or that the Company continue to pursue the Acquisition for a further year. The Board's recommendation will then be put to a Shareholder vote. No indication can be given as to the amount or value of the remaining distributable assets of the Company at such future time. If a decision is made to continue to pursue the Acquisition for a further year, then further capital may need to be raised.

The listing of the Company's securities may be cancelled if the Company no longer satisfies its continuing obligations under the Listing Rules, which includes that a sufficient number of Ordinary Shares are in public hands (as defined in the Listing Rules) at all times.

RISKS RELATING TO THE COMPANY'S RELATIONSHIP WITH THE DIRECTORS AND CONFLICTS OF INTEREST

The Directors will allocate their time to other businesses leading to potential conflicts of interest in their determination as to how much time to devote to the Company's affairs, which could have a negative impact on the Company's ability to complete the Acquisition

None of the Directors are required to commit their full time to the Company's affairs, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments. The Company does not intend to have any executive officers or full-time employees prior to the completion of the Acquisition. The Directors are engaged in other business endeavours and are not obligated to devote any significant number of hours to the Company's affairs. If the Directors' other business affairs require them to devote more substantial amounts of time to such affairs, it could limit their ability to devote time to the Company's affairs and could have a negative impact on the Company's ability to complete the Acquisition.

The Directors are currently affiliated and may in the future become affiliated with, or otherwise have financial interests in, entities engaged in business activities similar to those intended to be conducted by the Company and may have conflicts of interest in allocating their time and business opportunities

Each of the Directors has, is currently or may in the future become affiliated with or have financial interests in entities, including certain special purpose acquisition companies, engaged in business activities similar to those intended to be conducted by the Company.

In addition, the Directors may become aware of business opportunities that may be appropriate for presentation to the Company. In such instances, they may decide to present these business opportunities to other entities with which they are or may be affiliated, in addition to, or instead of, presenting them to the Company. Due to these existing or future affiliations, the Directors may have fiduciary obligations to present potential acquisition opportunities to those entities prior to presenting them to the Company which could cause additional conflicts of interest.

The Company cannot provide any assurance that any of the Directors will not become involved in one or more other business opportunities that would present conflicts of interest in the time they allocate to the Company. In addition, the conflict of interest procedures described in paragraph 5 of Part II of this document may require or allow the Directors and certain of their affiliates to present certain acquisition opportunities to other companies before they may present them to the Company.

One or more Directors may negotiate employment or consulting agreements with a target company or business in connection with the Acquisition. These agreements may provide for such Directors to receive compensation following the Acquisition and as a result, may cause them to have conflicts of interest in determining whether a particular acquisition is the most advantageous for the Company

The Directors may negotiate to remain with the Company after the completion of the Acquisition. Such negotiations would take place simultaneously with the negotiation of the Acquisition and could provide for such individuals to receive compensation in the form of cash payment and/or securities in exchange for services they would render to it after the completion of the Acquisition. The personal and financial interests of such Directors may influence their decisions in identifying and selecting a target company or business. Although the Company believes the ability of such individuals to negotiate individual agreements will not be a significant determining factor in the decision to proceed with an acquisition, there is a risk that such individual considerations will give rise to a conflict of interest on the part of the Directors in their decision to proceed with an acquisition. The determination as to whether any of the Directors will remain with the combined company and on what terms will be made at or prior to the time of the Acquisition.

The Directors may in the future enter into related party transactions with the Company, which may give rise to conflicts of interest between the Company and the Directors

The Directors and one or more of their affiliates may in the future enter into other agreements with the Company that are not currently under contemplation. It is possible that the entering into of such an agreement might raise conflicts of interest between the Company and the Directors.

Historical results of prior investments made by, or businesses associated with, the Directors and their affiliates may not be indicative of future performance of an investment in the Company

The descriptions of the Directors set out in paragraph 2 of Part II of this document are presented for information purposes only and historical results of prior investments made by, or businesses or transactions associated with, the Directors and their affiliates may not be indicative of the future performance of an investment in the Company or the returns the Company will, or is likely to, generate going forward.

RISKS RELATING TO THE NATURAL RESOURCES SECTOR

Changes in global supply and demand owing to an economic downturn may adversely affect the business, results of operations, cash flows and financial condition of the Company

Commodity prices are affected by global supply and demand, particularly in the United States and Asia (notably China), as well as widespread trading activities by market participants and others, either seeking to secure access to such commodities or to hedge against commercial risks, or as part of investment portfolio activity. Fluctuations in commodity prices give rise to commodity price risk for the Company. Historically, such prices can be subject to substantial variation which cannot be accurately predicted. If the global economic environment experiences a substantial downturn or remains relatively weak for the medium to long term, the ability of the Company to grow or maintain revenues in future years may be adversely affected, and at certain long term price levels for a given commodity, extractive operations with respect to that commodity may not be economically viable.

Adverse and volatile economic conditions can also limit the Company's ability to anticipate revenues and costs and can affect the Company's ability to implement planned projects anticipated following the Acquisition. In addition, industry analysts are likely to take such conditions into account when assessing the prospective business and creditworthiness of the Company (following the Acquisition) and any adverse determinations may make it more difficult for the Company to raise capital in the future to finance the Company's business following the Acquisition.

Political, legal and commercial instability, as well as political and fiscal pressure on governments, in the countries and territories in which the Company operates could affect the viability of the Company's operations following the Acquisition

Following the Acquisition, the Company may have operations in jurisdictions with varying degrees of political, legal and commercial stability. Political, civil and social pressures may result in administrative change, policy reform, changes in law or governmental regulations, which in turn can result in expropriation or nationalisation of a target's assets. Renegotiation or nullification of pre-existing agreements, concessions, leases and permits held by a target business, changes in fiscal policies (including increased tax or royalty rates) or currency restrictions are all possibilities. Commercial instability caused by bribery and corruption and more generally underdeveloped corporate governance policies in their various guises can lead to similar consequences, any of which could have a material adverse effect on the profitability, the ability to finance or, in extreme cases, the viability of an operation.

In addition, fiscal constraints or political pressure may also lead governments to impose increased taxation on operations in the natural resources sector within a given jurisdiction. Such taxes or other expropriation of assets could be imposed by any jurisdiction in which the Company operates before or after the Acquisition. If operations are delayed or shut down as a result of political, legal or commercial instability, or if the Company's operations are subjected to increased taxation or other expropriation, the ability of the Company to generate long term value for Shareholders following the Acquisition could be adversely impacted.

The natural resources sector is subject to commodity price fluctuations, which may adversely impact the results of operations, financial conditions and prospects of the Company following the Acquisition

Following the Acquisition, the Company, through the acquired activities, intends to be a market participant as seller (and may, in certain situations, be a buyer) in any one or more commodities. Accordingly, the Company's revenue and earnings will depend upon prevailing prices for the commodities it relies on and produces. These commodities are globally traded and as a result, and in common with its competitors, the Company is unable to control the prices it receives for such commodities. In addition, following the Acquisition, the range of the commodities which the acquired activities produces may not be sufficiently broad and/or the acquired activities may be concentrated in one or more commodities within the resources sector. As a result, the Company may not be able to offset price changes in one commodity with counter-cyclical changes in another commodity within the Company's range of commodities in an attempt to mitigate the effects of adverse price changes.

Historically, commodity prices have been volatile and subject to wide fluctuations for many reasons, including, but not limited to: global and regional supply and demand, and expectations regarding future supply and demand for commodities; geopolitical uncertainty; availability of processing equipment; proximity to, and capacity and cost of, transportation; level and availability of government subsidies; price and availability of new technologies; political, economic and military developments in producing regions; domestic and foreign governmental regulations and actions, including export restrictions, taxes, repatriations and nationalisations; global and regional economic conditions; and weather conditions and natural disasters. It is impossible to predict accurately future commodities price movements and commodities prices may not remain at their current levels. Any material decline in commodities prices, to the extent they are not addressed by meaningful hedging arrangements, could result in a reduction of the Company's net production revenue.

In addition, the economics of producing in some jurisdictions, or some assets within some jurisdictions, may change as a result of lower commodities prices, which could result in a reduction of the Company's reserves to the extent that they may become no longer economically viable to develop. Moreover, the Company may not be able to engage in meaningful hedging arrangements against declines in commodity prices and there can be no guarantee that such hedging strategies will be implemented or ultimately successful. As a result, the Company following the Acquisition may experience significant volatility in its results of operations in its periodic financial statements if there are adverse changes in commodity prices during the reported financial period. As a result of the factors described above, the Company will also not be able to predict accurately the precise timing of any improvements and/or recoveries in the global, regional or national macroeconomic environments, or in commodity prices, any of which can make the Company's operational strategies based on production planning more difficult to implement successfully. For example, the prevailing prices of certain commodities may fall to levels that are below the average marginal cost of production for the industry, which the Company will not be able to predict accurately. If the Company's estimates of future price levels results in the Company incurring fixed additional costs and the Company fails to change production levels in response to prevailing price levels, the Company's results of operations and financial condition could be adversely affected.

Following the Acquisition, the Company may be adversely affected by currency exchange rate fluctuations

Although the Placing will raise proceeds denominated in sterling, the markets for the commodities produced within the resources sector are predominately priced in US dollars. The Company does not intend to hedge the Net Placing Proceeds against risks for adverse exchange rate movements against the US dollar until it has identified the Acquisition target(s). As such, the Company may be adversely affected by currency exchange rate fluctuations from the closing date of the Placing until the date it hedges the currency exchange rate in connection with the Acquisition. The Company does not intend to enter into any such hedging transactions until it identifies the Acquisition.

In addition, following the Acquisition, the Company may be exposed to ongoing currency risk. While the Company's financial statements are stated in sterling, and certain ongoing management costs will be denominated in sterling, the price of its products (and thus its revenues) will be determined by world commodities markets which are typically expressed in US dollars, and depending on the location of an acquired target, the Company may have operating expenses denominated in another currency. As a result, fluctuations in the exchange rates of these currencies may adversely affect the Company's operating results, cash flows or financial condition to a material extent.

Inflation and other cost increases may have an adverse effect on the Company's results of operations and cash flows

The Company will generally be unable to control the prevailing market prices of any commodities produced in its operations following the Acquisition. The Company may be unable to pass increased production costs to customers. As a result, significant inflation or other production cost increases in the countries in which the Company may operate could increase operational costs without a corresponding increase in the sales price of the commodities the Company may produce. Alternatively, a lag in the reduction of input costs relative to declining commodity prices will have a similar adverse effect on the Company's operations. Any such increased costs or delays in cost reductions may adversely affect the Company's results of operations and cash flows.

Safety, health and environmental laws and related regulations may expose the Company to increased litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation

The natural resources sector involves extractive enterprises. Such activities often make the sector a hazardous industry and as a result it is typically highly regulated by safety, health and environmental laws. Following the Acquisition, the Company's operations may be subject to extensive governmental regulations in all jurisdictions in which it operates. Operations are subject to general and specific regulations and restrictions governing drilling and production, mining and processing, land tenure and use, environmental requirements (including site specific environmental licences, permits and remediation requirements), workplace health and safety, social impacts and other laws.

Certain of the Company's operations may create environmental risk in the form of dust, noise or leakage of polluting substances from site operations. Failure to provide a safe working environment or to manage environmental risks may result in harm to the Company's employees, the communities near the Company's operations and the local environment. Government authorities may also force closure of facilities on a temporary or permanent basis or refuse future drilling or mining right applications. The

Company could face fines and penalties, liability to employees and third parties for injury, statutory liability for environmental remediation and other financial consequences, which may be significant. The Company could also suffer impairment of its reputation, industrial action or difficulty in recruiting and retaining skilled employees. Any future changes in laws, regulations or community expectations governing the Company's operations could result in increased compliance and remediation costs. Any of the foregoing developments could have a materially adverse effect on the Company's results of operations, cash flows or financial condition.

Existing and proposed legislation and regulation affecting greenhouse gas emissions may adversely affect certain of the Company's operations

Many participants in the natural resources sector are subject to current and planned legislation in relation to the emission of carbon dioxide, methane, nitrous oxide and other so called "greenhouse gases".

Failure to comply with existing legislation or any future legislation could adversely affect the Company's profitability following the Acquisition if an acquired business has material greenhouse gas intensive assets. Future legislative initiatives designed to reduce the consumption of hydrocarbons could also have an impact on the ability of the Company following the Acquisition to market its commodities and/or the prices which it is able to obtain. These factors could have a material adverse effect on the Company's business, results of operations, financial condition or prospects.

In assessing and completing the Acquisition, the Company may estimate resources and reserves, which may be less than actually recovered

The Company may estimate or employ third party experts to estimate, a potential target's resources and reserves, which estimates will be subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Fluctuations in the variables underlying the Company's or third party expert's estimates may result in material changes to such reserve estimates and such changes may have a materially adverse impact on the financial condition and prospects of the Company following the Acquisition.

Failure to discover new reserves, enhance existing reserves or adequately develop new projects could adversely affect the Company's business following the Acquisition

Exploration and development are costly, speculative and often unproductive, but may be necessary for the Company's business following the Acquisition. For instance, factors such as adverse weather conditions, natural disasters, equipment or services shortages, procurement delays or difficulties arising from the environmental and other conditions in the areas where the reserves are located or through which production is transported may increase costs and make it uneconomical to develop potential reserves. Failure to discover new reserves, to maintain existing mineral rights, to enhance existing reserves or to extract resources from such reserves in sufficient amounts and in a timely manner could materially and adversely affect the Company's results of operations, cash flows, financial condition and prospects. In addition, the Company may not be able to recover the funds used in any exploration programme to identify new opportunities.

Increasingly stringent requirements relating to regulatory, environmental and social approvals can result in significant delays in construction of additional facilities and may adversely affect new exploration or mining projects or the expansion of existing operations and, consequently, the Company's results of operations, cash flows and financial condition, and such effects could be material.

The Company may be unable to obtain or renew required exploration or mining rights and concessions, licences, permits and other authorisations and/or such concessions, rights, licences, permits and other authorisations may be suspended, terminated or revoked prior to their expiration

The acquired business may conduct its operations pursuant to exploration or mining rights and concessions, licences, permits and other authorisations. Any delay in obtaining or renewing a licence, permit or other authorisation may result in a delay in investment or development of a resource and may have a material adverse effect on the acquired business' results of operations, cash flows and financial condition. In addition, any existing exploration or mining rights and concessions, licences, permits and other authorisations of the acquired business may be suspended, terminated or revoked if it fails to comply with the relevant requirements. If, following the Acquisition, the acquired business or any of its subsidiaries fails to fulfil the specific terms of any of its rights, concessions, licences, permits and other authorisations or if it operates its business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the right, concession, licence, permit or other authorisation, any of which could have a material adverse effect on the Company's results of operations, cash flows and financial condition.

Title to resource properties or interests may be disputed

Title to resource properties or interests may be based upon the interpretation of a country's laws, which may be ambiguous, inconsistently applied and subject to reinterpretation or change, and may be disputed. The acquisition of title to areas is also a very detailed and time-consuming process. In addition, under the mineral title system in certain jurisdictions, the issuance of a permit or licence does not imply that other parties do not have any prior claims over the relevant area.

The use of independent contractors in operations may expose those operations to delays or suspensions of activities

Independent contractors are typically used in operations in the natural resources sector to perform various operational tasks, including carrying out drilling and mining activities and delivering raw commodities to processing or beneficiation plants. In periods of high commodity prices, demand for such contractors may exceed supply, resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs can also occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, because the Company will not have the same control over independent contractors as it does over employees of a target following the Acquisition, there is a risk that such contractors will not

operate in accordance with the Company's safety standards or other policies. Any of the foregoing circumstances could have a material adverse effect on the Company's operating results and cash flows following the Acquisition.

Exploration and mining operations are vulnerable to natural disasters, operating difficulties and damage to or breakdown of a physical asset, any of which could have a material impact on the productivity of the operations and not all of which may be covered by insurance

Exploration and mining operations are vulnerable to natural disasters, including earthquakes, drought, floods, fire, tropical storms and the physical effects of climate change, all of which are outside the Company's control. Operating difficulties, such as unexpected geological variations that could result in significant failure, could affect the costs and viability of its operations for indeterminate periods. In addition, damage to or breakdown of a physical asset, including as a result of fire, explosion or natural catastrophe, can result in a loss of assets and subsequent financial losses. Insurance can provide protection from some, but not all, of the costs that may arise from unforeseen events. Although the Company intends to maintain suitable insurance, the Company's insurance may not cover every potential risk associated with its operations. Adequate coverage at reasonable rates is not always obtainable. In addition, the Company's insurance may not fully cover its liability or the consequences of any business interruptions such as equipment failure or labour dispute. The occurrence of a significant adverse event not fully or partially covered by insurance could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Labour disruptions could have an adverse effect on the Company's results of operations, cash flows and financial condition

There is a risk that strikes or other types of conflict with unions or employees may occur at anyone of the Company's operations or in any of the geographic regions in which the Company operates following the Acquisition. A significant proportion of the Company's workforce may be unionised. Labour disruptions may be used not only for reasons specific to the Company's business, but also to advocate labour, political or social goals. Any labour disruptions could increase operational costs and decrease revenues by delaying the business activities of the Company or increasing the cost of substitute labour, which may not be available. Furthermore, if such disruptions are material, they could adversely affect the Company's results of operations, cash flows and financial condition. Restrictions on the Company's ability to access necessary infrastructure services, including transportation and utilities, may adversely affect the Company's operations. Inadequate supply of the critical infrastructure elements for drilling or mining activity could result in reduced production or sales volumes, which could have a negative effect on the Company's financial performance. Disruptions in the supply of essential utility services, such as water and electricity, can halt the Company's production for the duration of the disruption and, when unexpected, may cause loss of life or damage to its drilling or mining equipment or facilities, which may in turn affect its ability to recommence operations on a timely basis. Adequate provision of transportation services, such as timely pipeline and port access and rail services, are critical to distributing products and disruptions to such services may affect the Company's operations. The Company may be dependent on third party providers of utility and transportation services. As such, third party provision of services, maintenance of networks and expansion and contingency plans will be outside of the Company's control.

