



## **ACG HoldCo 1 Limited, 14.75% Senior Secured USD 200,000,000 Bond Issue 2025/2029**

### **Admission Document**

This admission document (the "**Admission Document**") has been prepared by ACG HoldCo 1 Limited (the "**Issuer**") in connection with listing of the bonds (the "**Bonds**") issued under the Issuer's USD 200,000,000 Senior Secured Bond Issue 2025/2029 with ISIN NO0013414565 (the "**Bond Issue**").

The Bond Issue is currently guaranteed by the Issuer's parent company, ACG Metals Limited, a company registered under the laws of British Virgin Islands with registration number 2067083 (the "**Parent**"), together with the Issuer's subsidiary (collectively, the "**Guarantors**"). The Issuer and the Guarantors are hereinafter collectively referred to as the "**Group**".

This Admission Document does not constitute a prospectus under the Prospectus Regulation (Regulation (EU) 2017/1129) or the Norwegian Securities Trading Act of 29 June 2007 no. 75 (together with ancillary rules and regulations, the "**Prospectus Regulations**"), and has not been prepared to comply with the Prospectus Regulations. This Admission Document has been inspected by Euronext Oslo Stock Exchange as part of the Nordic ABM listing process, but has not been reviewed by or approved by the Norwegian Financial Supervisory Authority or any other public authority.

This Admission Document has been prepared solely for information purposes in connection with listing of the Bonds on the Nordic ABM, a list of registered bonds operated by Oslo Børs ASA and for which Oslo Børs ASA determines the rules (the "**ABM Rules**") in consultation with market participants. The Admission Document does not constitute or form part of any offer or other solicitation to subscribe for or purchase any bonds or other securities, and is not intended to form the basis of any investment decision.

Distribution of this Admission Document may be restricted by local securities legislation and failure to comply with these restrictions may violate applicable securities legislation. Persons who become in possession of this Admission Document may be required to inform themselves about, and to observe, all such restrictions.

Neither the Issuer, the Group nor any of their Affiliates (as defined in the bond terms attached hereto) shall be held responsible or liable for any violation of such restrictions by recipients of this Admission Document.

THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES. ACCORDINGLY, THE BONDS MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A "US PERSON" EXCEPT IN TRANSACTIONS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS.

The information included in this Admission Document is as of the date hereof. Any publication or distribution of this Admission Document subsequent to such date shall not be taken as a representation that the information included herein is still correct and accurate.

This Admission Document is subject to Norwegian law. Any dispute arising in respect of this Admission Document is subject to the exclusive jurisdiction of Norwegian courts, with Oslo District Court (*No. Oslo tingrett*) as legal venue.

#### **RESPONSIBILITY STATEMENT**

This admission document is dated 2 May 2025 and has been prepared by the Issuer in connection with the listing of the Bonds on Nordic ABM. The person responsible for the information given in this Admission Document is as follows:

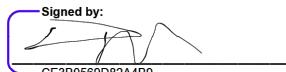
ACG HoldCo 1 Limited

Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT

The Issuer confirm that to the best of its knowledge the information contained in this admission document is in accordance with the facts and the document contains no omission likely to affect its import.

2 May 2025

ACG HoldCo 1 Limited

  
CE3B0569D82A4B9...

Name: Damien Coles

Title: Director

## **ADMISSION DOCUMENT**

This document has been prepared in accordance with the ABM Rules section 2.7 to provide certain additional information requested by the Oslo Stock Exchange regarding the Issuer's corporate structure as further described in the ABM Rules section 2.7.2.3, no 8 and no. 13.

**1 If the Issuer belongs to a group, or to a group of undertakings that are interrelated through common ownership or common management, a brief description of the structure and ownership of the group and the Issuer's role within the group.**

The Issuer is a limited company incorporated and existing under the laws of England and Wales with registration number 14939464 and LEI-code 9845008FS09985054W5, incorporated 15 June 2023. The Parent has been the sole owner of the entire share capital of the Issuer since its incorporation.

The Issuer owns 100% of the Guarantors (either directly or indirectly), except for the Parent. The Guarantors for the Bond Issue currently comprise of:

- the Parent; and
- Polimetal Madencilik Sanayi ve Ticaret A.Ş, a company organised as a joint stock company and existing under the laws of the Republic of Türkiye having its registered office at Beştepe Mahallesi Yaşam Cad. Ak Plaza Apt. No: 7/7 Yenimahalle, Ankara with registration number 294256 at Ankara Trade Registry and MERSIS (the "**Subsidiary**").

