

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 Regulation Rules. This Document has been approved by the FCA as the competent authority under Regulation (EU) 2017/1129 and has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Regulation Rules. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the quality of the securities that are, or the Company which is the, subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. This Document has been drawn up as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

This Document together with the documents incorporated into it by reference (as set out in Part IV) will be made available to the public in accordance with Prospectus Regulation Rule 3.2 by the same being made available free of charge at <https://www.chesterfieldresourcesplc.com/> and at the Company's registered office at 7-9 Swallow Street, London, England, W1B 4DE.

To the best of the knowledge of the Company and the Directors, the information contained in this Document is in accordance with the facts and this Document does not omit anything likely to affect the import of such information.

THE WHOLE OF THE TEXT OF THIS DOCUMENT, INCLUDING ALL THE INFORMATION INCORPORATED BY REFERENCE SHOULD BE READ BY PROSPECTIVE INVESTORS. IN PARTICULAR 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 ORDINARY SHARES OF THE COMPANY, AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" ON PAGES 11 to 18 OF THIS DOCUMENT, WHICH YOU SHOULD READ IN FULL.



CHESTERFIELD RESOURCES PLC
(Incorporated and registered in England and Wales with number 10545738)

Issue of 27,777,778 new Ordinary Shares at the Fundraise Price pursuant to a Placing, Subscription and the Investment Commitment

The Existing Ordinary Shares are listed on the Official List (by way of a Standard Listing) maintained by the FCA and traded on the London Stock Exchange's Main Market for listed securities. Applications will be made to the FCA and the London Stock Exchange for the Fundraise Shares to be admitted to the Official List and to trading on the 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 at 8.00 a.m. (London time) on 11 December 2020. No application is currently intended to be made for the Fundraise Shares to be admitted to listing or dealing on any other exchange. The Company will comply with its obligation to publish a further supplementary prospectus containing further updated information required by law or any regulatory authority, but assumes no further obligation to publish additional information.

This Document does not constitute an offer to sell or invitation to subscribe for, or solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. 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. 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.

Fox Davies, which is authorised and regulated in the United Kingdom by the FCA, is acting as broker exclusively for the Company and no-one else in connection with the proposed Fundraise and Admission and will not regard any other person as its client in relation to the proposed Fundraise and Admission (including any recipient of this Document) and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Fox Davies, nor for providing advice in connection with the proposed Fundraise and Admission or any other matter or arrangement referred to in this Document.

Fox Davies is not making any representation, express or implied, as to the contents of this Document, for which the Company and the Directors are solely responsible. Without limiting the statutory rights of any person to whom this Document is issued, no liability whatsoever is accepted by Fox Davies for the accuracy of any information or opinions contained in this Document or for any omission of information, for which the Company and the Directors are solely responsible. The information contained in this Document has been prepared solely for the purpose of the Fundraise and Admission and is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them.

Certain information in relation to the Company is incorporated by reference into this Document. Capitalised terms used herein have the meanings ascribed to them in Part VIII of this Document entitled “Definitions”.

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SUMMARY

Introduction and warnings	
Introduction	The legal and commercial name of the issuer is Chesterfield Resources Plc, a public limited company with its registered office address at 7-9 Swallow Street, London, England, W1B 4DE and telephone number +44(0)203 004 0693. In respect of the Company's Ordinary Shares, the Company's International Securities Identification Number (ISIN) is GB00BF2F1X78 and its legal entity identifier (LEI) is 213800EF8I2TT767IU35. This Document was approved on 8 December 2020 by the Financial Conduct Authority (whose address is at 12 Endeavour Square, London, E20 1JN, United Kingdom and telephone number is 020 7066 1000), as competent authority in the United Kingdom under Regulation (EU) 2017/1129.
Warnings	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. Where a claim relating to the information contained in this Document is brought before a court, the plaintiff investor might have to bear the costs of translating this Document before the legal proceedings are initiated. 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. Investors could lose all or part of their invested capital by participating in the Fundraise.
Key Information on the Issuer	
Who is the issuer of the securities?	
Legal and commercial name	The legal and commercial name of the issuer is Chesterfield Resources plc.
Domicile, legal form, legislation and country of incorporation	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. The principal legislation under which the Company operates and under which the Ordinary Shares have been created is the Companies Act and the Company is subject to the provisions of the Takeover Code. The Company is domiciled in the United Kingdom and also has a wholly owned subsidiary, Chesterfield Resources (Cyprus) Limited which is registered and operates in Cyprus.
Principal Activities / Current operations and markets	<p>The Company, together with its wholly owned subsidiary Chesterfield Resources (Cyprus) Limited, comprise a group engaged in early stage mineral resource exploration.</p> <p>Principal Activities and Strategy</p> <p>The Group's principal activity is currently the exploration for and development of copper and gold mineral resource assets in Cyprus. The Group intends to continue developing its existing operations to identify commercially mineable copper and gold resources in Cyprus. The Group is unlikely to carry out mining activities on its own account, as it intends to generate its revenues through the eventual trade sale (or partial trade sale) or entry into a joint venture or strategic partnership in respect of its mineral resource assets before they reach the stage of commercial extraction.</p> <p>In addition, the Group also intends to continue exploring new prospective locations for Exchange Traded Non-Ferrous Metals, whether in Cyprus or elsewhere and whether identified directly by the Group or obtained through further acquisitions or joint ventures, which the Group is actively seeking.</p> <p>Stage of Operations</p> <p>The Group is continuing to expand its Portfolio of mineral Prospecting Permits, in Cyprus and further afield, with a view to building a substantial group within the Exchange Traded Non-Ferrous Metals sector. The Group has a 100% interest in 18 Granted Prospecting Permits (covering approximately 100 square kilometres) and one further Prospecting Permit Application (applied for in October 2020, covering a further 3.6 square kilometres) in proximity to the Troodos Mountains in Cyprus, on which it is currently exploring for gold and copper.</p>

	<p>The Group has a particular focus on identifying and drilling for a particular type of geology, called volcanogenic massive sulphide deposits ("VMS Deposits"), which are metal sulphide ore deposits which are particularly rich in metals such as gold and copper, as well as occasionally other minor credits including zinc and copper and comprise more than 50% mineral sulphide. The Group has already identified buried sulphide mineralisation (the type of rock that occurs in VMS Deposits) following percussion and diamond drill programmes at its Troodos West licence area, including at its Evlim, Hillside and Embayment target sites.</p> <p>The Group has identified over 30 targets at Troodos West which are considered to be prospective for Gold and Copper, which it is currently assessing for drilling. The Group's top drill targets on the Troodos West licence area are called Evlim, KinValley and Hillside.</p> <p>In Q4 2020, the Group carried out an AMT geophysics survey at its Troodos North licence area, with encouraging results, particularly in relation to a target area called Agrokipia. The Group is planning to carry out diamond drilling on this licence area in November 2020. An historic mine was located on this target area which was closed before the orebody was exhausted. The Directors therefore believe that there is the potential to estimate a mineral resource in this area in the future.</p> <p>The Group's exploration activities at Discovery South remain at an early stage with only field studies (rather than any drilling activities) having been carried out at this area.</p>																																								
Major shareholders	<p>As at the Last Practicable Date, 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 Company's capital or voting rights:</p> <table border="1" data-bbox="398 938 1355 1417"> <thead> <tr> <th>Name</th><th>Number of Ordinary Shares as at date of this Document</th><th>% of Existing Ordinary Share Capital</th><th>Number of Ordinary Shares as at Admission</th><th>% of the Enlarged Ordinary Share Capital</th></tr> </thead> <tbody> <tr> <td>Polymetal International Plc</td><td>0</td><td>0</td><td>23,333,334</td><td>22.94</td></tr> <tr> <td>Claudio Ciaverella</td><td>4,400,000</td><td>5.95</td><td>4,622,222</td><td>4.54</td></tr> <tr> <td>Leo Berezan</td><td>4,201,334</td><td>5.68</td><td>4,479,112</td><td>4.40</td></tr> <tr> <td>Kingfisher Distribution Company Limited</td><td>3,350,000</td><td>4.53</td><td>3,350,000</td><td>3.29</td></tr> <tr> <td>Martin French</td><td>3,000,000</td><td>4.06</td><td>3,000,000</td><td>2.95</td></tr> <tr> <td>Fahad Al Tamimi</td><td>2,333,333</td><td>3.16</td><td>2,333,333</td><td>2.29</td></tr> <tr> <td>Robert McFadden</td><td>2,232,937</td><td>3.14</td><td>2,232,937</td><td>2.20</td></tr> </tbody> </table> <p>The voting rights of all shareholders are the same in respect of each Ordinary Share held. The Company has no controlling parties.</p> <p>The Company and the Directors are not aware of any persons, who, as at the Last Practicable Date, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor are they aware of any arrangements the operation of which may at a subsequent date result in a change in control over the Company.</p>	Name	Number of Ordinary Shares as at date of this Document	% of Existing Ordinary Share Capital	Number of Ordinary Shares as at Admission	% of the Enlarged Ordinary Share Capital	Polymetal International Plc	0	0	23,333,334	22.94	Claudio Ciaverella	4,400,000	5.95	4,622,222	4.54	Leo Berezan	4,201,334	5.68	4,479,112	4.40	Kingfisher Distribution Company Limited	3,350,000	4.53	3,350,000	3.29	Martin French	3,000,000	4.06	3,000,000	2.95	Fahad Al Tamimi	2,333,333	3.16	2,333,333	2.29	Robert McFadden	2,232,937	3.14	2,232,937	2.20
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Key Managing Directors	The directors of the Company are Martin Stephen French (Executive Chairman), David Charles Cliff (Non-Executive Director) and Peter Damouni (Non-Executive Director).																																								
Statutory Auditors	The Company's statutory auditors are PKF Littlejohn LLP, having its registered office at 15 Westferry Circus, Canary Wharf, London, United Kingdom, E14 4HD and being registered under the Statutory Audit Directive, Register of Statutory Auditors number C002139029.																																								
What is the key financial information regarding the issuer?																																									
Selected key historical financial information	Selected key historical financial information relating to the Group is set out in the tables below. The information has been presented in accordance with Annex I of European Commission Delegated Regulation (EU) 2019/979.																																								

Table 1: Income statement for the Group

	Year ended 31 December 2019 (audited) £	Six months ended 30 June 2020 (unaudited) £	Six months ended 30 June 2019 (unaudited) £
Total revenue	-	-	-
Operating profit / (loss)	(536,121)	(257,465)	(303,704)
Net profit / (loss)	(536,121)	(257,465)	(303,704)
Operating profit margin	N/A	N/A	N/A
Net profit margin	N/A	N/A	N/A
Earnings per share **	(0.866)	(0.416)	(0.492)

*The Group was formed on 3 July 2018 and therefore the financial information for the period ended 31 December 2017 is that of the Company.

** Expressed in pence per share

Table 2: Balance sheet for the Group

	31 December 2019 (audited) £	30 June 2020 (unaudited) £
Total assets	2,534,434	2,328,294
Total equity	2,338,027	2,158,949
Net financial debt (long term debt plus short-term debt minus cash)	nil	nil

*The Group was formed on 3 July 2018 and therefore the financial information for 31 December 2017 is that of the Company.

Table 3: Cash flow statement for the Group

	Year ended 31 December 2019 (audited) £	Six months ended 30 June 2020 (unaudited) £	Six months ended 30 June 2019 (unaudited) £
Net cash used in operating activities	(576,179)	(265,290)	(272,200)
Net cash used in investing activities	(560,951)	(166,828)	(331,003)
Net cash inflows from financing activities	-	-	-

Pro forma financial information	Not applicable. No pro forma financial information is included in this prospectus.
Audit Qualifications	There are no qualifications in the audit opinions on the historical financial information for the year ended on 31 December 2019, which are incorporated by reference.

What are the key risks that are specific to the issuer?

Key risks specific to the Company or the mining industry	<p>1. The Group had accrued losses of £578,876 as at 31 December 2019 and reported losses of £257,465 for the period ended 30 June 2020, and to date, has not generated any revenues. The Group will deploy capital primarily towards the exploration and development of copper and gold mineral resource deposits on its Portfolio in Cyprus. There can be no assurance that the Group will identify a commercially viable mining asset and therefore, no assurance can be provided that the Group will become revenue</p>
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	<p>generating and or profitable in future. The Group also has no current trading record which can be analysed. The current historical financial information therefore provides a very limited basis on which investors may evaluate potential future performance.</p> <ol style="list-style-type: none"> 2. The Group's ability to undertake exploration and drilling work at its Prospecting Permit licence areas in Cyprus depends upon the maintenance of rights granted under its Granted Prospecting Permits granted by the Mines Service. To date, the Group has been successful in maintaining and renewing the Granted Prospecting Permits. The Directors are not aware of any circumstances likely to lead to the termination and or non-renewal of the Granted Prospecting Permits. However there can be no guarantee that the Group will be able to maintain all required approvals, licences and permits relating to its exploration and development activities (which could result from amongst other things, non-compliance with the terms of the relevant Prospecting Permit or non-payment of fees). If some or all of the Prospecting Permits were to be revoked or otherwise not renewed or maintained, the group would be effectively prevented from carrying on its mineral resource operations on the affected licence areas, which could have a material adverse effect on the Portfolio's exploration potential and its value, which would in turn impact the Group's operational and financial performance. 3. The Group's ability to explore additional locations in Cyprus is dependent upon the grant of the Prospecting Permit Application by the Mines Service (applied for in October 2020). The Directors expect that the Prospecting Permit Application will be granted and the Group has been successful in obtaining Prospecting Permit licences in the past. However, the Group cannot guarantee the success of the Prospecting Permit Application, and as such there is a risk that the Group may be unable to access those sites which may hold favourable deposits for exploration. 4. Mineral exploration and development is a speculative and high-risk undertaking that may be impacted by circumstances and factors beyond the control of the Group. Many exploration projects do not result in the discovery of commercially mineable deposits. Failure to discover new resources or to enhance existing resources in sufficient amounts and in a timely manner would materially and adversely affect the Group's results of operations, cash flows, financial condition and prospects. 5. During 2020, local measures implemented by the Cyprus Government in response to the COVID 19 pandemic meant the Group was required to defer certain drilling activities on its Troodos West copper-gold exploration licences by approximately 4 months. The Group also experienced delays obtaining the services of contractors from Bulgaria and Spain, which contributed to delays. The Group recommenced drilling activities in September 2020, as the situation had improved and at present, the situation in Cyprus is comparatively controlled, with approximately 2,000 total cases as at October 2020 (the second lowest number in Europe at that time). However, the rate of infection has begun to rise steadily across Europe and it is conceivable that new lock-down or social distancing measures could be re-introduced at any time in Cyprus and the United Kingdom. There is therefore a risk of potential disruption to the Group's planned exploration activities which could delay the time by which the Group can generate revenues from the Portfolio and cause the Group to incur additional costs. However the Group is able to mitigate the adverse impact of COVID 19 on the financial condition of the Group to an extent by deferring the deployment of capital resources on capital intensive activities until local lock-down or social distancing measures are lifted. As a result, the Directors do not anticipate being required to raise additional capital in the next 12-18 months as a result of the financial implications of COVID 19. 6. A key asset of the Group is the collective expertise and experience of its directors and technical/geological team. The Group will depend heavily upon a small number of key individuals during its early-stage development. The loss or diminution in the services of more than one of the Directors or members of the technical/geological team or an inability to recruit, train and/or retain necessary personnel could have a material and adverse effect on the Group's business, results of operations, financial condition and prospects. 7. The future exploration and extraction activities of the Group may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, insufficient or unreliable infrastructure (such as power, water and transport), unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Group. 8. Changes in global supply and demand for commodities such as gold and copper will have an impact on their price, which may adversely affect the business, results of operations, cash flows and financial condition of the Group. However, despite falls in the copper and gold price during the peak of the COVID 19 pandemic, at present the demand for copper and gold is emerging strong from the pandemic with prices currently exceeding their prevailing market prices prior to the start of the COVID 19 pandemic. However this situation may change in the future.
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KEY INFORMATION ON THE SECURITIES	
What are the main features of the securities?	
Type, Class and ISIN of the securities	The Company has two classes of share, being Ordinary Shares and Deferred Shares. Applications will be made for the Ordinary Shares issued pursuant to the Fundraise to be admitted to the Official List of the FCA with a Standard Listing and to trading on the Main Market of the London Stock Exchange. The Ordinary Shares are registered within ISIN GB00BF2F1X78, SEDOL code BF2F1X7 and TIDM CHF.
Currency denomination, par value number and term of the securities.	<p>The Ordinary Shares are denominated into UK pounds sterling and the Fundraise Price of the Fundraise Shares is payable in sterling. The nominal value of the Ordinary Shares is £0.001.</p> <p>As at the date of this Document, the aggregate nominal share capital of the Company is £171,933.33 divided into 73,933,334 Ordinary Shares of £0.001 and 2,000,000 Deferred Shares of £0.049, such shares being fully paid up. The term of the securities is perpetual.</p>
Rights attaching to the securities	<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. 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. 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. 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. The Ordinary Shares are not redeemable.</p> <p>The provisions of section 561(1) of the Companies Act (to the extent not dis-applied 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> <p>The Company also has 2,000,000 Deferred Shares in issue (but no application has been made or will be made for these to be admitted to the Official List of the FCA or to trading on the Main Market). The Deferred Shares have no voting rights and no rights to participate in the profits of the Company and do not confer any rights of redemption.</p>
The relative seniority of the securities.	The Ordinary Shares have seniority over the Deferred Shares in the event of an insolvency or winding up of the Company.
Restrictions on free transferability	<p>Subject to the provisions of the Articles below, the Ordinary Shares are freely transferrable and there are no restrictions on transfers. Each shareholder may transfer all or any of their Ordinary Shares held in certificated form by means of an instrument of transfer (in such a form approved by the Directors).</p> <p>The Directors may refuse to register a transfer of Ordinary Shares which is in certificated form, unless the instrument of transfer (i) is in respect of only one class of share; (ii) is in favour of not more than four joint transferees; (iii) is duly stamped (if required); and (iv) is lodged at the Company's registered office or such other place as the board may decide accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person to whom no certificate was issued) and such evidence to prove the title of the transferor to the shares and the due execution by them of the transfer.</p> <p>Shareholders may transfer all or any of their Ordinary Shares which are in uncertificated form by means of a 'relevant system' (i.e. the CREST System) in such manner provided for, and subject as provided in the CREST Regulations. The Board may refuse to register a transfer of an uncertificated share in any circumstances permitted by the London Stock Exchange or the CREST Regulations if the exercise of such power does not disturb the market in the shares.</p>
Dividend Policy	The Directors' current intention is to retain any earnings for use in the Group'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.