The Company's operations and development projects could be adversely affected by shortages of, as well as lead times to deliver, certain key inputs

The inability to obtain, in a timely manner, strategic consumables, raw materials, and exploration, mining and processing equipment could have an adverse impact on any results of operations and financial condition. Periods of high demand for such supplies can result in periods when availability of supplies are limited and cause costs to increase above normal inflation rates. Any interruption to supplies or increase in costs could adversely affect the operating results and cash flows of the Company following the Acquisition.

Failure to manage relationships with local communities, government and non-government organisations could adversely affect future growth potential of the Company

As a consequence of public concern about the perceived ill effects of economic globalisation, businesses often face increasing public scrutiny of their activities. Prospective targets may have operations located in or near communities that may regard such an operation as detrimental to their environmental, economic or social circumstances. Negative community reaction to such operations could have a material adverse impact on the cost, profitability, ability to finance or even the viability of an operation. Such events could also lead to disputes with national or local governments or with local communities and give rise to material reputational damage. In addition, the business which the Company acquires may operate in countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. These disputes are not always predictable and may cause disruption to projects or operations. Natural resources operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure networks such as railways and utility services. Failure to manage relationships with local communities, government and non-government organisations may adversely affect the Company's reputation, as well as its ability to commence production projects, which could in turn affect the Company's revenues, results of operations and cash flows.

Exploration, development and production activities are capital intensive and inherently uncertain in their outcome and the Company may not be able to generate cash flows or secure adequate financing for its discretionary capital expenditure plans

Exploration, development and production activities are capital intensive and inherently uncertain in their outcome and may not produce sufficient net revenues to return a profit after development, operating and other costs. In the event that cash flows are lower than expected, the Company may be forced to scale back or delay discretionary capital expenditure resulting in delays to, or the postponement of, the Company's planned exploration or mining activities, which could have a material adverse effect on its business, results of operations, financial condition or prospects.

RISKS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to Shareholders

To the extent that the assets, company or business which the Company acquires is or are established outside the UK, it is possible that any return the Company receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by Shareholders from an investment in the Company.

Changes in tax law may reduce any net returns for Shareholders

The tax treatment of holders of securities issued by the Company, any special purpose vehicle which the Company may establish or any company which the Company may acquire are all subject to changes in tax laws or practices in the UK or any other relevant jurisdiction. Any change may reduce any net return derived by Shareholders from an investment in the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

It is intended that the Company will structure the Group, including any company or assets acquired in any Acquisition, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company will make certain assumptions regarding taxation. If those assumptions are not borne out in practice, however, taxes may be imposed with respect to any of the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could adversely affect the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of in the foreseeable future). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

RISKS RELATING TO THE ORDINARY SHARES

The proposed Standard Listing of the Ordinary Shares will afford Shareholders a lower level of regulatory protection than a Premium Listing

Application will be made for the Ordinary Shares to be admitted to the Standard Listing segment of the Official List. A Standard Listing will afford Shareholders a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares. Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on pages 22 and 23 of this document.

The Company may be unable or unwilling to transition to a Premium Listing in the future

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. There can be no guarantee that the Company will ever meet such eligibility criteria or that a transition to a Premium Listing will be achieved. If the Company does not achieve a Premium Listing, the Company will not be obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing. This would include a period of time after the Acquisition where the Company could be operating a substantial business but would not need to comply with such higher standards. In addition, an inability to achieve a Premium Listing will prohibit the Company from gaining a FTSE indexation and may have an adverse effect on the valuation of the Ordinary Shares. Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on pages 22 and 23 of this document.

The pre-emption rights in the Articles have been disapplied and the Company may be required to raise cash through issuing substantial additional equity to complete the Acquisition, which may dilute the percentage ownership of a Shareholder and the value of the Ordinary Shares

Although the Company will receive the Net Placing Proceeds, the Directors believe that further equity capital raisings may be required by the Company in order to complete the Acquisition, which may be substantial. The pre-emption rights contained in the Articles have been disapplied in respect of the issuance of new Ordinary Shares on exercise of subscription rights attaching to the Series A Warrants and otherwise with an aggregate nominal value of up to £100,000. If the Company does offer its Ordinary Shares as consideration in making the Acquisition, depending on the number of Ordinary Shares offered and the value of such Ordinary Shares at the time, the issuance of such Ordinary Shares could materially reduce the percentage ownership represented by the holders of Ordinary Shares in the Company and also dilute the value of Ordinary Shares held by such Shareholders at the time. If a target has a large shareholder, the Company's issue of new Ordinary Shares may result in such shareholder subsequently holding a large stake in the Company, which may, in turn, enable it to exert significant influence over the Company. The pre-emption rights contained in the Articles have also been disapplied in respect of the issuance of new Ordinary Shares for cash on the exercise of subscription rights attaching to the Series A Warrants, to the holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings and otherwise with an aggregate nominal value of up to £100,000 (which amount shall include the Placing Shares and new Ordinary Shares on exercise of subscription rights attaching to the Series B Warrants and the Broker Warrants). Further details are set out in paragraph 2 of Part VII of this document. The disapplication of pre-emption rights could cause a Shareholder's percentage ownership in the Company to be reduced and the issuance of new Ordinary Shares, or, as the case may be, other equity securities could also dilute the value of Ordinary Shares held by such Shareholder. Further details of the risks associated with non-cash offers by the Company are set out in the risk factor entitled "The Company may be subject to restrictions in offering new Ordinary Shares as consideration for the Acquisition or may have to provide alternative consideration which may have an adverse effect on its operations".

Shareholders may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

An investment in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor, together with the number of Ordinary Shares to be issued pursuant to the Placing, may contribute to infrequent trading in the Ordinary Shares on the London Stock Exchange and volatile Ordinary Share price movements. Shareholders should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Placing Price.

Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends in the foreseeable future

The Company does not intend to pay dividends on the Ordinary Shares in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and subject to its obligations under the Companies Act, but will be principally reliant upon dividends received on shares held by it in order to do so. Payments of such dividends will be dependent on the availability of distributable reserves. The Company can therefore give no assurance that it will be able to pay dividends in the future or as to the amount of such dividends, if any.

The ability of Overseas Shareholders to bring actions or enforce judgments against the Company or the Directors may be limited

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in England and Wales. The rights of holders of Ordinary Shares which are set out in the Articles and are governed by English law. These rights may differ from the rights of holders of shares in non-UK corporations. An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The Directors are residents of the UK. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors and executive officers within the Overseas Shareholder's country of residence or to enforce against the Directors and executive officers judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors or executive officers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

CONSEQUENCES OF A STANDARD LISTING

Application will be made for all of the Ordinary Shares, issued and to be issued pursuant to the Placing, to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings.

The Ordinary Shares will be listed under Chapter 14 of the Listing Rules (Standard Listing (Shares)) and, as a consequence, a significant number of the Listing Rules will not apply to the Company. Shareholders will therefore not receive the full protections of the Listing Rules associated with a Premium Listing.

Listing Rule 14.3 sets out the continuing obligations applicable to companies with a Standard Listing and requires that such companies' listed equity shares must be admitted to trading on a regulated market at all times. Such companies must have at least 25 per cent. of the shares of any listed class in public hands in one or more Member States at all times and the FCA must be notified as soon as possible if these holdings fall below that level.

The continuing obligations under Chapter 14 also include requirements as to:

- the forwarding of circulars and other documentation to the National Storage Mechanism and related notification to a RIS;
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- notifying an RIS in relation to changes to equity and debt capital; and
- compliance with, in particular, Chapters 4, 5 and 6 of the Disclosure Guidance and Transparency Rules.

From Admission, the Company will be subject to the Market Abuse Regulation.

As a company with a Standard Listing, the Company will, following Admission, not be required to comply with, *inter alia*, the provisions of Chapters 6 to 13 of the Listing Rules (except for Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules, as required by the UK Listing Authority), which set out more onerous requirements for issuers with a Premium Listing of equity securities. These include provisions relating to certain listing principles, the requirement to appoint a sponsor, various continuing obligations, significant transactions, related party transactions, dealings in own securities and treasury shares and contents of circulars.

The Company will comply with Chapter 5 of the Listing Rules (Suspending, cancelling and restoring listing). On announcing (or, in the event of a leak of information, prior to the announcement of) a Reverse Takeover, the Ordinary Shares would be suspended unless sufficient information was available to Shareholders and the wider market in the form of a Prospectus. This will be discussed with the UK Listing Authority at the time. During the period of suspension, the Company would remain subject to the continuing obligations of a Standard Listing. If the Reverse Takeover is not completed, then the Company will request that the suspension of the Ordinary Shares is lifted.

On completion of a Reverse Takeover the Standard Listing of the Ordinary Shares will be cancelled. The Company intends to apply for readmission of the Ordinary Shares to the Official List or to make application for admission of the Ordinary Shares to trading on AIM or an alternative share trading platform. Depending on the market chosen by the Directors, the Company will be required either to issue a further prospectus, or to issue an admission document or other appropriate investor document giving details of the Acquisition and the Company's business and activities as enlarged by the Acquisition, and to satisfy the eligibility criteria of either the UK Listing Authority, AIM or other stock exchange at that time. The Company may be unable to satisfy such eligibility requirements.

These situations are described further in the "Risk Factors" section of this document.

The Company intends to comply with the Premium Listing Principles set out in Chapter 7 of the Listing Rules notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. The Company is not, however, formally subject to such Listing Principles and will not be required to comply with them by the UK Listing Authority.

In addition, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing and Admission.
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing.
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted that the Company will only seek Shareholder consent for the Acquisition if required by the Companies Act or the Takeover Code.
- Chapter 11 of the Listing Rules regarding related party transactions. It should be noted therefore that related party transactions will not require Shareholder consent.

- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. However, Shareholder authority is required in order for a company to buy back its shares under the Companies Act.
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

IMPORTANT INFORMATION

In deciding whether or not to invest in Placing Shares, prospective Placees should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors, or Shard. Without prejudice to the Company's obligations under FSMA, the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery of this document nor any subscription made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information contained herein is correct as at any time after its date.

Prospective Placees must not treat the contents of this document or any subsequent communications from the Company or Shard or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, financial, taxation, accounting, regulatory, investment or any other matter.

Neither Shard nor any person acting on its behalf makes any representations or warranties, express or implied, with respect to the completeness, accuracy or verification of this document nor does any such person authorise the contents of this document. No such person accepts any responsibility or liability whatsoever for the contents of this document or for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, the Placing or Admission. Shard accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this document or any such statement. Neither Shard nor any person acting on its behalf accepts any responsibility or obligation to update, review or revise the information in this document or to publish or distribute any information which comes to its or their attention after the date of this document, and the distribution of this document shall not constitute a representation by Shard or any such person that this document will be updated, reviewed or revised or that any such information will be published or distributed after the date hereof. However, nothing in this paragraph excludes or limits any responsibility which Shard may have under FSMA or the regulatory regime established thereunder, or which, by law or regulation, cannot otherwise be limited or excluded.

Shard and any affiliate thereof acting as an investor for its or their own account(s) may subscribe for, retain, purchase or sell Ordinary Shares for its or their own account(s) and may offer or sell such securities otherwise than in connection with the Placing. Shard does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

This document is being furnished by the Company in connection with an offering exempt from registration under the US Securities Act solely to enable a prospective Placee to consider the subscription of Ordinary Shares. Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares offered hereby is prohibited. Each offeree of the Ordinary Shares, by accepting delivery of this document, agrees to the foregoing.

This document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised, (ii) in which the person making such offer or invitation is not qualified to do so, or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the UK into whose possession this document comes are required by the Company and Shard to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this document under the laws and regulations of any territory in connection with any applications for Placing Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or Shard that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this document other than in any jurisdiction where action for that purpose is required. Neither the Company nor Shard accepts any responsibility for any violation of any of these restrictions by any other person.

The Ordinary Shares have not been nor will be registered under the US Securities Act, or under any relevant securities laws of any state or other jurisdiction in the US, or under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exceptions, the Ordinary Shares may not be taken up, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered directly or indirectly, within, into or in the US, Australia, Canada, the Republic of South Africa or Japan or to any national, resident or citizen of the US, Australia, Canada, the Republic of South Africa or Japan.

The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

Selling and Transfer Restrictions

Prospective Placees should consider (to the extent relevant to them) the notices to residents of various countries set out in Part VIII of this document.

Data Protection

The information that a prospective Placee provides in documents in relation to a subscription for Placing Shares or subsequently by whatever means which relates to the prospective Placee (if it is an individual) or a third party individual ("personal data") will be held and processed by the Company (and any third party to whom it may delegate certain administrative functions in relation to the Company) in compliance with the relevant data protection legislation and regulatory requirements of the UK. Such

information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective Placee to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- contacting the prospective Placee with information about other products and services provided by the Company, or its affiliates, which may be of interest to the prospective Placee;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in England and Wales or elsewhere; and
- disclosing personal data to other functionaries of or advisers to the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective Placees; and
- transfer personal data outside of the European Economic Area to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective Placees as the UK.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data are disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, Placees will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective Placees are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Investment Considerations

In making an investment decision, prospective Placees must rely on their own examination of the Company, this document and the terms of the Placing, including the merits and risks involved. The contents of this document are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment or any other matter. Prospective Placees should inform themselves as to:

- the legal requirements within their own countries for the subscription, purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the subscription, purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the subscription, purchase, holding, transfer or other disposal of the Ordinary Shares.

Prospective Placees must rely upon their own representatives, including their own legal and financial advisers and accountants, as to legal, tax, financial, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which prospective Placees should review.

Forward-looking Statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the document and include statements regarding the intentions, beliefs or current expectations of the Company and the Directors concerning, among other things: (i) the Company's objective, acquisition and financing strategies, returns of capital, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends, (ii) future deal flow and implementation of active management strategies, and (iii) trends in the sectors in which the Company may elect to invest. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, internal rate of return, financial condition, distributions to Shareholders and the development of its financing

strategies may differ materially from the impression created by the forward-looking statements contained in this document. In addition, even if the Company's actual performance, results of operations, internal rate of return, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to source and close Acquisition opportunities and other transactions and to propose effective growth strategies for any company, business or assets the Company acquires;
- changes in commodity prices and in economic conditions generally (and specifically in the market in which any Acquisition is made);
- changes in interest rates and currency fluctuations, as well as the success of the Company's hedging strategies in relation to such changes and fluctuations (if such strategies are in fact used);
- legislative and/or regulatory changes, including changes in taxation regimes;
- the Company's ability to invest the cash on its balance sheet and the Net Placing Proceeds in an Acquisition on a timely basis; and
- the availability and cost of equity or debt capital to finance or part finance any Acquisition.

Prospective Placees should carefully review the "Risk Factors" section of this document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision.

Forward-looking statements contained in this document apply only as at the date of this document. Subject to any obligations under FSMA, the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Rules and the Market Abuse Regulation, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

The contents of these paragraphs relating to forward-looking statements are not intended to qualify any statement made in this document as to the sufficiency of working capital and, in particular, the statement set out in paragraph 13 of Part VII of this document.

Currency Presentation

Unless otherwise indicated, all references in this document to "sterling", "£" or "p" are to the lawful currency of the UK; all references to "\$", "US\$" or "US dollars" are to the lawful currency of the United States; and all references to "€" or "euro" are to the lawful currency of the Euro zone countries.

No Incorporation of Website

The contents of the Company's website (or any other website) do not form part of this document.

Definitions

A list of defined terms used in this document is set out in Part IX of this document.

Governing Law

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>Time and/or Date</i>
Publication of this document	22 August 2017
Results of Placing announced	29 August 2017
Completion of the Placing, Admission and commencement of unconditional dealings in the Ordinary Shares	8.00 a.m. on 29 August 2017
CREST members' accounts credited in respect of Placing Shares in uncertificated form	29 August 2017
Despatch of definitive share certificates in respect of Placing Shares in certificated form	by 5 September 2017

All references to times and dates in this document are to London time unless otherwise stated.

PLACING STATISTICS

Number of Existing Ordinary Shares	2,600,000
Number of Placing Shares	26,000,000
Number of Ordinary Shares in issue on Admission	28,600,000
Percentage of Enlarged Ordinary Share Capital represented by the Placing Shares	90.91 per cent.
Placing Price	5p
Gross proceeds of the Placing	£1,300,000
Net Placing Proceeds	£1,150,000
Number of Series A Warrants	5,200,000
Number of Series B Warrants	13,000,000
Number of Broker Warrants	494,300
Aggregate subscription rights of the Series A Warrants, the Series B Warrants and the Broker Warrants as a percentage of the Enlarged Ordinary Share Capital	65.36 per cent.