For further information on the guarantees provided by the Guarantors under the Bond Issue, please see the Loan Description attached as Appendix 5.

The Issuer role within the Group is to own subsidiaries, act as a holding company of the Group and be the issuing entity in connection with the Bond Issue. The Issuer and the Group's operational and financial history is covered by the financial reports of the Parent issued in relation to the Parent's listing on the London Stock Exchange attached as Appendix 1.

Please note that following a summons for a written resolution dated 31 January 2025, holders of the Bonds resolved on 12 February 2025 to waive the requirement in the Bond Terms that the Subsidiary assign its claims under a bank guarantee that was issued to the Subsidiary in connection with an EPC contract entered into with a Turkish contractor (the "**HalkBank Guarantee**"). The summons for a written resolution and the notice of a written resolution are attached as Appendix 6.

The reason for the waiver was that the original terms of the Bonds stipulated that the security package for the Bonds should include an assignment of the HalkBank Guarantee. However, after the issuance of the Bonds, the bank that had issued the HalkBank Guarantee would not consent to the HalkBank Guarantee being part of the security package for the Bonds. The Issuer was therefore required to obtain consent from the holders of the Bonds to exclude the HalkBank Guarantee from the security package. Instead, the Issuer has instructed its bank that any potential payout under the HalkBank Guarantee shall be deposited into a bank account that is pledged in the favor of holders of the Bonds.

The Issuer is of the view that the HalkBank Guarantee constitutes a rather minor part of the overall security package, and that the abovementioned change to the security package has minimal significance for the holders of the Bonds.

**2 For mining, power production, petroleum extraction and similar activities a description of deposits, an estimate of economically exploitable reserves and expected period of lifetime must be provided where this information is of material importance.**

The Gediktepe Project, operated by the Subsidiary, Polimetall Madencilik Sanayi ve Ticaret A.Ş., consists of both oxide and sulphide mineral deposits. The estimated Ore Reserve as of March 31, 2024, includes 26.1 million tonnes of measured and indicated resources across both oxides and sulphides based on feasibility-level assessments. Mining operations are conducted through conventional drill-and-blast, load-and-haul methods, with an experienced mining contractor facilitating production scaling.

As part of the sulphide expansion project, a flotation plant is currently being constructed to process the sulphide ore starting in the first quarter of 2026. The mine already produces gold and silver doré. The estimated production for 2024 was 55,000 gold equivalent ounces. The 2024 production as per the most recent operating update published on London Stock Exchange Regulatory News Service (RNS) per the date of this Admission Document was 55,374 gold equivalent ounces. Budgeted production for 2025 is 32,000 gold equivalent ounces.

The mine's projected operational lifetime – initially 11 years – based on current reserves and processing capacity, supports a multi-year production horizon, with further exploration efforts aimed at extending its viability. The operational lifetime of the mine is initially expected to be a further 10 years from January 2026 (the commissioning of the sulphide expansion). Please note that the aforementioned projected operational lifetimes are initial projections due to the strong potential for further resource expansion, which is a mid-term goal for the Gediktepe Project. The sulphide expansion will add up to 25,000 copper equivalent tonnes in production per annum from 2026, generating an average EBITDA greater than USD 100 million per year.

Please note that silver and gold will still be extracted after the sulphide expansion. The existing oxide (gold and silver) operations will not impede the construction of the sulphide plant or the operation. In addition, the copper and zinc concentrates which will be produced at the floatation plant will contain gold and silver by-products. The current life of the oxide resources is expected to continue into 2026, with the Issuer actively pursuing options to extend the oxide resources through exploration.

With this level of production, the Gediktepe Project is expected to generate strong and consistent operating cash flows, providing the necessary financial resources for the issuer to service its debt obligations, including interest and principal payments on the bonds. The EBITDA generation of over USD 100 million annually post-2026 offers a solid debt coverage ratio, ensuring financial stability. Additionally, the mine's diversified revenue streams from gold, silver, copper, and zinc sales reduce exposure to price volatility in any single commodity, further supporting its ability to meet financial commitments.