Guarantee	Not Applicable. There is no guarantee attached to the securities.																							
Where will the securities be traded?																								
Where will the securities be traded	Application will be made for the Ordinary Shares issued pursuant to the Fundraise to be admitted to trading on the Main Market of the London Stock exchange.																							
What are the key risks that are specific to the securities?																								
What are the key risks that are specific to the securities	<ol style="list-style-type: none"> 1. The Group's operations remain at an early stage and such early stage exploration activities are inherently high-risk. Consequently, shareholders may not be able to realise a return on their investment (at all) or within a timeframe they would consider to be reasonable. 2. The market price of the Ordinary Shares, including the Fundraise Shares, could be subject to significant fluctuations. 																							
Key information on the offer of securities to the public and the admission to trading.																								
Under which conditions and timetable can I invest in this security?																								
Terms and Conditions of the Offer	<p>This Prospectus does not constitute an offer or an invitation to any person to subscribe for or purchase any shares in the Company. The new Ordinary Shares are not being offered to the public.</p> <p>Subject to and conditional upon Admission occurring by 8.00 a.m. on or before 14 December 2020 (or such later date agreed between the Investors provided that such date is not later than the Long Stop Date) (the "Admission Condition"), the Company will raise gross proceeds of £2,500,000 from the issue and allotment of 27,777,778 new Ordinary Shares at the Fundraise Price. The terms of the Fundraise are briefly summarised below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 25%;"></th> <th style="text-align: center; width: 25%;">Ordinary Shares Issued on Admission</th> <th style="text-align: center; width: 25%;">Issue Price</th> <th style="text-align: center; width: 25%;">Gross Proceeds raised (£)</th> </tr> </thead> <tbody> <tr> <td>Investment Commitment</td> <td style="text-align: center;">23,333,334</td> <td style="text-align: center;">Fundraise Price (£0.09)</td> <td style="text-align: center;">£2,100,000</td> </tr> <tr> <td>Subscription</td> <td style="text-align: center;">3,333,333</td> <td style="text-align: center;">Fundraise Price (£0.09)</td> <td style="text-align: center;">£300,000</td> </tr> <tr> <td>Placing</td> <td style="text-align: center;">1,111,111</td> <td style="text-align: center;">Fundraise Price (£0.09)</td> <td style="text-align: center;">£100,000</td> </tr> <tr> <td></td> <td style="text-align: center;">27,777,778</td> <td style="text-align: center;">£0.09</td> <td style="text-align: center;">£2,500,000</td> </tr> </tbody> </table> <p>The Investors have irrevocably agreed to subscribe for the Fundraise Shares subject to and conditional upon the Admission Condition. In the event that these conditions are not satisfied or waived (where capable of waiver), the Fundraise will be revoked and will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter, to investors participating in the Fundraise. The Fundraise Shares issued pursuant to the Fundraise shall rank pari passu with all Existing Ordinary Shares.</p>					Ordinary Shares Issued on Admission	Issue Price	Gross Proceeds raised (£)	Investment Commitment	23,333,334	Fundraise Price (£0.09)	£2,100,000	Subscription	3,333,333	Fundraise Price (£0.09)	£300,000	Placing	1,111,111	Fundraise Price (£0.09)	£100,000		27,777,778	£0.09	£2,500,000
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Costs and Expenses	<p>The total costs (including fees and commissions) (exclusive of VAT) payable by the Company in connection with the Fundraise and Admission are estimated to amount to approximately £140,000. The Company is due to pay commission in connection with the Fundraise in the following amounts to the following parties:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 33%;">Party</th> <th style="text-align: center; width: 33%;">Commission Type</th> <th style="text-align: center; width: 33%;">Commission Amount</th> </tr> </thead> </table>			Party	Commission Type	Commission Amount																		
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	Fox Davies	Commission in connection with the Placing	£5,000																																						
	Haywood Securities Inc	Commission in connection with the Subscription	£4,750																																						
	First Equity Limited	Commission in connection with the Subscription	£2,000																																						
No expenses will be charged by the Company to Placees in connection with the Fundraise.																																									
Dilution	The issue of the Fundraise Shares will result in the Existing Ordinary Shares being diluted so as to constitute approximately 72.69 per cent. of the Enlarged Ordinary Share Capital.																																								
Why is this prospectus being produced?																																									
Reasons for Fundraise and estimated proceeds	<p>The Company expects to raise Net Proceeds of approximately £2,360,000 from the Fundraise. In the 12 months following Admission, the Group intends to use the Net Proceeds, amongst other things, to carry out further resource exploration work, for general working capital and operational expenditure purposes, to appoint a new chief operating officer and in order to carry out potential future corporate activities (such as acquisitions or joint ventures). The Directors currently intend to allocate the Net Proceeds amongst those proposed uses in approximately the following proportions:</p> <table> <thead> <tr> <th style="text-align: left;"><u>Proposed Use</u></th> <th style="text-align: right;"><u>Estimated Expenditure</u></th> </tr> </thead> <tbody> <tr> <td>Exploration Activities</td> <td></td></tr> <tr> <td>Group operational overheads</td> <td style="text-align: right;">£350,000</td></tr> <tr> <td>5,000m of diamond drilling and assays</td> <td style="text-align: right;">£625,000</td></tr> <tr> <td>New Chief Operating Officer</td> <td style="text-align: right;">£80,000</td></tr> <tr> <td>20 percussion holes</td> <td style="text-align: right;">£50,000</td></tr> <tr> <td>AMT geophysics survey</td> <td style="text-align: right;">£80,000</td></tr> <tr> <td>Magnetic aerial drone survey</td> <td style="text-align: right;">£80,000</td></tr> <tr> <td>Down Hole EM</td> <td style="text-align: right;">£100,000</td></tr> <tr> <td>Resource assessment</td> <td style="text-align: right;">£40,000</td></tr> <tr> <td>Earth moving and infrastructure</td> <td style="text-align: right;">£50,000</td></tr> <tr> <td>Operations</td> <td style="text-align: right;">£150,000</td></tr> <tr> <td>Contingency</td> <td style="text-align: right;">£150,000</td></tr> <tr> <td>Sub total</td> <td style="text-align: right;">£1,755,000</td></tr> <tr> <td>Other Expenditures</td> <td></td></tr> <tr> <td>Group corporate costs 2021</td> <td style="text-align: right;">£625,000</td></tr> <tr> <td>Adviser commissions and other fees</td> <td style="text-align: right;">£120,000</td></tr> <tr> <td>Sub total</td> <td style="text-align: right;">£745,000</td></tr> <tr> <td>TOTAL</td> <td style="text-align: right;">£2,500,000</td></tr> </tbody> </table>			<u>Proposed Use</u>	<u>Estimated Expenditure</u>	Exploration Activities		Group operational overheads	£350,000	5,000m of diamond drilling and assays	£625,000	New Chief Operating Officer	£80,000	20 percussion holes	£50,000	AMT geophysics survey	£80,000	Magnetic aerial drone survey	£80,000	Down Hole EM	£100,000	Resource assessment	£40,000	Earth moving and infrastructure	£50,000	Operations	£150,000	Contingency	£150,000	Sub total	£1,755,000	Other Expenditures		Group corporate costs 2021	£625,000	Adviser commissions and other fees	£120,000	Sub total	£745,000	TOTAL	£2,500,000
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Underwriting	The Fundraise is not underwritten but each investor participating in the Fundraise has provided a legally binding commitment to irrevocably subscribe for Fundraise Shares subject to and conditional upon Admission occurring by 14 December 2020 (or such later date as agreed in writing between the parties, provided such date is not later than 31 December 2020).																																								
Material Interests	Save as disclosed herein, there are no interests, including any conflicting interests, known to the Company that are material to the Company or the Fundraise. The Directors have interests in other companies, which are in some cases of a similar nature to the Company. This may lead to conflicts of interest as a result of fiduciary obligations owed to both Companies, or simply lead to conflicts in allocating sufficient management time to the Company. The Directors may become aware of business opportunities and experience conflicts when deciding which of the companies they are interested in to present the opportunity to, which may be to the detriment of the Company.																																								

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 and the fact it is at an early stage of development, risks relating to the natural resources sector, risks relating to COVID 19, 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 operations.

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.

PART A – RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY

EARLY STAGE OF DEVELOPMENT AND NO CURRENT REVENUS

The Group is at an early stage of operations and has no current revenues. As such it will be loss making and there can be no assurances that the Group will become profitable in the future.

The Group's primary objective in the short to medium term will be to continue exploring and developing the Portfolio for copper and gold mineralisation in order to establish a commercially mineable resource with a view to generating revenue by executing a trade sale, joint venture or strategic partnership in relation to the Portfolio. As at the date of this Document, the Group will have no properties producing positive cash flow. Unless the Company acquires a revenue generating company business or asset or is able to exploit a near term revenue generating opportunity from within the Portfolio, the Directors do not expect the Group to generate revenues during this exploration and development phase of its operations. Therefore, the Group will rely upon the Net Proceeds and existing capital reserves in order to fund its activities. However, the Directors are satisfied that the Net Proceeds will be sufficient for the Group to carry out its proposed activities (as set out at paragraph 5 of Part I) and the other requirements of the Group during the 12-18 months following Admission.

All of the Group's activities will likely be directed to exploration and development of its existing licence areas and to the search for and development of new mineral deposits. Significant capital investment will be required to identify a commercially mineable mineral resource, which may cause the Group to be loss making in the short to medium term. There can also be no assurance that a commercially viable mining asset will be identified and therefore there can be no assurance that that the Group will be profitable in the future. The group has accrued losses of £578,876 as at 31 December 2019 and lost a further £257,465 in the period ended 30 June 2020. However this situation is to be expected of a Company engaged in early stage mining exploration activities and as such the historical financial information provides a limited basis on which investors may evaluate potential future performance.

Consequently, the success of the Group will depend on its ability to preserve capital and to access capital from equity capital markets, strategic partnerships or other sources, until such point as it is able to realise returns from the successful identification and development of its mineral resource projects. The Directors cannot provide assurances that its exploration activities will be successful or that it will be able to generate sufficient returns from its projects or that it will continue to be successful long-term in raising capital to support its projects. If such risk were to materialise, this will have adverse impact on the financial conditions of the Group and its prospects.

GRANT, AUTHORISATION AND MAINTENANCE OF PERMITS TO EXPLORE AND MINE

There can be no assurance that the Prospecting Permit Application will be granted which may delay or hinder the Group's activities

The Group has submitted one further Prospecting Permit Application to the Mines Service on 22 October 2020, which have not yet been approved as at the date of this Document. In Cyprus, Prospecting Permit applications are not competitive but based on precedence. At the time of submission, there were no granted Prospecting Permits or other applications for Prospecting Permits over any area covered by the Prospecting Permit Application. Therefore, the Prospecting Permit Application has priority. Prospecting Permit applications are reviewed by a number of government departments and local community councils, who may set certain conditions, including amongst others, in relation to protection of nature, wildlife and the environment and the preservation of sites of historical significance. No particularly onerous conditions have been placed on any of the Group's Granted Prospecting Permits to date.

The approval process in relation to Prospecting Permits takes at least three months, but may take longer if reviewers do not respond in a timely manner. The Granted Prospecting Permits were all granted within a reasonable period of their submission (typically under 12 months) and were approved, with conditions that are reasonable and will not impede the Group's activities. The Directors have no reason to believe that the Prospecting Permit Application will not be approved within 12 months of its filing date, in full and with conditions no more restrictive than those attaching to the Granted Prospecting Permits. Nevertheless, if the Prospecting Permit Application was not granted or was granted subject to material amendment or special conditions which are onerous for the Group, this may have an adverse effect on the prospects of the Group.

The Group may be unable to obtain or renew required exploration or mining rights, licences, permits and other authorisations

The Group will conduct its operations pursuant to exploration or mining rights and concessions, licences, permits and other authorisations, including the Granted Prospecting Permits. Any delay in obtaining or renewing a licence, permit or other authorisation may result in a delay in development of a resource, which may have a material adverse effect on the results of the Group's operations, cash flows and financial condition. To date, the Group has been successful in maintaining and renewing the terms of the Granted Prospecting Permits. The Directors are therefore not aware of any circumstances likely to lead to the termination and or non-renewal of the Granted Prospecting Permits. However there can be no guarantee that the Group will be able to maintain all required approvals, licences and permits relating to its exploration and development activities

In addition, any existing exploration or mining rights and concessions, licences, permits and other authorisations of the Group including the Granted Prospecting Permits may be suspended, terminated or revoked if the Group fails to comply with their terms. In this case, or if the Group otherwise operates in contravention of applicable law, government regulators may impose fines or terminate the relevant right, concession, licence, permit or other authorisation. If this risk were to materialise and some or all of the Granted Prospecting Permits were to be revoked or otherwise not renewed or maintained, the Group would be effectively prevented from carrying on its mineral resource operations on the affected licence areas, which could have a material adverse effect on the Portfolio's exploration potential and its value, which would in turn impact the Group's operational and financial performance.

In Cyprus, Exploration Permits are typically valid for five years and can be renewed for a further five years thereafter and Reconnaissance Permits are valid for only one initial year (subject to annual renewal for up to four years). Annual rents for Prospecting Permits are payable each year and failure to make this payment by the renewal date will result in automatic cancellation of a Prospecting Permit. Any cancellation of a Prospecting Permit would have a material adverse impact on the Group's operation and financial condition.

Title to resource properties or interests may be disputed or subject to defects

In Cyprus, applications for Prospecting Permits are administered on a precedence basis and cannot be over-ridden by subsequent applications. Whilst the title to and rights and interests in permits or licences may be diligently investigated, permits or licences may still be subject to defects and, if a defect does exist, then it is possible that part or all of the interest in those permits or licences to which the defect relates may be lost or adversely affected, which could have a material adverse impact on the results of operations, financial condition and prospects of the Group. The Prospecting Permit Application was checked by the Mines Service upon submission for overlaps with other Prospecting Permits and none were discovered.

COVID-19 RISK

The Group's exploration and development projects may have to be put on hold, or operate at reduced capacity or subject to restriction due to COVID 19 and the associated measures put in place by national governments to control COVID 19, including social distancing measures and travel restrictions. This will cause delays to the Group's projects and in turn further delay the date at which the Company can generate revenues and make progress towards profitability. In addition, it is also likely to cause the Company to incur additional costs as machinery and staff may be required to remain idle whilst projects are on hold due to the government restrictions implemented in response to COVID 19. Such delays and additional costs may have a material adverse impact on the Group's financial condition and operations.

During 2020, local measures implemented by the Cyprus government meant the Group was required to defer its drilling activities on its Troodos West copper-gold exploration licences by approximately four months. The Group also experienced difficulty in obtaining the services of contractors from Spain and Bulgaria due to COVID 19 related travel restrictions which contributed to delays. Drilling has now recommenced as of September 2020. Although the situation has improved and at present, the situation in Cyprus is comparatively controlled, with approximately 2000 total cases reported as at October 2020, the rate of infection has begun to rise steadily across Europe and it is conceivable that new lock-down or social distancing measures could be re-introduced at any time in United Kingdom or Cyprus (either on a semi-permanent or temporary basis).

There is therefore a risk of potential disruption to the Group's planned exploration activities. If the Group's exploration and development projects are delayed, this would mean that the Group is likely to incur additional costs and the expected timeline for the conclusion of, and revenue generation from, particular projects would be delayed. If such risk were to materialise, this could have an adverse effect on the financial condition of the Group. However the Group is able to mitigate the adverse impact of COVID 19 on the financial condition of the Group to an extent by deferring the deployment of capital resources on capital intensive activities until local lock-down or social distancing measures are lifted. As a result, the Directors do not anticipate being required to raise additional capital in the 12-18 months from Admission as a result of the financial implications of COVID 19. However, it is anticipated that COVID-19 could impact the timeline for the completion of certain projects and the Group could incur additional and unanticipated costs connected with the postponement or deferment of such projects.

The impact of COVID 19 has had a materially adverse effect on the global economy and overall business sentiment, which has the potential to negatively impact the demand and price for commodities and have an impact on the financial position and prospects of the Group. However, despite falls in the copper and gold price during the peak of the COVID 19 pandemic, at present the demand for copper and gold is emerging strong from the pandemic particularly due to increased demand (particularly from China) and COVID 19 related reductions in the mineral supply. The price of copper has also seen a particular appreciation in recent years since it is an important commodity in the electrification of energy and transport. Prices for these commodities are now currently exceeding their prevailing market prices prior to the COVID 19 pandemic, which is a positive sign for the Group.

EXPLORATION, DEVELOPMENT AND OPERATIONAL RISK

There is no certainty that exploration and development expenditure by the Group will result in the discovery of economic, commercially mineable deposits or lead to profitable commercial operations

The exploration and development of mineral resource properties is speculative and subject to a number of uncertainties, which careful evaluation, experience and knowledge may not eliminate. Many mineral exploration projects do not result in the discovery of commercially mineable deposits and initial results from the Group's Portfolio may be materially different from those anticipated. Failure to discover new resources or to enhance existing resources in sufficient amounts and in a timely manner would materially and adversely affect the Group's results of operations, cash flows, financial condition and prospects. In addition, the Group may not be able to recover the funds used in any exploration programme to identify new opportunities.

The Group will initially focus on exploring the Portfolio in Cyprus. There can be no assurance that the Portfolio has the levels of resources anticipated, that it holds any commercially mineable resources or that it will generate meaningful revenues or be profitable (whether realised through a trade sale, joint venture, strategic partnership or otherwise). The commercial viability of the mineral deposits located within the Portfolio is dependent upon a number of factors, including but not limited to, the market price of copper, gold or any other relevant metals, the quality, size, grade, metallurgy and other attributes of the deposits and proximity to and availability of infrastructure necessary to develop and exploit minerals on a commercial scale. If any of the above factors prove to be adverse for the Group on a consistent basis, then this could materially affect the Group's financial condition and prospects.

Mineral resource exploration and development activities may be disrupted, damaged or delayed by a variety of problems outside of the Group's control

Mineral resource exploration and development activities may be disrupted, damaged or delayed by a variety of problems outside of the Group's control, such as:

- variations in grade, deposit size, density, unusual or unexpected rock formations and other geological problems;
- seismic activity, structural cave-ins or slides, flooding, drought, fires, explosions, storms, the physical effects of climate change or other natural disasters;
- operational and technical difficulties encountered in trenching, drilling, development, production and treatment activities;
- metallurgical and other processing problems;
- failure to locate or identify mineral deposits;
- delays to or failure to obtain regulatory or landowner consents or approvals;
- unavailability or significant increases in the cost of drilling, mining, processing and other equipment or supplies, including water, fuel, power and transportation facilities;
- industrial disputes and labour force disruptions or shortages of skilled workers and management;
- delays in installing and commissioning plant and equipment;
- difficulty in commissioning mechanical equipment or performance problems, break down or failures and other technical problems with mechanical equipment;
- default or non-performance by third parties providing essential services;
- interruptions due to adverse or hazardous weather conditions;
- environmental and industrial hazards and accidents;

- changes in government regulations relating to matters such as prices, taxes, equity participation, royalties, land use, importing and exporting of minerals and environmental protection; and
- civil unrest, an outbreak of hostilities and other force majeure events.

If the Group's operations were to be subject to any of the issues listed above, this could affect the costs, timelines and viability of the Group's operations for indeterminate periods and its overall financial condition and prospects. Although the Group intends to maintain suitable insurance policies to cover certain of the above risks, the Group's insurance may not cover every potential risk associated with its operations. Adequate coverage at reasonable rates is not always obtainable and may not cover any business interruptions such as equipment failure or labour dispute. The occurrence of a significant adverse event that is not covered by insurance could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The duration and cost of the Group's activities are estimated and may not produce the anticipated results.

The Group currently aims to identify the most prospective areas within the Portfolio and prioritise field work. There are risks that the data used in this analysis may be flawed at the point of collection and/or may be misinterpreted when analysed. Confirmatory field studies which typically follow the identification process involve geological and structural mapping, rock chip and trench sampling and ground geophysics need to be carried out before conclusive assessments can be made about the prospectivity of the Portfolio. However, these are all subjective areas and, despite the experience of those undertaking the work, may be open to misinterpretation. The drilling which follows identification and field studies is intended to provide the data necessary for the definition of mineral resources but there is a risk that the results of drilling may prove insufficient, inaccurate or inappropriate for the purpose. Flawed analysis or misleading interpretations of data or samples may result in elements of the relevant phase needing to be repeated, which may delay the projects or result in additional costs being incurred by the Group.

The Group's business strategy depends on the effectiveness of the operating strategies devised by the Board

Despite the Board being highly experienced in the natural resources sector, there can be no assurance that the Board and management will be able to implement effective operating strategies for the Group. The implementation of the Group's business strategy will depend upon the ability of the Board and management to maintain, expand and upgrade effective operational, financial and management systems in line with the Group's growth. 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. The Group intends to appoint an experienced chief operating officer during Q1 2021 to ensure, as far as possible that operating strategies are developed and implemented effectively for the Group.

RISKS RELATING TO THE NATURAL RESOURCES SECTOR

Failure to manage relationships with local communities or government and non-government organisations could adversely affect the Group's reputation, as well as its ability to advance projects

There are two villages located in proximity to the Group's Troodos West licence area (at Kinousa between AE4659 and AE3661 and Lysos within AE4664) ("Local Villages"), but these have been specifically carved out of the licence area with a buffer space between the Local Villages and the beginning of the licence areas. Despite this, there is a risk that local communities, such as those at the Local Villages, or at new sites the Group may seek to explore may regard the Group's exploration operations as detrimental to their environmental, economic or social circumstances and seek to object to the Group's activities. Negative community reaction to such operations could cause impediment or delay to the Group's operations which in turn may have an adverse impact on the cost, profitability, ability to finance or even the viability of an operation.

However, the Group has been operating in Cyprus for over two years and has a good relationship with the local communities and mayors of the Local Villages. There is sufficient distance between the Local Villages and the start of the licence areas such that it is unlikely for noise or dust to impact these communities and the Prospecting Permits were granted by the Mines Service having taken these factors into account. There are no current issues between the Group and any local communities which are likely to have an adverse impact on the Group. There are also no significant communities within the Group's Troodos North and Discovery South licence areas. Despite these factors, there remains a risk that issues could arise in future, whether in relation to the Local Villages or in new areas which the Group may explore which may have an adverse impact on the Group's operations.

In addition, drilling holes in new areas of the Group's Portfolio (such as Discovery South) requires permission from land owners holding surface rights over the relevant land, in order to gain access for drilling (on top of the relevant Prospecting Permits). In relation to the Group's Portfolio, the land is predominantly owned by the government who grant the requisite permission promptly and without raising any concerns or requiring any fees. In other instances the land is privately owned and the Group typically pays a small compensation for the right to drill on the land, which usually does not present an issue for the Group. However, there is a risk that surface rights holders could refuse to grant such permission or request unreasonable fees from the Group in connection with such permission.

However in the vast majority of cases obtaining this permission does not present any issues for the Group. Furthermore, the extractives mining industry in Cyprus has been active for some time, producing for both local use and export, and the Group has already engaged with numerous stakeholders in Cyprus, in order to mitigate these risks.

Resource estimates are subject to assumptions and may be inaccurate

The Group may engage experts to estimate the resources and reserves, which exist at its assets. Such estimates will be subject to a number of assumptions, including the price of relevant commodities, production costs and recovery rates. Fluctuations in the variables underlying the Group's or third party expert's estimates may result in material revisions to such reserve estimates and such changes may have a materially adverse impact on the financial condition and prospects of the Group.

Environmental and Health and Safety Laws

The natural resources sector is a hazardous industry, which is highly regulated by health, safety and environmental laws, including general and specific regulations and restrictions governing drilling and production, 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 Group's operations may create environmental risk in the form of dust, noise or leakage of polluting substances from site operations. It is likely that the environmental laws and standards that regulate the Group's operations will become increasingly stringent in the future, particularly under air quality and water quality laws and regulations and standards related to climate change issues, such as the reporting of greenhouse gas emissions. Whilst the Group intends to operate in accordance with relevant safety, health and environmental regulations and requirements, the Group will remain susceptible to the risk that liabilities might arise as a result of accidents or other circumstances which may be beyond the control of the Group and/or be uninsurable.