DIRECTORS AND ADVISERS

Directors	Christopher Raymond John Hall (Non-Executive Chairman) Derek Crowhurst (Non-Executive Director) Peter Damouni (Non-Executive Director) David Charles Cliff (Non-Executive Director) all c/o the Registered Office
Registered Office	71 Queen Victoria Street London EC4V 4BE
Company Secretary	Derek Crowhurst
Broker	Shard Capital Partners LLP 23rd Floor 20 Fenchurch Street London EC3M 3BY
Reporting Accountants and Auditor to the Company	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Solicitors to the Company	Fladgate LLP 16 Great Queen Street London WC2B 5DG
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen B63 3DA
Principal Bankers	Barclays Bank plc 1 Churchill Place Canary Wharf London E14 5HP

PART I

INVESTMENT OPPORTUNITY AND STRATEGY

1. Introduction

Chesterfield Resources was incorporated on 4 January 2017 under the laws of England and Wales and formed for the purpose of acquiring a company, business or asset that has operations in the mining sector that it will then look to develop and expand. The Company will focus primarily on opportunities in the Exchange Traded Non-Ferrous Metals mining segment within the European geographic region.

The Company has conditionally raised gross proceeds of £1,300,000 through the Placing. The Company has also raised gross proceeds of £100,600 through the issue of shares prior to the date of this document.

The Board is responsible for the Company's business strategy and its overall supervision, including the approval of the Acquisition. The Board will also be responsible for the identification and assessment of acquisition opportunities, the structuring and execution of the Acquisition and determination and execution of strategy for the acquired company, business or asset. The Directors collectively have considerable experience in identifying and assessing acquisition targets and in executing corporate transactions. The Acquisition is required to establish Chesterfield Resources' presence in the mining sector and will form the basis of the Company's growth in that sector. It is not intended that Chesterfield Resources will simply acquire minority stakes in mining entities but that it will acquire and operate a mining business or, on the basis of further acquisitions following the Acquisition, businesses.

2. The Value Opportunity

The Directors believe there is a significant opportunity in the mining sector and Chesterfield Resources has been established to participate in this opportunity.

Commodity prices tend to be cyclical, reflecting the difficulties in maintaining a supply and demand balance in a global business. Economic growth increases demand, which typically leads to higher commodity prices. In turn, higher commodity prices stimulate exploration expenditure, which can lead to production over-capacity and a weakening of commodity prices, especially if increased supply coincides with economic growth lower than forecast.

A combination of underinvestment in the exploration and mining sector and a rise in global growth, principally from China, caused commodity prices to rise from 2002, reaching a peak in 2011.

Following almost a decade of growth, from 2011 mining companies were faced with declining commodity prices and were forced to find ways to reduce costs. Over the next five years the sector witnessed a substantial downturn characterised by the following:

- significant decline in exploration spending by most companies across most commodities;
- reductions in workforce such that geologists, mining engineers and other technical individuals were looking for work;
- mining service companies reduced the price of contract mining, exploration drilling and other related services;
- large and mid-tier mining companies divested assets as they continued to downsize operations to manage cashflow;
- smaller mining and exploration companies were put on care and maintenance, delisted or were sold; and
- investors moved away from deploying capital in the sector, leading to significant underinvestment.

For the above reasons the Directors believe that, while the sector has endured a difficult period, it presents a significant opportunity for a new entrant into the market.

The following table contains historic and forecast prices (average for the relevant period) of the leading Non-Ferrous Exchange Traded Metals, denominated in US dollars:

Commodity	2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	2017*	2018*	2019*	2020*
Base Metals										
(\$ per tonne)										
Aluminium	1,665	1,514	1,572	1,620	1,710	1,851	1,800	1,828	1,856	1,885
Copper	5,510	4,675	4,736	4,780	5,281	5,840	5,750	5,838	5,927	6,017
Lead	1,788	1,738	1,718	1,873	2,138	2,278	2,200	2,208	2,215	2,223
Nickel	11,863	8,508	8,823	10,264	10,787	10,273	10,500	11,034	11,594	12,183
Tin	16,067	15,439	16,902	18,584	20,810	20,004	20,000	20,216	20,435	20,656
Zinc	1,932	1,677	1,917	2,252	2,514	2,779	2,750	2,600	2,583	2,566
Precious Metals										
(\$ per troy ounce)										
Gold	1,161	1,181	1,260	1,334	1,221	1,219	1,225	1,206	1,187	1,169
Platinum	1,053	914	1,005	1,085	944	981	1,000	1,032	1,064	1,098
Silver	15.72	14.91	16.86	19.65	17.16	17.49	17.25	17.15	17.05	16.95

* Forecast

Source: World Bank Group. 2017. *Commodity Markets Outlook*, April. World Bank, Washington, DC.

Since 2016, commodity prices have been robust and investment capital is returning to the sector, a trend the Directors expect to continue.

On a macroeconomic level, in 2016 China experienced GDP growth of 6.6 per cent. and India, which is viewed as a rising economy that will require a significant amount of resources as its GDP and economy continues to expand, saw 2016 GDP growth of 7.6 per cent. In addition, the United States is expected to embark on an investment programme that could materially increase infrastructure spending.

The Directors believe that underinvestment in the sector over the last five years, coupled with growing demand for commodities, provides a significant opportunity for Chesterfield Resources, especially in the Exchange Traded Non-Ferrous Metals mining segment, which offers a range of attractive acquisition opportunities. Such opportunities will include companies, businesses or assets where an identified mineral resource can be optimised or increased or where value can be unlocked.

3. Business strategy and execution

Chesterfield Resources (including subsequently acquired or incorporated subsidiaries) will form a trading business, rather than an investment entity. The Company intends that the Acquisition will be of an operating Exchange Traded Non-Ferrous Metals resource exploration and/or production business that can act as the cornerstone for building a substantial group within the sector. Exchange Traded Non-Ferrous Metals include precious metals (for example, gold, silver and platinum) and base metals (for example, copper, lead, zinc, tin, aluminium and nickel).

Chesterfield Resources will seek to grow this operational exploration and/or production business both organically and by further acquisition. The Company aims to generate value for Shareholders by focussing primarily on opportunities where there is potential to utilise existing exploration data and, through additional exploration work and/or reinterpretation work, develop a compliant mineral resource estimate (i.e. a mineral resource estimate that complies with the JORC Code, SAMREC, PERC, the CIM Guidelines, SME or other internationally recognised equivalent reporting standard). The Company aims to achieve its objective through the identification and acquisition of companies, businesses or assets where the existing owners are attracted to the Chesterfield Resources proposition, namely the opportunity to sell for cash or hold an ownership interest in a London listed company with cash, access to capital markets and the know-how to unlock the value of their acquired resource assets.

The Company expects that the size of the Acquisition is likely to be valued at up to £20,000,000, although the Company may consider larger opportunities if the Board is satisfied that the Company has the resources available to it, including financial and management resources, to proceed with such a transaction.

The Company intends to focus on acquiring operating businesses or assets where value is trapped by virtue of a capital or expertise deficit. The Directors believe such trapped value may often occur in family controlled businesses and small companies or where the business or assets are considered to be non-core by a larger natural resources company. The Company will look to provide liquidity and/or cash to owners through the issue of new Ordinary Shares as consideration for the Acquisition or to raise capital, as well as the strategic and financial management expertise that the Directors have identified as lacking in many of the target group businesses. The Directors consider this flexibility to be particularly attractive to owners who wish to remain operationally involved in, and participate in the future of, a target. The Board will look to identify and recruit suitable operational expertise to address any weaknesses in the management team of the Acquisition.

Chesterfield Resources intends to focus primarily on Europe as the target geographic region, where the Directors have prior knowledge and experience. However, the Company will not exclude other geographic regions where an opportunity presents an appropriate acquisition proposition. Similarly, while the Company intends to adopt an Exchange Traded Non-Ferrous Metals focus, it will also remain open to opportunities in other commodities in the natural resources sector should an appropriate acquisition opportunity present itself.

The Company anticipates that it will acquire all or the substantial majority of the voting control and equity interest of any target company, business or asset.

The initial equity capital base of Chesterfield Resources is likely to be relatively small compared with the value of the Acquisition, so it is intended to use Ordinary Shares as a material element of the consideration for the Acquisition. The Acquisition is expected to be of a business valued at substantially more than Chesterfield Resources and will constitute a Reverse Takeover under the Listing Rules, which will require the Company's Standard Listing to be cancelled on completion. The Company intends either to seek readmission to a Standard Listing following completion of the Acquisition, or to seek admission to an alternative share trading platform, such as AIM. The process for readmission to the Official List following a Reverse Takeover would require publication of a prospectus and it would be necessary for the Company as enlarged by the Acquisition to meet the eligibility requirements set by the UK Listing Authority in order to be readmitted to the Official List.

In the event that the Directors propose that, following completion of the Acquisition and cancellation of the Standard Listing, the Company should apply for admission to trading on AIM, this would require the publication of an admission document, in line with the AIM Rules for Companies published by the London Stock Exchange.

Whilst neither: (i) the Acquisition; (ii) readmission to the Standard Listing; or (iii) admission to AIM, would of themselves require Shareholder consent, such consent may be required to approve the issue of equity in connection with the Acquisition and Shareholder consent may also be required on the basis that the vendors of the Acquisition may receive a controlling stake in the Company as part of the transaction, which may also result in a person or concert party owning 30 per cent. or more of the issued Ordinary Shares and, therefore, voting rights of the Company. As the vendors of the Acquisition are unlikely to be connected with Chesterfield Resources and/or own any Ordinary Shares, it is expected that the Company would apply to the Takeover Panel for a waiver of Rule 9 of the Takeover Code, subject to a vote of independent Shareholders (known as a 'Whitewash'). The information required under the Takeover Code for a Whitewash would be incorporated in a circular to be sent to Shareholders and would require the approval of independent shareholders, on a poll, at a general meeting. It is expected that, concurrently with the Acquisition, Chesterfield Resources will need to raise new capital by making an offer of new Ordinary Shares for cash.

The Acquisition is more likely to be successfully completed if the vendors agree to receive Ordinary Shares as a material element of the consideration and the Company is able to raise additional capital through the issue of new Ordinary Shares. It is likely that the completion of the Acquisition will be contingent on these events.

The Directors bring considerable expertise that is specifically relevant to this stage of the Company's development, where the objective is to identify, negotiate, finance and execute the Acquisition. The Directors collectively have key experience in relation to assessing, structuring and executing acquisitions, including undertaking technical, legal and financial due diligence, managing capital requirements and raising debt and equity finance.

The Company intends to leverage the Directors' extensive and complementary network of contacts across the natural resources industry to access a number of quality acquisition opportunities. The Company and its Directors then intend to apply discipline to transaction selection and assemble high calibre teams of professional to assist in conducting due diligence on targets and structuring and executing the Acquisition.

In addition to satisfactory technical, legal and financial due diligence, one of the key considerations when assessing the Acquisition will be the quality of the operational management. It would be expected that, following the Acquisition, one or more of the senior management team of the Acquisition would join the Board in order to add operational expertise at that point, especially in relation to the Acquisition. Information on the new Directors would be detailed in the prospectus, admission document or other document required for readmission to a Standard Listing or admission to another market following completion of a Reverse Takeover. Additional Directors and management may also be recruited externally if the Board identifies such a requirement.

The Board will only resolve that the Company proceed with an Acquisition if it believes that the terms of the Acquisition offer an opportunity to Shareholders to achieve attractive returns. The Directors will be incentivised to achieve such returns through their holdings of Ordinary Shares, Series A Warrants and Series B Warrants. Details of the interests of the Directors in the capital of the Company are set out in paragraph 6 of Part VII of this document.

Following completion of the Acquisition, the Company intends to implement a strategy designed to maximise Shareholder value by optimising the capital structure of the acquired activities, implementing disciplined operational improvements and strengthening management, including through the services of the Directors, one or more of whom may assume executive roles. The Company may also undertake targeted investment within the area of operations of the acquired activities and pursue strategic bolt-on acquisitions to increase the scale of the Company's operating business.

4. The Company's Competitive Strengths

The Directors believe that the Company should be well placed to compete against other market participants in the Exchange Traded Non-Ferrous Metals exploration and production sector on the basis of the following competitive advantages:

- the Directors have wide-ranging experience working for and/or advising businesses operating within the natural resources sector;
- the Directors have an extensive network of relationships to reach the key decision-makers and owners of potential targets in the sector; and
- the Company has considerable flexibility in how it would be able to finance the consideration for the Acquisition, which may include a proportion of the Net Placing Proceeds together with the potential to incur indebtedness and/or to issue additional publicly traded equity (whether to raise additional cash or as transaction consideration).

5. Use of Proceeds

The Company's intention is to use the Net Placing Proceeds to pay the Company's ongoing corporate costs and expenses (including directors' fees and other internal costs of sourcing, reviewing and pursuing the Acquisition), which are estimated to amount to approximately £150,000 per annum, with the balance being used to fund the external due diligence and other transaction costs in respect of the Acquisition and to contribute towards any cash element of the purchase consideration for the Acquisition and/or the development of the acquired business. Prior to completion of the Acquisition, the Company will invest or deposit the Net Placing Proceeds in sterling denominated money market instruments, government securities, commercial paper, asset backed commercial paper, corporate bonds and/or deposits with commercial banks. Each of these instruments or commercial banks will be no less than A- rated at the time of investment or deposit.

6. Capital and returns management

The Company has conditionally raised gross proceeds of £1,300,000 under the Placing, giving net proceeds to the Company of approximately £1,150,000. Further equity capital fundraisings are expected to be undertaken by the Company as it pursues its objectives. The amount of any such additional equity to be raised, which could be substantial, will depend on the nature of the Acquisition opportunities which arise and the form of consideration the Company uses to make the Acquisition and, accordingly, cannot be determined with any certainty at the date of this document. The Company expects that returns for Shareholders will derive primarily from capital appreciation of the Ordinary Shares and, potentially, any dividends paid pursuant to the Company's dividend policy set out below.

The Articles include pre-emption rights in favour of existing Shareholders which have been disapplied in relation to the issuance of new Ordinary Shares for cash on the exercise of subscription rights attaching to the Series A Warrants, to the holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings and otherwise with an aggregate nominal value of up to £100,000 (which amount shall include the Placing Shares and new Ordinary Shares on exercise of subscription rights attaching to the Series B Warrants and the Broker Warrants). Otherwise, Shareholders will have pre-emption rights which

will generally apply in respect of future issues of new Ordinary Shares for cash. Further details are set out in paragraph 2 of Part VII of this document.

If the Acquisition is not completed before the second anniversary of Admission, then (unless the Acquisition has been previously announced but completes after the second anniversary of Admission or the Company is in active negotiations relating to the Acquisition which is announced shortly after the second anniversary of Admission and subsequently completes) the Board will recommend to Shareholders either that the Company be wound up by Special Resolution (in order to return to Shareholders any remaining distributable assets) or that the Company continue to pursue the Acquisition for a further year. The Board's recommendation will then be put to a Shareholder vote.

7. Selected Financial Information

The following selected financial information has been extracted from the historical financial information of the Company set out in Part IV (B) of this document.

<i>Statement of financial position as at 30 April 2017</i>	£
Current assets: Cash at bank and in hand	100,610
Current liabilities: Trade and other payables	(10)
Net current assets	100,600
Net assets	100,600
Share capital	100,600
Equity attributable to the owners of the Company	100,600
<i>Statement of cash flows for the period from incorporation on 4 January 2017 to 30 April 2017</i>	£
Cash flows from operating activities	
Increase in trade and other payables	10
Net cash flow from operating activities	10
Cash flows from financing activities	
Proceeds on issue of shares	100,600
Net cash flow from financing activities	100,600
Net increase in cash and cash equivalents	100,610
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the period	100,610

8. Dividend Policy

The Board's current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.

9. Corporate Governance

In order to implement its business strategy, the Company has adopted a corporate governance structure, further details of which are set out in Part II of this document. The key features of this structure are:

- a wholly Non-Executive Board with four independent Non-Executive Directors on Admission;
- the Board has extensive experience in the natural resources sector, specifically in Non-Ferrous Exchange Traded Metals and in mergers and acquisitions, including reverse takeovers, and the capital markets;
- the Company intends to comply, insofar as is appropriate having regard to the size and nature of the Company and the composition of the Board, with the Corporate Governance Code (as set out in more detail in section 6 of Part II of this document under the sub-heading "Corporate Governance") and has adopted a share dealing policy that complies with the requirements of the Market Abuse Regulation; and
- the Company will not seek Shareholder approval to complete the Acquisition unless required to do so by the Companies Act or the Takeover Code.

PART II

THE COMPANY, THE BOARD AND THE ACQUISITION STRUCTURE

1. The Company

The Company was incorporated in England and Wales on 4 January 2017. Its issued share capital will, on Admission, consist of the Existing Ordinary Shares, the Placing Shares and the Deferred Shares. It is intended that the Enlarged Ordinary Share Capital will be admitted to the standard listing segment of the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's Main Market for listed securities.

2. The Directors

The Directors believe the Board comprises a knowledgeable and experienced group of professionals with relevant experience for sourcing, evaluating, structuring and executing the Acquisition. The Company will not be externally managed and the Board will have full responsibility for its activities.