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## APPENDIX 1

- **UNAUDITED CONSOLIDATED INTERIM REPORT & FINANCIAL STATEMENTS FOR THE PARENT FOR THE SIX-MONTH PERIOD ENDING 30 JUNE 2024**
- **AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PARENT FOR THE FINANCIAL YEAR ENDING 2024**
- **AUDITED UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE ISSUER FOR THE FINANCIAL YEAR ENDING 2024.**



**ACG Metals Limited**  
(formerly ACG Acquisition Company Limited)  
**Annual Report 2024**

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## Our Vision

Our vision is to become a premier copper producer with best-in-class ESG and carbon footprint characteristics.

## Performance Highlights

### Operational Highlights

Acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") and by extension, the Gediktepe Mine in Turkey	Successful transition from a Special Purpose Acquisition Company ("SPAC") to a fully operational mining enterprise listed on the Main Market of the London Stock Exchange ("LSE")	Establishment of a fixed-price, turnkey Engineering, Procurement and Construction ("EPC") contract with Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi ("GAP İNŞAAT") for the \$146 million brownfield sulphide expansion at Gediktepe
Successful completion of a pioneering \$200 million Nordic senior secured bond placement, the first of its kind for a Turkish mining asset	A continuing safety record of 634 LTI-free days	Significant growth in ore processed, average gold and silver grades and sales and realised prices

### Financial performance

Year ended 31 December	2024
Revenue	\$57.7 million
Operating profit	\$4.8 million
Operating cash flow	\$21.3 million
Year-end cash balance	\$9.7 million
Consolidated cash and other liquid funds	\$9.7 million
Acquisition and corporate debt	\$39.6 million
Net assets	\$58.3 million



## Chair's Review



Dear Shareholders,

I am delighted to present the Annual Consolidated Financial Statements of ACG Metals Limited and its subsidiaries ("ACG" or the "Group") for the financial year ended 31 December 2024.

The past financial year marked a transformative chapter in ACG's growth journey, defined by strategic milestones that have substantially advanced our vision to become a premier copper producer and unlock long-term value for our stakeholders.

Our acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") and by extension, the Gediktepe Mine in Turkey in August, represents a cornerstone achievement for us, providing ACG with a strong and immediate production base, significant growth potential, and positioning us to become a significant player in the global copper sector.

Gediktepe represents not just a major acquisition but a critical first step towards building a robust, diversified, and resilient copper platform that aligns with our long-term strategic vision.

Alongside this first acquisition, ACG transitioned successfully from a Special Purpose Acquisition Company ("SPAC") to a fully operational mining enterprise listed on the main board of the London Stock Exchange ("LSE"). This strategic move has significantly strengthened our corporate profile, broadened our exposure to international capital markets, and provided enhanced access to diverse funding opportunities.

In November, shortly following the completion of the Gediktepe transaction, we achieved another major milestone by entering into a fixed-price, turnkey Engineering, Procurement and Construction ("EPC") contract with Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi ("GAP İNŞAAT") for the \$146 million brownfield sulphide expansion at Gediktepe. This expansion leverages existing site infrastructure and benefits from extensive geological studies and proven metallurgical processes. Once operational, this project is projected to deliver annual production of up to 25,000 tonnes of copper equivalent over an initial 11-year mine life. This development serves as a vital catalyst, significantly accelerating our journey towards becoming one of the leading copper-focused companies listed on the LSE.

**"The past financial year marked a transformative chapter in ACG's growth journey"**

## Chair's Review continued

**"The Gediktepe deal marked a successful demonstration of ACG's ability to structure and execute a complex, multi-layered acquisition within a compressed timeline"**

The sulphide expansion project is inherently low-risk, capitalizing on more than a decade of comprehensive technical studies and leveraging the existing infrastructure from our oxide operation. It entails a two-stage flotation process plant – a metallurgical approach proven and optimized over many years as well as essential supporting earthworks, including waste management, tailings facilities, and environmental pond infrastructure.

Building upon this positive momentum, in December 2024 ACG passed another landmark by successfully completing a pioneering \$200 million Nordic senior secured bond placement, the first of its kind for a Turkish mining asset and subsequently settling the bond issue in January 2025. The enthusiastic reception of this bond issuance underscores the market's confidence in our strategic direction, operational capability, and growth trajectory, while further enhancing our financial flexibility and international visibility.

The Company also benefited considerably from robust gold prices during the last quarter of the year, providing additional financial strength and reinforcing our resilience amidst fluctuating market conditions. We are now ideally positioned to benefit from a structured gold hedge, signed in March 2025, which covers 50% of planned annual production through to 2026 thereby enhancing cash flow visibility, reducing risk whilst preserving upside returns.