Failure to provide a safe working environment or to manage environmental risks may result in harm to the Group's employees, the communities near the Group's operations and the local environment. Government authorities may also force closure of facilities or refuse future drilling applications in such circumstances. The Group 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 Group 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 Group's operations could result in increased compliance and remediation costs. Any of the foregoing developments could have a materially adverse effect on the Group's results of operations, cash flows or financial condition.

The natural resources sector is subject to commodity price fluctuations, which may adversely impact the results of operations, financial condition and prospects of the Group

Historically, the prices of certain commodities have been volatile for many reasons, including levels of global and regional supply and demand (particularly from the US and China) and in response to the actions of commodity traders. Other factors affecting commodity prices include but are not limited to geopolitical uncertainty; availability of processing equipment; availability of transportation; level and availability of government subsidies; price and availability of new technologies; political, economic and military developments; 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 not possible to predict accurately future commodity price movements and commodity prices may not remain at their current levels. Any material decline in commodity prices in the medium to long term could have a material adverse impact on the results of operations, financial condition and prospects of the Group. As the global economic environment experiences a substantial downturn due to COVID 19 and continues to remain relatively weak for the medium to long term, the ability of the Group to realise the value in its Portfolio (whether through a trade sale, joint venture, strategic partnership or otherwise) may be adversely affected, and may not be economically viable at certain long term price levels. However, despite falls in the copper and gold price during the peak of the COVID 19 pandemic, at present the demand for copper and gold is emerging strong from the pandemic particularly due to increased demand from China and COVID 19 related reductions in the mineral supply. The price of copper has also seen a particular appreciation in recent years since it is an important commodity in the electrification of energy and transport. Prices for these commodities are now currently exceeding their prevailing market prices prior to the COVID 19 pandemic.

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

RISKS RELATING TO PERSONNEL

The Group is dependent upon a small management and geological team and may be unable to retain or to recruit the personnel required to deliver the Group's business strategy

One of the main assets of the Company is the combined experience and expertise of its Board and geological/technical team. During the early phase of the Company's development it shall rely on a small number of key individuals, in respect of its exploration activities and to develop and maintain important relationships with governmental and regulatory authorities in Cyprus. The Company's success is dependent upon the continuing service of these key individuals and its business and performance could be negatively impacted by the loss of key individuals.

If the Group were to lose more than one of its key individuals or otherwise seek to expand its management, geological or technical team, the Group's success would be dependent on its ability to retain and recruit suitably qualified and experienced personnel. Given the current high levels of activity in the global exploration and mining industry, there can be no assurance that the Group will be able to retain or recruit experienced, qualified individuals to deliver the Group's business strategy, which could have a material adverse impact on the results of operations, financial condition or prospects of the Group.

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

Independent contractors are often used in operations in the natural resources sector. In periods of high commodity prices, demand for key contractors may exceed supply, resulting in increased costs or lack of availability and delays to projects. Furthermore, the Group will have less control over independent contractors than it does over its employees, which creates a risk that such contractors will not operate in accordance with the Group's safety standards or other policies, potentially exposing the Group to liabilities. Any of the foregoing circumstances could have an adverse effect on the Group's operating results and cash flows.

SOCIOPOLITICAL RISKS

Northern Cyprus is occupied by Turkey and there can be no certainty that relations between Turkey and the Cyprus will not deteriorate

Since the Turkish invasion of Cyprus in 1974, approximately 40 per cent. of Cyprus has been occupied by Turkey. In 1983, the Turkish Republic of Northern Cyprus declared independence from Cyprus, although Turkey is the only country to recognise it and the international community considers the territory to be a Turkish occupied territory of Cyprus. There can be no certainty that relations between Turkey and the Republic of Cyprus will not deteriorate, which could lead to political instability or even military conflict. One example of ongoing tensions between Cyprus and Turkey is in relation to competing claims to offshore oil drilling rights off the coast of Cyprus in Mediterranean Sea. Turkish oil companies have started drilling in close proximity to the coast of northern Cyprus and in response the Greek Cypriot government and European Union have accused Turkey of violating Cyprus' maritime economic zone. If disputes such as this or other tensions cannot be amicably resolved between the two countries and relations deteriorate, this would be likely to have a material adverse impact on the financial condition and prospects of the Group as it would cause a number of unforeseen disruptions which may affect the areas of northern Cyprus where the Group is operating. However, save for the tensions in relation to oil rights, the current atmosphere is relatively benign, with border gates open since 2003 and meetings between various stakeholders ongoing.

Restrictions on access to necessary infrastructure services may adversely affect the Group's operations

Although Cyprus is a modern country with generally good infrastructure such as roads, ports and mobile phone coverage, restrictions on the Group's ability to access necessary infrastructure services, including transportation and utilities, may adversely affect the Group's operations. Inadequate or restricted access to the critical infrastructure elements required for exploration and drilling activity could have a negative effect on the Group's financial performance and significant additional funding may be required to develop such infrastructure.

Disruptions to or restrictions on access to essential utility services, such as water and electricity, could halt the Group's operations for the duration of the disruption or restriction and, when unexpected, may cause loss of life or damage to drilling or mining equipment or facilities, which may in turn affect the Group's ability to recommence operations in a timely manner. Adequate provision of transportation services is critical to distributing products and disruptions to or restrictions on such services may affect the Group's operations. The Group may be dependent on third party providers of utility and transportation services which may be subject to failures, maintenance or other issues beyond the Group's control.

RISKS RELATING TO ACQUISITIONS OF MINING ASSETS

Due diligence conducted by the Company in connection with the Acquisition, or any further acquisition, may not reveal all relevant considerations or liabilities

In connection with the Acquisition, the Company conducted due diligence in relation to CRCL. Although more than 2 years have passed since the date of the Acquisition, there can be no assurance that the due diligence undertaken with respect to CRCL, will have revealed all relevant facts, that the information provided during due diligence was accurate or that subjective judgements made about CRCL in connection with the Acquisition are accurate. If issues are identified in relation to CRCL or another future corporate action undertaken by the Company, which were not identified in the due diligence, this may cause the Company to incur losses remedying these issues, as well as potentially exposing the Company to any undisclosed or partially disclosed liabilities of CRCL or any future acquisition target. This could have a material adverse effect on the Company's financial condition and results of operations.

There is no assurance that the Company will identify or complete suitable further corporate opportunities

There can be no assurances that the Company will be able to identify suitable further acquisition opportunities or make further acquisitions that will eventually become profitable. If the Company identifies 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, which could have a material adverse impact on the results of operations, cash flow and financial condition of the Group. Furthermore, there is likely to be competition from others interested in some or all of the further acquisition opportunities that the Company may explore, and as such there can be no assurance that it will be successful against such competition, which may have favourable financial, technical or management resources.

There can also be no assurances that the Company will be able to identify appropriate buyers, joint venture or strategic partners (as and when applicable) through which it can realise the investments it has made in its Portfolio and generate revenues, or that the Company will be able to conclude such arrangements on favourable commercial terms if identified. In such event, the Group would be unable or significantly hindered from generating revenues from its mineral resource assets, which could materially affect the Group's prospects and financial condition.

The use of new Ordinary Shares as consideration for any further acquisition could result in significant dilution

If the Company offers its Ordinary Shares as consideration pursuant to an acquisition, the issuance of such new Ordinary Shares could materially reduce the percentage ownership of existing Shareholders in the Company. Where any further acquisition target has an existing large shareholder, an issue of new Ordinary Shares as 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.

FINANCIAL RELATED RISKS

Foreign Exchange Risk

Although the Fundraise will raise proceeds denominated in sterling, the Portfolio is located in the Republic of Cyprus which is in the euro zone. In addition, the markets for the commodities produced within the resources sector are predominately priced in US dollars. The Group does not intend to hedge the Net Proceeds against risks for adverse exchange rate movements against the euro or the US dollar immediately. As such, the Group may be adversely affected by currency exchange rate fluctuations from Admission if it does not hedge the currency exchange rate.

The Group will be exposed to currency risk in relation to its operations in Cyprus. The Company's functional and presentational currency is sterling, and this is the currency of the Company's financial statements. However, a significant proportion of the Company's business is conducted in the Europe (notably Cyprus at the date of this Document) in Euros, and certain other expenses may be denominated in US dollars, and therefore certain amounts will need to be translated into sterling. Due to changes in exchange rates between sterling and the Euro and US dollar this could lead to changes in the Company's reported financial results from period to period. As a result, fluctuations in the exchange rates of these currencies may adversely affect the Group's operating results, cash flows or financial condition to a material extent.

Taxation

The acquisition and disposal of Ordinary Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Ordinary Shares from a taxation point of view and generally.

PART B – RISKS RELATING TO THE ORDINARY SHARES

A Standard Listing affords less regulatory protection than a Premium Listing

Application has been made for the Fundraise Shares to be admitted to the Standard Listed 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.

Realisation of Investment

The Company's listing on the Official List should not be taken as implying that there will always be a liquid market in the Ordinary Shares. Investors should be aware that the value of the Ordinary Shares may be volatile and may go down as well as up and investors may therefore not recover the full value of their original investment. The price at which investors may dispose of their Ordinary Shares may be influenced by a number of factors, some of which may pertain to the Company and others of which are extraneous. On any disposal investors may realise less than the original amount invested. Investors could lose all or part of their invested capital by participating in the Fundraise.

Volatility

An investment in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this may contribute to infrequent trading in the Ordinary Shares on the London Stock Exchange and volatile movements in the market price of the Ordinary Share. The market price of the Ordinary Shares may fluctuate based on a number of factors, including *inter alia*, published details of the Company's performance (in particular, the result of its exploration activities), changes in general economic conditions, the market's reaction to press releases and public announcements made by the Company, as well as the arrival or departure of key personnel.

Payment of Dividends

The Company has not declared or paid any dividends on the Ordinary Shares and it is unable to provide assurances to investors that it will pay dividends in the foreseeable future. The Company's ability to declare dividends is contingent upon a number of factors, including, the general financial condition of the Company, the cash requirements of the business and the availability of sufficient distributable reserves.

CONSEQUENCES OF A STANDARD LISTING

Application will be made for all of the Ordinary Shares, issued and to be issued pursuant to the Fundraise 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.

The Company is 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).

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 6 of the Listing Rules containing additional requirements for the listing of equity securities, which is only applicable to companies with a Premium Listing.
- 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 Fundraise 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 any further 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 Fundraise Shares, prospective investors should rely only on the information contained in this Document and the information incorporated by reference as set out at Part IV. 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 Fox Davies. Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation 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 investors must not treat the contents of this Document or any subsequent communications from the Company or Fox Davies 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 Fox Davies 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 Fundraise or Admission. Fox Davies 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 Fox Davies 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 Fox Davies 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 Fox Davies may have under FSMA or the regulatory regime established thereunder, or which, by law or regulation, cannot otherwise be limited or excluded.

Fox Davies 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 Fundraise. Fox Davies 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 investor to consider the subscription for 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 Fox Davies 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 Fundraise 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 Fox Davies 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 Fox Davies 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.

Data Protection

The following information is provided to prospective investors in accordance with Article 13 and Article 14 of the EU Regulation 2106/679 (General Data Protection Regulation) (the “GDPR”). For the purposes of this section, an investor is deemed to include the legal or natural person making the investment in the Company and any beneficial owner.

1. The Company is the controller of any personal data that may be supplied by investors, and its contact details can be found on page 4 of this Document.
2. Investors will be asked to provide information to the Company, including personal data, as part of their applications for Fundraise Shares. If an investor does not provide all of the information requested, the Company will not be able to process the application and the investor will not receive any Fundraise Shares.
3. The personal data provided by investors will be processed for the following purposes:
 - 3.1 processing the investor's application for Fundraise Shares, collecting funds and communications regarding the Fundraise;
 - 3.2 verifying the identity of the investor to comply with statutory and regulatory requirements including but not limited to in relation to anti-money laundering procedures;
 - 3.3 meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere;
 - 3.4 administering the Company's shareholder records, including sending notices and information about the Company to its shareholders;
 - 3.5 administering the payment of dividends and any tax liabilities that may arise from the same;
 - 3.6 disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.
4. The legal basis on which such personal data is provided is:
 - 4.1 processing is necessary for the performance of a contract to which the investor is party or in order to take steps at the request of the investor prior to entering into a contract (in each case the contract concerned being the contract to subscribe for shares in the Company); and/or
 - 4.2 processing is necessary for compliance with legal obligations to which the Company is subject, particularly those set out in paragraphs 3.2 and 3.3 above; and/or
 - 4.3 the processing is necessary for the purposes of the legitimate interests pursued by the Company, namely the issue of shares and the effective administration of its shareholder records.
5. The Company may provide personal data regarding investors to third parties in the following circumstances:
 - 5.1 it will be required to disclose information about investors to government and regulatory and tax authorities in order to comply with applicable law;
 - 5.2 it may delegate certain administrative functions to third parties including its brokers, share registrars, solicitors and accountants and, to enable such parties to perform their functions, it may be necessary for the Company to disclose investor information for that purpose; and
 - 5.3 it may also need to disclose information about its shareholders to potential lenders or potential purchasers of the share capital of the Company.
6. In some cases, the disclosure of information in accordance with paragraph 5 will necessitate the transfer of personal data about the investor outside of the EEA to countries or territories which do not offer the same level of protection for the rights or freedoms of prospective investors as the United Kingdom. The Company will take steps to ensure that any such transfer complies with Chapter V of the GDPR.
7. If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to a third party, agent or functionary and/or makes such a transfer of personal data it will, where required

by law, ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is obliged to provide an adequate level of protection in respect of such personal data.

8. The processing of the investor's personal data will not be subject to automated decision-making by the Company, including profiling, which has any legal or significant effect on him or her.
9. Personal data provided by investors will be retained as follows:
 - 9.1 if the investor's application is wholly unsuccessful and it is not issued shares, any personal data regarding the investor will be deleted by the Company and its providers in accordance with any data retention policies; or
 - 9.2 if the investor's application is successful and shares are issued to them by the Company, the Company will retain the name and contact details of the investor for as long as it is obliged to maintain records of its shareholders under law, and any other details will be deleted in accordance with data retention policies, after the investor ceases to be a shareholder.
10. An investor has the right, in relation to his or her personal data held by the Company, to:
 - 10.1 request access to such personal data;
 - 10.2 require the Company to rectify any inaccurate personal data;
 - 10.3 in some cases, to require the Company to:
 - 10.3.1 restrict processing of the personal data;
 - 10.3.2 erase the personal data; and/or
 - 10.3.3 transfer the personal data to another controller; and/or
 - 10.4 lodge a complaint with the supervisory authority, being the Information Commissioner's Office.

11. Investors are responsible for informing any third party individual to whom the personal data relates (including but not limited to any beneficial owner) of the disclosure and use of such data in accordance with these provisions.

Investment Considerations

In making an investment decision, prospective investors must rely on their own examination of the Company, this Document and the terms of the Fundraise, 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 investors 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 investors 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 investors 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 this Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Directors concerning, among other things: (i) the Group's objectives, 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 Group may elect to operate. 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 Group'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 Group'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 Group's success in exploring and developing the Portfolio for copper and gold;
- the Group's success in maintaining Granted Prospecting Permits and being granted the Prospecting Permit Application;
- changes in commodity prices and in economic conditions generally (and specifically in the copper and gold markets and those relevant to any further acquisition made by the Group);
- changes in interest rates and currency fluctuations, as well as the success of the Group'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 Group's ability to source and close any further acquisitions and to propose effective growth strategies for any company, business or assets the Group acquires; and
- the availability and cost of equity or debt capital to finance or part finance the development of the Portfolio and any further acquisition.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Group'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 Regulation 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 17 of Part VII of this Document.

Currency Presentation

Unless otherwise indicated, all references in this Document to "sterling", "£", "p" or "pence" 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 VIII 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

Event	Time and/or Date
Publication of this Document	8 December 2020
Admission and commencement of unconditional dealings in Fundraise Shares	8.00 a.m. on 11 December 2020
CREST members' accounts credited in respect of the Placing Shares in uncertificated form	11 December 2020
Despatch of definitive share certificates in respect of the Placing Shares in certificated form	Week commencing 14 December 2020

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

PLACING STATISTICS

Number of Existing Ordinary Shares	73,933,334
Number of Deferred Shares	2,000,000
Number of Placing Shares	1,111,111
Number of Subscription Shares	3,333,333
Number of Investment Commitment Shares	23,333,334
Number of Fundraise Shares (representing the aggregate total of all Placing Shares, Subscription Shares and the Investment Commitment Shares)	27,777,778
Number of Ordinary Shares in issue on Admission	101,711,112
Number of Deferred Shares in issue on Admission	2,000,000
Percentage of Enlarged Ordinary Share Capital represented by the Fundraise Shares	27.31
Fundraise Price	£0.09
Gross proceeds of the Placing	£2,500,000
Estimated Net Proceeds receivable by the Company	£2,360,000
Estimated expenses of Fundraise and Admission (excluding VAT)	£140,000
Total Warrants in issue on Admission	6,264,889
Total Options in issue on Admission	9,705,000

DIRECTORS AND ADVISERS

Directors	Martin Stephen French (Executive Chairman) David Charles Cliff (Non-Executive Director) Peter Damouni (Non-Executive Director)
	all c/o the Registered Office
Registered Office	7-9 Swallow Street London England W1B 4DE
Company Secretary	Heytesbury Corporate LLP 7-9 Swallow Street London England W1B 4DE
Company Website	www.chesterfieldresourcesplc.com
Broker	Fox Davies Capital Partners LLP 23rd Floor 20 Fenchurch Street London EC3M 3BY
Reporting Accountants and Auditor to the Company	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London United Kingdom E14 4HD
Solicitors to the Company as to Admission	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Solicitors to the Company as to the Investment Commitment	Watson Farley Williams LLP 15 Appold St, Hackney, London, EC2A 2HB
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen B63 3DA

PART I

BUSINESS OVERVIEW

INFORMATION ON THE GROUP AND FUNDRAISE

1. Introduction and Background

The Company, together with its wholly owned subsidiary Chesterfield Resources (Cyprus) Limited, comprise a group engaged in early stage mineral resource exploration. The Group's principal activity is the exploration for and development of copper and gold mineral resource assets in Cyprus. The Group intends to continue developing its existing operations to identify commercially mineable copper and gold resources in Cyprus. The Group is however unlikely to carry out mining activities on its own account, as it intends to generate its revenues through the eventual trade sale (or partial trade sale) or entry into a joint venture / strategic partnership in respect of its resource assets prior to commercial extraction. The Group is continuing to expand its Portfolio of mineral Prospecting Permits, in Cyprus and in parallel the Group will continue to seek acquisition and joint venture opportunities in the natural resources sector, maintaining a focus on companies, businesses or assets with operations in the Exchange Traded Non-Ferrous Metals mining segment with the European geographic region, although the Group will also consider opportunities focused on other commodities and/or in other locations.

2. History and Development Of The Group

Chesterfield Resources Plc was incorporated on 4 January 2017 under the laws of England and Wales. On 29 August 2017, the Company's Ordinary Shares were admitted to the Standard Listed segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities.

On 3 July 2018, the Company completed a Reverse Takeover (as defined in Listing Rule 5.6.4) of the entire issued share capital of HKP Exploration Ltd, a mineral exploration company operating in Cyprus holding prospecting permits and prospecting permit applications in proximity to the Troodos mountains in Cyprus. HKP was incorporated in the Republic of Cyprus under the Cyprus Companies Law Cap.113, as amended, on 1 July 2014 with company number HE 333726. The founder of HKP is Michael Green and its entire issued share capital is now owned by the Company. Following completion of the RTO, the name of HKP was changed to Chesterfield Resources (Cyprus) Limited ("CRCL").

The aggregate consideration paid by the Company pursuant to the Acquisition was £500,000, which was satisfied by the allotment of 6,666,667 Consideration Shares to HKP at an issue price of 7.5p per share. Further details of the Acquisition are set out at paragraph 14.6 of Part VII of this Document. In connection with the RTO, the Company also completed a placing pursuant to which it raised gross proceeds of £2,000,000.

3. Principal Activities of the Group

The principal activity of the Group is currently the exploration for and development of copper and gold mineral resource assets in Cyprus.

3.1 Prospecting Permits in Cyprus

The Group has a 100 per cent. interest in multiple Prospecting Permits in Cyprus, namely the 21 Granted Prospecting Permits and the one Prospecting Permit Application, which are split into the following three areas:

- **Troodos West** - a near contiguous block of fourteen Granted Prospecting Permits covering an area of approximately 55km² and one Prospecting Permit Application, covering an area of 3.6km², on the western side of the Troodos Mountains, Cyprus ("Troodos West");
- **Troodos North** – three Granted Prospecting Permit Applications covering an area of 12.48 km² on the northern side of the Troodos Mountains, Cyprus ("Troodos North"); and
- **Discovery South** – four Granted Prospecting Permits, covering an area of 30.55 km² on the eastern end of the Troodos West area, Cyprus ("Discovery South").

In total, the Group's Granted Prospecting Permits cover an area of approximately 100 km². The Group also has one further Prospecting Permit Applications currently in progress. A full summary of the Granted Prospecting Permits and Prospecting Permit Application to which the Group has title and their particulars is set out in the table at paragraph 15 of Part VII of this Document.