Christopher Hall, Non-Executive Chairman, aged 67

Christopher is an experienced mining finance and investment specialist and corporate manager with a career spanning more than 40 years and encompassing exploration and mine geology, mining share analysis, specialist fund management, M&A, general management and wide-ranging consultancy. Between 1998 and 2003, Christopher was with international mining consultants, Behre Dolbear International Limited, initially as a consultant and then from 2000 as President, managing the UK office covering Europe, the Middle East, Russia, the Former Soviet Union, India and parts of Asia. He acted as an in-house mining adviser/resources specialist for international accountant and AIM Nominated Adviser Grant Thornton LLP, UK from 2005 until 2015, advising capital markets and audit functions. Christopher is a Director of Rift Resources Limited, a private exploration company operating in East Africa and the Middle East, and, until 2016, was Non-Executive Chairman of AIM-traded companies Stratex International plc, a gold producer and explorer active in Turkey and Senegal with strategic interests in East Africa and Ghana, and Goldstone Resources plc, an exploration company operating principally in Ghana. Christopher holds a BSc degree in Geology from the University of Reading, an MSc degree in Exploration and Mining Geology from the University of Leicester and is a Chartered Engineer, Member of the Institute of Materials, Minerals and Mining.

Derek Crowhurst, Non-Executive Director, aged 55

Derek has spent more than 30 years working in the City of London, having commenced his career with R. Nivison & Co. (ultimately absorbed into Smith & Williamson Investments) as a fixed-interest analyst before progressing to the eurobond sales/trading desk, where he became involved in the issuance of eurodollar convertible bonds. He became increasingly focused on providing corporate financial advice, culminating in him joining Keith, Bayley Rogers & Co. in 1993, where he worked on numerous IPOs (on both the Official List and AIM), secondary fund raisings and M&A transactions. After spending more than 15 years with Keith, Bayley, Rogers & Co., the last two years of which as Managing Director of the business, Derek left to join Religare Capital Markets Limited in 2009 and moved to natural resources specialists VSA Capital Limited in 2012. Since January 2014, he has been a Director – Corporate Finance with corporate financial advisory boutique, Argento Capital Markets Limited. Derek holds a BSocSc honours degree in Mathematics, Economics and Statistics from the University of Birmingham and is a Fellow of the Chartered Institute for Securities and Investment and an FCA Approved Person.

Peter Damouni, Non-Executive Director, aged 39

Peter has over 16 years of experience in investment banking and capital markets, with expertise in mining and oil and gas. During his career, Peter has worked on and led equity and debt financings valued at more than \$5 billion. He has comprehensive experience in equity financing, restructuring, corporate valuations and advisory assignments. Peter is a Non-Executive Director of Georgian Mining Corporation, an AIM traded copper and gold development and exploration company and of Kerr Mines, Inc., a Toronto Stock Exchange listed North American gold development and exploration company based in Toronto, Canada. He holds a double major BA honours degree in Economics, Finance and Political Science from McGill University, Montreal, Canada.

David Cliff, Non-Executive Director, aged 71

David is an experienced geologist who spent 26 years working in a management capacity for the Rio Tinto Exploration group until 2006, including the last five years as Exploration Manager Europe. During his time with Rio Tinto Exploration, he headed exploration teams in the wider European area, including the discovery and evaluation of the Çöpler gold mine in Turkey, now owned and operated by Alacer Gold Corporation. David commenced his career in 1968 with the Union Corporation group, spending seven years in South Africa (including work on the discovery and evaluation of the Beatrix Gold Mine complex, as well as the development of the Unisel mine and production-related geology at St Helena Gold Mine). Prior to that he spent four years in the United Kingdom, mainly involved in development and production at two Cornish tin mines. More recently, he was a Director and Chief Executive Officer of Columbus Copper Corporation (formerly Empire Mining Corp.), a Toronto Venture Exchange listed exploration company exploring copper and gold assets in western Turkey and chromite in Albania, until its merger with Energulf Resources Inc. in 2015. David holds a BSc honours degree in Geology from University College London and is a Chartered Engineer, Member of the Institute of Materials, Minerals and Mining.

Further information on the Directors is set out in paragraph 5 of Part VII of this document.

3. Independence of the Board

on Admission, all of the Directors will be considered to be 'independent' members of the Board, as that term is defined in the Corporate Governance Code. It is expected that additional Directors, both executive and non-executive, will be appointed at the time of the Acquisition and independence will be one of the factors taken into account in determining the composition of the Board at that time.

4. Directors' Fees

With effect from Admission, each of the Directors will be entitled to receive a gross annual fee of £12,000, payable monthly in arrears, plus reimbursement of all reasonable and properly documented expenses incurred in performing their duties. In addition, upon completion of the Acquisition, each Director will be entitled to receive a gross bonus of £25,000, less the cumulative amount of the gross monthly fees paid to such Director prior to completion of the Acquisition.

Further details of the letters of appointment of the Directors are set out in paragraph 7 of Part VII of this document.

5. Conflicts of Interest

Potential areas for conflicts of interest for the Directors in relation to the Company include:

- the Directors are required to commit a limited amount of time to the Company's affairs and, accordingly, they may have conflicts of interest in allocating management time among various business activities;
- in the course of their other business activities, the Directors may become aware of investment and business opportunities which may be appropriate for presentation to the Company as well as the other entities with which they are affiliated and they may have conflicts of interest in determining to which entity a particular opportunity should be presented;
- the Directors are or may in the future become affiliated with entities, including other special purpose acquisition companies, engaged in activities similar to those of the Company; and
- the Directors may have a conflict of interest with respect to evaluating a particular acquisition opportunity if the retention or resignation of any of the Directors were included by the vendors of a target company or business as a condition to any agreement with respect to the acquisition of such target.

Accordingly, as a result of these multiple business affiliations, each of the Directors may have similar legal obligations to present business opportunities to multiple entities. In addition, conflicts of interest may arise when the Board evaluates a particular business opportunity.

The Directors have, or may come to have, other fiduciary obligations, including to other companies on whose board of directors they presently sit or to other companies whose board of directors they may join in the future. To the extent that they identify business opportunities that may be suitable for the Company or other companies on whose board of directors they may sit, the Directors will honour any pre-existing fiduciary obligations ahead of their obligations to the Company. Accordingly, they may refrain from presenting certain opportunities to the Company that come to their attention in the performance of their duties as directors of such other entities unless the other companies have declined to accept such opportunities or clearly lack the resources to take advantage of such opportunities. Additionally, the Directors may become aware of business opportunities that may be appropriate for presentation to the Company as well as other entities with which they are or may be affiliated.

The Articles contain provisions whereby a Director shall not vote on, or be counted in the quorum of any Board meeting in respect of, any matter in which he has, directly or indirectly, any material interest.

In accordance with the terms of the letters of appointment entered into by each of the Directors, further details of which are set out in paragraph 7 of Part VII of this document, a Director may be required to seek the agreement of the Board before accepting commitments outside their role in the Company, in addition to those already disclosed to the Company, which might give rise to a conflict of interest with any of his duties to the Company.

6. Strategic Decisions

Members and responsibility

The Board is responsible for the Company's objectives and business strategy and its overall supervision. Acquisition, divestment and other strategic decisions will all be considered and determined by the Board. The Board will provide leadership within a framework of prudent and effective controls. The Board will set the corporate governance values of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy, managing the financial and operational resources of the Company and reviewing the performance of the officers and management of the Company's business. Prior to the Acquisition, the Company will not have any executive officers or full-time employees.

The Acquisition will be subject to Board approval and, if required, Shareholder approval will be sought.

Frequency of meetings

While the Board will schedule monthly meetings, it will hold additional meetings as and when required.

Financial Management

The Company does not currently have a finance director and responsibility for financial management of the Company is undertaken by the Directors. Due to the limited number of financial transactions pre-Acquisition and the financial expertise of the Directors, the Board believes this to be appropriate. The Company has engaged an experienced bookkeeper to provide accounting services prior to the Acquisition. In due course, however, it is the Company's intention to appoint a finance director to the Board to the extent that a suitable candidate is not provided by the target business which is the subject of the first Acquisition.

Corporate Governance

As a Company with a Standard Listing, the Company is not required to comply with the provisions of the Corporate Governance Code, which forms a key part of the corporate governance regime for England and Wales, the Company's country of incorporation. In the interests of observing best practice on corporate governance, however, the Company will observe the requirements of the Corporate Governance Code, insofar as is appropriate having regard to the size and nature of the Company and the composition of the Board. As at the date of this document, the Company is, and at the date of Admission will be, in compliance with the Corporate Governance Code with the exception of the following:

- Given the size and wholly non-executive composition of the Board, certain provisions of the Corporate Governance Code (in particular, the provisions relating to the division of responsibilities between the Chairman and chief executive and executive compensation), are not being complied with by the Company as the Board considers these provisions to be inapplicable to the Company. In addition, the Company does not comply with the requirements of the Corporate Governance Code in relation to the requirement to have a senior independent director.
- Until the Acquisition is made, the Company will not have audit, risk, remuneration or nomination committees. The Board as a whole will review its size, structure and composition, the scale and structure of the Directors' fees (taking into account the interests of Shareholders and the performance of the Company), take responsibility for the appointment of auditors and negotiating their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance. Following the Acquisition, the Board intends to put in place audit, risk, remuneration and nomination committees.

At this stage of the Company's development, the Directors consider these elements of the Corporate Governance Code to be inappropriate. The Board intends to review its observance of the remaining aspects of the Corporate Governance Code concurrent with the Acquisition.

The Company has adopted a share dealing policy that complies with the requirements of the Market Abuse Regulation. All persons discharging managerial responsibilities (comprising only the Directors as at the date of this document) shall comply with the share dealing policy with effect from Admission and the Board will be responsible for taking reasonable steps to ensure such compliance.

The Company is applying for a Standard Listing of the Ordinary Shares on the Official List and a Standard Listing offers less protection to Shareholders than would otherwise be the case with a Premium Listing on the Official List. Further details on the consequences of a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on pages 22 and 23 of this document.

7. Acquisition Structure

The Acquisition is expected to be structured by way of a private share purchase or a business or asset purchase agreement between the Company and the relevant vendors. Further details on the types of acquisition that may be carried out by the Company are set out in Part I of this document.

8. Operating and Financial Review

The Company was incorporated on 4 January 2017. It has not yet traded and no interest income has been received to date. Since incorporation, its expenses have related to professional and associated expenses incurred in connection with the Placing and Admission. These expenses have been met from the proceeds of the issue of share capital, details of which are set out in paragraph 2 of Part VII of this document, which has been the only source of cash for the Company to date. At the date of this document, the Company has cash at bank of approximately £65,000.

9. Capital Resources and Indebtedness

The Company's capitalisation and indebtedness as at 30 April 2017, since when there has been no material change, are summarised in the table below:

	£
Total current debt	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
	-
Total non-current debt	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
	-
Shareholders' equity	
Share capital	100,600
Legal reserves	-
Other reserves	-
	100,600

PART III

THE PLACING

1. Description of the Placing

Under the Placing, the 26,000,000 Placing Shares have been conditionally subscribed for by the Placees at the Placing Price of 5p per Ordinary Share, for gross proceeds of £1,300,000. After commissions and other estimated fees and expenses of approximately £150,000 (inclusive of VAT), the Net Placing Proceeds are estimated to be £1,150,000.

The Placing Shares have been made available to investment professionals and high net worth, sophisticated and institutional investors in the UK and elsewhere outside the United States in accordance with Regulation S.

In accordance with Listing Rule 14.3, on Admission at least 25 per cent. of the Ordinary Shares will be in public hands (as defined in the Listing Rules).

The Placing is conditional on, *inter alia*, Admission. If Admission does not occur, the Placing will not proceed and all monies paid will be refunded to the applicants.

Completion of the Placing will be announced via a regulatory news service on Admission, which is expected to take place at 8.00 a.m. on 29 August 2017.

2. Existing Issued Share Capital

On 4 January 2017, the Founders subscribed for 600,000 Ordinary Shares at par.

On 24 April 2017, the Seed Investors subscribed for 2,000,000 'A' ordinary shares of 5p each at par and, on 28 April 2017, pursuant to a capital reorganisation, those 'A' ordinary shares were sub-divided and re-designated into 2,000,000 Ordinary Shares and 2,000,000 Deferred Shares.

3. Admission and Dealings

The Placing is subject to the satisfaction of conditions contained in the Placing Agreement, including Admission occurring on or before 29 August 2017 or such later date as may be agreed by the Company and Shard (being not later than 11 September 2017). Further details of the Placing Agreement are set out in paragraph 11.2 of Part VII of this document.

Admission is expected to take place and dealings in the Ordinary Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 29 August 2017.

The CREST accounts designated by Placees that have requested delivery of Placing Shares in uncertificated form are expected to be credited with the relevant Placing Shares on the date of Admission. Where applicable, definitive share certificates in respect of the Placing Shares of Placees that have requested delivery of Placing Shares in certificated form are expected to be despatched, by post at the risk of the recipients, to the relevant Placees not later than 5 September 2017. No temporary documents of title will be issued. Prior to the despatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfers of those Ordinary Shares will be certified against the register of members of the Company.

The Ordinary Shares are in registered form and from Admission may be held in certificated or uncertificated form.

4. Placing Arrangements

The Company, the Directors and Shard have entered into the Placing Agreement pursuant to which Shard has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing Agreement does not include any underwriting obligations.

Shard may terminate the Placing Agreement (and the arrangements associated with it) at any time prior to Admission in certain circumstances (including for a material breach of warranty). If this right is exercised, the Placing and these arrangements will lapse and any monies received in respect of the Placing will be returned to applicants without interest by Shard.

Further details of the terms of the Placing Agreement are set out in paragraph 11.2 of Part VII of this document.

5. Allocation and Pricing

All Ordinary Shares subscribed for pursuant to the Placing will be issued at the Placing Price, which has been determined by the Directors after consultation with Shard.

Allocations have been determined by agreement between the Directors and Shard after indications of interest from prospective Placees were received. A number of factors were considered in deciding the basis of allocations under the Placing, including the level and nature of the demand for the Ordinary Shares, investor profile and the firm through which the application was to be made. Each prospective Placee shall only be entitled to acquire their allocation. Allocations have been managed by the Directors and Shard so that the Company shall have sufficient shares in public hands, in accordance with Listing Rule 14.2.2.

Conditional upon Admission becoming effective by 8.00 a.m. London time on or prior to 29 August 2017 (or such later date as the Company and Shard may agree (not being later than 11 September 2017)), a Placee who has applied for Ordinary Shares agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by Shard at the Placing Price. To the fullest extent permitted by law, Placees will not be entitled to rescind their agreement at any time. In the

event that Admission does not occur by 8.00 a.m. London time on or prior to 29 August 2017 (or such later date as the Company and Shard may agree (not being later than 11 September 2017)), Placees will receive a full refund of monies subscribed.

The rights attaching to the Placing Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.

The Placing Shares are priced at a premium to the estimated net asset value (post Placing) of approximately 4.37p per share. The net asset value reflects the cash balances of the Company, as the Company has no other assets until the Acquisition is completed. The premium to net asset value places an intangible value on the strategy proposed by the Directors and the human capital contained in the Board, as well as reflecting the costs incurred in achieving the Placing and Admission. At the Placing Price, the Enlarged Ordinary Share Capital will have a market capitalisation of £1,430,000.

6. Payment

Each Placee has undertaken to pay the Placing Price for the Placing Shares allocated to such Placee in such manner as directed by Shard in the Placing Letter. No expenses will be charged by the Company to Placees in connection with the Placing. Liability for stamp duty and stamp duty reserve tax is as set out in paragraph 3 of Part VI of this document.

If Admission does not occur, subscription monies will be returned to applicants, without interest, by Shard.

7. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and it is expected that the Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their securities will be able to do so. A prospective Placee applying for Placing Shares may elect to receive Placing Shares in uncertificated form if such person is a system-member (as defined in the CREST Regulations) in relation to CREST.

8. Selling Restrictions

The Ordinary Shares will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within into or in the United States. The Placing is being made by means of offering the Placing Shares to certain institutional investors in the UK and elsewhere outside the United States in accordance with Regulation S. The Company has not been and will not be registered under the US Investment Company Act and Shareholders will not be entitled to the benefits of that Act.

Certain restrictions that apply to the distribution of this document and the Placing Shares being issued pursuant to the Placing in certain jurisdictions are described in Part VIII of this document.

PART IV

(A) ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

Saffery Champness

CHARTERED ACCOUNTANTS

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Chesterfield Resources plc
71 Queen Victoria Street
London
EC4V 4BE

22 August 2017

Dear Sirs

Accountant's report on Chesterfield Resources plc (the "Company")

Introduction

We report on the financial information set out in Part IV (B) of the prospectus of the Company dated 22 August 2017 (the "Prospectus") which comprises the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes 1 to 10 for the period from incorporation on 4 January 2017 to 30 April 2017 (the "Financial Information"). The Financial Information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 2. This report is required by item 20.1 of Annex I of Commission Regulation (EC) 809/2004 (the "Prospectus Directive Regulation") and is given for the purpose of complying with that item and for no other purpose.