ACG continues to benefit from the communication of tariff increases in the United States and the higher commodity prices, namely gold, which was driven by market movements. These economic factors have enhanced investor confidence and contributed to improved financial stability reinforcing its strategic growth trajectory.

Looking ahead, the Board and management remain dedicated to disciplined execution, operational excellence and progressing our growth strategy to deliver long-term, sustainable value for our shareholders.

On behalf of the Board, I extend my sincere gratitude for your ongoing support and confidence in our vision, as well as our talented team that are driving this positive momentum.

### Artem Volynets

Chairman and Chief Executive  
Office

24 April 2025



## Strategic Report

The Directors present their Management Summary for the period ended 31 December 2024.

### **Business and FY2024 overview**

In 2024, ACG Metals completed its transition from a Special Purpose Acquisition Company (SPAC) into a fully funded operational mining enterprise listed on the Main Market of the London Stock Exchange. ACG is focused on building a diversified, high-margin copper platform aligned with the growing global demand for critical raw materials. The Company was founded with a clear strategic vision: to acquire and operate high-quality copper and polymetallic assets with robust technical profiles, strong near-term cash flow, and scalable long-term growth potential.

The Company's defining achievement during the year was the successful acquisition of the Gediktepe Mine in Western Turkey in August 2024. This transaction provided ACG with its first producing asset, an open-pit polymetallic mine with existing oxide gold and silver production and a fully permitted sulphide deposit rich in copper and zinc. Gediktepe was acquired from Lidya Madencilik Sanayi ve Ticaret A.Ş. ("Lidya"), a subsidiary of the Turkish industrial conglomerate Çalik Holding, a well-established operator with a history of successful project execution and regulatory alignment.

Gediktepe was targeted not only for its production-ready nature but for its ability to serve as a launchpad for ACG's broader growth strategy. The asset offers several key advantages: (1) it is in production, generating immediate cash flow from gold and silver sales; (2) it

has a defined copper expansion pathway that is fully permitted and technically de-risked through over a decade of studies; and (3) it is supported by existing infrastructure including roads, power, tailings, and water management systems, significantly reducing development risk and capex intensity.

From a transactional perspective, the Gediktepe deal marked a successful demonstration of ACG's ability to structure and execute a complex, multi-layered acquisition within a compressed timeline. This included due diligence, commercial negotiations, equity issuance to the seller, interim debt financing from commodity-linked partners, and a rapid re-admission to the LSE following completion.

Post-acquisition, ACG was re-admitted to the main board of the London Stock Exchange in September 2024, transitioning from a shell company to a full operating business. The Company's LSE re-admission significantly enhanced its capital markets profile, improved liquidity and trading visibility, and enabled broader institutional access. It also allowed the Company to meet the eligibility criteria for a wider array of funds and index-linked investors, providing a long-term benefit to capital formation and valuation.

The Gediktepe acquisition and LSE re-admission were followed swiftly by the award of a \$146 million fixed-price turnkey Engineering, Procurement and Construction (EPC) contract to GAP İnşaat Yatırım ve Dış Ticaret A.Ş., one of Turkey's largest construction and industrial services groups. This contract covers the full delivery of the Gediktepe sulphide flotation circuit, including design, procurement,



## Strategic Report continued

**"These milestones have reshaped ACG Metals. From a SPAC with a stated copper focus, the Group now owns a producing mine, is constructing a copper expansion, has access to capital, and is led by an internationally credible team and Board."**

civil works, installation, and commissioning.

The fixed-price nature of the EPC contract is a key risk mitigant and reflects ACG's commitment to financial discipline and capital control. The decision to contract with a well-established Turkish EPC firm also reinforces local stakeholder engagement and enhances execution confidence, given GAP's extensive track record of successful project delivery in-country.

To fully fund this expansion and refinance the acquisition-related debt, ACG completed a \$200 million Nordic senior secured bond in December 2024. This bond marked the first-ever Nordic-style secured issuance linked to a Turkish mining asset. It attracted significant investor interest from institutional fixed income funds across Europe and the rest of the globe, reflecting a strong appetite for emerging-market credit exposure backed by high-grade metals projects.

Settlement of the bond occurred in January 2025, after which construction mobilisation began. The bond secured the Company's capital requirements for the Gediktepe expansion, illustrating ACG's access to sophisticated and scalable international capital markets. The structure of the bond (a fixed coupon and four-year maturity bond, with security over key assets) provides ACG with predictability and flexibility to execute its growth plan.