The Granted Prospecting Permits are split into two types, namely Reconnaissance Permits and Exploration Permits. Reconnaissance Permits, allow reconnaissance work only, including basic surface sampling and

geophysics. Reconnaissance Permits have less strict conditions upon grant and are reviewed more quickly, but are granted for shorter period than Exploration Permits (an initial period of one year) and are subject to annual renewal for up to four years. If initial reconnaissance carried out under a Reconnaissance Permit looks promising, it is possible for a Reconnaissance Permit to be converted into an Exploration Permit upon application to and approval by the Mines Service. Exploration Permits allow all typical exploration work, including surface sampling, geophysics and drilling, subject to the approval of specific programmes in relation to the area covered by them. Exploration Permits can cover an area of up to 5 km² and are valid for 5 years with a further 5-year extension readily available. Exploration Permits also have a number of standard conditions attached to them, with which the Group is in full compliance as they relate to its Granted Prospecting Permits.

3.2 Exploration opportunity

The Directors believe that the Group's Portfolio of Prospecting Permits in Cyprus present an attractive exploration opportunity because:

- they are in an area of Cyprus that was previously very actively mined, but has been subject to limited exploration over the last 46 years due to the Turkish invasion of northern Cyprus in 1974;
- the type of mineral deposits in the area covered by the Portfolio are volcanogenic massive sulphide deposits ("VMS Deposits"), which contain high proportions (over 50% mineral sulphides) and typically occur in clusters, meaning that where one VMS Deposit has been located, it is likely that there remain undiscovered deposits buried underground nearby; and
- the Group has an experienced team of geologists, as well as the know-how to utilise modern exploration techniques and technologies, to search for these VMS Deposits in a way that was unavailable to previous miners of the area.

3.3 Mining in Cyprus

Modern mining commenced in Cyprus in the 1920s with more than 74 million tonnes of ore extracted from about 30 deposits in the following 50 years, (mainly copper and pyrite ores). However, the industry was brought to an abrupt halt by the invasion of Turkey in 1974 and principal mining regions in Cyprus were located on the front-line of this attack. In the decades following the Turkish invasion of Cyprus the price of copper fell steadily, in part due to large new copper mines being discovered in Latin America. As a result, the mining industry in Cyprus was not economically viable and therefore remained largely dormant, but not because there were not valuable mineral deposits to be found there.

3.4 VMS Deposits

The land surrounding the Troodos Mountains is considered to be rich in a particular type of geology, called volcanogenic massive sulphide deposits ("VMS Deposits"). VMS Deposits are a type of metal sulphide ore deposit which are created by volcanic-associated hydrothermal events and which are particularly rich in certain metals (including copper and gold), and are comprised of more than 50 per cent mineral sulphide. See figure 1 below for a diagram of a VMS Deposit. VMS Deposits are one of the richest sources of copper, and can also produce economic amounts of gold. VMS Deposits account for approximately 6 per cent of overall global copper production and 2.2 per cent of overall global gold production.

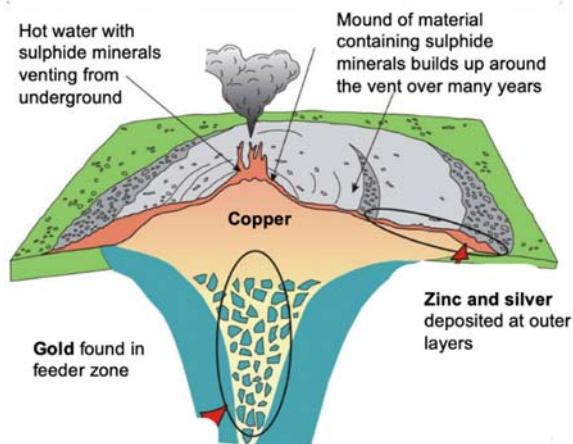


Figure 1.

The Group's initial drilling programme at its Troodos West licence area which commenced in 2018, encountered buried sulphide mineralisation (the type of rock that occurs in VMS Deposits) on several targets, verifying the

Directors' expectation that these deposits exist there. The Group has announced encountering this type of sulphide mineralisation on its targets at Evlim, Hillside and Embayment at Troodos West, which is an encouraging early sign for this licence area.

VMS Deposits generally occur in clusters or stacks typically a few hundred metres apart from each other, which means that where the Group has found one VMS Deposit, others are likely to be buried nearby. In Cyprus only those deposits that were visible on the surface of the land have been mined by other companies so far, because historically miners did not have the technology to explore for VMS Deposits that were buried underground. The Directors believe that approximately 80 per cent of the prospective area at its Troodos West licence area is beneath such shallow cover and therefore the Directors consider it likely that the Group will find additional deposits when exploring under the surface.

The Group now has access to and utilises more modern geophysical techniques such as AMT Surveys (discussed at paragraph 3.6 below), which allows the Group to form a clearer picture of the VMS Deposits underground. The Group is therefore able to use this modern geological know-how and technology to reliably explore for and locate VMS Deposits that remain undiscovered, buried at shallow depths of between 50-200 metres underground.

3.5 Experienced Team

The Directors also believe the Group is well positioned to take advantage of the VMS Deposits it has identified in Cyprus due to the expertise of its Board and technical/geological team (including Neil O'Brien, David Cliff and Michael Parker).

The Group engages highly regarded expert in VMS Deposits, Dr Neil O'Brien, as a technical consultant to advise on the Group's exploration programmes. Dr O'Brien was previously Head of Exploration for Lundin Mining, a \$35bn mining company. Dr O'Brien is a specialist in VMS geology and also has considerable experience in the regional geological structure which the Group is exploring in Cyprus, known as the Tethyan Belt. David Cliff, another senior geologist, is on the Group's board. Mr Cliff was previously Head of Exploration Europe, for Rio Tinto, one of the world's largest mining companies, where he played a leading role in the discovery of the Copler gold mine in eastern Turkey. Also advising the team is Michael Parker, as a technical consultant, who was previously an exploration geologist for 20 years with a major mining company, First Quantum Minerals. Therefore, the Directors believe that for a comparatively early stage mineral exploration venture, the Group has a uniquely senior and experienced technical/geological team, which has the potential to give the Group a competitive advantage.

3.6 The Exploration Approach

The Group uses a multi-faceted approach to its exploration programme using a variety of techniques such as satellite surveys, geological mapping, geochemistry and utilising information from the Cypriot government archives, in order to narrow the search area and then identify specific targets, for drill testing (using both percussion and diamond drilling techniques). All these techniques when taken together allow the Group to generate an in depth understanding of the geological landscape such that it can allocate capital resources most efficiently to only the most prospective areas for copper and gold VMS Deposits.

One particularly useful technique utilised by the Group for its mineral resource exploration is called AMT (audio-magnetotellurics). AMT is an advanced technology that measures the natural electromagnetic signals in the earth's crust, which are generated by lightning strikes, to create a high-resolution image of geological features underground. AMT measures natural high frequency signals in the audio range (greater than 1 hertz), which are generated by lightning strikes hitting the earth around the globe. These induce time-varying electric and magnetic fields into the earth's crust and oceans, which in turn produce signals that can then be measured over a range of frequencies using probes and magnetic field antennas. Ground resistivity values are then calculated from these AMT measurements, creating a relatively clear 3D image of the subsurface of the relevant land.

The Directors believe that its AMT surveys will be able to differentiate between sulphide mineralisation and sedimentary rocks (which can prove difficult with other types of electromagnetic survey) and also provide a useful indication of the depth at which mineralised deposits may occur. This will contribute to enabling the Group to identify the most prospective areas for VMS Deposits and therefore to allocate its resources most efficiently, thereby significantly enhancing the Group's exploration prospects.

Once the Group has identified targets which it believes to be prospective for gold and/or copper, the Group has a two phased drilling strategy which involves percussion drilling, followed by diamond drilling. Percussion drilling is a less common exploration technique employed by the Group as a final testing tool prior to diamond drilling to investigate targets up to 200m underground. Percussion drilling is regarded as more rudimentary than diamond drilling, in that it produces rock chips, and sometimes sludge, (rather than complete rock core samples), it can only drill vertically and rock chips can also fall down the hole and contaminate samples. However, it is a relatively quick and cost effective (typically costing around 15 per cent of the cost of diamond drilling) way to gain a good initial

picture of the type of rocks that exist underground, including the presence of mineralisation, its extent, and potential thickness. Percussion drilling has proved to be a very effective initial screening tool for the Group to this point. Once mineralisation has been located by a percussion drill, a diamond drill can be targeted to more accurately measure drill sites for grade and width. This two stage drilling approach reduces the potential for wasted drilling using the more expensive diamond drilling and make the Group's drill programmes more efficient.

3.7 Gold

While mining in Cyprus has traditionally been strongly associated with copper (with the word "copper" being derived from the Latin name for Cyprus), another commercial opportunity exists for the Group in exploration for gold.

Cyprus has not previously been considered as a location for gold mined in association with copper, because its mining boom of the 1960s and 1970s coincided with the period when gold prices were pegged at just \$35 per ounce, and gold was then uneconomic to produce. The development of lower cost and more consistently accurate assay methods occurred during the period when the \$35 gold peg was abandoned which was also at around the same time the mining industry halted in Cyprus in the early 1970s. This sparked a significant increase in gold prices which saw the value of gold increase more than fifty-fold in the last 40 years, to approximately \$1,832 per ounce as at the Last Practicable Date.

Consequently, from the mid-1970s onwards there was a gold exploration boom. At that time, Cyprus was considered geo-politically risky and a relatively small-scale opportunity. While a small number of junior mineral exploration companies did drill in Cyprus following the turn of the millennium, their exploration operations were relatively short-lived, typically for financial reasons. Consequently, Copper VMS Deposits in Cyprus have not yet been comprehensively evaluated for their gold potential in the modern era.

During the Group's appraisals at Troodos West in April 2020, the Group identified significant enrichment of gold, in association with VMS type sulphide occurrences, at five locations over a 4km strike length on a major prospective geological structure. In addition, on the same geological structure approximately 7km south-east, another gold occurrence in association with VMS sulphide was also identified, which confirms the presence of multiple VMS Deposits containing gold occurring relatively near to one another at Troodos West.

Gold intercepts were also encountered during the Group's diamond drilling campaign at Troodos West in late 2018. Rock core samples produced during this drill programme are being measured according to the length of underground intercept, and assayed for mineral grade. Among the most notable intercepts were 29.8 meters grading at an average of 1.1g/t (grams per ton) Au (gold), 27.9m at 0.97g/t Au and 10.5m at 3.8 g/t Au. The Directors believe that by industry standards, these would be considered noteworthy intersections in the context of exploring for commercially mineable gold deposits. Percussion drilling in early 2020 at the Group's Hillside target encountered further gold enrichment in association with buried VMS sulphides. Rock chip assays from this area revealed intersections of VMS sulphides containing above 1 g/t Au. The Group's technical team is also of the opinion, having carried out various different types of testing, that Cypriot deposits are capable of producing clean, gold-rich copper mineral concentrates that are in increasingly high demand from smelters globally.

These factors, along with a appreciation in the price of gold of more than 40% over the last two years, has emphasised to the Directors the importance of gold rich copper deposits to its operations and the Directors believe that gold will form an important component of the value of the Group's mineral resource assets in Cyprus.

3.8 Target Development

3.8.1 Troodos West

Throughout 2019, the Group focused on its exploration resources on its Troodos West licence area, using the variety of inter-connected exploration techniques referenced at paragraph 3.6 of this Part I above, to identify over 30 specific targets which were considered for drilling and testing. As at the date of this Document, this list includes the following notable target sites: Evlim, Hillside, Kin Valley, Embayment, Prince, Orchard, Princess, Copse West, Copse East, Ridgecrest, Kinplane and Forest sites. As at the date of this Document, the Group's highest priority drill targets on its Troodos West licence (which it considers to be most prospective for copper and gold) area are Evlim, KinValley and Hillside. This target list represents a principal asset of the Group and the locations of the targets are depicted at Figure 2 below.

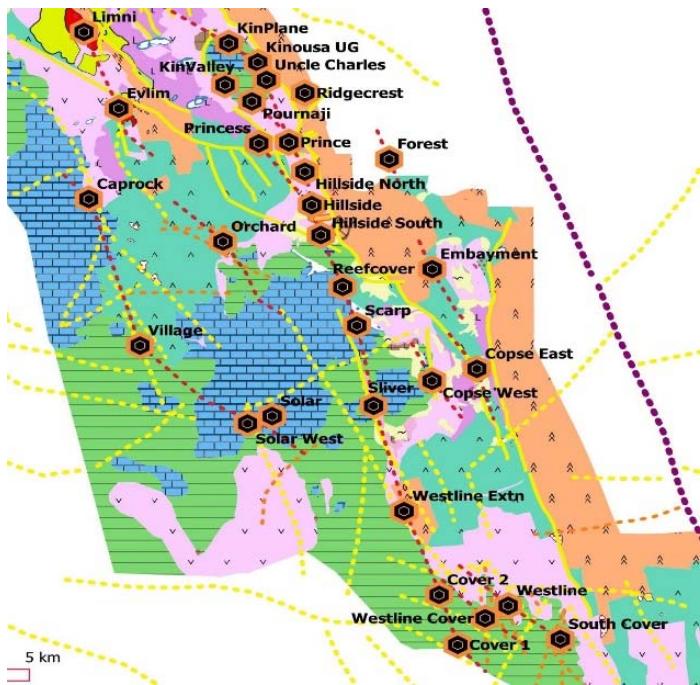


Figure 2

The Directors consider the Group's Troodos West licence area particularly prospective for copper and gold VMS mineralisation because:

- it has already identified copper and gold mineralisation in this area following percussion drilling in 2018 and 2020 and is currently diamond drilling on this area;
- there are four historic mines from previous operators located on Troodos West, each of which had strong historic production records for copper;
- there is direct geological evidence of copper mineralisation such as outcrops of primary copper sulphide (chalcopyrite), secondary copper (such as malachite staining) and ancient slag piles;
- prospective host rocks are currently only exposed over approximately 20 per cent of the Troodos West area but it has already yielded four mines and numerous prospects;
- previous exploration work carried out by the Group identified new prospects with potential high-grade copper and gold mineralisation that have not yet been fully evaluated by the Group.

Despite the above, although exploration and drilling results from the Troodos West licence area have been positive so far, further assays and testing are required of the core samples derived from diamond drilling to determine the prospectivity of each target drilled and whether any of them would be viable to develop commercially. There can be no guarantees that any of the drill results from Troodos West identified so far will result in the establishment of a commercially mineable resource.

2020 Diamond drill and Survey Programme

The Group is currently engaged in a 2,000m diamond drill programme. Sulphide mineralisation has been encountered in a number of holes and the Group is awaiting assay results. At the KinValley target, the Group has also encountered several significant intercepts of native copper, which is copper that has leached from sulphide mineralisation and has been redeposited in an almost pure state, often in the form of nuggets. In this instance the copper is often highly visible in core samples, and has also been observed smeared across the drill bit. This discovery of native copper is significant as it is typically inexpensive to process without the need for, flotation and concentrate production. Thus commercial projects can be viable at lower grades. Furthermore the presence of native copper also indicates that a sulphide-bearing mineral source is likely to be relatively close by.

The Group is continuing to diamond drill further targets and will appraise results as they are returned through December. The Group has concurrently run an AMT geophysics survey at a number of locations at Troodos West, and the survey has also been expanded to a location at Troodos North. Diamond drilling on AMT anomalies has verified that this survey technique can be an effective tool in identifying and locating sulphide mineralisation. The Group is examining a number of notable AMT anomalies while awaiting final processed data from the survey providers and a geophysical consultant.

2.8.2 Discovery South

The Group intends to start focusing increased attention and resources on its four Discovery South Prospecting Permit areas and commence intensive desktop studies, while drilling programmes continue at Troodos West. Nine prospects have been identified at Discovery South, and while data is still being analysed, there is one especially interesting target called Perapedhi. This site has been drilled historically in the 1980's and intersected 1 per cent copper over 15 - 20 metres, which the Directors consider noteworthy in the context of exploration for commercial prospects and accordingly this site is likely to be fast-tracked for drilling and testing by the Group. As at the date of this Document, the Group has not commenced any drilling on its Discovery South Prospecting Permit areas, but intends to identify targets and commence drilling by approximately Q2 2021.

2.8.3 Troodos North

The Troodos North Project comprises 3 Granted Prospecting Permits covering an area of 12.48 km². The Directors believe the Troodos North area is an attractive proposition because it is the area where the largest copper deposits have been found historically, of all the Group's licence areas, including the Mavrovouni mine, which produced nearly 750kt of copper until its closure in 1974 and the Skouriotissa mine, which has produced 294kt of copper and is still producing. The Group's Granted Prospecting Permits at Troodos North include prospective ground bordering both the Skouriotissa and Mavrovouni mines, which the Directors believe is an encouraging sign for the Group's activities at Troodos North.

The Group has recently run an AMT geophysics survey at a target area called Agrokipia at Troodos North with encouraging results. The area contains an historic mine with recorded high grades of copper, as well as zinc. There is also a significant amount of historic drilling at Agrokipia, including two historic non-compliant resources of 0.8 Mt of 1.5% Cu and 0.8% Zn and 4.5 Mt of 0.4% Cu and 0.6% Zn. The company is planning to review a considerable body of data at this target area, as it believes there is the potential to estimate a JORC compliant mineral resource in the future at this area.

Objectives and Future Plans

The primary objective of the Group is to generate value for shareholders by progressing its ongoing copper and gold exploration projects to identify a commercially mineable resource and to generate revenues by executing a trade sale (or partial trade sale), joint venture or strategic partnership in respect of its Portfolio. In addition, the Group also intends to continue exploring for new prospective locations for Exchange Traded Non-Ferrous Metals and to obtain further mineral exploration licences or permits, whether identified directly by the Group or through further acquisitions and whether in Cyprus or elsewhere in Europe, with a view to executing a similar exit event in the future. In parallel with developing its Portfolio in Cyprus, the Group will continue to seek acquisition and joint venture opportunities in the natural resources sector, maintaining a focus on companies, businesses or assets with operations in the Exchange Traded Non-Ferrous Metals mining segment with the European geographic region, although the Group will consider opportunities focused on other commodities and/or in other locations.

3. Prospects of the Group

The market in which the Group operates is global with participants in the market ranging from large multi-nationals to small private exploration businesses. The Directors believe that the Group is well placed to compete against other market participants and generate revenues in the medium to long term for the following reasons:

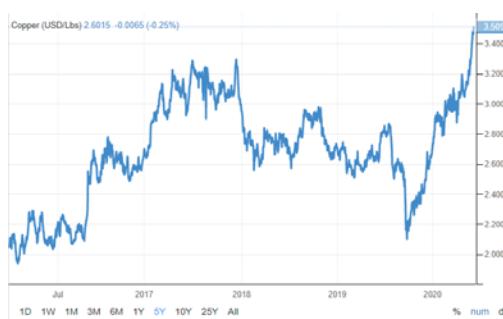
- the Portfolio is prospective for copper and gold, two of the most actively traded metals globally;
- a number of the areas covered by the Granted Prospecting Permits have a history of gold and copper extraction;
- the Group's personnel are highly skilled and experienced in the mineral exploration and natural resources sector;
- Cyprus has a rich heritage in mining (and particularly mining Copper, from which the name of the country is derived), dating back to the Bronze Age, and the style of mineralisation is relatively well understood;
- the Group has 100 per cent. interests in all the Granted Prospecting Permits in the Portfolio;
- Cyprus is an EU member with close ties to the UK, whose legal system is based on English common law, and is well-ranked in terms of ease of doing business and corruption perception, representing relatively low country risk;
- the climate in Cyprus allows for virtually year-round exploration and mining operations;
- Cyprus has good infrastructure, such as road networks, mobile phone coverage, electricity and water supply, international airports and sea ports;
- commodity prices have generally been robust since 2016, save for a short-term declines in copper prices during the peak of the COVID 19 pandemic and both copper and gold have recovered strongly from the COVID 19 related downturns and the prospects for both metals are generally considered by the Directors to be positive in the near term;
- the Group has the largest portfolio of prospecting permits in Cyprus; and

- Cyprus provides a comparatively attractive corporate environment for the Group's natural resource projects. In particular, the current government royalties for mineral resources (calculated on the Free-On-Board price) are relatively low (being 1 per cent for metals and alloys) and the corporate tax rate in Cyprus is reasonable (12.5 per cent).

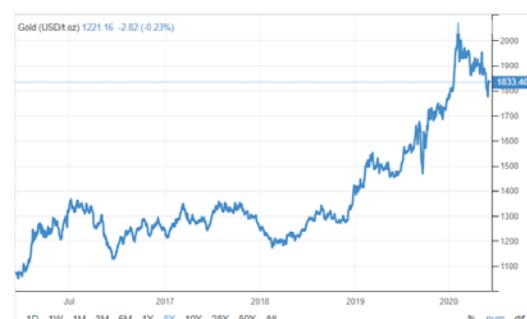
Commodity Prices

The Group is unlikely to carry out mining activities on its own account in the foreseeable future as it intends to generate revenues by eventually executing a joint venture, strategic partnership or trade sale (or partial trade sale) in relation to its mineral resource assets before they reach the stage of commercial extraction. The attractiveness of the Group's mineral resource assets to potential acquirers or joint venture/strategic partners will be highly dependent on the medium to long term outlook and overarching trends associated with the revenue metals contained within them, notably copper and gold in the case of the Portfolio. Short term fluctuations and volatility in the price of these commodities will have a comparatively immaterial impact on the Group's prospects from this perspective, although the Group's share price can be influenced by sentiment in this regard.