Responsibility

The directors of the Company (the "Directors") are responsible for preparing the Financial Information in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

It is our responsibility to form an opinion on the Financial Information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, or arising out of or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the Financial Information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the Financial Information and whether the accounting policies are appropriate, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Financial Information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Company as at the date stated and of its profits and losses, cash flows and changes in equity for the period then ended in accordance with IFRS.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

Saffery Champness LLP

PART IV

(B) HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

Statement of financial position

as at 30 April 2017

	<i>Notes</i>	<i>£</i>
Assets		
Current assets		
Cash at bank and in hand	7	100,610
		100,610
Liabilities		
Current liabilities		
Trade and other payables	8	(10)
Total liabilities		(10)
Net current assets		100,600
Net assets		100,600
 Equity		
Share capital	9	100,600
Retained earnings		-
Equity attributable to equity holders		100,600

Statement of cash flows

for the period from incorporation on 4 January 2017 to 30 April 2017

	<i>£</i>
Cash flows from operating activities	
Profit for the period	-
Increase in trade and other payables	10
Net cash flow from operating activities	10
Cash flows from financing activities	
Proceeds on issue of shares	100,600
Net cash flow from financing activities	100,600
Net increase in cash and cash equivalents	100,610
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the period	100,610

Statement of changes in equity

for the period from incorporation on 4 January 2017 to 30 April 2017

	<i>Share capital</i> <i>£</i>	<i>Retained profits</i> <i>£</i>	<i>Total</i> <i>£</i>
On incorporation	-	-	-
Shares issued during the period	100,600	-	100,600
Total comprehensive income for the period	-	-	-
Balance at 30 April 2017	100,600	-	100,600

Notes to the financial statements

1. General information

Chesterfield Resources plc (the "Company") was incorporated on 4 January 2017. The Company looks to identify and acquire potential companies, businesses or assets that have operations in the natural resources exploration, development and production sector. The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales with registered number 10545738. The registered address of the Company is 71 Queen Victoria Street, London, EC4V 4BE.

2. Accounting policies

The principal accounting policies applied in preparation of the financial information are set out below. These policies have been consistently applied unless otherwise stated.

Basis of preparation

The financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and in accordance with IFRS Interpretations Committee ("IFRIC") interpretations.

The financial information is presented in Sterling, which is the Company's functional and presentational currency.

Going concern

The Company is required to assess whether it has sufficient resources to continue its operations and to meet its commitments for the foreseeable future. The Directors have prepared the financial information on a going concern basis as, in their opinion, the Company is able to meet its obligations as they fall due. This opinion is based on detailed forecasting for the following 12 months based on current and expected market conditions together with current performance levels. Should the going concern assumption no longer remain valid, the carrying value of the Company's assets will need to be assessed for impairment and the balance sheet will need to be prepared on a break-up basis.

Financial assets

The Company classifies its financial assets in the category of loans and receivables. The classification depends on the purposes for which these assets were acquired. Management takes decisions concerning the classification of its financial assets at initial recognition and reviews such classification for appropriateness at each reporting date. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Company's loans and receivables comprise "trade and other receivables".

Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and a balance held as at 30 April 2017 in the client account of the solicitors to the Company. This definition is also used in the Statement of Cash Flows.

Trade and other payables

Trade and other payables are recognised and initially measured at cost, due to their short term nature. All of the Company's trade payables are non-interest bearing.

Equity

Share capital is determined using the nominal value of the shares that have been issued.

The share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium account, net of any related income tax benefits.

The fair value of equity-settled share-based payments is credited to a share-based payment reserve as a component of equity until related options or warrants are exercised.

Share-based payments

Equity-settled share-based payments are measured at fair value (including the effect of non market-based vesting conditions) at the date of grant. The fair value so determined is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured using a Black Scholes pricing model. The key assumptions used in the model are adjusted, based on the Directors' best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Standards issued but not yet effective

At the date of authorisation of the financial information, the following standards and interpretations relevant to the Company and which have not been applied in the financial information were in issue but were not yet effective. In some cases, these standards and guidance have not yet been endorsed for use in the European Union.

<i>Standard</i>	<i>Effective date, annual period beginning on or after</i>
Annual improvements 2014-2016 Cycle	1 January 2018
IFRS 9 Financial instruments	1 January 2018
IFRS 15 Revenue from contracts with Customers, including amendments to IFRS 15 Effective date of IFRS 15	1 January 2018
Clarifications to IFRS 15 Revenue from contracts with Customers	1 January 2018
IFRS 16 Leases	1 January 2019
Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	1 January 2018
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to IAS 40 – Transfers of Investment Property	1 January 2018

The Directors are evaluating the impact that these standards will have on the financial statements of the Company.

3. Critical accounting estimates and judgements

In application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The only estimate and assumptions that the Directors have made in the process of applying the Company's accounting policies that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the current and future financial years is the fair value of warrants.

4. Cash at bank and in hand

	2017 £
Deposits held on call with banks and held in a client account with the Company's solicitors	100,610
	100,610

5. Trade and other payables

	2017 £
Other payables	10
	10

6. Share capital

	Number of shares	Share capital £	Share premium £	Total £
Ordinary shares of 0.1p each	2,600,000	2,600	-	2,600
Deferred shares of 4.9p each	2,000,000	98,000	-	98,000
Balance at 30 April 2017		100,600	-	100,600

Movements on share capital

	Ordinary shares of 0.1p each		'A' ordinary shares of 5p each		Deferred shares of 4.9p each	
	Number	£	Number	£	Number	£
On incorporation on 4 January 2017	600,000	600	-	-	-	-
Allotted during the period	-	-	2,000,000	100,000	-	-
Sub-division and redesignation of 'A' ordinary shares	2,000,000	2,000	(2,000,000)	(100,000)	2,000,000	98,000
Balance at 30 April 2017	2,600,000	2,600	-	-	2,000,000	98,000

600,000 ordinary shares of 0.1p each were issued, at par, to Derek Crowhurst, Peter Damouni and David Cliff (the "Founders") on incorporation of the Company on 4 January 2017. On 24 April 2017, 2,000,000 'A' ordinary shares of 5p each were issued, at par, to certain investors, including the Founders (the "Seed Investors"). On 28 April 2017, a capital reorganisation was approved under which each of the 'A' ordinary shares of 5p each in issue was sub-divided and redesignated into one ordinary share of 0.1p each and one deferred share of 4.9p each.

The Company has one class of ordinary share which carries no right to fixed income. The deferred shares carry no voting rights or rights to participate in the profits of the Company and have very limited rights to a return of capital on a winding-up of the Company.

Warrants

	Number of warrants
Warrants issued:	
Series A warrants to subscribe for ordinary shares at 5p per share	5,200,000
Balance at 30 April 2017	5,200,000

1,200,000 series A Warrants were issued to the Founders on 16 March 2017 and a further 4,000,000 series A warrants were issued to the Seed Investors on 24 April 2017. The series A warrants will become exercisable with effect from the date of Admission until the fifth anniversary of Admission. The exercise price of the series A warrants is 5p per share.

No fair value was allocated to the 5,200,000 warrants in issue at the reporting date as the Directors considered that no services were received in exchange for the issue of warrants.

7. Related party disclosures

Remuneration of Directors and key management personnel

The Directors and key management personnel did not receive any remuneration during the period.

Shareholdings in the Company

Shares and warrants held by the Directors:

	Ordinary shares	Deferred shares	Series A warrants
Derek Crowhurst	250,000	50,000	500,000
Peter Damouni	400,000	200,000	800,000
David Cliff	350,000	150,000	700,000
Balance at 30 April 2017	1,000,000	400,000	2,000,000

8. Financial instruments

Risk management is undertaken by the Directors.

Credit risk

The carrying amounts of cash and cash equivalents approximate fair value. The Directors consider the credit ratings of banks in which the Company holds funds in order to reduce exposure to credit risk.

The Directors consider that the Company is not exposed to major concentrations of credit risk.

Liquidity risk

Controls over expenditure are carefully managed by the Directors in order to preserve the cash reserves of the Company while it pursues an acquisition.

Capital risk management

The Directors' objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. As at 30 April 2017, the Company had been financed solely by the issue of share capital. In future, the capital structure of the Company is expected to consist of borrowings and equity attributable to equity holders, comprising issued share capital and reserves.

9. Subsequent events

Christopher Hall was appointed as an additional director of the Company on 5 May 2017.

The Company was re-registered as a public limited company under the Companies Act 2006 on 8 May 2017 and, accordingly, its name was changed to Chesterfield Resources plc.

Since 30 April 2017, the Company has paid expenses of approximately £35,000 in connection with the Placing and Admission.

Pursuant to the Placing, 26,000,000 new ordinary shares of 0.1p each have been allotted, conditional on Admission, at a price of 5p per share, representing gross proceeds of £1,300,000 and estimated net proceeds of approximately £1,150,000, after deduction of expected costs and expenses relating to the Placing and Admission of approximately £150,000 (inclusive of VAT).

10. Control

The Directors consider there not to be an ultimate controlling party.

PART V

(A) ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA STATEMENT OF NET ASSETS

Saffery Champness

CHARTERED ACCOUNTANTS

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Chesterfield Resources plc
71 Queen Victoria Street
London
EC4V 4BE

22 August 2017

Dear Sirs

Chesterfield Resources plc (the "Company")

Introduction

We report on the unaudited pro forma statement of net assets (the "Pro Forma Financial Information") set out in Part V (B) of the prospectus of the Company dated 22 August 2017 (the "Prospectus"), which has been prepared on the basis described, for illustrative purposes only, to provide information about how the impact of the placing and admission of ordinary shares might have affected the financial information of the Company as at 30 April 2017 presented on the basis of the accounting policies adopted by the Company.

This report is required by item 7 of Annex II of Commission Regulation (EC) 809/2004 (the "Prospectus Directive Regulation") and is given for the purpose of complying with that requirement and for no other purpose.

Responsibility

It is the responsibility solely of the directors of the Company (the "Directors") to prepare the Pro Forma Financial Information in accordance with item 20.2 of Annex I of the Prospectus Directive Regulation.

It is our responsibility to form an opinion, in accordance with item 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, or arising out of or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

In providing this opinion, we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us as at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. The work that we performed for the purpose of making the report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

Saffery Champness LLP

PART V

(B) UNAUDITED PRO FORMA STATEMENT OF NET ASSETS

The following unaudited pro forma statement of net assets of the Company as at 30 April 2017 (the "Pro Forma Financial Information") has been prepared for illustrative purposes only, to show the impact of the Placing and Admission (using the principal bases and assumptions set out below) on the Company's net assets as at 30 April 2017, the latest date to which unadjusted audited financial information on the Company has been prepared, on the basis that the Placing and Admission had been completed on that date. The Pro Forma Financial Information has been prepared in a manner consistent with the accounting policies adopted by the Company in preparing the historical financial information for the period from incorporation on 4 January 2017 to 30 April 2017.

The Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results.

	<i>As at 30 April 2017</i> <i>(Note 1)</i> £	<i>Adjustments</i> <i>(Notes 2 and 3)</i> £	<i>Pro forma as at 30</i> <i>April 2017</i> £
Current assets	100,610	1,300,000	1,400,610
Trade and other payables	(10)	(150,000)	(150,010)
Net current assets	100,600	1,150,000	1,250,600
Non-current liabilities	-	-	-
Net assets	100,600	1,150,000	1,250,600

Notes:

1. This information has been extracted from the historical financial information of the Company as at 30 April 2017.
2. The increase in current assets of £1,300,000 illustrates the effect of the gross proceeds of the Placing.
3. The increase in trade and other payables of £150,000 illustrates the effect of the costs (inclusive of VAT) payable in connection with the Placing and Admission.

PART VI

TAXATION

The following statements are intended only as a general guide to current UK tax legislation and to the current practice of HMRC and may not apply to certain Shareholders in the Company, such as dealers in securities, insurance companies and collective investment schemes, or Shareholders whose opportunity to acquire shares arose from their or another's employment. They relate (except where stated otherwise) to persons who are resident and, in the case of individuals, domiciled in the UK for UK tax purposes, who are beneficial owners of Ordinary Shares and who hold their Ordinary Shares as an investment. Any person who is in any doubt as to his tax position, or who is subject to taxation in any jurisdiction other than that of the UK, should consult his professional advisers immediately.

1. Dividends

1.1 Withholding at source

The Company will not be required to withhold at source on account of UK tax when paying a dividend.

1.2 Individual Shareholders

From 6 April 2016, dividends paid by a UK company no longer carry a tax credit. An individual Shareholder who is resident in the UK (for UK tax purposes) and who receives a dividend from the Company and is liable to income tax only at the basic rate will be subject to tax on the dividend at the rate of 7.5 per cent. of the dividend received. An individual Shareholder who is liable to income tax at the higher rate will be liable to tax on the dividend received at the rate of 32.5 per cent. An individual Shareholder who is liable to tax at the additional rate will be liable to tax on the dividend received at the rate of 38.1 per cent. The dividend will be regarded as the top slice of the Shareholder's income. Individuals may be entitled to an annual tax-free dividend allowance of £5,000 for 2017/18. This will be reduced to £2,000 from 6 April 2018.

For trustees of discretionary trusts, the rate of income tax on dividends is 38.1 per cent. where total trust income exceeds £1,000.

Individual Shareholders who are not resident in the UK for tax purposes should consult their own advisers concerning their tax liabilities on dividends received.

1.3 Other Shareholders

Shareholders who are within the charge to UK corporation tax will be subject to corporation tax on dividends paid by the Company, unless the dividends fall within an exempt class and certain other conditions are met. Whether an exempt class applies and whether the other conditions are met will depend on the circumstances of the particular Shareholder, although it is expected that dividends paid by the Company would normally be exempt. There is no repayable tax credit attached to dividends.

UK pension funds and charities are generally exempt from tax on dividends which they receive. There is no repayable tax credit attached to dividends.

2. Chargeable Gains

For the purpose of UK tax on chargeable gains, the amounts paid by a Shareholder for Ordinary Shares will generally constitute the base cost of his holding of Ordinary Shares. If a Shareholder who is resident in the UK (for UK tax purposes) disposes of all or some of his Ordinary Shares, a liability to tax on chargeable gains may arise. This will depend on the base cost which can be allocated against the proceeds, the Shareholder's circumstances and any reliefs to which they are entitled. In the case of corporate shareholders, indexation allowance may apply to any amount paid for the Ordinary Shares.

The current rate of capital gains tax for individuals liable to income tax at the higher or additional rate is 20 per cent. Individuals whose taxable income for the year in question is less than the upper limit of the basic rate income tax band (£33,500 for 2017/18) are subject to capital gains tax at the rate of 10 per cent., except to the extent that the aggregate of their total taxable income and chargeable gains (less allowable deductions) in that year exceeds the upper limit of the basic rate income tax band. Any such excess over the upper limit is subject to tax at the rate of 20 per cent. For trustees and personal representatives, the rate of capital gains tax is 20 per cent. It is currently expected that Scottish taxpayers will be subject to capital gains tax on the same basis as other UK taxpayers, despite the upper limit for the basic rate of income tax band being lower in Scotland (£31,500 for 2017/18). Corporate Shareholders are liable to tax on capital gains at the prevailing rate of corporation tax applicable to them (currently up to 19 per cent.). In certain circumstances, a corporate shareholder may qualify for the substantial shareholding exemption, which exempts certain gains from corporation tax on chargeable gains.

Shareholders who are not resident in the UK for tax purposes may not, depending on their personal circumstances, be liable to UK taxation on chargeable gains arising from the sale or other disposal of their Ordinary Shares (unless they carry on a trade, profession or vocation in the UK through a branch or agency or, in the case of a company, a permanent establishment with which their Ordinary Shares are connected).

Individual shareholders or holders who are temporarily non-UK resident may be liable to UK capital gains tax on chargeable gains realised during their period of non-residence on their return to the UK.

3. Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT, or to persons connected with depository arrangements or clearance services, who may be liable at a higher rate.

In relation to stamp duty and SDRT:

- 3.1 the allocation and issue of the Placing Shares will not give rise to a liability to stamp duty or SDRT;
- 3.2 any subsequent conveyance or transfer on sale of Ordinary Shares will usually be subject to stamp duty on the instrument of transfer at a rate of 0.5 per cent. of the amount or value of the consideration (rounded up, if necessary, to the nearest £5). An exemption from stamp duty is available on an instrument transferring shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the transaction(s) exceeds £1,000. A charge to SDRT at the rate of 0.5 per cent. will arise in relation to an unconditional agreement to transfer such shares. However, where, within six years of the date of the agreement (or, if the agreement was conditional, the date the agreement became unconditional), an instrument of transfer is executed pursuant to the agreement and stamp duty is paid on that instrument, any liability to SDRT will be cancelled or repaid; and
- 3.3 a transfer of shares effected on a paperless basis through CREST (where there is a change in the beneficial ownership of the shares) will generally be subject to SDRT at the rate of 0.5 per cent. of the value of the consideration given.

The above statements are intended as a general guide to the current position. Certain categories of person are not liable to stamp duty or SDRT, and others may be liable at a higher rate or may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986, as amended.