These milestones have reshaped ACG Metals. From a SPAC with a stated copper focus, the Group now owns a producing mine, is constructing a copper expansion, has access to capital, and is led by an internationally credible team and Board. The Group entered 2025 not as a concept, but as a fully operational business, already generating cash flows and on track to deliver copper production with a clear growth runway.

## Strategic Report continued

### Full Year 2024 Gediktepe Operational Performance

The Gediktepe Mine delivered strong operational results for the full year ended 31 December 2024, demonstrating both the quality of the asset and the effectiveness of site-level management during a critical transition year. While ACG's consolidated financial statements only reflect the mine's performance from the acquisition date, full-year operational data is presented here to provide a complete view of the mine's capacity and momentum as ACG assumed ownership.

Operating KPI	2024 Result	YoY Change
Safety	634 LTI-free days	n/a
Ore Processed	801,600 tonnes	18%
Average Gold Grade	2.53 g/t	11%
Average Silver Grade	71.8 g/t	24%
Gold Equivalent Production	55,374 oz	49%
Gold Sales	49,165 oz	49%
Silver Sales	670,130 oz	85%
Gold Equivalent Sales	57,072 oz	52%
Realised Gold Price	\$2,387/oz	22%
Realised Silver Price	\$28.56/oz	22%
C1 Cash Costs	\$606/oz	-4%
All-in Sustaining Costs (AISC)	\$1,139/oz	-2%

#### Safety and Workforce

Gediktepe operated throughout the year with an exemplary safety record, achieving 634 lost-time injury (LTI)-free days without a single LTI. This reflects both the embedded safety culture of the legacy operator and ACG's own high standards in occupational health and safety. Maintaining this safety performance is crucial to ACG's license to operate, especially as the sulphide expansion mobilises with a larger contractor presence on site.

#### Ore Processing and Grades

The mine processed 801,600 tonnes of ore in 2024, an 18% increase from the prior year. This was enabled by both the strategic drawdown of stockpiled oxide ore and improved plant availability, reflecting strong operational control. The increase in throughput demonstrates Gediktepe's ability to optimise production in response to market pricing, with higher tonnes coinciding with a surge in gold and silver prices during the second half of the year.

## Strategic Report continued

Average processed grades also improved, with gold grades rising 11% to 2.53 g/t and silver grades increasing 24% to 71.8 g/t. This was primarily driven by the planned mine sequencing and greater reliance on higher-grade zones during Q3 and Q4 2024, in line with the historical pattern of pre-stripping in Q1 and grade recovery later in the year.

### Production and Sales

Total production for the year reached 55,374 gold-equivalent ounces (AuEq), a 49% increase year-on-year, comprising 46,993 oz of gold and 709,380 oz of silver. This growth reflects both increased ore volumes and improved grades. Sales were similarly strong, with 57,072 oz AuEq sold, including 49,165 oz of gold and 670,130 oz of silver, achieving a 52% increase in AuEq sales year-on-year.

These production levels position Gediktepe as a high-margin oxide gold operation in its current phase, with strong cash flow generation potential—critical for providing a healthy cash runway during the construction of the sulphide expansion.

### Realised Prices and Cost Management

Gediktepe benefitted from a supportive macro environment in 2024, particularly in the second half, with realised gold prices averaging \$2,387/oz and silver averaging \$28.56/oz, both up 22% from the prior year.

Cost performance remained disciplined despite inflationary pressures. C1 cash costs were \$606/oz, a 4% decrease year-on-year, while All-in Sustaining Costs (AISC) came in at \$1,139/oz, down 2%. These outcomes reflect efficient site-level cost control, prudent reagent and consumables management, the benefits of existing infrastructure and economies of scale.

Importantly, Gediktepe continues to generate significant free cash flow at gold prices well above the AISC threshold, creating financial resilience during the expansion phase.

### Operational Outlook

Gediktepe's full-year operating performance in 2024 shows strong output, robust grades, and cost discipline to provide a clear springboard for the copper-focused sulphide expansion now underway.

The oxide phase will continue to produce gold and silver through 2025 and into 2026, bridging the mine through the construction period and generating capital to partially self-fund the transition to copper. These results, achieved during a year of ownership change and integration, underscore the strength of the team on the ground and the quality of the asset. The Company's ability to maintain this performance while simultaneously managing construction, refinancing, and growth initiatives speaks to the depth and agility of the operational platform it is building.