Since 2016, commodity prices have generally been robust (with the exception of COVID 19 related downturns in the copper price), which the Directors believe has encouraged investment capital into the sector.



Copper price (US dollars per pound) Five years
Source: tradingeconomics.com



Gold price (US dollars per ounce) Five years
Source: tradingeconomics.com

The price of copper has reached a two year high to peak in November 2018 at \$7,033 per ton. The copper price has strengthened by around 52% per cent since the COVID 19 low in March 2020 of \$4,617 per ton, primarily due to strong demand for metal from China and reduced output from Chile and Peru, where the mines have been significantly impacted by COVID 19. Scrap copper supply chains have also been impacted by COVID 19, causing a further squeeze on supply. Copper prices are currently experiencing a 'V shaped' recovery from the COVID 19 pandemic. With the probable relief of vaccines, supply constraints will likely unravel in 2021. However the Directors expect that copper prices will remain robust in the medium to long term as the modern economy has a greater requirement for copper due to increased electrification of transport and energy. Demand for copper in China remains particularly strong as it experiences one of the faster economic recoveries following COVID 19 and therefore it is likely to be among the first to commence metal-intensive infrastructure programmes. In addition, new stimulus programmes are likely to be initiated in the US and Europe leading to further demand. This suggests that copper prices will continue to remain robust in the near-term.

The price of gold has continued its steady rise since 2013, recording an all-time high in July 2020 of \$2,072 per ounce, and increasing by approximately 74% per cent since a low in October 2018. Demand for gold is primarily sentiment-driven, with speculators commonly buying through Exchange Traded Funds (ETFs). The metal has benefited from the "fear" element of the COVID-19 pandemic. Positive news about progress of COVID-19 vaccines has caused gold prices to soften recently, although concerns will persist of mounting global debt and the printing of money. Physical demand for gold comes predominantly from use in jewellery, bullion and gold coinage as well as various industrial and electronic applications. The supply of gold to meet this demand comes largely from newly mined gold, but also from recycling. Production of newly mined gold production fell by approximately 1 per cent to 3,464t, during 2019, representing the first year on year decline in output since 2008. However, this fall was offset by a material increase in the supply of recycled gold which rose by 11 per cent to 1,304t resulting in an aggregate net increase of total gold supply of approximately 2 per cent in 2019 as compared with 2018. As such, the Directors do not expect any significant downturns over the coming years.

The Directors believe that the medium to long term outlook for the price of copper and gold will remain positive into the future. In light of this, the Directors believe that there will be interest from potential acquirers or joint venture/strategic partners in relation to its Portfolio (particularly considering the importance of copper to the electrification of transport and energy) and that it could enter into an agreement for a sale, joint venture or strategic partnership in relation to its Portfolio in Cyprus on favourable commercial terms in the medium to long term. However the Directors do not expect such an event to take place until 2 to 3 years following Admission, as the

Portfolio requires further development to establish conclusive mineral resource estimates and these estimates will factor into placing an appropriate valuation on the Portfolio.

4. Significant Developments, Uncertainties and Trends

The most significant developments to the Group's business since the date of RTO Admission has been the identification of further copper and gold mineralisation on its Troodos West licence area and the commencement of a 2,000 metre diamond drilling programme at this location. In addition, in 2020 the Group has also been granted three new Prospecting Permits at its Discovery South location and made three new Prospecting Permit Applications at Troodos West (two in June 2020, which have now been granted and one in October 2020).

A significant trend affecting the Group is its increased focus on gold exploration and extraction, which has stemmed from an approximately 40 per cent appreciation in the price of gold over the last 2 years. More generally, the Group's activities will be affected by medium to long term trends and fluctuations in the prices of copper, gold and other minerals, which may become relevant to the Group as discussed above, as this will be directly linked to the value of the Portfolio.

COVID 19 is an uncertainty which has had an impact on the Group in 2020 including the postponement and delay of percussion and diamond drilling programmes at Troodos West. Any second spike in the number of cases in Cyprus and associated government restrictions could have a further impact on the Group's operations. However, the situation in Cyprus is relatively controlled, with only approximately 2,000 total cases as at October 2020, a comparatively low number in the context of the rest of Europe. As such, the Directors remain confident that the impact of COVID 19 on its business will be relatively immaterial. The most significant impacts of COVID 19 on the Group's activities, is expected to be the difficulty moving personnel in and out of the country to work carry out work in relation to the Portfolio and potential volatility and downward trends on the stock markets, which may affect the Company, the valuation of its share price and therefore its attractiveness to potential investors.

There have been no material changes in the regulatory environment in which the Group operates since the period covered by the latest published audited financial information.

5. The Fundraise and Use of Proceeds

The Group has raised gross proceeds of £2,500,000 through the Fundraise, conditional only on Admission. Further details of the Fundraise are set out in Part III of this Document. After deduction of the estimated expenses of the Fundraise and Admission, amounting to approximately £140,000, the Net Proceeds are estimated to be approximately £2,360,000.

In the 12 months following Admission, the Group currently intends to use the Net Proceeds to carry out further resource exploration work for general working capital and operational expenditure purposes, to appoint a new chief operating officer and in order to carry out potential future corporate activities (such as acquisitions or joint ventures).

The Group currently intends to use approximately two thirds of the Net Proceeds to continue developing the targets it has identified at its Troodos West licence area, with a view to establishing a commercially mineable mineral resource at Troodos West, as well as to commence drilling programmes at Troodos North and Discovery South. The Directors currently intend to allocate this portion of the Net Proceeds will be allocated approximately in accordance with the table set out below.

The Group currently intends to use the remaining third of the Net Proceeds for general working capital and operational expenditure, to assess new mineral prospecting opportunities, to appoint a new chief operating officer and to potentially carry out further acquisitions or joint ventures. The Directors currently intend to allocate this portion of the Net Proceeds approximately in accordance with the table set out below.

<u>Proposed Use</u>	<u>Estimated Expenditure</u>
<u>Exploration Activities</u>	
Group operational overheads	£350,000
5,000m of diamond drilling and assays	£625,000
New Chief Operating Officer	£80,000
20 percussion holes	£50,000
AMT geophysics survey	£80,000
Magnetic aerial drone survey	£80,000
Down Hole EM	£100,000
Resource assessment	£40,000
Earth moving and infrastructure	£50,000
Operations	£150,000
Contingency	£150,000

<u>Sub total</u>	£1,755,000
<u>Other Expenditures</u>	
Group corporate costs 2021	£625,000
Adviser Commissions and other fees	£120,000
<u>Sub total</u>	£745,000
<u>TOTAL</u>	£2,500,000

The Directors are satisfied that the Net Proceeds are sufficient for the proposed purposes identified above.

After the initial 12 month period following Admission, the Group hopes to have discovered one or more commercially mineable mineral resource deposits and aims to move into phases of resource infill drilling, conceptual mine planning and scoping studies. The Group also intends to seek new projects to diversify its risk profile and expand its operations and potential revenues. The Group plans to seek strategic or joint venture partners or potential acquirers of the all or part of the Portfolio to help fund its growth and the Directors believe the Group can attract such partners. This is amongst other reasons, because of strong demand for copper projects, due to the commodity being regarded as essential for the global transition to clean energy and transport.

6. Previous Fundraises

Since incorporation the Company has carried out three material fundraises (not including the Fundraise) as follows to raise in aggregate, gross proceeds of approximately £3.93M.

In connection with the Company's IPO Admission, it carried out the IPO Placing pursuant to which it issued 26,000,000 Ordinary Shares at a price of £0.05 per Ordinary Share to raise gross proceeds of £1,300,000.

In connection with the Acquisition and RTO, the Company carried out the RTO Fundraise pursuant to which it issued 26,666,667 Ordinary Shares at an issue price of £0.075 per Ordinary Share to raise gross proceeds of £2,000,000.

On 26 July 2020, the Company completed a placing pursuant to which it allotted 12,000,000 new ordinary shares at a placing price of £0.0525 per Ordinary Share to raise gross proceeds of £630,000. The Company also issued warrants to its broker, Fox Davies and options to certain of its Directors and key management in each case as detailed at paragraph 10 and 11 of part VII of this Document.

PART II

THE BOARD AND KEY PERSONNEL AND CORPORATE GOVERNANCE

1. The Board and key personnel

The Directors

The Directors of the Company are:

Martin French Non-Executive Chairman, aged 58 (date of birth 15/02/1962)

Martin French has over 30 years of experience in capital markets, investment banking and mining. He graduated in International Finance from the City University Business School in London. He started his career at Merrill Lynch structuring OTC FX options. He became Editor of the financial newspaper Euroweek in London and then the founding Editor of Asiamoney in Hong Kong. He then joined Credit Lyonnais Securities Asia (CLSA) working as a Country Manager in various locations in Asia running institutional equity businesses and equity capital markets. He then moved to Sao Paulo as Managing Director Latin America to set CLSA's business in the continent. Mr French was more recently Managing Director of North River Resources plc from December 2012 until January 2015, and took its Namibia-based brownfield underground lead-zinc project through a bankable feasibility study and project execution planning. He then successfully sourced a strategic funding partner.

David Cliff, Non-Executive Director, aged 74 (date of birth 21/04/1946)

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 SSR-Alacer Gold Corporation. Over this period, he has worked in a variety of geological settings, commodities and jurisdictions, especially in exploration for copper and gold. 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.

Peter Damouni, Non-Executive Director, aged 43 (date of birth 08/07/1977)

Mr. Damouni is a graduate of McGill University and has over 18 years of experience in investment banking and capital markets, with particular expertise in natural resources. Throughout his career, Mr. Damouni has worked on and led equity and debt financings valued over \$5 billion. He has comprehensive experience in equity financing, restructuring, corporate valuations and advisory assignments. Mr. Damouni is a Director of a number of companies listed on the TSX, TSX-V and London Stock Exchange and other public companies including Kerr Mines Inc, Empire Metals Ltd, Gatling Exploration Inc, Arena Minerals Inc and Mason Graphite Inc. Mr Damouni has also been on the board of other private companies including Silvergate Capital Partners Limited and formerly NorthCrest Capital Limited.

Other personnel

The Company intends to appoint a chief operating officer to provide overall operational management in Cyprus (and further afield as and when applicable). This function was previously performed by Michael Parker who is transitioning to become a technical consultant of the Group on a part time basis only, but will continue to provide technical and geological input for the Group. The Directors expect to appoint a chief operating officer before the end of Q1 2021.

2. Board Composition and Corporate Governance

Independence

On Admission, David Cliff and Peter Damouni 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 as the business of the Group develops and independence will be one of the factors taken into account in determining the composition of the Board at such time.

In order to implement its business strategy, the Company has adopted a corporate governance structure, the key features of which are:

- a Board comprising two independent non-executive directors and one executive chairman;
- 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;
- the Company has adopted a share dealing policy that complies with the requirements of the Market Abuse Regulation; and
- the Company has adopted an anti-bribery and corruption policy.

Members and responsibility

The Board is responsible for the Company's objectives and business strategy and its overall supervision, including acquisition, divestment and other strategic decisions. The Board provides leadership within a framework of prudent and effective controls. The Board sets the corporate governance values of the Group and has overall responsibility for setting the Group's strategic aims, defining the business plan and strategy, managing the financial and operational resources of the Group and reviewing the performance of the officers and management of the Group's business.

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 is undertaken by the Board as a whole. The Company has engaged an experienced bookkeeper to provide accounting services. Due to the limited number of expected financial transactions of the Group and the financial expertise of the Directors, the Directors believe these arrangements will continue to be appropriate for the period immediately following Admission.

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 the Board considers appropriate, having regard to the size and nature of the Group and the composition of the Board. As at the date of this Document, the Company is in compliance with the Corporate Governance Code with the exception that the Company does not comply with the requirements of the Corporate Governance Code in relation to the requirement to have a senior independent director.

The Company has in place an audit and remuneration committee, the particulars of which are as follows:

The audit committee will comprise Peter Damouni (as chairman) and David Cliff and will meet normally not less than twice each year. The audit committee will be responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Company is properly monitored and reported. In addition, the audit committee will receive and review reports from management and the auditors relating to the interim report, the annual report and financial statements and the internal control systems of the Company.

The remuneration committee will comprise Peter Damouni (as chairman) and David Cliff and will meet normally not less than twice each year. The remuneration committee will be responsible for the review of and making recommendations to the Board on the scale and structure of remuneration for the Board and key personnel, including any bonus arrangements and the award of share options, having due regard to the interests of Shareholders and other stakeholders.

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

The Company takes a zero-tolerance approach to bribery and corruption and has adopted an anti-bribery and corruption policy under which the Company is committed to conducting its business in a fair and ethical way without using bribes or corrupt practices to obtain unfair advantages in its business dealings and to implementing and enforcing effective systems to counter bribery and corruption.

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" of this Document.

5. Conflicts of Interest

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

- the Directors have or may have interests (whether directorships, partnerships or otherwise) in other companies, partnerships, projects or ventures, in some cases of a similar nature to that of the Group. Therefore the Directors may have a limited amount of time to dedicate to the business of the Group and, accordingly, they may have conflicts of interest in allocating management time to the Group and each aspects of the Group's business. As such some aspects or the whole of the Group's business may receive less of the Directors time and management attention than may be considered necessary or desirable;
- 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 Group as well as the other entities with which they are affiliated (that are of a similar nature to the Company) and the Directors may have conflicts of interest in determining to which entity a particular opportunity should be presented to; and
- 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 Group 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 Group. Accordingly, they may refrain from presenting certain opportunities to the Group 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.

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 or service agreements entered into by each of the Directors, further details of which are set out in paragraph 9 of this Part VII of this Document, the Directors may be required to seek the agreement of the Board before accepting commitments outside their role in the Group, in addition to those already disclosed to the Company, which might give rise to a conflict of interest with any of their duties to the Group.

PART III
THE FUNDRAISE

1. Description of the Fundraise

Subject to and conditional upon Admission occurring by 8.00 a.m. on or before 14 December 2020 (or such later dates as might be agreed between relevant parties provided such date is in not later than the Long Stop Date), the Company will raise gross proceeds of £2,500,000 as a result of the Subscription, Investment Commitment and the Placing. The terms of the Fundraise are briefly summarised below:

	Ordinary Shares Issued on Admission	Issue Price	Gross Proceeds Raised (£)
Investment Commitment	23,333,334	Fundraise Price (£0.09)	£2,100,000
Subscription	3,333,333	Fundraise Price (£0.09)	£300,000
Placing	1,111,111	Fundraise Price (£0.09)	£100,000
Total	<u>27,777,778</u>	Fundraise Price (£0.09)	<u>£2,500,000</u>

After commissions and other estimated fees and expenses in connection with the Fundraise and Admission of approximately £140,000 (exclusive of VAT), the Net Proceeds are estimated to be £2,360,000.

The Investors participating in the Fundraise can be categorised in the following terms:

Investment Commitment	Polymetal, is a top-10 global gold producer and top-5 global silver producer with assets in Russia and Kazakhstan listed on the London Stock Exchange, Moscow Stock Exchange and Astana International Exchange.
Placing	The Placees are investment professionals and high net worth, sophisticated and institutional investors in the UK. Placees have been introduced by Fox Davies, as brokers to the Company.
Subscription	The Subscribers are family offices and other high net worth investors.

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).

At the Fundraise Price, the Enlarged Ordinary Share Capital will have a market capitalisation of £9,154,000 on Admission. The Fundraise shares will be registered within ISIN GB00BF2F1X78 and SEDOL code BF2F1X7.

2. Admission and Dealings

The Fundraise is conditional only on Admission occurring on or before 8.00 a.m. on or before 14 December 2020 (or such later date as Polymetal, the Subscribers and Fox Davies (acting on behalf of Placees) may respectively agree with the Company but in any event not later than the Long Stop Date) (the “**Admission Condition**”). Please refer to paragraph 4 of this Part III in relation to the return of subscription funds to Investors in the event that the Admission Condition is not satisfied by the relevant date.

Admission is expected to take place and dealings in the Enlarged Ordinary Share Capital are expected to commence on the London Stock Exchange at 8.00 a.m. on 11 December 2020.

The CREST accounts designated by Investors that have requested delivery of Fundraise Shares in uncertificated form are expected to be credited with the relevant new Ordinary Shares on the date of Admission. Where applicable, definitive share certificates in respect of the Fundraise Shares of Investors that have requested delivery of Fundraise Shares in certificated form are expected to be despatched, by post at the risk of the recipients, to the relevant Investor not later than the week commencing 14 December 2020. No temporary documents of title will be issued. Prior to the despatch of definitive share certificates in respect of any new 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 may be held in certificated or uncertificated form.

3. Fundraise Arrangements

The terms of the Placing are governed by a Placing Agreement. Further details of the Placing Agreement are set out in paragraph 14.1 of Part VII. Pursuant to the terms of the Placing Agreement, Fox Davies has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Fundraise Price. Fox Davies may terminate the Placing Agreement (and the arrangements provided for thereunder) 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 Fox Davies.

The Investment Commitment is governed by the Investment Agreement, further details of which are set out in paragraph 14.4 of Part VII of this Document.

The terms of each Subscribers' subscription is governed by the terms of a Subscription Letter with the Company, which are each based on customary terms and conditions.

4. Allocation and Pricing

All Ordinary Shares issued pursuant to the Fundraise will be issued at the Fundraise Price, which has been determined by the Directors after consultation with its brokers.

Ordinary Shares will be allocated to Polymetal in accordance with its Investment Commitment and Subscribers in accordance with their Subscription. In respect of the Placing, allocations have been determined by agreement between the Directors and Fox Davies 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, if any.

Allocations have been managed by the Directors and Fox Davies so that the Company shall have sufficient shares in public hands, in accordance with Listing Rule 14.2.2.

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

Subject to the Admission Condition, each Investor has agreed to subscribe for Fundraise Shares at the Fundraise Price. To the fullest extent permitted by law, Investors will not be entitled to rescind their agreement at any time.

5. Payment and return of funds

Polymetal and Subscribers have irrevocably undertaken to pay the Fundraise Price in respect of their Fundraise Shares, in accordance with the respective terms of their Investment Agreement and Subscription Letter. Each Placee has irrevocably undertaken to pay the Fundraise Price for the Placing Shares allocated to them in such manner as directed by Fox Davies in the Placing Letter.

In the event that the Admission Condition is not satisfied by the relevant date, the Company shall arrange for the subscription monies to be returned, without interest, to Polymetal and the Subscribers at their own risk and, in accordance with the Placing Agreement, Fox Davies will arrange for monies to be returned to applicants for Placing Shares, without interest, and at their own risk.

The final terms of the Fundraise will be announced via a regulatory news service on the date of the publication of this Document.

No expenses will be charged by the Company to Investors in connection with the Fundraise. Details regarding liability for stamp duty and stamp duty reserve tax is as set out in Part VI of this Document.

6. 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 Ordinary Shares were admitted to CREST with effect from IPO Admission on 29 August 2017. Accordingly, settlement of transactions in the Ordinary Shares 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. The Investors may elect to receive such new Ordinary Shares in uncertificated form if such person is a system-member (as defined in the CREST Regulations) in relation to CREST.

7. 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 or in the United States. The Fundraise is being made by means of offering the Placing Shares and the Subscription Shares to certain institutional and other 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.

PART IV
HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

On 5 May 2020 the Company published its 2019 Annual Report, which contains the Company's audited financial statements for the year ended 31 December 2019.

The audited historical financial information referred to above was audited by PKF Littlejohn LLP. The reports were without qualification and contained no statements under section 498(2) or (3) of CA 2006 and were prepared in accordance with International Financial Reporting Standards and are being incorporated by reference into this prospectus in accordance with Prospectus rule 2.4.1 as detailed below.

On 30 September 2020, the Company published its unaudited interim financial statement for the period ended 30 June 2020. The interim results of the Group for the six months' period ended 30 June 2020 are expressly incorporated by reference into this Document as detailed below.

This Document should be read and construed in conjunction with:

- (a) the annual report and accounts of the Group for the financial year ended 31 December 2019 together with the audit reports on them; and
- (b) the interim results of the Group for the six months' period ended 30 June 2020.

The following list is intended to enable investors to identify easily specific items of information which have been incorporated by reference into this prospectus. The parts of this Document which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information will not form part of this Document.

Unaudited interim financial statements for the period ended 30 June 2020 and notes thereto.

The unaudited interim financial statements for the period ended 30 June 2020 include condensed consolidated statements of:

- Chairman's review of the year to date – page 1;
- comprehensive income – page 2;
- financial position – page 2-3;
- changes in shareholders' equity – page 3;
- cash flows – page 3.

and the notes thereto. – page 3-5

IFRS financial statements for the year ended 31 December 2019 and the auditors' report thereon.

The page numbers below refer to the relevant pages of the annual report and accounts of the Company for the year ended 31 December 2019:

- Chairman's statement and Group Strategic Report – page 2;
- Independent auditor's report – page 16;
- Group statement of comprehensive income – page 20;
- Statement of financial position – page 21;
- Group statement of changes in equity – page 22
- Company statement of changes in equity – page 23;
- Statement of cash flows – page 24;
- Notes to the financial statements (including a summary of significant accounting policies) – page 25 – 42.

Copies of the Company's unaudited interim financial information made up to 30 June 2020 and audited financial statements for the year ended 31 December 2019 are available for inspection as provided for in paragraph 21 of Part VII of this Document.