PART VII
ADDITIONAL INFORMATION

1. The Company

- 1.1 The Company was incorporated and registered in England and Wales on 4 January 2017 with registered number 10545738 as a private limited company under the Companies Act with the name Chesterfield Resources Limited.
- 1.2 On 8 May 2017, the Company was re-registered as a public limited company under the Companies Act and accordingly changed its name to Chesterfield Resources plc. The legal and commercial name of the issuer is Chesterfield Resources plc.
- 1.3 The principal legislation under which the Company operates and under which the Ordinary Shares have been created is the Companies Act.
- 1.4 The Company is domiciled in the United Kingdom.
- 1.5 The registered office of the Company is 71 Queen Victoria Street, London, EC4V 4BE. The head office of the Company is 4 Moorland Close, Flitton, Bedford, MK45 5DQ, telephone number (+44/0)1525 713033.
- 1.6 The Company was founded by Derek Crowhurst, Peter Damouni and David Cliff.
- 1.7 The registrars of the Company are Neville Registrars Limited. They will be responsible for maintaining the register of members of the Company.
- 1.8 The ISIN of the Ordinary Shares is GB00BF2F1X78.
- 1.9 To date, the Company's activities have been limited to organisational matters and matters related to the Placing.
- 1.10 The Company has, since the date of its incorporation, operated in conformity with its constitution.

2. Share Capital

- 2.1 The following is a summary of the changes in the issued share capital of the Company from incorporation to the date of this document.
 - 2.1.1 On incorporation, the Company had an issued share capital of £600 divided into 600,000 Ordinary Shares, which were subscribed for at par by the Founders.
 - 2.1.2 On 16 March 2017, 1,200,000 Series A Warrants were issued to the Founders.
 - 2.1.3 On 24 April 2017, 2,000,000 'A' ordinary shares of 5p each, were issued and allotted to the Seed Investors at a price of 5p per share, fully paid.
 - 2.1.4 On 24 April 2017, 4,000,000 Series A Warrants were issued to the Seed Investors.
 - 2.1.5 On 28 April 2017, pursuant to a capital reorganisation, the 2,000,000 'A' ordinary shares of 5p each were sub-divided and re-designated into 2,000,000 Ordinary Shares and 2,000,000 Deferred Shares.
- 2.2 By a Special Resolution passed on 28 April 2017, it was resolved to authorise the directors generally and unconditionally to exercise all the powers of the Company to allot shares and to grant such subscription and conversion rights as are contemplated by section 551 of the Companies Act up to an aggregate nominal amount of £100,000, such authority to expire, unless renewed, revoked or varied by the Company, at the conclusion of the first annual general meeting of the Company, but so as to enable the Company before such date to make offers or agreements which would or might require relevant securities to be allotted after such date and to enable the Directors to allot relevant securities in pursuance of such offers or agreements as if the authority conferred thereby had not expired, such authority to be in substitution for all existing authorities granted to the Directors in respect of the allotment of relevant securities, without prejudice to any allotments made pursuant to the terms of such authorities;
- 2.3 By a Special Resolution passed on 28 April 2017, in accordance with section 570 of the Companies Act, it was resolved to empower the Directors until the conclusion of the first annual general meeting of the Company, unless renewed, varied or revoked by the Company, to allot equity securities (as defined in section 560 of the Companies Act) for cash pursuant to the authorities referred to in paragraph 2.2 of Part VII of this document as if section 561(1) of the Companies Act did not apply to any such allotment, such power being limited to:
 - 2.3.1 the allotment of equity securities in connection with the offer of equity securities to the holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the Board otherwise consider necessary; and

2.3.2 the allotment (other than pursuant to the power referred to in paragraph 2.3.1 of Part VII of this document) of equity securities up to an aggregate nominal amount of £100,000,

save that the Company may, before expiry of that authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities pursuant to any such offers or agreements as if such authority had not expired;

2.4 By a resolution of the Board passed on 21 August 2017 it was resolved, conditionally only upon Admission occurring on or before 29 August 2017 (or such later date as may be agreed by the Company and Shard (being not later than 11 September 2017)), to allot 26,000,000 new Ordinary Shares pursuant to the Placing for cash at the Placing Price and to issue 13,000,000 Series B Warrants and 494,300 Broker Warrants.

2.5 The Company's issued share capital, as at the date of this document, is:

	<i>Issued and fully paid</i>	<i>Nominal Value</i>
<i>Ordinary Shares</i>		
2,600,000		£2,600
<i>Deferred Shares</i>		<i>Nominal Value</i>
2,000,000		£98,000

2.6 Immediately following Admission, the Company's issued share capital is expected to be:

	<i>Issued and fully paid</i>	<i>Nominal Value</i>
<i>Ordinary Shares</i>		
28,600,000		£28,600
<i>Deferred Shares</i>		<i>Nominal Value</i>
2,000,000		£98,000

2.7 The provisions of section 561(1) of the Companies Act (to the extent not disapplied pursuant to sections 570-571 of the Companies Act) confer on shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in section 560 of the Companies Act) which are, or are to be, paid up in cash and, upon Admission, will apply to any shares to be allotted by the Directors, except to the extent disapplied by the resolution referred to in paragraph 2.3 of Part VII of this document.

2.8 No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

2.9 The Ordinary Shares will be listed on the Official List and will be traded on the London Stock Exchange's Main Market for listed securities. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on, any other stock exchange or securities market.

2.10 The Ordinary Shares are in registered form and, subject to the Ordinary Shares being admitted to and accordingly enabled for settlement in CREST, following Admission the Ordinary Shares will be capable of being held in either certificated or uncertificated form. No temporary documents of title will be issued.

2.11 26,000,000 new Ordinary Shares are being issued pursuant to the Placing at a price of 5p per share, which represents a premium of 4.9p over their nominal value of 0.1p each.

2.12 Each Placing Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise *pari passu* in all respects with each existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital).

2.13 The Placing Shares will be denominated in sterling.

3. Articles of Association

The Company's objects and purposes are unlimited. The Articles contain provisions, *inter alia*, to the following effect:

3.1 Voting rights

3.1.1 Subject to any special terms as to voting on which any shares may have been issued, on a show of hands every member who being an individual is present in person or by proxy or, being a corporation is present by a duly authorised representative, has one vote, and on a poll every member has one vote for every share of which he is the holder.

3.1.2 A member of the Company is not entitled in respect of any shares held by him to vote at any general meeting of the Company if any amounts payable by him in respect of those shares have not been paid

(unless the Board otherwise determines), or if the member has failed to comply with a notice under section 793 of the Companies Act.

- 3.1.3 A holder of Deferred Shares is not entitled to receive notice of any general meeting of the Company or to attend, speak or vote in such a general meeting.

3.2 General meetings

- 3.2.1 Subject to the Companies Act, an annual general meeting must be called by at least 21 clear days' notice and all other general meetings must be called by at least 14 clear days' notice.
- 3.2.2 Notices must be given in the manner stated in the Articles to the members, other than those who under the provisions of the Articles or under the rights attached to the shares held by them are not entitled to receive the notice, and to the auditors.
- 3.2.3 No business may be transacted at any general meeting unless a quorum is present which will be constituted by two persons entitled to vote at the meeting each being a member or a proxy for a member or a representative of a corporation which is a member. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of, or by, members, will be dissolved. In any other case, it will stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine.
- 3.2.4 At a general meeting a resolution put to the vote will be decided on a show of hands unless, before or on the declaration of the show of hands, a poll is demanded by the chairman or by at least five members present in person or by proxy and entitled to vote or by a member or members entitled to vote and holding or representing by proxy at least one tenth of the total voting rights of all the members having the right to vote on the resolution. Unless a poll is demanded as above, a declaration by the chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of general meetings of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 3.2.5 The appointment of a proxy must be in writing (this includes electronic form) and in any usual form, or such other form as may be approved by the Board, and must be signed by the appointor or by his agent duly authorised in writing or if the appointor is a corporation, must be either under its common seal or signed by an officer or agent so authorised. The Board may, but will not be bound to, require evidence of authority of such officer or agent. An instrument of proxy need not be witnessed.
- 3.2.7 The proxy will be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the member giving the proxy.
- 3.2.8 The directors of the Company may direct that members or proxies wishing to attend any general meeting must submit to such searches or other security arrangements or restrictions as the directors of the Company consider appropriate in the circumstances and may, in their absolute discretion, refuse entry to or eject from, such general meeting any member or proxy who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

3.3 Dividends

- 3.3.1 Subject to the provisions of the Companies Act and to any special rights attaching to any shares, the Shareholders are to distribute amongst themselves the profits of the Company according to their respective rights and priorities, provided that no dividend will be declared in excess of the amount recommended by the directors of the Company.
- 3.3.2 A member will not be entitled to receive any dividend (interim, final or otherwise):
- (a) on any shares carrying deferred or non-preferred rights, including the Deferred Shares, if any preferential dividend is in arrears; or
 - (b) if he has a holding of at least 0.25% of any class of shares of the Company and has failed to comply with a notice under section 793 of the Companies Act.
- 3.3.3 Interim dividends may be paid if profits are available for distribution and if the Board so resolves.
- 3.3.4 Any dividend unclaimed after a period of 12 years from the date of its declaration will be forfeited and will revert to the Company.
- 3.3.5 The Deferred Shares have no right to participate in the profits of the Company.

3.4 Return of capital

- 3.4.1 On a winding-up of the Company, the balance of the assets available for distribution will, subject to any sanction required by the Companies Act, be divided amongst the members.

- 3.4.2 On a winding-up or a return of capital, the paying of the nominal amount of capital paid up on the Deferred Shares from assets available for distribution will only occur after paying the holders of the Ordinary Shares the nominal capital paid-up together with the sum of £1,000,000 on each Ordinary Share. The holders of Deferred Shares are not entitled to any further right of participation in the assets of the Company.
- 3.5 Redeemable shares
- 3.5.1 The Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company and/or the holders of those shares.
- 3.5.2 The Ordinary Shares and the Deferred Shares are not redeemable.
- 3.6 Transfer of shares
- 3.6.1 Subject to the provisions of the Articles relating to CREST, all transfers of shares will be effected in any usual form or in such other form as the Board approves and must be signed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it.
- 3.6.2 The directors of the Company may, in their absolute discretion and without assigning any reason, refuse to register the transfer of a share in certificated form if it is not fully paid or if the Company has a lien on it, or if it is not duly stamped, or if it is by a member who has a holding of at least 0.25% of any class of shares of the Company and has failed to comply with a notice under section 793 of the Companies Act. In exceptional circumstances approved by the London Stock Exchange, the directors of the Company may refuse to register a share transfer, provided that such refusal does not disturb the market in the Company's shares.
- 3.6.3 The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares provided that the transfers are in favour of not more than four transferees, the transfers are in respect of only one class of share and the provisions in the Articles, if any, relating to registration of transfers have been complied with.
- 3.6.4 The Deferred Shares are not transferable except in the following circumstances where the Company has the irrevocable authority at any time to do all or any of the following without consent of the holders of the Deferred Shares:
- (a) appoint a person to execute on behalf of any holder of the Deferred Shares an agreement to transfer to such a person (who is willing to accept such shares) as the directors of the Company may determine;
 - (b) purchase all or any of the Deferred Shares in accordance with the Companies Act in consideration of payment of £0.01 in respect of all the Deferred Shares being purchased by the Company, and appoint any person to execute such a contract of sale for such Deferred Shares being purchased by the Company; and
 - (c) to cancel all or any of the Deferred Shares purchased by the Company in accordance with subparagraph 3.6.4(b) above.
- 3.7 CREST
- 3.7.1 The directors of the Company may implement such arrangements as they think fit in order for any class of shares to be held in uncertificated form and for title to those shares to be transferred by means of a system such as CREST in accordance with the Uncertificated Securities Regulations 2001 and the Company will not be required to issue a certificate to any person holding such shares in uncertificated form.
- 3.8 Variation of rights
- 3.8.1 Subject to applicable law (including the Companies Act), shares in the Company may be allotted with such preferred, deferred, or other rights, or restrictions, as the Company may from time to time by ordinary resolution, or the Board, determines.
- 3.8.2 If at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the consent in writing of the holders of at least three fourths in nominal value of that class or with the sanction of a special resolution passed at a separate meeting of the holders of that class but not otherwise.
- 3.9 Share capital and changes in capital
- 3.9.1 Subject to applicable law (including the Companies Act), the Company may by ordinary resolution:
- (a) consolidate and divide all or any of its share capital into shares of a larger nominal value than its existing shares; and

- (b) subdivide its shares, or any of them, into shares of smaller nominal value and the resolution may determine that one or more of the shares arising from the subdivision may have such preferred or other special rights or may have such deferred or be subject to any such restriction as the Company has the power to attach to shares.

3.10 Allotment of shares

- 3.10.1 The Board has unconditional authority (subject to the Companies Act and authority of the Company in general meeting) to allot, grant options over, issue warrants or otherwise deal or dispose of any shares to such persons, at such times and such terms as they determine.
- 3.10.2 The Company can create, allot and issue further shares, ranking *pari passu* with or in priority to the Deferred Shares or conduct a reduction of capital paid-up on the Deferred Shares and cancel such shares (in accordance with the Companies Act) and such actions will be treated as not involving a variation of such rights of the Deferred Shares for any purpose and will not require the consent of the holders of the Deferred Shares.

3.11 Disclosure of interests in shares

- 3.11.1 The Company may by notice in writing in accordance with section 793 of the Companies Act, require a person whom the Company knows or has reasonable cause to believe to be or, at any time during the three years immediately preceding the date on which the notice is issued, to have been interested in the Company's shares:
 - (a) to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
 - (b) where he holds or has during that time held an interest in such shares, to give such further information as may be required in the notice.

3.12 Overseas members

- 3.12.1 Any member or other person who has a registered address which is not within the United Kingdom is not entitled to receive any notice or other document or information from the Company unless they have given to the Company an address within the United Kingdom to which notices or other documents or information may be sent to them or an electronic address to which notices or other documents or information may be sent using electronic communication.

3.13 Untraced members

- 3.13.1 The Company may sell any share if, during a period of 12 years, at least three dividends in respect of such shares have been paid, no cheque or warrant in respect of any such dividend has been cashed and no communication has been received by the Company from the relevant member. The Company must advertise its intention to sell any such share in both a national daily newspaper and in a newspaper circulating in the area of the last known address to which cheques or warrants were sent. Notice of the intention to sell must also be given to the UK Listing Authority.

3.14 Borrowing powers

- 3.14.1 Subject to the provisions of the Companies Act, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, except that the Board must restrict the borrowings of the Company so as to secure that, except with the previous sanction of an ordinary resolution of the Company, no money may be borrowed if the aggregate principal amount outstanding of all money borrowed by the Company and its subsidiaries exceeds or would exceed an amount equal to two times the aggregate of the nominal amount paid-up on the issued share capital of the Company and the consolidated reserves of the Company and its subsidiaries.

3.15 Directors

- 3.15.1 No shareholding qualification is required by a director of the Company.
- 3.15.2 The directors of the Company are entitled to fees, in addition to salaries, at the rate decided by them, subject to an aggregate limit of £200,000 per annum or such additional sums as the Company may by ordinary resolution determine. The Company may by ordinary resolution also vote extra fees to the directors of the Company which, unless otherwise directed by the resolution by which it is voted, will be divided amongst the directors of the Company as they agree, or failing agreement, equally. The directors of the Company are also entitled to be repaid all travelling, hotel and other expenses incurred by them in connection with the business of the Company.
- 3.15.3 At the third (or next subsequent) annual general meeting after an annual general meeting or general meeting at which a director of the Company was appointed or last re-appointed, such director of the Company will retire from office. A retiring director of the Company is eligible for reappointment.

- 3.15.4 The directors of the Company may from time to time appoint one or more of their body to be the holder of an executive office on such terms as they think fit.
- 3.15.5 Except as provided in sub-paragraphs 3.15.6 and 3.15.7 below, a director of the Company may not vote or be counted in the quorum present on any motion in regard to any contract, transaction, arrangement or any other proposal in which he has any material interest, which includes the interest of any person connected with him, otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company.
- 3.15.6 Subject to the Companies Act, the Company may by ordinary resolution suspend or relax the provision described in sub-paragraph 3.15.5 above to any extent or ratify any transaction not duly authorised by reason of a contravention of it.
- 3.15.7 A director of the Company is entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters:
- (a) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
 - (b) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in its underwriting or sub-underwriting;
 - (d) any contract, arrangement, transaction or other proposal concerning any other company in which he is interested provided that he is not the holder of or beneficially interested in 1% or more of any class of the equity share capital of such company, or of a third company through which his interest is derived, or of the voting rights available to members of the relevant company, any such interest being deemed to be a material interest, in all circumstances;
 - (e) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by HM Revenue & Customs;
 - (f) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of an employee share scheme which includes full time executive directors of the Company and/or any subsidiary or any arrangement for the benefit of employees of the Company or any of its subsidiaries and which does not award to any director of the Company any privilege or advantage not generally accorded to the employees to whom such a scheme relates; and
 - (g) any contract, arrangement, transaction or proposal concerning insurance which the Company proposed to maintain or purchase for the benefit of directors of the Company or for the benefit or persons including the directors of the Company.
- 3.15.8 If any question arises at any meeting as to the materiality of a director of the Company's interest or as to the entitlement of any director of the Company to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question must be referred to the chairman of the meeting and his ruling in relation to any other director of the Company will be final and conclusive, except in a case where the nature or extent of the interest of such director of the Company has not been fully disclosed.
- 3.15.9 The directors of the Company may provide or pay pensions, annuities, gratuities and superannuation or other allowances or benefits to any director, ex-director, employee or ex-employee of the Company or any of its subsidiaries or to the spouse, civil partner, children and dependants of any such director, ex-director, employee or ex-employee of the Company.