## Strategic Report continued

**"These figures highlight the underlying earnings power of the asset and the strong free cash flow generation it offers."**

### ACG Financial Performance

Financial KPI	2024 Result
Revenue	\$57.7 million
Operating profit	\$4.8 million
Operating cash flow	\$21.3 million
Year-end cash balance	\$9.7 million
Consolidated cash and other liquid funds	\$9.7 million
Acquisition and corporate debt	\$39.6 million
Net assets	\$58.3 million

ACG reported \$57.7 million in consolidated revenue for the year ended 31 December 2024. It is important to note that this figure reflects only four months of consolidated ownership of the Gediktepe Mine from date of acquisition. Despite this partial-year consolidation, the Company generated \$21.3 million in operating cash flow and ended the year with a cash balance of \$9.7 million and net assets of \$58.3 million.

On a full-year basis, for illustrative purposes, the Gediktepe Mine generated \$137 million in revenue and approximately \$84.7 million in site-level EBITDA for the 12-month period ended 31 December 2024. These figures highlight the underlying earnings power of the asset and the strong free cash flow generation it offers.

This financial performance reflects the strategic timing of the acquisition, which allowed ACG to immediately benefit from high realised prices and robust margins. Importantly, the cash generated in Q4 2024 supported both the repayment of acquisition-linked liabilities and preparations for expansion capital deployment in 2025.

Administrative expenses for the year totalled \$18.1 million, which included once-off legal, advisory, listing, and integration costs associated with the acquisition and re-admission process. Share-based payment expenses of \$0.4 million were also recognised, primarily relating to performance-based equity awards granted to management and non-executive directors upon the successful completion of the transaction and re-listing.

The Group reported a statutory net loss of \$13.1 million. This loss is not reflective of underlying operating performance and is expected to normalise as the business transitions from transaction mode to steady-state operations in 2025.

No dividend is recommended for 2024 (2023: \$nil).

In 2024, ACG Metals Limited successfully raised \$46.25 million through its listing on the London Stock Exchange to fund the acquisition of Polimetal. In addition, \$39.88 million worth of equity instruments were issued to the Seller, \$4.3 million to shareholders for debt conversions, and \$0.30 million to management under a Long-Term Incentive Plan.

## Strategic Report continued

As part of the acquisition of the Gediktepe Mine in Turkey, the Group entered into a \$37.5 million acquisition debt agreement with Traxys Europe S.A. ("Traxys") and Argentem Creek Partners ("ACP") as of 31st August 2024. By 31 December 2024, \$12.1 million of the principal amount of the acquisition debt facility was repaid.

Other acquisition debt in the form of sponsor loans had decreased from \$18.6 million to \$13.5 million following the conversion of \$4.5 million into equity via Sponsor Loan Conversions and the repayment of \$3.25 million in cash.

The total assets included property, plant and equipment of \$43.2 million (2023: \$nil) and Intangible Assets of \$142.7 million (2023: \$nil), of which \$42.9 million related to Goodwill.

ACG's balance sheet remains well capitalised, with the post-year end \$200 million Nordic bond providing full funding for the Gediktepe sulphide expansion and extinguishing the Traxys and ACP acquisition debt. As a result, the Company enters 2025 with a clean capital structure, strong liquidity and a fully funded path for near-term project execution and long-term growth.