In relation to the audited financial information incorporated by reference above, no audit reports have been refused by the auditors of the Company and no audit reports contain qualifications or disclaimers.

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Part V

CAPITALISATION AND INDEBTEDNESS

The following table shows the Group's capitalisation and indebtedness as at 31 October 2020.

	31 October 2020
Total Current Debt	(£)
Guaranteed	-
Secured	-
Unguaranteed/Unsecured	56,886
Total Non-Current Debt	
Guaranteed	-
Secured	-
Unguaranteed/Unsecured	127,451
Total debt	184,337
Shareholder Equity	(£)
Share Capital	171,933
Share premium	4,242,539
Other Reserves	41,234
Retained losses	(1,830,053)
Total shareholder equity	2,508,573

As at the Last Practicable Date, there has been no material change in the capitalisation of the Group since 31 October 2020.

The following table sets out the unaudited net funds of the Group as at 31 October 2020.

	31 October 2020
	(£)
A. Cash	476,684
B. Cash equivalent	-
C. Trading securities	-
D. Liquidity (A) + (B) + (C)	<u>467,684</u>
 E. Current financial receivable	 76,962
F. Current bank debt	-
G. Current portion of non-current debt	-
H. Other current financial debt	(56,886)
 I. Current Financial Debt (F) + (G) + (H)	 (56,886)
 J. Net Current Financial Indebtedness (I) - (E) - (D)	 <u>487,760</u>
 K. Non-current Bank loans	 -
L. Bonds Issued	-
M. Other non-current loans	-
 N. Non-current Financial Indebtedness (K) + (L) + (M)	 (127,451)
 O. Net Financial Indebtedness (J) + (N)	 <u>360,309</u>

As at 31 October 2020, the Group had no indirect or contingent indebtedness. As at the Last Practicable Date, there has been no material change in the indebtedness of the Company since 31 October 2020.

PART VI

TAXATION

The comments set out below are based on current UK tax law and what is understood to be current HMRC published practice which are subject to change at any time (potentially with retrospective effect). They are intended as a general guide only and apply only to Shareholders who are resident and domiciled (in the case of individuals) and resident (in the case of companies) in (and only in) the UK (except to the extent that specific reference is made to Shareholders resident outside the UK), who hold their Ordinary Shares as investments (other than under an individual savings account (ISA) only and not as securities to be realised in the course of a trade, and who are the absolute beneficial owners of those Ordinary Shares and any dividends paid thereon.

It is not intended to be, nor should it be construed as legal or tax advice.

The comments set out below are a summary only to certain aspects of tax in the UK and do not deal with the position of certain classes of Shareholders, such as dealers in securities, broker dealers, insurance companies, collective investment schemes or Shareholders who have or are deemed to have acquired their Ordinary Shares by virtue of an office or employment. Shareholders who are in doubt as to their position or who are subject to tax in any jurisdiction other than the UK should consult their own professional advisers immediately.

The tax legislation of the investor's Member State and of the issuer's country of incorporation, being the United Kingdom, may have an impact on the income received from the Ordinary Shares. Prospective investors should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

Taxation of dividends

The Company will not be required to withhold tax at source on any dividends it pays to its Shareholders.

Dividends paid on the Ordinary Shares to the individuals resident in the UK for taxation purposes or who carry on a trade, profession or vocation in the UK through a branch or agency and who hold Ordinary Shares for the purposes of such trade, profession or vocation, or for such branch or agency, may be liable to income tax. Each individual has a tax-free dividend allowance which exempts the first £2,000 (**Nil Rate Amount**) of dividend income in the 2020-21 tax year. Dividend income in excess of the tax-free allowance will be liable to income tax in the hands of individuals at the rate of 7.5% to the extent that it is within the basic rate band, 32.5% to the extent that it is within the higher rate band and 38.1% to the extent it is within the additional rate band.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limits - and will therefore impact on the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

Dividends paid on the Ordinary Shares to UK resident corporate Shareholders will generally (subject to anti-avoidance rules) fall within one or more of the classes of dividend qualifying for exemption from corporation tax. Shareholders within the charge to corporation tax are advised to consult their independent professional tax advisers in relation to the implications of the legislation.

Non-UK resident Shareholders may also be subject to tax on dividend income under any law to which they are subject outside the UK. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

Disposals of Ordinary Shares

A disposal of Ordinary Shares by a Shareholder (other than those holding shares as dealing stock, who are subject to separate rules) who is resident in the UK for tax purposes or who is not so resident in the UK but carries on business in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation, depending on the Shareholder's circumstances and subject to any available exemption or relief.

Such an individual Shareholder who is subject to UK income tax at the higher or additional rate will be liable to UK capital gains tax on the amount of any chargeable gain realised by a disposal of Ordinary Shares at the rate of 20%.

Such an individual Shareholder who is subject to income tax at the basic rate only should only be liable to capital gains tax on the chargeable gain up to the unused amount of the Shareholder's basic rate band at the rate of 10% and at a rate of 20% on the gains above the basic rate band.

Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which presently exempts the first £12,300 of gains from tax for the tax year 2020-21).

For such Shareholders that are bodies corporate they will generally be subject to corporation tax (rather than capital gains tax) at a rate of 19% on any chargeable gain realised on a disposal of Ordinary Shares.

Inheritance Tax

The Ordinary Shares will be assets situated in the UK for the purposes of UK inheritance tax. A gift of such assets following the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold shares in the Company bringing them within the charge to inheritance tax. Holders of shares in the Company should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any shares in the Company through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

Stamp Duty and Stamp Duty Reserve Tax (SDRT)

The statements in this section relating to Stamp Duty and SDRT apply to any Shareholders irrespective of their residence, summarise the current position and are intended as a general guide only to Stamp Duty and SDRT. They do not apply to certain categories of person 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. Special rules apply to agreements made by, amongst others, intermediaries, broker dealers and market makers in the ordinary course of their business.

Issue of Ordinary Shares

No UK Stamp Duty or SDRT will be payable on the issue of Ordinary Shares, other than as explained below.

Transfer of certificated Ordinary Shares

The transfer on sale of Ordinary Shares will generally be liable to ad valorem Stamp Duty at the rate of 0.5% (rounded up to the nearest multiple of £5) of the amount or value of the consideration paid. An exemption from Stamp Duty will be available on an instrument transferring Ordinary 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 for which the aggregate consideration exceeds £1,000. The purchaser normally pays the Stamp Duty. An unconditional agreement to transfer such shares will be generally liable to SDRT, at the rate of 0.5% of the consideration paid, but such liability will be cancelled or a right to a repayment in respect of the SDRT liability will arise if the agreement is completed by a duly stamped transfer within six years of the agreement having become unconditional. SDRT is the liability of the purchaser.

Ordinary Shares transferred through paperless means including CREST

Paperless transfers of shares within the CREST system are generally liable to SDRT (at a rate of 0.5% of the amount or value of the consideration payable) rather than Stamp Duty, and SDRT on relevant transactions settled within the system or reported through it for regulatory purposes will be collected by CREST. Deposits of shares into CREST will not generally be subject to SDRT unless the transfer into CREST is itself for consideration.

PART VII
ADDITIONAL INFORMATION

1 Responsibility

The Company and each of the Directors, whose names appear on page 27 of this Document, accept responsibility for this Document and its contents. The Company and each of the Directors confirm that to the best of their knowledge, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

2 The Company

- 2.1 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.
- 2.2 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.
- 2.3 The legal and commercial name of the issuer is Chesterfield Resources plc.
- 2.4 The principal legislation under which the Company operates and under which the Ordinary Shares have been created is the Companies Act.
- 2.5 The Company has, since the date of its incorporation, operated in conformity with its constitution.
- 2.6 The Company is domiciled in the United Kingdom and its wholly owned subsidiary CRCL is registered and has its principal operations in Cyprus.
- 2.7 The registered office address of the Company is at 7-9 Swallow Street, London, England, W1B 4DE, and its telephone number is +44(0)203 004 0693.
- 2.8 The Company was founded by Derek Crowhurst, Peter Damouni and David Cliff. Derek Crowhurst is no longer a director of the Company.
- 2.9 The registrars of the Company are Neville Registrars Limited. They are responsible for maintaining the register of members of the Company.
- 2.10 The ISIN of the Ordinary Shares is GB00BF2F1X78.
- 2.11 The Legal Entity Identifier (LEI) of the Company is 213800EF8I2TT767IU35 and its SEDOL is BF2F1X7.
- 2.12 The Company's TIDM in respect of the Ordinary Shares is CHF.
- 2.13 The website of the Company is <https://www.chesterfieldresourcesplc.com/> and such website, and its contents does not form part of this Document.

3 Share Capital

- 3.1 The Company's issued share capital, as at the date of this Document and following Admission is as follows:

<i>As at the date of this Document</i>		<i>On Admission</i>	
<i>Ordinary Shares</i>	<i>Nominal Value</i>	<i>Ordinary Shares</i>	<i>Nominal Value</i>
73,933,334	£73,933.33	101,711,112	£1,017,111.11
<i>Deferred Shares</i>	<i>Nominal Value</i>	<i>Deferred Shares</i>	<i>Nominal Value</i>
2,000,000	£98,000	2,000,000	£98,000

3.2 A summary of the changes to the issued share capital of the Company from its incorporation to the date of this Document is as follows:

- 3.2.1 On incorporation, the Company had an issued share capital of £600 divided into 600,000 Ordinary Shares with a nominal value of 0.1p, which were subscribed for at their nominal value by the Founders.
- 3.2.2 On 16 March 2017, 1,200,000 Series A Warrants were issued to the Founders.
- 3.2.3 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, such shares being fully paid. This allotment brought the Company's total number of shares in issue to 2,600,000.
- 3.2.4 On 24 April 2017, 4,000,000 Series A Warrants were issued to the Seed Investors bringing the total number of Series A Warrants outstanding to 5,200,000. Such Series A Warrants remain outstanding as at the date of this Document and remain valid until 29 August 2022.
- 3.2.5 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 with nominal value of 0.1p and 2,000,000 Deferred Shares with a nominal value of 4.9p.
- 3.2.6 On 29 August 2017, 26,000,000 Ordinary Shares were issued and allotted to the IPO Placees at a price of 5p per share, such Ordinary Shares being fully paid. This allotment brought the Company's total number of shares in issue to 28,600,000 Ordinary Shares and 2,000,000 Deferred Shares.
- 3.2.7 On 29 August 2017, 13,000,000 Series B Warrants were issued to the IPO Placees. The Series B Warrants were exercisable until the third anniversary of IPO Admission, being 29 August 2020, as such all rights granted pursuant to the Series B Warrant Deeds are now extinguished.
- 3.2.8 On 29 August 2017, 494,300 Shard Warrants were issued to the nominees of Shard. The Shard Warrants were exercisable until the second anniversary of IPO Admission, being 29 August 2019 and as such all rights granted pursuant to the Shard Warrant Deed are now extinguished;
- 3.2.9 On 28 June 2018, 13,333,332 Series C Warrants were issued. The Series C Warrants were exercisable until the second anniversary of RTO Admission, being 3 July 2020, and as such all rights granted pursuant to the Series C Warrant Deed are now extinguished.
- 3.2.10 On 3 July 2018, 33,333,334 Ordinary Shares were issued and allotted, of which 26,666,667 were allotted to the RTO Investors and 6,666,667 being the Consideration Shares, which were allotted to the HKP Sellers pursuant to the Acquisition, such Ordinary Shares being fully paid. This allotment brought the Company's total number of shares in issue to 61,933,334 Ordinary Shares and 2,000,000 Deferred Shares.
- 3.2.11 On 31 July 2020, pursuant to a placing carried out by the Company:
 - 3.2.11.1 12,000,000 Ordinary Shares of 0.1p each were allotted at a price of 5.25p per Ordinary Share, such Ordinary Shares being fully paid, bringing the total number of Ordinary Shares in issue to 73,933,334 Ordinary Shares and 2,000,000 Deferred Shares;
 - 3.2.11.2 Broker Warrants over 1,009,333 Ordinary Shares were granted to Fox Davies;
 - 3.2.11.3 share options over a total of 1,935,000 Ordinary Shares were granted to certain Directors and key personnel; and
 - 3.2.11.4 certain existing share options in the Company were repriced.

Further details on the grant of warrants and options and the repricing of options are set out in paragraphs 11 and 10 of this Part VII respectively.

- 3.2.12 On 26 November 2020, the Company announced it had received an irrevocable commitment from Polymetal to subscribe for an aggregate total of 23,333,334 new Ordinary Shares at the Fundraise Price, subject to and conditional upon Admission. Further details of the Investment Commitment are described in paragraph 14.4 of this Part VII. On the same date, the Company announced that

the it had granted to Mr. Martin French an option to subscribe for 1,000,000 Ordinary Shares exercisable at the Fundraise Price.

3.2.13 As at 7 December 2020, the Company had received signed Subscription Letters from Subscribers in relation to their commitment to subscribe for a total of 3,333,333 Subscription Shares at the Fundraise Price subject to and conditional upon Admission.

3.2.14 On 7 December 2020, the Company approved the issue of 55,556 warrants over Ordinary Shares exercisable at the Fundraise Price in favour of Fox Davies.

3.3 By a resolution of the Board passed on 7 December 2020, it was resolved that, conditional only upon Admission occurring on or before 31 December 2020:

3.3.1 to allot a total of 27,777,778 Fundraise Shares (for cash consideration at the Fundraise Price) in connection with the Fundraise;

3.3.2 to issue a total of 55,556 Warrants to Fox Davies, further details of which are set out at paragraph 11 of this Part VII

3.3.3 to grant 1,000,000 options over Ordinary Shares to Martin French, further details of which are set out at paragraph 10 of this Part VII.

3.4 Each Fundraise 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).

3.5 The Fundraise Shares to be issued as part of the Fundraise are to be allotted and issued pursuant to the authorities granted to the Directors at the Company's annual general meeting held on 29 June 2020, where Shareholders resolved:

3.5.1 That in accordance with section 551 of the Companies Act, the Board be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (Rights) up to an aggregate nominal amount of £101,000 (representing a total of 101,000,000 Ordinary Shares) provided that this authority shall unless renewed, varied or revoked by the Company, expire on the conclusion of the next annual general meeting of the Company or 30 June 2021, whichever is earlier to occur, save that the Company may, before such expiry, make offer(s) or enter agreement(s) which would or might require shares to be allotted or Rights to be granted after such expiry and the Board may allot shares or grant Rights in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired; and all unexercised authorities previously granted to the Board to allot shares and grant Rights be and are hereby revoked;

3.5.2 That, in accordance with section 570 of the Companies Act, the Board be generally empowered to allot equity securities (as defined in section 560 of the Companies Act) for cash pursuant to the authority conferred by the resolution set out at 3.5.1 above or by way of a sale of treasury shares, as if section 561(1) of the Companies Act did not apply to any such allotment, provided that this power shall be limited to:

(a) the allotment of equity securities in connection with an 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 Directors otherwise consider necessary, but subject to such exclusions or arrangements as the Directors may deem necessary or expedient in relation to any treasury shares, fractional entitlements or record dates, arising out of any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange; and

(b) the allotment of equity securities (otherwise than pursuant to paragraph 3.5.1 above) up to an aggregate nominal amount of £101,000,

and provided that this power shall expire on the conclusion of the next annual general meeting of the Company or 30 June 2021, whichever is earlier to occur (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make offer(s) or agreement(s) which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of any such offers or agreements notwithstanding that the power conferred by this resolution has expired.

3.6 The provisions of section 561(1) of the Companies Act (to the extent not dis-applied 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 Board, except to the extent dis-applied by the resolution referred to in paragraph 3.5 of this Part VII.

3.7 Otherwise than pursuant to the Share Options, details of which are set out in paragraph 10 of this Part VII of this Document, no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

4 **Articles of Association**

The Company's objects and purposes are not limited by its Memorandum or Articles. The Articles contain provisions, *inter alia*, to the following effect:

4.1 Voting rights

4.1.1 Subject to any special terms as to voting on which any shares may have been issued, on a show of hands every member has one vote, and on a poll every member has one vote for every share of which he is the holder.

4.1.2 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.

4.1.3 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.

4.2 General meetings

4.2.1 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.

4.2.2 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.

4.2.3 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.

4.2.4 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.

4.2.5 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.

4.2.6 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.

4.2.7 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.

4.3 Dividends

4.3.1 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.

4.3.2 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.

4.3.3 Interim dividends may be paid if profits are available for distribution and if the Board so resolves.

4.3.4 Any dividend unclaimed after a period of 12 years from the date of its declaration will be forfeited and will revert to the Company.

4.3.5 The Deferred Shares have no right to participate in the profits of the Company.

4.4 Return of Capital

4.4.1 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.

4.4.2 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.

4.5 Redeemable shares

4.5.1 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.

4.5.2 The Ordinary Shares and the Deferred Shares are not redeemable.

4.6 Transfer of shares

4.6.1 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.

4.6.2 The Directors 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.

4.6.3 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.

4.6.4 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 sub-paragraph 4.6.4(b) above.

4.7 CREST

4.7.1 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.

4.8 Variation of Rights

4.8.1 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.

4.8.2 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.

4.9 Share Capital and Changes in Capital

4.9.1 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.

4.10 Allotment of Shares

4.10.1 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.

4.10.2 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.

4.11 Disclosure of Interests in Shares

4.11.1 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.

4.12 Overseas Members

4.12.1 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.

4.13 Borrowing Powers

4.13.1 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.

4.14 Directors

4.14.1 No shareholding qualification is required by a director of the Company.

4.14.2 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.

4.14.3 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.

4.14.4 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.

4.14.5 Except as provided in sub-paragraphs 4.14.6 and 4.14.7 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.

4.14.6 Subject to the Companies Act, the Company may by ordinary resolution suspend or relax the provision described in sub-paragraph 4.14.5 above to any extent or ratify any transaction not duly authorised by reason of a contravention of it.

4.14.7 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.

4.14.8 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.

4.14.9 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.

5 Mandatory Bids and Compulsory Acquisition Rules Relating to the Ordinary Shares

5.1 Mandatory Bid Rules

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

5.1.1 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

5.1.2 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.

5.2 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 from the relevant holders who have 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.

6 Directors' Interests

6.1 Save in respect of the options described in paragraph 10 of this Part VII, as at the date of this Document and as at Admission, the Directors' (and their respective Connected Persons) are directly and/or indirectly interested in the Ordinary Shares of the Company as set out below

	<i>As at the date of this Document</i>		<i>Immediately following Admission</i>	
Name of Director	Number of Ordinary Shares	Percentage of issued Ordinary share capital	Number of Ordinary Shares	Percentage of issued Ordinary share capital
Martin French	3,000,000	4.06	3,000,000	2.95
Peter Damouni	1,533,000	2.07	1,533,000	1.51
David Cliff	450,000	0.61	450,000	0.44

6.2 None of the Directors intend to acquire Fundraise Shares pursuant to the Fundraise.

6.3 Save as described in paragraphs 6.1, 10 and 11 of this Part VII, the Directors and their respective Connected Persons do not hold any options or warrants or other rights over any unissued Ordinary Shares of the Company.

7 Substantial Shareholdings

7.1 Save for the Directors and their Connected Persons, the following are the interests that represent or will represent directly, 3 per cent, or more of the issued share capital of the Company immediately following Admission.

Name	Number of Ordinary Shares as at date of this Document	% of Existing Ordinary Share Capital	Number of Ordinary Shares as at Admission	% of the Enlarged Ordinary Share Capital
Polymetal International Plc	0	0	23,333,334	22.94
Claudio Ciaverella	4,400,000	5.95	4,622,222	4.54
Leo Berezan	4,201,334	5.68	4,479,112	4.40
Kingfisher Distribution Company Limited	3,350,000	4.53	3,350,000	3.29
Fahad Al Tamimi	2,333,333	3.16	2,333,333	2.29
Robert McFadden	2,232,937	3.14	2,232,937	2.20

7.2 Save as disclosed in paragraphs 7.1 and 6.1 of this Part VII, 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).

- 7.3 Save for Polymetal, Claudio Ciaveralla, and Leo Berezan none of the substantial shareholders notified at paragraph 7.2 above intend to acquire Fundraise Shares pursuant to the Fundraise.
- 7.4 The voting rights of all Shareholders are the same in respect of each Ordinary Share held.
- 7.5 The Company is not, so far as it is aware, directly or indirectly owned or controlled by any single Shareholder or group of Shareholders who are connected.
- 7.6 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.

8 **Other Appointments of Directors'**

- 8.1 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 are set out in the below table.

Name	Current directorships and partnerships	Past directorships and partnerships
David Cliff	None	Columbus Copper Corporation DC Minerals Consultants Dinaric International Energy Corporation Moonlake Natural Resources Limited
Peter Damouni	Georgian Mining Corporation Kerr Mines Inc. Silvergate Capital Partners Limited Empire Metals Ltd, Gatlin Exploration Inc, Arena Minerals Inc, Mason Graphite	NorthCrest Capital Limited
Martin French	Exchange Juhu Ltd	Enfren Ltd Specialist Trading London Limited North River Resources Plc NRR Energy Minerals Limited NRR Mozambique Limited

- 8.2 None of the Directors:

- 8.2.1 has any convictions in relation to fraudulent offences; or
- 8.2.2 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
- 8.2.3 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.