3.16 Electronic communications

- 3.16.1 Electronic communications may be used by the Company for sending notices or other documents or information to a member or other person where that member or other person has agreed, or is deemed to have agreed, to the use of electronic communications and has specified an electronic address for the purposes of receiving electronic communications.

4. Mandatory Bids and Compulsory Acquisition Rules Relating to the Ordinary Shares

4.1 Mandatory bid rules

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if:

- 4.1.1 a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- 4.1.2 a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company, acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested, the acquiror and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquiror or its concert parties during the previous 12 months.

4.2 Compulsory acquisition rules

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

5. Information on the Directors

- 5.1 Details of the names of companies and partnerships (excluding directorships of the Company) of which the Directors are or have been members of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this document:

<i>Name</i>	<i>Current directorships and partnerships</i>	<i>Past directorships and partnerships</i>
Derek Crowhurst	1-7 Moorland Close Management Company Limited Crowhurst Consultants Limited	None
Peter Damouni	Georgian Mining Corporation Kerr Mines Inc. NorthCrest Capital Limited Silvergate Capital Partners Limited	None
David Cliff	None	Columbus Copper Corporation DC Minerals Consultants Dinaric International Energy Corporation Moonlake Natural Resources Limited
Christopher Hall	Consolidated Mineral Resources Limited Rift Resources Limited	Goldstone Resources plc Grail Resources plc Great Western Mining plc Stratex International plc Thani Stratex Resources Limited

- 5.2 Christopher Hall was appointed a director of It's The Way Limited on 18 April 2005 and resigned as a director on 15 February 2006. On 30 June 2006, a liquidator was appointed by It's The Way Limited's creditors for the purposes of a voluntary winding-up. It's The Way Limited was dissolved on 9 August 2007.

5.3 None of the Directors:

5.3.1 has any convictions in relation to fraudulent offences; or

5.3.2 has been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company or a senior manager of a company at the time of any receivership or liquidation; or

5.3.3 has been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

6. Directors' and Others' Interests

6.1 The interests (all of which are or will be beneficial unless otherwise stated) of the Directors in the ordinary share capital of the Company, as at the date of this document and as they are expected to be immediately following Admission, are as follows:

<i>Name</i>	<i>As at the date of this document</i>		<i>Series A Warrants</i>
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	
Peter Damouni	400,000	15.38	800,000
David Cliff	350,000	13.46	700,000
Derek Crowhurst	250,000	9.62	500,000
Christopher Hall	100,000	3.85	200,000

<i>Name</i>	<i>Immediately following Admission</i>		<i>Series A Warrants</i>	<i>Series B Warrants</i>
	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Ordinary Share Capital</i>		
Peter Damouni	1,200,000	4.20	800,000	400,000
David Cliff	450,000	1.57	700,000	50,000
Derek Crowhurst	250,000	0.87	500,000	-
Christopher Hall	100,000	0.35	200,000	-

6.2 In addition, as at the date of this document and immediately following Admission, Peter Damouni holds and will hold 200,000 Deferred Shares, David Cliff holds and will hold 150,000 Deferred Shares, Derek Crowhurst holds and will hold 50,000 Deferred Shares and Christopher Hall holds and will hold 100,000 Deferred Shares.

6.3 Save as disclosed in paragraphs 6.1 and 6.2 of Part VII of this document, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

6.4 In addition to the interests of the Directors disclosed in paragraph 6.1 of Part VII of this document, as at the date of this document, the Company is aware of the following persons who are interested and who, immediately following Admission, are expected to be interested, directly or indirectly, in three per cent. or more of the issued ordinary share capital of the Company:

<i>Name</i>	<i>As at the date of this document</i>		<i>Series A Warrants</i>
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	
Mark Stephenson	375,000	14.42	750,000
Glenn Olrick	375,000	14.42	750,000
John Kutzschan	375,000	14.42	750,000
Michael Johnson	375,000	14.42	750,000

<i>Name</i>	<i>Immediately following Admission</i>		<i>Series A Warrants</i>	<i>Series B Warrants</i>
	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Ordinary Share Capital</i>		
Claudio Ciavarella	2,400,000	8.39	-	1,200,000
Leo Berezan	2,080,000	7.27	-	1,040,000
Glenn Olrick	1,475,000	5.16	750,000	550,000
Michael Johnson	1,375,000	4.81	750,000	500,000
Stephen Catterson	1,000,000	3.50	-	500,000
Helen Johnson	1,000,000	3.50	-	500,000
David Williams	1,000,000	3.50	-	500,000
John Kutzschan	947,000	3.31	750,000	286,000

- 6.5 The voting rights of all Shareholders are the same in respect of each Ordinary Share held.
- 6.6 Peter Damouni and David Cliff, who are Directors, and Mark Stephenson, Glenn Olnick, John Kutzschan and Michael Johnson, who are existing major Shareholders, will subscribe for Placing Shares in the Placing. To the extent the Company is aware, Claudio Ciavarella and Leo Berezan are the only Placees that will be subscribing for more than 1,300,000 Placing Shares, representing five per cent. of the Placing Shares.
- 6.7 Save as disclosed in paragraphs 6.1 and 6.3 of Part VII of this document, the Company is not aware of any person who will, immediately following Admission, hold three per cent. or more of the voting rights in the Company as a Shareholder or through a direct or indirect holding of financial instruments (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules).
- 6.8 The Company is not directly or indirectly owned or controlled by any single Shareholder or group of Shareholders who are connected.
- 6.9 So far as the Company is aware, there are no arrangements in place, the operation of which may at a subsequent date result in a change of control of the Company.
- 6.10 In the case of those Directors who have roles as directors of companies other than the Company or are otherwise interested in other companies or businesses, although there are no current conflicts of interest, it is possible that the general duties under chapter 2 of part 10 of the Companies Act and fiduciary duties owed by those Directors to companies or other businesses of which they are directors or otherwise interested in from time to time may give rise to conflicts of interest with the duties owed to the Company. Save as disclosed in paragraphs 2 and 5 of Part II and 5.1 of Part VII of this document, there are no potential conflicts of interest between any duties owed by the Directors to the Company and their private interests and/or other duties.

7. Letters of Appointment

- 7.1 Derek Crowhurst, Peter Damouni and David Cliff were the founding directors of the Company upon its incorporation on 4 January 2017. Christopher Hall was appointed as a director of the Company on 5 May 2017. Each of the Directors will retire and be put forward for election at the Company's first annual general meeting of the Company, which is expected to be held in the first half of 2018.
- 7.2 On 16 March 2017, Derek Crowhurst, Peter Damouni and David Cliff, and, on 5 May 2017, Christopher Hall, entered into letters of appointment with the Company with identical terms. Under those letters of appointment, with effect from Admission, each of the Directors will be entitled to receive a gross annual fee of £12,000, payable in equal monthly instalments in arrears, and to be reimbursed for his reasonable and properly documented expenses incurred in performing his duties as a Non-Executive Director. In addition, upon successful completion of the Acquisition, each of the Directors will be entitled to receive a gross bonus of £25,000, less the gross cumulative annual fees received prior to completion of the Acquisition. The appointment is a contract for services and not a contract of employment. Each of the Directors will be required to devote such time as is necessary for the proper performance of his duties, keep information about the Company confidential, return any of the Company's property upon termination of his appointment, comply with the Company's share dealing policy, waive any moral rights in all works prepared by him in the provision of services to the Company and comply with certain post-termination competition restrictions.
- 7.3 The appointment of each Director under his letter of appointment is for an initial period of three years and may be terminated by either party giving three months' written notice. No compensation or other benefits are due to any of the Directors upon termination.
- 7.4 Save as set out in paragraphs 7.2 and 7.3 of Part VII of this document, there are no existing or proposed letters of appointment or service agreements between the Company and any of the Directors.
- 7.5 No remuneration (including any contingent or deferred compensation) has been paid and no benefits in kind have been granted by the Company to any of the Directors.
- 7.6 No amounts have been set aside or accrued by the Company to provide pension, retirement or similar benefits for the Directors and there no existing or proposed arrangements to provide any such benefits.

8. Employees and Premises

The Company has not had any employees since incorporation and does not own any premises.

9. Organisational Structure

As at the date of this document, the Company is not a part of a group and does not have any subsidiary undertakings.

10. Dilution of Ordinary Share Capital

The Placing will result in the Existing Ordinary Shares being diluted so as to constitute 9.09 per cent. of the Enlarged Ordinary Share Capital.

The exercise of all of the subscription rights attaching to the Series A Warrants, the Series B Warrants and the Broker Warrants, together representing subscription rights over an aggregate of 18,694,300 new Ordinary Shares, would result

in the Enlarged Ordinary Share Capital being diluted so as to constitute 60.47 per cent. of the so enlarged issued ordinary share capital of the Company (assuming no other new Ordinary Shares are issued following the Placing).

11. Material Contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company since its incorporation and which are or may be material to the Company or which contain any provision under which the Company has any obligation or entitlement which is or may be material to the Company:

11.1 Seed Investor subscription agreements

Between 4 and 15 April 2017, each of the Seed Investors entered into agreements with the Company pursuant to which the Seed Investors irrevocably agreed to apply and subscribe for 'A' ordinary shares of 5p each and Series A Warrants. The Seed Investors gave customary warranties and indemnities to the Company in relation to their subscriptions and agreed to the written resolutions passed on 28 April 2017 necessary to effect the re-registration of the Company as a public limited company.

11.2 Placing Agreement

On 22 August 2017, the Company, the Directors and Shard entered into the Placing Agreement pursuant to which, subject to certain conditions, Shard agreed to use its reasonable endeavours to procure purchasers for the Ordinary Shares to be issued pursuant to the Placing.

The Placing Agreement is conditional upon, amongst other things, Admission occurring by 8.00 a.m. on 29 August 2017 (or such later date, not being later than 11 September 2017, as the Company and Shard may agree). Other conditions include the Placing Shares having been allotted and the Series B Warrants and Broker Warrants agreed to be issued, conditional only on Admission.

In consideration for its services under the Placing Agreement, Shard will receive from the Company a fee of £3,500 and a cash commission of five per cent. of funds raised under the Placing by Shard, and the Broker Warrants will be issued to Shard, or its nominee(s). The Broker Warrants represent two and a half per cent. of the total number of shares placed by Shard, with an exercise price of 5p per share and an exercise period of two years from the date of Admission.

In the Placing Agreement, the Company and the Directors have given customary warranties and undertakings to Shard and the Company has agreed to provide customary indemnities to Shard. Under certain circumstances, including for material breach of warranty, Shard may terminate the Placing Agreement (and any related arrangements) prior to Admission.

11.3 Registrar Agreement

On 12 July 2017, the Company entered into a registrar agreement with the Registrar. The registrar agreement will only become effective upon Admission. The Registrar's responsibilities include maintaining the register of members of the Company and providing a share and warrant registration service. The minimum fee payable by the Company to the Registrar for the core registration services is £2,200 per annum. In addition, various fees are also payable for additional services including dividend/interest payments and proxies/general meetings. The registrar agreement may be terminated by either the Registrar or the Company upon three months' notice.

11.4 Shard Engagement Letter

On 14 July 2017, the Company engaged Shard as its broker in connection with the proposed Placing and Admission pursuant to an engagement letter between Shard and the Company, incorporating Shard's standard terms and conditions. Under the terms of the engagement letter, Shard will provide services, including investor liaison, fundraising advice and marketing intelligence and research on the Company. The Company has agreed to pay Shard a corporate broking retainer fee of £10,000 per annum, which will increase to £20,000 per annum once the Company has acquired an asset and has successfully been re-admitted to public trading. In addition, in connection with the Placing, a fee of £3,500, a sales commission of five per cent. of the proceeds raised by Shard and the payment of any disbursements and expenses reasonably incurred by Shard in the course of carrying out its duties as broker are payable by the Company to Shard. The engagement letter also provides that the Company issue warrants to Shard representing two and a half per cent. of the total number of shares placed by Shard pursuant to the Placing, with the exercise price thereof to be the same as the Placing Price. The warrants are non-transferable and will have an exercise period of two years from the date of Admission. The engagement letter will terminate automatically in the event that the Placing does not proceed. In the event of a successful Placing, the engagement may be terminated by either Shard or the Company giving three months' notice in writing, provided that the termination date is at least 12 months from the date of Admission. The engagement letter also contains an indemnity given by the Company to Shard, and any of its advisers who are providing services to the Company on behalf of Shard, against any claims arising out of, amongst other things, the carrying out of the services by Shard.

11.5 Lock-in deed

On 22 August 2017, the Company and Shard entered into a lock-in deed with each of the Directors pursuant to which each of the Directors agreed with the Company and Shard that, save in certain limited circumstances, they shall not dispose of any interest in the shares in the capital of the Company for a period of six months following the Acquisition. The circumstances in which the Directors may be permitted to dispose of an interest in the shares

in the capital of the Company include: an acceptance of a general offer for the entire issued share capital of the Company other than any shares held by the offeror or person acting in concert for the purposes of the Takeover Code; a restructuring recommended by the directors of the Company for an acquisition by persons acting in concert of more than 50 per cent. of the Ordinary Shares; transfers to connected persons, family trusts, ISA accounts and personal pensions, with the consent of the Board; acceptance of an offer by the Company to purchase or redeem shares which is made on the same terms to all holders; and where required by law or court order.

The lock-in deed also contains certain orderly market arrangements for any disposals permitted during the lock-in period and all other disposals during the six months after the expiry of the initial lock-in period.

11.6 Series A Warrant Deed

On 16 March 2017, the Company constituted up to 5,200,000 Series A Warrants on the terms of a deed under which the Company issued 1,200,000 Series A Warrants to the Founders on 16 March 2017 and 4,000,000 Series A Warrants to the Seed Investors on 24 April 2017. Each Series A Warrant entitles the holder to subscribe for one Ordinary Share at 5p per share. The Series A Warrants are exercisable at any time from the date of Admission to the fifth anniversary of Admission. The Series A Warrants are exercisable into Ordinary Shares equal to 18.18 per cent. of the Enlarged Ordinary Share Capital (representing 15.38 per cent. of the so enlarged issued ordinary share capital, assuming full exercise of the Series A Warrants and exercise of no other warrants).

11.7 Series B Warrant Deed

On 22 August 2017, the Company constituted 13,000,000 Series B Warrants on the terms of a deed under which the Company agreed, conditional upon Admission, to issue Series B Warrants to the Placees on the basis of one Series B Warrant for every two Placing Shares subscribed. Each Series B Warrant will entitle the holder to subscribe for one Ordinary Share at 10p per share. The Series B Warrants will be exercisable at any time from the date of Admission to the third anniversary of Admission. The Series B Warrants are expected to be exercisable into Ordinary Shares equal to 45.45 per cent. of the Enlarged Ordinary Share Capital (representing 31.25 per cent. of the so enlarged issued ordinary share capital, assuming full exercise of the Series B Warrants and exercise of no other warrants).

11.8 Broker Warrant Deed

On 22 August 2017, the Company constituted 494,300 Broker Warrants on the terms of a deed under which the Company agreed, conditional upon Admission, to issue Broker Warrants to Shard or its nominee(s). Each Broker Warrant will entitle the holder to subscribe for one Ordinary Share at 5p per share. The Broker Warrants will be exercisable at any time from the date of Admission to the second anniversary of Admission. The Broker Warrants are expected to be exercisable into Ordinary Shares equal to 1.73 per cent. of the Enlarged Ordinary Share Capital (representing 1.70 per cent. of the so enlarged issued ordinary share capital, assuming full exercise of the Broker Warrants and exercise of no other warrants).

12. Related Party Transactions

Save for the issue of share capital and warrants to the Directors as disclosed in paragraph 2 of Part VII of this document, the Company has not been a party to any related party transactions.

13. Working Capital

As at the date of this document, the Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements (that is, for at least the next twelve months from the date of this document).

14. Significant Change

Since 30 April 2017 (being the end of the last financial period of the Company for which financial information has been published and the date to which the historical financial information set out in Part IV of this document has been prepared), there has been no significant change in the financial or trading position of the Company, save for the payment of expenses in connection with the Placing and Admission amounting to approximately £35,000. The Company intends to issue 26,000,000 Placing Shares on 29 August 2017, subject only to Admission, raising approximately £1,150,000 (net of expenses). Further information regarding the issue of the Existing Ordinary Shares and the Placing Shares is set out in paragraph 2 of Part VII of this document.

15. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since the Company's incorporation which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

16. General

16.1 The total costs (including fees and commissions) (inclusive of VAT) payable by the Company in connection with the Placing and Admission are estimated to amount to approximately £150,000, of which a total of approximately £50,000 is commission payable to Shard. The estimated net proceeds accruing to the Company from the Placing are approximately £1,150,000.