## Mineral Resources and Ore Reserve

Resource Classification	(Mt)	Grade					Contained Metal				
		Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Pb (%)	Au (koz)	Ag (Moz)	Cu (kt)	Zn (kt)	
Measured Oxide	-	-	-	-	-	-	-	-	-	-	-
Indicated Oxide	1.3	2.79	67	0.11	0.1	0.44	113	2.7	1.4	1.1	
<b>Measured + Indicated (Oxide)</b>	<b>1.3</b>	<b>2.79</b>	<b>67</b>	<b>0.11</b>	<b>0.1</b>	<b>0.44</b>	<b>113</b>	<b>2.7</b>	<b>1.4</b>	<b>1.1</b>	
Inferred Oxide	0.01	0.9	23	0.08	0.1	0.17	0.4	0.01	0.01	0.01	0.01
Measured Sulphide	3.8	0.68	26	0.99	1.9	0.35	83	3.2	38	73	
Indicated Sulphide	21	0.76	28	0.79	1.7	0.35	511	19	166	367	
<b>Measured + Indicated (Sulphide)</b>	<b>24.8</b>	<b>0.74</b>	<b>28</b>	<b>0.82</b>	<b>1.8</b>	<b>0.35</b>	<b>594</b>	<b>22.2</b>	<b>204</b>	<b>440</b>	
Inferred Sulphide	31	0.53	21	0.77	1.2	0.28	54	2.1	24	37	
Total Measured (Oxide + Sulphide)	3.8	0.68	26	0.99	1.9	0.35	83	3.2	38	73	
Total Indicated (Oxide + Sulphide)	22.3	0.87	30	0.75	1.7	0.36	624	21.7	167	368	
<b>Measured + Indicated (Oxide + Sulphide)</b>	<b>26.1</b>	<b>0.84</b>	<b>30</b>	<b>0.79</b>	<b>1.7</b>	<b>0.36</b>	<b>707</b>	<b>24.9</b>	<b>205</b>	<b>441</b>	
Total Inferred (Oxide + Sulphide)	3.1	0.53	21	0.77	1.2	0.28	54	2.1	24	37	

## Strategic Report continued

Ore Reserve Classification	(Mt)	Grade				Contained Metal			
		Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (Mlb)	Zn (Mlb)	Au (koz)	Ag (Moz)
Proved Oxide	-	-	-	-	-	-	-	-	-
Probable Oxide	1.4	-	-	2	48	-	-	93	2.2
<b>Total Oxide</b>	<b>1.4</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>48</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>2.2</b>
Proved Sulphide	3.4	0.92	1.9	0.67	25	70	140	70	3
Probable Sulphide	13.7	0.72	1.9	0.85	32	220	590	380	14
<b>Total Sulphide</b>	<b>17.1</b>	<b>0.76</b>	<b>1.9</b>	<b>0.82</b>	<b>30</b>	<b>290</b>	<b>730</b>	<b>450</b>	<b>17</b>

The mineral reserve statement was sourced from the Gediktepe Competent Person's Report dated 20 August 2024 which can be found on the ACG Metals website: [acgmetals.com](http://acgmetals.com).

### Outlook

Since the year end, we have continued our strong momentum, delivering several significant developments that continue to strengthen ACG's operational platform, capital structure, and strategic positioning. This proactivity has accelerated the Company's transformation from a single-asset gold producer into a copper-focused growth platform with multi-year visibility and institutional backing.

In January 2025, ACG Group completed the placement of a USD 200 million, four-year, senior secured bond with a coupon rate of 14.75 percent at par. The bond placement was met with strong investor demand across European and international markets and was the first Nordic bond issuance secured against a Turkish mining asset, illustrating ACG's ability to pioneer capital markets solutions for emerging-market operations. These proceeds from the bond were used to repay the Company's existing facility and to fully fund the engineering, procurement, and construction (EPC) works for the sulphide flotation plant.

The sulphide expansion will facilitate the transition from primarily producing gold and silver to generating copper and zinc

concentrates with gold and silver by-products. Once completed, the project is expected to yield 20-25 thousand tonnes of copper equivalent at first quartile all-in sustaining costs over an initial 11-year period.

To streamline the Company's capital structure, ACG also launched a warrant settlement process in early 2025. The transaction targets the conversion of approximately 70% of all Warrants into Class A shares.

Continuing this momentum, in March 2025, ACG entered into a structured hedge covering approximately 50% of its planned 2025 oxide gold production. The hedge secures a floor price of \$2,875/oz and allows upside participation. This hedging strategy was executed at near-record gold prices and is intended to protect cash flows during the sulphide construction phase, ensuring financial stability while retaining upside exposure. The approach is consistent with ACG's risk management philosophy of protecting returns without impairing long-term optionality.

At our operations, GAP İnşaat Yatırım ve Dış Ticaret A.Ş. was formally mobilised on-site in Q1 2025 to commence construction of the Gediktepe sulphide flotation plant.

## Strategic Report continued

Early-stage activities, including procurement, site preparation, and engineering verification, are proceeding on schedule. The fixed-price turnkey nature of the contract mitigates construction risk and facilitates accuracy in cost forecasting. The project remains on track for the commencement of copper production in 2026.