9 **Directors Appointment Letters and Service Agreements**

9.1 **Executive Chairman**

Executive Service Agreement of Martin French

On 26 July 2018, Martin French entered into a service agreement with the Company, pursuant to which he agreed to serve as the Executive Chairman of the Company. Pursuant to the service agreement, Martin French agrees to devote such hours as are necessary for the proper performance of his duties and a minimum of five working days per month. Pursuant to the service agreement, the Company agrees to pay Martin French an annual salary of £27,000 per year payable in equal monthly instalments in arrears (however this amount was increased on 1 July 2019 to £90,000) and he is entitled to 20 days annual leave per year (including public holidays). The service agreement continues in force until terminated by either party giving not less than three months' notice in writing or on the happening of certain other standard form termination events (such as material breach). Under the service agreement, Martin French is obliged to keep Company information confidential, comply with the Company's data protection, share dealing and other policies, disclose all intellectual property developed in the course of his employment and comply with certain post termination competition restrictions for a period of six months.

9.2 Non-Executive Directors

Appointment Letters of Peter Damouni and David Cliff

On 16 March 2017, Peter Damouni and David Cliff, entered into letters of appointment with the Company on substantially identical terms. The letters of appointment were effective from IPO Admission and each of Peter Damouni and David Cliff are entitled to receive a gross annual fee of £12,000, payable in equal monthly instalments in arrears, and to be reimbursed for reasonable and properly documented expenses incurred in performing their duties as a Non-Executive Director. Each Non-Executive Director is expected to devote such time as is necessary for the proper performance of their duties and it is anticipated that each Non-Executive Director will spend a minimum of four days per month on work for the Company. The appointment is a contract for services and not a contract of employment. Each Non-Executive Director will be required to 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 and comply with certain post-termination competition restrictions for a period of six months.

On 3 July 2018, Peter Damouni's and David Cliff's appointment letters were varied to increase their gross annual salary to £24,000 per year and to incorporate certain data protection provisions.

9.3 Company Secretary

Agreement with Heytesbury Corporate LLP ("Heytesbury")

On 10 July 2018 the Company entered into an engagement letter with Heytesbury Corporate LLP, pursuant to which Heytesbury agreed to provide company secretarial services to the Company including assistance with board and annual general meetings, ongoing compliance services (including maintenance of statutory records and Companies House filings), financial control, accounting and finance support, including tax assistance and management accounting. The fee payable by the Company for these services is £4,950 per month plus VAT. The engagement is for an initial term of 6 months after which the agreement may be terminated by three months written notice from either party.

10 Share Options

10.1 Options representing approximately 9.54 per cent. of the Enlarged Ordinary Share Capital (and 8.25% of the Enlarged Ordinary Share Capital on a fully diluted basis) have been granted, as at Admission, under the Share Options in accordance with the below table.

Date of Issue	Name of Option Holder	Number of Options	Exercise Price	Vesting Date	Expiry Date
7.5p Options issued in connection with IPO Admission					
28/06/2018	Christopher Raymond John Hall	175,000	7.5p	3/01/19	3/07/23
28/06/2018	Derek Crowhurst	700,000	7.5p	3/01/19	3/07/23
28/06/2018	Michael Godfrey Green	700,000	7.5p	3/01/19	3/07/23
28/06/2018	David John Hall	115,000	7.5p	3/01/19	3/07/23
28/06/2018	Jeremy John Martin	115,000	7.5p	3/01/19	3/07/23
5p Options issued in December 2019					
17/12/2019	Martin French	1,000,000	5p	1/01/20	1/01/25

17/12/2019	Michael Parker	500,000	5p	1/01/20	1/01/25
17/12/2019	Peter Damouni	250,000	5p	1/01/20	1/01/25
17/12/2019	Neil O'Brien	250,000	5p	1/01/20	1/01/25
17/12/2019	David Cliff	100,000	5p	1/01/20	1/01/25
17/12/2019	Ryan Fells	100,000	5p	1/01/20	1/01/25
17/12/2019	George Clegg	100,000	5p	1/01/20	1/01/25
Repricing of existing options to 5.25p* in connection with the July 2020 Placing					
27/07/2020	David Charles Cliff	465,000	5.25p	27/07/20	3/07/23
27/07/2020	Peter Damouni	700,000	5.25p	27/07/20	3/07/23
27/07/2020	Martin French	1,400,000	5.25p	27/07/20	3/07/23
5.25p Option Issue in connection with the July 2020 Placing					
27/07/2020	Martin French	500,000	5.25p	27/07/20	27/07/25
27/07/2020	Peter Damouni	500,000	5.25p	27/07/20	27/07/25
27/07/2020	Michael Parker	250,000	5.25p	27/07/20	27/07/25
27/07/2020	Neil O'Brien	500,000	5.25p	27/07/20	27/07/25
27/07/2020	David Charles Cliff	185,000	5.25p	27/07/20	27/07/25
27/07/2020	Rod Whyte	100,000	5.25p	27/07/20	27/07/25
9p Option issue in connection with Admission					
26/11/2020	Marting French	1,000,000	Fundraise Price	26/11/2020	25/11/25
	TOTAL	9,705,000			

* 700,000 options previously granted to Peter Damouni at an exercise price of 7.5p, 465,000 options previously granted to David Cliff at an exercise price of 7.5p and 1,400,000 options previously granted to Martin French at an exercise price of 11.25p were all repriced on 27 July 2020 to have an exercise price of 5.25p.

11 Warrants

11.1 The below table shows each of the warrants over Ordinary Shares in the Company currently outstanding, including the number of shares subject to warrant, the exercise period and the exercise price of such warrants.

Warrant Holder	Warrant Instrument	Date of Issue	Number of Shares subject to Warrant	Exercise Period	Exercise Price per share
Seed Investors	Series A Warrant Deed	1,200,000 on 16 March 2017 4,000,000 on 24 April 2017	5,200,000	Until 29 August 2025	£0.05
Fox Davies	Broker Warrant Instrument	13 August 2020	390,000	Until 31 July 2025	£0.0525
Fox Davies	Broker Warrant Instrument	14 August 2020	619,333	until 16 July 2025	£0.10
Fox Davies	Broker Warrant Instrument	Admission	55,556	5 years from Admission	Fundraise Price

		TOTAL	6,264,889		
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On Admission, the Company issued 55,556 warrants (constituting 5% of the funds raised by them pursuant to the Fundraise) to Fox Davies, pursuant to the terms of the Placing Agreement and their engagement letter, in connection with the Fundraise. Such warrants are have the particulars set out in the above table, and are made subject to substantially identical terms as the Broker Warrant Instrument, as summarised at paragraph 14.3 of Part VII below.

12 Dividend Policy

The Directors' current intention is to retain any earnings for use in the Group'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.

13 Regulatory Disclosures

13.1 Summaries of the announcements made by the Company pursuant to its obligations under the Market Abuse Regulations in the twelve months preceding the date of this Document up to the Last Practicable Date are set out below:

Date	Key aspects of regulatory disclosure
26.11.2020	Polymetal's agreement to invest £2,100,000 in the Company, by subscribing for 23,333,334 Ordinary Shares at the Fundraise Price and the proposed entry into a relationship agreement between the Company and Polymetal. The Company is planning geophysics surveys over the winter, with a renewed campaign of diamond drilling in the second quarter of 2021. The Company also announced the grant of 1,000,000 options to Martin French, details of which are set out in paragraph 10 of this Part VII.
17.11.2020	TR1 notifying that Robert McFadden holds 2,232,937 Ordinary Shares in the Company which represents 3.02% of the Ordinary Share capital.
13.11.2020	Details in relation to the preliminary results from the Company's AMT Geophysics survey at Troodos West. The AMT survey correctly identified known deposits and current diamond drilling has successfully encountered fresh mineralisation in several holes vectored by the AMT survey. The strong results led the AMT survey being extended to Troodos North. The AMT survey has provided strong indications of potential extensions to a high-grade historic mine at Agrokypia.
13.10.2020	The expansion of the Portfolio at Troodos West through the application for two new Prospecting Permits and the concession of land at Troodos East and Troodos North. The Company also announced that Michael Parker is transitioning to be a part time consultant for the Company rather than managing director.
30.09.2020	The Chairman's review of 2020 to date including updates regarding the impact of COVID19 on the Group (including the four month delay to and subsequent recommencement of its drill programme at Troodos West), a positive assessment of the copper and gold prices and an update on the Audio Magnetotellurics (AMT) Geophysics Survey
15/09/2020	The commencement of a 2,000 metre diamond drill programme on the Company's Troodos West copper and gold exploration licences in Cyprus, alongside which the Company will carry out percussion drilling and an AMT geophysics survey.
01/09/2020	The commissioning of an AMT geophysics survey for the Group's Troodos West licence area in Cyprus, which will assist in the exploration for copper and gold mineralisation.
20/08/2020	<ul style="list-style-type: none"> The Company's intention to carry out a 2,000 metre diamond drilling programme in September 2020 at Troodos West. The Company announced that the first six

	<p>drill holes comprising approximately 1,000, have been identified and are drill ready with access infrastructure already established.</p> <ul style="list-style-type: none"> That 7 percussion holes had recently been drilled on three targets, namely Sliver, Copse West and Reef Cover. The sediments in Sliver and Reef Cover proved much thicker than expected and presented challenging conditions and as such these targets remain untested and the holes have been abandoned. The hole at Copse West has not yet encountered minerals, however it is approximately 1km long and two third of it is yet to be tested.
29/07/2020	The issuance of 12,000,000 new Ordinary Shares in the Company, which were admitted to trading on the Main Market on 31 July 2020.
27/07/2020	<ul style="list-style-type: none"> The completion by the Company of a fundraise of £630,000 by way of conditional placing and subscription for 12,000,000 new Ordinary Shares at a price of 5.25 pence per share. The appointment of Fox Davies as the Company's broker. The issuance of 1,093,333 warrants to Fox Davies, details of which are set out at paragraph 11 of Part VII. The Issuance of share options over 1,935,000 Ordinary Shares, details of which are set out in paragraph 10 of Part VII. The repricing of 2,565,000 share options previously granted to the Directors, to have an exercise price of 5.25 pence details of which are set out at paragraph 10 of Part VII.
16/07/2020	<ul style="list-style-type: none"> The Company's percussion drilling would recommence after technical review with several new target areas being made ready for drilling and that planning is underway for at least 2,000 metres of diamond drilling at Evlim and additional targets. The Company had halted drilling as it had encountered intersections of sulphide mineralisation. New areas are being prepared for percussion drilling including targets at Zakhira and others in the vicinity of Kinousa and further holes are being appraised at targets Embayment, Pournaji and the Hillside complex. The Company states that it believes that there is strong evidence of VMS Deposits and that the next step is to test with 1,000 metres of diamond drilling.
10/07/2020	The Company has encountered significant intersections of sulphide mineralisation at its Evlim target during step-out drilling.
01/07/2020	<ul style="list-style-type: none"> The Company has encountered two intersections of sulphide mineralisation totalling 40 metres on its Troodos West Licence area. The Company is testing for a down-faulted copper rich VMS Deposit overlying a significant gold feeder zone. Drilling was halted at Evlim to evaluate the testing of a large anomaly extension to the west of the Evlim intersections. The Company is also preparing numerous further targets for percussion drilling to be followed by a diamond drilling programme. The Company has an extensive list of 30 VMS Deposit sites within a 5km radius at Troodos West.
29/06/2020	All resolutions were passed at the Company's annual general meeting held on 29 June 2020.
17/06/2020	The publication by Fox Davies of a stock initiation report in relation to the Company.
08/06/2020	The promotion of Michael Parker from chief operating officer to managing director of the Company. (Please note however that, Michael Parker has since transitioned to be a consultant for the Company on a part time basis only.)

11/05/2020	The resumption of the Company's operations following lockdown restrictions imposed by the Cypriot government in light of COVID 19, including that Cyprus has conducted a comparatively successful COVID 19 suppression operation and the Company is set to be among the first junior miners to recommence operations.
07/05/2020	The launch of the Company's corporate twitter feed.
05/05/2020	The publication of the Company's annual report for the year ended 31 December 2019 and a notice of annual general meeting to be held on 29 June 2020.
21/04/2020	Due to a 40% increase in the price of gold, the Company is placing greater emphasis on finding gold rich copper deposits. The Company stated that the Company's Troodos West licence area covers an unusually gold enriched VMS belt, capable of producing a clean gold-rich copper concentrate.
06/04/2020	An operational update setting out the effects of the COVID 19 pandemic on the business of the Company including the pausing of its percussion drill programme plans at Troodos West.
25/02/2020	<ul style="list-style-type: none"> • Percussion drilling to commence in four weeks at the Company's Troodos West site. • Neil O'Brien joining the Company as a technical consultant. • The publication of a corporate presentation on the Company's website.
03/02/2020	Successful results from the Company's percussion drilling at its Troodos West licence area. Sulphide mineralisation was encountered at both Hillside and Embayment.
14/01/2020	The commencement of the Company's percussion drill programme on its Troodos West copper and gold exploration region in Cyprus.
18/12/2019	<ul style="list-style-type: none"> • Expansion of the Company's target programme in Troodos West with at least ten specified drill targets. • The identification by the Company of a series of significant anomalies buried in a cluster within a 4 square kilometre area at Troodos West; • The imminent commencement of the Company's invasive testing programme; • The planned commencement of percussion drilling at Troodos West in Q1 2020; • The grant of 2,300,000 options to certain Directors, consultants and employees, details of which are set out in paragraph 10 of Part VII.

14 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 in the two years immediately preceding publication of the Document 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.

14.1 Placing Agreement in relation to the Placing

On 7 December 2020, the Company entered into a Placing Agreement with Fox Davies, pursuant to which, subject to certain conditions, Fox Davies agreed to use reasonable endeavours to procure purchasers for Ordinary Share to be issued pursuant to the Fundraise.

In consideration for its services under the Placing Agreement Fox Davies received from the Company (i) a cash commission of 5% of the aggregate value of the Placing Price multiplied by the number of placing shares issued (being a total of £5,000); and (ii) 55,556 warrants granted pursuant to a Broker Warrant as set out at paragraph 14.3 of this Part VII.

In the Placing Agreement, the Company gives customary warranties, undertakings and indemnities to Fox Davies. The Placing Agreement is governed by English Law and the parties submit to the non-exclusive jurisdiction of the Courts of England.

14.2 July 2020 Placing Agreement in respect of the July 2020 Fundraise

On 30 July 2020, the Company entered into a Placing Agreement with Fox Davies, pursuant to which, subject to certain conditions, Fox Davies agreed to use reasonable endeavours to procure purchasers for Ordinary Share to be issued pursuant to the July 2020 Fundraise.

In consideration for its services under the July 2020 Placing Agreement Fox Davies received from the Company (i) a cash commission of 5% of the aggregate value of the July 2020 Placing Price multiplied by the number of placing shares issued (being a total of £20,450); and (ii) the Broker Warrants as granted pursuant to the Broker Warrant Deeds set out at paragraph 14.3 of this Part VII below.

Under the July 2020 Placing Agreement, the Company also agreed for a period of 24 months from the date of completion to pay a commission of 5% of any further amounts raised in the 24 month period from completion of the July 2020 Fundraise and grant warrants on the same commercial terms as set out in their engagement letter.

In the July 2020 Placing Agreement, the Company gives customary warranties, undertakings and indemnities to Fox Davies. The July 2020 Placing Agreement is governed by English Law and the parties submit to the non-exclusive jurisdiction of the Courts of England.

14.3 Broker Warrant Instruments

(a) Fox Davies - August 2020 Warrants

On 13 August 2020, the Company entered into a warrant instrument, pursuant to which it agreed to grant 390,000 warrants to subscribe for Ordinary Shares of 0.1p in the Company to Fox Davies. These warrants may be exercised from 31 July 2020 until 31 July 2025 and are exercisable at an exercise price of 5.25p per new Ordinary Share.

On 14 August 2020, the Company entered into a warrant instrument on substantially identical terms to the warrant instrument referenced above (save for the exercise period and exercise price), pursuant to which it agreed to grant 619,333 warrants to subscribe for new Ordinary Shares of 0.1p in the Company to Fox Davies. These warrants may be exercised from 31 July 2020 to 16 July 2025 and are exercisable at an exercise price of 10 pence per new Ordinary Share.

(b) Fox Davies – Admission Warrants

The Company has agreed to grant 55,556 warrants to subscribe for new Ordinary Shares to Fox Davies on substantially the same terms as the warrant instrument referred to above (save for the exercise period and exercise price). These warrants may be exercised from Admission to the fifth anniversary of Admission and are exercisable at an exercise price of £0.09 per new Ordinary Share.

(c) Terms of the Warrant Instruments

In each case, the warrant instruments contain adjustment provisions which provide for the adjustment to the amount of warrants in the event that any of the certain specified adjustment events occur (such as a capitalisation of profits or reduction of capital) so that after such adjustment, Fox Davies is entitled to receive the same percentage of the issued share capital, carrying the same rights as nearly as practicable as would have been the case had no adjustment event occurred, as certified by the professional advisors or auditors of the Company. The warrant instrument also includes provisions giving the warrant holder rights in the event that an offer is made to all shareholders of the Company to acquire the whole or any part of the issued share capital of the Company, to exercise its warrants so as to take effect immediately prior to the record date of the offer.

The warrant instruments are governed by and construed in accordance with the laws of England and Wales

14.4 Investment & Relationship Agreement with Polymetal International Plc

(a) Investment Agreement

On 24 November 2020, the Company entered into an Investment Agreement with Polymetal. Pursuant to the Investment Agreement Polymetal irrevocably agreed to subscribe for a total of 23,333,334 new Ordinary Shares at the Fundraise Price conditional upon Admission occurring on or around 14 December 2020 (or such later date as may be agreed between the parties provided that such date is not later than 31 December 2020).

(b) Relationship Agreement

Subject to Admission, Polymetal will hold an interest in 22.94% of the Enlarged Ordinary Share Capital and the parties have therefore agreed terms on which their relationship will be governed so as to ensure that the Company's business is capable of being conducted independently.

Polymetal has agreed to certain restrictions under the terms of the agreement, including *inter alia* (the **significant shareholder restrictions**):

- (i) Polymetal is required to exercise their voting rights so as to ensure the independence of the Company's board;
- (ii) Polymetal is required not to control or influence the running of the Company at an operational level;
- (iii) Polymetal is required not to exercise their voting rights in respect of any resolution relating to (a) any transaction with Polymetal; (b) the cancellation of the Company's Admission to trading on the Main Market; or (c) any amendments to the Company's article of association which would be inconsistent with the agreement;
- (iv) Polymetal will not at any time prior to the third anniversary of Admission, sell any interest in its shares or acquire any interest in the Company's shares if such acquisition would increase the aggregate shareholding of Polymetal by more than 1% of the total voting rights in the Company from the percentage existing at Admission (subject to certain exceptions as set out in the Investment Agreement);
- (v) Polymetal has the right to participate in any issue of shares or other equity securities by the Company by subscribing for such number of shares as will ensure that the total proportion of all voting rights held by Polymetal is not reduced following such issue; and
- (vi) Polymetal has given certain undertakings to the Company that it shall not have interests in other businesses which would compete with the Group and to not solicit any employees of the Group.

The significant shareholder restrictions outlined above shall apply for so long as Polymetal maintains an interest in more than 15% of the Company's voting rights. Polymetal shall also have the right to nominate one director for appointment to the Board of the Company, provided such interest is maintained. Polymetal and the Board of the Company will discuss proposals concerning the appointment of a nominee director within a period of 30 days from Admission.

The relationship agreement is governed by the laws of England and Wales and disputes will be settled by LCIA arbitration.

14.5 Fox Davies Engagement Letter

On 16 July 2020, the Company entered into an engagement letter with Fox Davies pursuant to which Fox Davies agreed to act as the Company's capital markets adviser, which shall include amongst other things (i) acting as a point of contact between the investment community and the Company; (ii) preparing brokers' notes on the Company; (iii) organising and advising on roadshows and reviewing corporate presentations; and (v) procuring investors for equity fundraising (when applicable).

In consideration for the services provided by Fox Davies, the Company will pay a corporate finance and marketing fee of £40,000 per year, of which £10,000 will be payable in equity at a mutually agreed price. In the case of a placing the Company shall pay (i) a cash commission of 5 per cent of the gross funding introduced by Fox Davies plus an additional 1.5 per cent cash commission in the case of investments sourced pursuant to fee splitting agreements ("Syndicated Amounts"); (ii) warrants to subscribe for 5 per cent of the total number of shares introduced by Fox Davies, plus warrants to subscribe for an additional 1.5 per cent of the total shares issued for Syndicated Amounts, and (iii) where placing proceeds exceed £1,000,000 an administrative fee of 1 per cent of the gross amount of all investments received by the Company and warrants to subscribe for 1 percent of the total number of shares issued pursuant to the placing. In addition Fox Davies shall be granted warrants to subscribe for such number of shares as is equal to 1% of the Company's issued share capital on the date of the engagement letter (being 619,333 and granted pursuant to the Broker Warrant Instrument dated 14 August 2020 referenced above).

The engagement letter continues in force until terminated by either party at any time after the initial six months by giving not less than one month's notice in writing or in certain other standard termination events (such as material breach).

14.6 Acquisition Agreement

On 28 June 2018, the Company entered into a share purchase agreement with the Principal HKP Sellers. The Acquisition Agreement provided for the purchase by the Company of the entire issued share capital of HKP in consideration for £500,000 satisfied by the issue of the 6,666,667 Consideration Shares at £0.075 per share.