- 16.2 The nominal value of the Ordinary Shares is denominated in sterling and the Placing Price is payable in sterling.
- 16.3 Saffery Champness LLP of 71 Queen Victoria Street, London EC4V 4BE have been appointed as the auditors of the Company. Saffery Champness LLP are a member firm of the Institute of Chartered Accountants in England and Wales and registered under the Statutory Audit Directive, Register of Statutory Auditors number C004942553.
- 16.4 The historical financial information set out in Part IV (B) of this document has been audited by the auditors to the Company, Saffery Champness LLP. No audit reports have been refused by the auditors of the Company and no audit reports contain qualifications or disclaimers.
- 16.5 Saffery Champness LLP, which have no material interest in the Company, have given and have not withdrawn their written consent to the inclusion in this document of their reports as set out in Parts IV and V of this document and the references to such reports and to their name in the form and context in which they are included.
- 16.6 Shard has given and has not withdrawn its written consent to the inclusion in this document of its name in the form and context in which it is included.
- 16.7 As at the date of this document, the Company has no existing or planned tangible fixed assets and there are no environmental issues that may affect its utilisation of any such tangible fixed assets.
- 16.8 Since incorporation, the Company has not made any principal investments and the Company has no principal investments in progress. In addition, there are no principal future investments by the Company on which the Directors have made firm commitments.
- 16.9 No public takeover bids have been made by third parties for any securities of the Company.
- 16.10 The financial information set out in this document relating to the Company does not constitute statutory accounts within the meaning of section 434 of the Companies Act. The Company intends to publish its first half-yearly financial report in respect of the period from incorporation on 4 January 2017 to 30 June 2017 and the first annual report of the Company will be published in respect of the period from incorporation on 4 January 2017 to 31 December 2017.
- 16.11 There are no arrangements in place under which future dividends are to be waived or agreed to be waived.
- 16.12 The Placing Price is payable in full in cash on acceptance.
- 16.13 As at the date of this document, neither the business nor the profitability of the Company is dependent on any patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes.
- 16.14 Since incorporation, the Company has not made up any financial statements or published any financial information save for the information contained in Parts IV and V of this document and the balance sheet prepared for the purposes of section 92 of the Companies Act in connection with the re-registration of the Company as a public limited company.

17. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Fladgate LLP, 16 Great Queen Street, London, WC2B 5DG, for the period of 14 days following the date of this document:

- 17.1 the Articles;
- 17.2 the balance sheet prepared for the purposes of section 92 of the Companies Act in connection with the re-registration of the Company as a public limited company and the historical financial information of the Company set out in Part IV (B) of this document;
- 17.3 the reports prepared by Saffery Champness LLP set out in Part IV (A) and Part V (A) of this document; and
- 17.4 the letters of consent referred to in paragraphs 16.5 and 16.6 of Part VII of this document.

18. Third Party Information

Where information has been sourced from a third party, the information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Dated: 22 August 2017

PART VIII

NOTICES TO PROSPECTIVE PLACEES

The distribution of this document and the Placing may be restricted by law in certain jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This document has been approved by the FCA as a Prospectus which may be used to offer securities to the public for the purposes of section 85 of the FSMA and of the Prospectus Directive. No arrangement has, however, been made with the competent authority in any other Member State (or any other jurisdiction) for the use of this document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this document may be prohibited in countries other than those in relation to which notices are given below. This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

For the attention of all prospective investors

The Ordinary Shares are only suitable for acquisition by a person who: (a) has a significantly substantial asset base such that would enable the person to sustain any loss that might be incurred as a result of acquiring the Ordinary Shares; and (b) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the Ordinary Shares.

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions.

For the attention of European Economic Area investors

In relation to each Member State which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of the Ordinary Shares may only be made once the Prospectus has been passported in such Relevant Member State in accordance with the Prospectus Directive as implemented by such Relevant Member State. For the other Relevant Member States an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State subject to obtaining prior consent of the Company for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a Prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this section, the expression an "offer to the public" in relation to any offer of Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and any amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

During the period up to but excluding the date on which the Prospectus Directive is implemented in Member States, this document may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to purchase or subscribe for any Ordinary Shares in any Member State in which such offer or invitation would be unlawful.

For the attention of Canadian investors

The offering of the Placing Shares in Canada is being made solely by this document and any decision to purchase Placing Shares should be based solely on information contained in or incorporated by reference into this document. No person has been authorised to give any information or to make any representations concerning the offering of the Placing Shares other than those contained in or incorporated by reference into this document. This document constitutes an offering in Canada of Placing Shares on a private placement basis on the terms described herein only in the provinces of British Columbia and Ontario (the "Eligible Provinces").

Responsibility

Except as otherwise expressly required by applicable law or as agreed to in contract, no representation, warranty, or undertaking (express or implied) is made and no responsibilities or liabilities of any kind or nature whatsoever are accepted by any dealer as to the accuracy or completeness of the information contained in this document or any other information provided by the Company in connection with the offering of the Placing Shares in Canada.

Resale restrictions

The distribution of Placing Shares in Canada is being made only on a private placement basis exempt from the requirement that the Company prepare and file a prospectus with the securities regulatory authorities in each of the Eligible Provinces. Accordingly, any resale of Placing Shares in Canada must be made in accordance with applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with the available statutory exemptions or pursuant to a discretionary exemption granted by the applicable Canadian securities regulatory authority. Canadian purchasers are advised to seek legal advice prior to any resale of Placing Shares. The Company is not a "reporting issuer", as such term is defined under applicable Canadian securities laws, in any Eligible Province or elsewhere in Canada. Canadian investors are advised that the Company currently does not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of Placing Shares to the public in any province or territory of Canada in connection with the offering of the Placing Shares.

Representations of Canadian purchasers

Each purchaser of Placing Shares in Canada will be deemed to have represented to the Company and any dealer who sells Placing Shares to such purchaser that: (a) the offer and sale of the Placing Shares in Canada was not made through an advertisement of the Placing Shares in any printed media of general and regular paid circulation, radio, television or telecommunications, including electronic display, or any other form of advertising in Canada; (b) such purchaser has reviewed and acknowledges the terms referred to in the section entitled "*Resale restrictions*" above and agrees not to sell the Placing Shares except in compliance with applicable Canadian resale restrictions and in accordance with the terms of the Ordinary Shares; (c) where required by law, such purchaser is purchasing as principal or is deemed to be purchasing as principal in accordance with applicable securities laws of the province in which it is resident, for its own account and not as agent for the benefit of another person; and (d) such purchaser, or any ultimate purchaser for which such purchaser is acting as agent, is entitled under applicable Canadian securities laws to purchase such Placing Shares without the benefit of a prospectus qualified under such securities laws, and without limiting the generality of the foregoing: (i) in the case of a purchaser resident in British Columbia, such purchaser is an "accredited investor" as defined in section 1.1 of NI 45-106; and (ii) in the case of a purchaser resident in Ontario, such purchaser, or any ultimate purchaser for which such purchaser is acting as agent (1) is an "accredited investor", other than an individual, as defined in NI 45-106 and is a person to which a dealer registered as an international dealer in Ontario may sell Placing Shares or (2) is an "accredited investor", including an individual, as defined in NI 45-106 who is purchasing Placing Shares from a registered investment dealer within the meaning of section 98 of the Regulation to the Securities Act (Ontario).

In addition, each resident of Ontario who purchases Placing Shares will be deemed to have represented to the Company and each dealer from whom a purchase confirmation is received, that such purchaser: (a) has been notified by the Company (i) that the Company is required to provide information ("personal information") pertaining to the purchaser as required to be disclosed in Schedule I of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the number and value of any Placing Shares purchased), which Form 45-106F1 is required to be filed by the Company under NI 45-106; (ii) that such personal information will be delivered to the Ontario Securities Commission (the "OSC") in accordance with NI 45-106; (iii) that such personal information is being collected indirectly by the OSC under the authority granted to it under the securities legislation of Ontario; (iv) that such personal information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and (v) that the public official in Ontario who can answer questions about the OSC's indirect collection of such personal information is the Administrative Assistant to the Director of Corporate Finance at the OSC, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-8086; and (b) has authorised the indirect collection of the personal information by the OSC. Further, the purchaser acknowledges that its name, address, telephone number and other specified information, including the number of Placing Shares it has purchased and the aggregate purchase price to the purchaser, may be disclosed to other Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable Canadian securities laws. By purchasing Placing Shares, each Canadian purchaser consents to the disclosure of such information.

Taxation and eligibility for investment

Any discussion of taxation and related matters contained in this document does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase Placing Shares and, in particular, does not address Canadian tax considerations. Canadian investors should consult their own legal and tax advisers with respect to the tax consequences of an investment in the Placing Shares in their particular circumstances and with respect to the eligibility of the Placing Shares for investment by such investor under relevant Canadian legislation and regulations. Canadian investors should likewise consult with their own legal and tax advisers concerning the foreign income tax consequence of an investment in the Placing Shares, if any.

Rights of action for damages or rescission

Securities legislation in Ontario provides purchasers of securities with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where this document and any amendment thereto contains a "Misrepresentation". Where used herein, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

Section 130.1 of the Securities Act (Ontario) provides that every purchaser of securities pursuant to an offering memorandum shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a Misrepresentation. A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

- a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;
- b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the Misrepresentation;
- c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and
- d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than:

- a) in the case of an action for rescission, 180 days from the day of the transaction that gave rise to the cause of action; or
- b) in the case of an action for damages, the earlier of:
 - 180 days from the day that the purchaser first had knowledge of the facts giving rise to the cause of action; or
 - three years from the day of the transaction that gave rise to the cause of action.

This document is being delivered in reliance on exemptions from the prospectus requirements contained under NI 45-106. The rights referred to in section 130.1 of the Securities Act (Ontario) do not apply in respect of an offering memorandum delivered to a prospective purchaser in connection with a distribution made in reliance on the exemption from the prospectus requirement in section 2.3 of NI 45-106 if the prospective purchaser is:

- a) a Canadian financial institution (as defined in NI 45-106) or a Schedule III bank;
- b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or
- c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

Enforcement of legal rights

All of the Company's directors and officers as well as the experts named in this document may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Company or such persons. All or a substantial portion of the assets of the Company and such persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside of Canada.

Language of documents

Upon receipt of this document, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the Placing (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only.

For the attention of UK investors

This document comprises a Prospectus relating to the Company prepared in accordance with the Prospectus Rules and approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

PART IX

DEFINITIONS

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

"Acquisition"	the acquisition by the Company of one or more companies, businesses or assets as described in Part I of this document (and, in the context of the Acquisition, references to a company without reference to a business or an asset and <i>vice versa</i> shall in both cases be construed to mean both a company and a business or an asset);
"Admission"	admission of the Ordinary Shares to the Standard Listed segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities;
"AIM"	the AIM market operated by the London Stock Exchange;
"Articles"	the articles of association of the Company;
"Board"	the board of directors of the Company from time to time;
"Broker Warrant Deed"	the warrant deed dated 22 August 2017 setting out the terms of the Broker Warrants, details of which are set out in paragraph 11.8 of Part VII of this document;
"Broker Warrants"	the 494,300 warrants to subscribe for new Ordinary Shares at a subscription price of 5p per share from the date of Admission until the second anniversary of Admission, created pursuant to the Broker Warrant Deed;
"Business Day"	a day (other than a Saturday or Sunday) on which banks are open for business in London;
"CIM Guidelines"	the various standards and guidelines published and maintained by the Canadian Institute of Mining, Metallurgy and Petroleum, as amended;
"Company" or "Chesterfield Resources"	Chesterfield Resources plc, a company incorporated in England and Wales with company number 10545738;
"Companies Act"	the Companies Act 2006, as amended;
"Corporate Governance Code"	the code of best practice including the principles of good governance known as the "UK Corporate Governance Code" (the latest edition of which was published in April 2016) published by the Financial Reporting Council as amended from time to time;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;
"Deferred Shares"	deferred shares of 4.9p each in the capital of the Company;
"Directors"	the directors of the Company as at the date of this document whose names are set out on page 28 of this document;
"Disclosure Guidance and Transparency Rules"	the Disclosure Guidance and Transparency Rules of the UK Listing Authority made in accordance with section 73A of FSMA;
"Enlarged Ordinary Share Capital"	the entire issued ordinary share capital of the Company upon Admission, comprising the Existing Ordinary Shares and the Placing Shares;
"Euroclear"	Euroclear UK & Ireland Limited;
"Exchange Traded Non-Ferrous Metals"	non-ferrous metals traded on the markets of either the London Metal Exchange or the London Bullion Market Association;
"Existing Ordinary Shares"	the 2,600,000 Ordinary Shares in issue as at the date of this document;
"FCA"	the Financial Conduct Authority;
"Founders"	Derek Crowhurst, Peter Damouni and David Cliff;
"FSMA"	the Financial Services and Markets Act 2000, as amended;
"Group"	the Company and its subsidiaries from time to time;
"Historical Financial Information"	the historical financial information of the Company for the period from incorporation on 4 January 2017 to 30 April 2017 as set out in Part IV (B) of this document;

"HMRC"	Her Majesty's Revenue and Customs;
"IFRS"	International Financial Reporting Standards, as endorsed by the European Union;
"JORC Code"	the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, as amended;
"Listing Rules"	the Listing Rules made by the FCA under Part VI of the FSMA;
"London Stock Exchange"	London Stock Exchange plc;
"Market Abuse Regulation"	Regulation EU 596/2014 of the European Parliament and the Council of the European Union on market abuse;
"Member State"	a member states of the European Union and the European Economic Area;
"Net Placing Proceeds"	the proceeds of the Placing receivable by the Company, after deduction of any expenses paid or payable in connection with the Placing and Admission;
"Official List"	the Official list of the UK Listing Authority;
"Ordinary Shares"	ordinary shares of 0.1p each in the capital of the Company;
"Overseas Shareholder"	a Shareholder in a territory other than the UK;
"PERC"	the Pan European Resources Code jointly published by the UK Institute of Materials, Minerals and Mining, the European Federation of Geologists, the Geological Society and the Institute of Geologists of Ireland, as amended;
"Placee"	a person who confirms his agreement to Shard to subscribe for Placing Shares under the Placing in accordance with the terms of a Placing Letter;
"Placing"	the conditional placing of the Placing Shares by Shard at the Placing Price pursuant to the Placing Agreement;
"Placing Agreement"	the conditional agreement dated 22 August 2017 between the Company, the Directors and Shard, details of which are set out in paragraph 11.2 of Part VII of this document;
"Placing Letter"	a placing letter issued to a prospective subscriber for Placing Shares by Shard and a form of acceptance from such prospective subscriber to Shard confirming the prospective subscriber's irrevocable commitment to subscribe for Placing Shares, conditional only upon Admission;
"Placing Price"	5p per Placing Share;
"Placing Shares"	the 26,000,000 new Ordinary Shares to be allotted and Issued pursuant to the Placing;
"Premium Listing"	a Premium listing under Rule 6 of the listing Rules;
"Pro Forma Financial Information"	the unaudited pro forma statement of net assets of the Company as at 30 April 2017 set out in Part V (B) of this document;
"Prospectus"	a prospectus required under the Prospectus Directive and prepared in accordance with the Prospectus Rules;
"Registrar"	Neville Registrars Limited;
"Registrar Agreement"	the registrar agreement dated 12 July 2017 entered into between the Company and the Registrar, details of which are set out in paragraph 11.3 of Part VII of this document;
"Regulation S"	Regulation S under the US Securities Act;
"Reverse Takeover"	a transaction defined as a reverse takeover in Listing Rule 5.6.4;
"SAMREC"	the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves published by the South African Mineral Resource Committee under the joint auspices of the Southern African Institute of Mining and Metallurgy and the Geological Society of South Africa, as amended;
"SEC"	the United States Securities and Exchange Commission;
"Seed Investors"	Derek Crowhurst, Peter Damouni, David Cliff, Christopher Hall, Mark Stephenson, Glenn Olnick, John Kutzschan and Michael Johnson;

"Series A Warrant Deed"	the warrant deed dated 16 March 2017 setting out the terms of the Series A Warrants, details of which are set out in paragraph 11.6 of Part VII of this document;
"Series A Warrants"	the 5,200,000 warrants to subscribe for new Ordinary Shares at a subscription price of 5p per share from the date of Admission until the fifth anniversary of Admission, created pursuant to the Series A Warrant Deed;
"Series B Warrant Deed"	the warrant deed dated 22 August 2017 setting out the terms of the Series B Warrants, details of which are set out in paragraph 11.7 of Part VII of this document;
"Series B Warrants"	the 13,000,000 warrants to subscribe for new Ordinary Shares at a subscription price of 10p per share from the date of Admission until the third anniversary of Admission, created pursuant to the Series B Warrant Deed;
"Shard"	Shard Capital Partners LLP, broker to the Company and placing agent;
"SME"	the Guide for Reporting Mineral Exploration Information, Mineral Resources and Mineral Reserves prepared by the US Society for Mining, Metallurgy and Exploration, as amended;
"Shareholders"	the holders of Ordinary Shares;
"Special Resolution"	a special resolution within the meaning of the Companies Act;
"Standard Listing"	a standard listing under Chapter 14 of the Listing Rules;
"Takeover Code"	the City Code on Takeovers and Mergers as published by the Takeover Panel from time to time;
"Takeover Panel"	the Panel on Takeovers and Mergers;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"UK Listing Authority"	the FCA acting in its capacity as the competent authority for the purposes of Part VI of the FSMA and in the exercise of its functions in respect of admission to the Official List;
"US" or "United States"	the United States of America, its territories and possessions;
"US Investment Company Act"	the United States Investment Company Act of 1940, as amended, and related rules;
"US Person"	has the meaning set out in Regulation S;
"US Securities Act"	the United States Securities Act of 1933, as amended; and
"VAT"	UK value added tax.