The Acquisition Agreement includes customary warranties and representations relating to HKP and the shares to be purchased by the Company given by the Principal HKP Sellers. Claims under such warranties and representations are subject to financial and time limitations, including an aggregate liability cap of £255,500.

The Acquisition Agreement is governed by the laws of England and the parties agreed that the English courts are to have non-exclusive jurisdiction to settle any dispute or claim arising pursuant to the Acquisition Agreement.

15

Prospecting Permits

A summary of the Granted Prospecting Permits and the Prospecting Permit Application in which the Group has a 100% interest and their particulars are set out in the table below.

Licence number	Licence name	Project	Area Granted (sq km)	Type	Status	Date granted	Renewal Date
Granted Prospecting Permits							
AE4727	Aspasia	Discovery South	2.48	Exploration	GRANTED	14/12/2019	13/12/2024
AE4740	Pervasa	Discovery South	7.19	Reconnaissance	GRANTED	09/03/2020	08/03/2021
AE4741	Mandria	Discovery South	16.47	Reconnaissance	GRANTED	04/02/2020	03/02/2021
AE4765	Aspasia-Panagia	Discovery South	4.41	Exploration	GRANTED	14/05/2020	13/05/2025
AE4706	Mitsero South	Troodos North	4.74	Exploration	GRANTED	05/02/2019	04/02/2024
AE4708	Agrokipia South	Troodos North	4.89	Exploration	GRANTED	05/02/2019	04/02/2024
AE4709	Agrokipia	Troodos North	2.85	Exploration	GRANTED	05/02/2019	04/02/2024
AE4659	Makounta	Troodos West	3.73	Exploration	GRANTED	10/01/2018	09/01/2023
AE4660	Limni	Troodos West	5.00	Exploration	GRANTED	10/01/2018	09/01/2023
AE4661	Kinousa	Troodos West	4.99	Exploration	GRANTED	10/01/2018	09/01/2023
AE4664	Lysos	Troodos West	3.90	Exploration	GRANTED	10/01/2018	09/01/2023
AE4665	Melandra	Troodos West	5.00	Exploration	GRANTED	10/01/2018	09/01/2023
AE4672	Sarama	Troodos West	4.67	Exploration	GRANTED	07/03/2018	06/03/2023
AE4673	Anadhiou	Troodos West	4.82	Exploration	GRANTED	07/03/2018	06/03/2023
AE4722	Peristerona	Troodos West	3.00	Exploration	GRANTED	14/12/2019	13/12/2024
AE4724	Lysos West	Troodos West	2.45	Exploration	GRANTED	29/03/2019	28/03/2024
AE4728	Kritou Marottou	Troodos West	4.675	Exploration	GRANTED	14/12/2019	13/12/2024
AE4739	Filousa	Troodos West	4.15	Exploration	GRANTED	09/03/2020	08/03/2025
AE4764	Lysos-Kinousa	Troodos West	4.76	Exploration	GRANTED	09/03/2020	08/03/2025
AE4777	Pelathousa	Troodos West	0.37	Exploration	GRANTED	13/11/2020	12/11/2025

AE4773	Filousa	Troodos West	4.00	Exploration	GRANTED	11/11/2020	10/11/2025	
		Total Area	98.54					
Licence number	Licence name	Project	Area Granted (sq km)	Type	Status	Date applied	Renewal Date	
Prospecting Permit Applications								
AE4788	Limni North West	Troodos West	3.6	Exploration	APPLICATION	22/10/2020	n/a	
		Total Area	3.6					

16 Related Party Transactions

Save for the issue of share capital and share options to the Directors disclosed in paragraphs 6.1 and 10 of this Part VII of this Document, the Company has not been a party to any related party transactions.

17 Working Capital

As at the date of this Document, the Company is of the opinion that the working capital available to the Group, taking into account the Net Proceeds of the Fundraise is sufficient for the Group's present requirements (that is, for at least the next twelve months from the date of this Document).

18 Significant Change

18.1 Since 30 June 2020 (being the end of the last financial period of the Company for which financial information has been published) to the date of this Document, there has been no significant change in the financial position or financial performance of the Company, save for the payment of expenses in connection with the Fundraise and Admission.

18.2 On 11 December 2020, subject to Admission, the Company intends to issue 23,333,334 Investment Commitment Shares and 1,111,111 Placing Shares and 3,333,333 Subscription Shares to raise approximately £2,500,000 (before expenses). Further information regarding the issue of the Investment Commitment Shares, the Placing Shares and the Subscription Shares is set out in Part III of this Document.

19 Legal and Arbitration Proceedings

19.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the last 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Group.

20 General

20.1 The total costs (including fees and commissions) (exclusive of VAT) payable by the Company in connection with the Fundraise and Admission are estimated to be approximately £140,000. Of this amount, the Company is due to pay commission in connection with the Fundraise in the following amounts to the following parties

Party	Commission Type	Commission Amount
Panmure Gordon (UK) Limited	Commission in connection with the Investment Commitment	£105,000
Fox Davies Commission	Commission in connection with the Placing	£5,000
Haywood Securities Inc	Commission in connection with the Subscription	£4,750
First Equity Commission	Commission in connection with the Subscription	£2,000

The estimated Net Proceeds accruing to the Company from the Fundraise are approximately £2,360,000.

- 20.2 The nominal value of the Ordinary Shares is denominated in sterling and the Fundraise Price is payable in sterling.
- 20.3 The issue of the Fundraise Shares will result in the Existing Ordinary Shares being diluted so as to constitute approximately 72.69 per cent. of the Enlarged Ordinary Share Capital.
- 20.4 PKF Littlejohn LLP of 15 Westferry Circus, Canary Wharf, London, United Kingdom, E14 4HD is the auditor of the Company. PKF Littlejohn LLP is 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 C002139029.
- 20.5 PKF Littlejohn LLP, acting in its capacity as the auditor to the Company, has no material interest in the Company and has given and not withdrawn its written consent to the inclusion of its name in the form and context in which they are included.
- 20.6 The historical financial information included in this Document has been incorporated by reference from the Company's annual and interim accounts as set out in Part IV of this Document. In relation to such financial information, no audit reports have been refused by the auditors of the Company and no audit reports contain qualifications or disclaimers, to the extent that they have been audited.
- 20.7 The Company's previous auditors Saffery Champness LLP resigned as auditors for the Company on 10 September 2018. Saffery Champness LLP confirmed in their letter of resignation they do not consider their resignation a matter to bring to the attention of creditors or members of the Company.
- 20.8 Fox Davies, acting in the capacity as the Company's broker, 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.

21 **Documents Available for Inspection**

- 21.1 Copies of the following Documents will be available for inspection during normal business hours on any weekday (excluding public holidays) at the offices of the registered office of the Company, for the period of 14 days following the date of this Document:
 - 21.1.1 the Articles;
 - 21.1.2 the audited annual accounts and unaudited interim accounts of the Company incorporated into this document by reference at Part IV of this Document; and
 - 21.1.3 the letters of consent referred to in paragraphs 20.5 and 20.8 of Part VII of this Document.

Certain of the above documents may also be inspected at the Company's website: <https://www.chesterfieldresourcesplc.com/>. The contents of the website does not form part of this Document.

22 **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: 8 December 2020

NOTICES TO INVESTORS AND DISTRIBUTORS

The distribution of this Document 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.

1 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 for the purposes of the Prospectus Regulation Rules. No arrangement has been made with the competent authority in any other EEA 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 any EEA state (or in any other jurisdiction). Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below.

2 For the attention of European Economic Area Investors

In relation to each member state of the European Economic Area (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 Regulation Rules. 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 Regulation Rules:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation Rules;
- (b) to fewer 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation Rules) in such Relevant Member or
- (c) in any other circumstances falling within Article 4 of the Prospectus Regulation Rules,

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 4 of the Prospectus Regulation Rules.

For the purposes of this provision, 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 Shares to be offered so as to enable an Investor to decide to purchase or subscribe for the Ordinary Shares, and the expression “Prospectus Regulation Rules” means Regulation EU 2017/1129.

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 about and observe any such restrictions.

3 For the attention of UK Investors

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation 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 Regulation Rules.

In the United Kingdom this Document is for distribution to, and is directed only at, legal entities which are qualified investors as defined under the Prospectus Regulation Rules and are (i) persons having professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise be lawfully distributed under the Order, (all such persons together being “**Relevant Persons**”). In the United Kingdom, any investment or investment activity to which this Document relates is only available to and will only be engaged in with Relevant Persons. Persons who are not Relevant Persons should not act or rely on this Document or any of its contents.

PART VIII

DEFINITIONS

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

“Acquisition”	the acquisition by the Company of the entire issued share capital of CRCL (formerly HKP) pursuant to the Acquisition Agreement;
“Acquisition Agreement”	the acquisition agreement dated 28 June 2018 between the Company and the Principal HKP Sellers relating to the Acquisition, details of which are set out in paragraph 14.6 of Part VII of this Document;
“Admission”	admission of the Enlarged Ordinary Share Capital to the Standard Listed segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities;
“AMT” or “Audio-Magnetotellurics”	an advanced technology that measures the natural electromagnetic signals in the earth’s crust, which is generated by lightning strikes, to create a high resolution image of geological features underground;
“Articles”	the articles of association of the Company;
“Board”	the board of directors of the Company from time to time;
“Broker Warrant Instruments”	the warrant deeds dated 13 August 2020 and 14 August 2020 setting out the terms of the Broker Warrants, details of which are set out in paragraph 14.3 of VII of this Document;
“Broker Warrants”	Together the warrants granted to Fox Davies as set out in paragraph 11 of Part VII;
“Business Day”	a day (other than a Saturday or Sunday) on which banks are open for business in London;
“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;
“Consideration Shares”	the 6,666,667 new Ordinary Shares to be allotted and issued to the HKP Sellers pursuant to the Acquisition;
“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 July 2018) published by the Financial Reporting Council as amended from time to time;
“COVID 19”	a coronavirus identified as the cause of an outbreak of respiratory illness that was first detected in Wuhan city, Hubei province in China in Q4 2019
“CRCL”	Chesterfield Resources (Cyprus) Limited, a company incorporated in Cyprus with company number HE 333726 (formerly HKP);
“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;
“Diamond Drilling”	a mineral resource drilling technique which yields rock core samples suitable for accurate assays (which are compliant with the Joint Ore Reserves Committee’s (JORC) standards) and geological inspections, and produces more precise information than Percussion Drilling;

“Directors”	the directors of the Company as at the date of this Document whose names are set out on page 27 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;
“Document”	means this document;
“Enlarged Ordinary Share Capital”	the entire issued ordinary share capital of the Company upon Admission, comprising the Existing Ordinary Shares and the Fundraise Shares;
“ESMA Recommendations”	ESMA’s update of the Committee of European Securities Regulators’ recommendations for the consistent implementation of the EU Regulations on Prospectuses;
“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 73,933,334 Ordinary Shares in issue as at the date of this Document;
“Exploration Permit”	a Prospecting Permit which permits invasive exploration activities such as drilling in the licensed area (as opposed to a Reconnaissance Permit which does not);
“FCA”	the Financial Conduct Authority;
“Founders”	Derek Crowhurst, Peter Damouni and David Cliff;
“Fox Davies”	Fox-Davies Capital Limited, broker to the Company, a private limited company with company number 10165213;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“Fundraise”	the equity fundraise being carried out by the Company, which includes the Placing, the Subscription and the Investment Commitment;
“Fundraise Price”	the price at which the Placing Shares, Subscription Shares and Investment Commitment Shares are being issued pursuant to the Fundraise, being £0.09 per Fundraise Share;
“Fundraise Shares”	together, the Investment Commitment Shares, the Placing Shares and the Subscription Shares;
“GDPR”	EU Regulation 2106/679, the General Data Protection Regulation;
“Granted Prospecting Permits”	the Prospecting Permits granted to and held by CRCL as detailed in the first section of the table at paragraph 15 of Part VII, or any of them, as the case may be;
“Group”	the Company and its subsidiaries from time to time;
“Historical Financial Information of the Group”	the historical financial information of the Group as incorporated by reference into this Document at Part IV, being the audited annual accounts of the Company for the year ended 31 December 2019 and the unaudited interim financial statement for the period ended 30 June 2020;
“HKP”	HKP Exploration Ltd, a company incorporated in Cyprus with company number HE 333726;
“HKP Sellers”	the holders of the entire issued share capital of HKP immediately prior to completion of the Acquisition;
“HMRC”	Her Majesty’s Revenue and Custom, the ministerial department of the UK government responsible for taxation;
“IFRS”	International Financial Reporting Standards, as endorsed by the European Union;

“Investment Agreement”	the investment agreement between Polymetal and the Company in relation to the Investment Commitment;
“Investment Commitment”	the commitment by Polymetal, to invest £2,100,000 in the Company through the subscription for 23,333,334 new Ordinary Shares, conditional on the publication of this Document and Admission;
“Investment Commitment Shares”	the 23,333,334 new Ordinary shares being subscribed for by Polymetal;
“Investor”	means a person who has agreed to subscribe for new Ordinary Shares as part of the Fundraise;
“IPO Admission”	the admission of the Existing 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, which became effective on 29 August 2017;
“IPO Placee”	a person who subscribed for IPO Placing Shares under the IPO Placing (together the IPO Placees);
“IPO Placing”	the placing of the IPO Placing Shares by Fox Davies at the IPO Placing Price pursuant to the IPO Placing Agreement;
“IPO Placing Agreement”	the placing agreement dated 22 August 2017 between the Company, the Directors and Fox Davies;
“IPO Placing Price”	5p per IPO Placing Share;
“IPO Placing Shares”	the 26,000,000 new Ordinary Shares allotted and issued pursuant to the IPO Placing;
“IPO Prospectus”	the prospectus issued by the Company on IPO Admission dated 22 August 2017;
“July 2020 Fundraise”	a fundraise of £630,000 carried out by the Company which completed on 31 July 2020;
“July 2020 Placing Agreement”	the placing agreement dated 30 July 2020, between the Company and Fox Davies in respect of the July 2020 Fundraise;
“Last Practicable Date”	the last practicable date prior to publication of this Document, being 7 December 2020;
“Listing Rules”	the Listing Rules made by the FCA under Part VI of the FSMA;
“London Stock Exchange”	London Stock Exchange plc;
“Long Stop Date”	means 31 December 2020;
“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 state of the European Union and the European Economic Area;
“Mines Service”	the Mines Service of the Ministry of Agriculture, Rural Development and Environment of the Republic of Cyprus;
“Net Proceeds”	the proceeds of the Placing receivable by the Company, after deduction of any expenses paid or payable in connection with the Acquisition, the Placing, the Subscription and Admission;
“Official List”	the Official List of the UK Listing Authority;
“Ordinary Shares”	ordinary shares of 0.1p (£0.001) each in the capital of the Company;
“Option”	an option to subscribe for Ordinary Shares in the capital of the Company;
“Overseas Shareholder”	a Shareholder in a territory other than the UK;

“Percussion Drilling”	a fast and cost effective drilling method for investigating mining targets at depths of up to 200 metres, which yields rock chips for geological logging. Percussion drilling is the final step of test work in the Company’s mineral exploration process prior to diamond drilling and is generally considered less precise and accurate than diamond drilling;
“Portfolio”	the Granted Prospecting Permits and the Prospecting Permit Application or the land covered by them, as the context requires;
“Placee”	a person who confirms his agreement to Fox Davies 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 Fox Davies at the Fundraise Price pursuant to the Placing Agreement;
“Placing Agreement”	the conditional placing agreement between the Company and Fox Davies, details of which are set out in paragraph 14.1 of Part VII of this Document;
“Placing Letter”	a placing letter issued to a prospective subscriber for Placing Shares by Fox Davies and a form of acceptance from such prospective subscriber to Fox Davies confirming the prospective subscriber’s irrevocable commitment to subscribe for Placing Shares, conditional only upon Admission;
“Placing Shares”	the 1,111,111 new Ordinary Shares to be allotted and issued to the placees pursuant to the Placing;
“Polymetal”	Polymetal International Plc, incorporated and registered in Jersey with company number 106196 whose registered office is at 44 Esplanade, St Helier, Jersey, JE4 9WG;
“Premium Listing”	a Premium listing under Rule 6 of the listing Rules;
“Principal HKP Sellers”	Michael Green, David Hall and Jeremy Martin, together being holders of an aggregate of 51.10 per cent. of the issued share capital of HKP at the time of the Acquisition;
“Prospecting Permit”	a prospecting permit granted by the Council of Ministers of the Republic of Cyprus and administered by the Mines Service pursuant to the Cyprus Mines and Quarries (Regulation) Law Cap.270, as amended, and the Regulations made thereunder, under which the holder has the right to search for minerals over the area of land specified in and on the terms and conditions of such prospecting permit and in the case of an Exploration Permit, to carry out invasive activities such as drilling over the area of land specific in the licence;
“Prospecting Permit Application”	the application for a Prospecting Permit made by the Group, which has not been granted as at the date of this Document (namely AE4788 at Troodos West);
“Prospectus”	a prospectus required under the Prospectus Directive and prepared in accordance with the Prospectus Regulation and Prospectus Regulation Rules;
“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA under Part VI of FSMA, as amended from time to time;
“Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017
“Reconnaissance Permit”	a Prospecting Permit which does not permit invasive activities such as drilling in the licensed area (as opposed to an Exploration Permit which does);
“Regulation S”	Regulation S under the US Securities Act;
“Reverse Takeover”	a transaction defined as a reverse takeover in Listing Rule 5.6.4;
“RTO Admission”	the admission of the Company’s share capital to trading on the Main Market following the completion of the Reverse Takeover, which took place on 3 July 2018;

“RTO”	the Reverse Takeover carried out by the Company in connection with the Acquisition which completed on 3 July 2018;
“RTO Fundraise”	a fundraise of £2,000,000 carried out by the Company pursuant to the RTO, through a placing of 10,766,667 new Ordinary Shares and subscription for 15,900,000 new Ordinary Shares, which completed on 3 July 2018;
“RTO Investors”	those placees and subscribers who participated in the RTO Fundraise;
“RTO Prospectus”	the prospectus issued by the Company dated 28 June 2020 in connection with the RTO;
“SEC”	the United States Securities and Exchange Commission;
“Seed Investors”	Derek Crowhurst, Peter Damouni, David Cliff, Christopher Hall, Mark Stephenson, Glenn Olnick, John Kutzsch and Michael Johnson;
“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 IPO Admission, being 29 August 2017, until the fifth anniversary of IPO Admission, being 29 August 2022, created and issued pursuant to the Series A Warrant Deed;
“Series A Warrant Deed”	the warrant deeds setting out the terms of the Series A Warrants;
“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 IPO Admission, being 29 August 2017, until the third anniversary of IPO Admission, being 29 August 2020, created and issued pursuant to the Series B Warrant Deed;
“Series B Warrant Deed”	the warrant deed dated 22 August 2017 setting out the terms of the Series B Warrants;
“Series C Warrants”	the 13,333,322 warrants to subscribe for new Ordinary Shares at a subscription price of 15p per share from the date of Admission until the second anniversary of Admission, created and to be issued pursuant to the Series C Warrant Deed;
“Series C Warrant Deed”	the warrant deed dated 28 June 2018 setting out the terms of the Series C Warrants;
“Shard Warrants”	the 494,300 warrants to subscribe for new Ordinary Shares at a subscription price of 5p per share from the date of IPO Admission, being 29 August 2017, until the second anniversary of IPO Admission, being 29 August 2019, created and issued pursuant to the Shard Warrant Deed;
“Shard Warrant Deed”	the warrant deed dated 22 August 2017, setting out the terms of the Shard Warrants;
“Share Options”	the share options granted to the Directors and certain key management and consultants as set out in paragraph 10 of part VII;
“Shareholders”	holders of Ordinary Shares;
“Special Resolution”	a special resolution within the meaning of section 283 of the Companies Act;
“Standard Listing”	a standard listing under Chapter 14 of the Listing Rules;
“Subscriber”	a person who confirms his agreement to subscribe for Subscription Shares in accordance with the terms of a Subscription Letter and being referred to collectively as the “Subscribers” ;
“Subscription”	the subscription by the Subscribers for a total of 3,333,333 new Ordinary Shares at the Fundraise Price;
“Subscription Letters”	the letters between the Company and the Subscribers relating to the Subscription;
“Subscription Shares”	means new Ordinary Shares subscribed for by the Subscribers in connection with the Subscription;

“sulphides” or “sulphide mineralisation”	metal sulphide ore deposits;
“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;
“Troodos North”	the project area covered by three Granted Prospecting Permits (AE4706, AE4708 and AE 4709) on the northern side of the Troodos Mountains;
“Troodos West”	the project area covered by certain of the Granted Prospecting Permits (namely AE4659, AE4660, AE4661, AE4664, AE4665, AE4672, AE4673, AE4722, AE4724, AE4728, AE4739, AE4764, AE4777, AE4773) and the Prospecting Permit Application (namely AE4788) on the western side of the Troodos Mountains;
“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;
“VAT”	UK value added tax;
“VMS Deposits”	volcanogenic massive sulphide deposits a type of metal sulphide ore deposits which are created by volcanic-associated hydrothermal events, are composed of more than 50% metal sulphides and are often rich in metals such as copper, lead, zinc and gold; and
“Warrants”	means a warrant to subscribe for Ordinary Shares in the capital of the Company.