Finally, at Board level, we welcome Mr. Michael R. Pompeo as a Non-Executive Director. Mr. Pompeo brings unrivalled geopolitical expertise, international networks, and a strategic outlook on global trade, U.S. supply chains, and critical minerals. His appointment supports ACG's ambition to become a key copper supplier into the West.

ACG Metals Limited remains committed to executing its growth strategy by identifying and evaluating prospective acquisition targets within the copper sector. The Group is actively assessing opportunities particularly focusing on assets that offer strong operational potential, resource expansion opportunities, and strategic synergies with its existing operations.

As part of its ongoing efforts, ACG Metals is engaging in thorough due diligence, market analysis, and discussions with potential partners to ensure that any future acquisitions enhance long-term value for stakeholders. The Group continues to monitor industry trends, geopolitical developments, and market conditions to make informed decisions that support its expansion objectives while maintaining financial discipline and operational efficiency.

On behalf of the Board

**Artem Volynets**

24 April 2025

## Corporate Governance

### Board of Directors

The Directors believe the Board comprise a knowledgeable and experienced group of professionals with relevant experience in sourcing, evaluating, structuring and executing the business strategy of the Group. The Directors are of the opinion that their respective track records demonstrate their ability to source, structure and complete acquisitions, return value to investors and introduce and complete operational improvements to companies.

The Acquisition Agreement provides Lidya and ACP with the right to appoint or remove one director to or from the Board, for so long as Lidya and ACP holds at least 20% and 25% respectively, of the total outstanding amount of Class A Ordinary Shares. This condition was fulfilled, and both Lidya and ACP exercise their right to appoint Mustafa Aksoy and Maarten Terlouw to the Board.

The details of the Directors are set out below.



**Artem Volynets**  
Executive Director,  
Chief Executive  
Officer and  
Chairman

Mr. Volynets has 25 years of experience in mergers and acquisitions, capital markets, and senior corporate management roles. He has led multiple private and public transactions in the metals and mining industry.

Mr. Volynets established ACG Mining in 2014, as an advisory and investment management firm registered in BVI, through which he worked on a number of cross border transactions in the mining and metals sector in Eurasian emerging markets. These transactions utilised his extensive experience of M&A-led sector consolidation, his local knowledge and networks, and his global industry and investor connections.



**Michael R.  
Pompeo**  
Non-Executive  
Director: Appointed  
30 January 2025

Mr. Pompeo brings geopolitical expertise and a strong global network to the Group, having served as the 70th Secretary of State in the United States from 2018 to 2021. He was also the sixth Director of the Central Intelligence Agency from 2017 to 2018. He started his career as a lawyer, graduating from Harvard Law School with a juris doctor, before building a successful aircraft parts manufacturing company, Thayer Aerospace.

Mr. Pompeo served as the U.S. House of Representatives member from Kansas's 4th district between 2011 and 2017.

Mr. Pompeo is part of a strategic partnership between ACG Metals and Impact Investments LLC, where he is Executive Chairman. Impact Investments is a US based strategic and financial advisory and investment firm, which advises some of the world's leading companies across a range of industries and geographies. As part of this partnership, Impact Investments advises and assists the Group as it pursues its vision to become a leading global copper company serving U.S. and Western industrial supply chains



**Mustafa Aksoy**  
Non-Executive  
Director

Mustafa Aksoy joined Çalik Group in 2004 and currently serves as General Manager and Board Member of Lidya Mines. Before becoming the founder CEO of Lidya in 2010, Mustafa worked in various sectors and departments of the Group in sales-marketing, corporate finance, business development and M&A.

Lidya's parent company Çalik Holding, established over 40 years ago, is a leading Turkish conglomerate that operates in the fields of energy, construction, mining, textiles, and finance in 34 countries spanning Central Asia, the Balkans, Middle East and Africa regions. The group started in textiles but expanded into EPC business for energy and infrastructure, renewable investments, power distribution, mining and financial services. Mr. Aksoy serves on the Board of Çalik Energy and Investment Committee of Çalik Holding as well as various other JV companies.

Mr. Aksoy, who worked as an auditor at Egebank and Garanti Bank in Turkey, completed his MBA at the University of Antwerp, Belgium and graduated from Dokuz Eylül University, Turkey, Department of Public Administration.

## Corporate Governance continued



**Maarten  
Terlouw**  
Non-Executive  
Director

Maarten Terlouw currently serves as President and Co-Chief Investment Officer at New York headquartered investment fund Argentem Creek Partners where he is responsible for co-leading the management of the firm and the fund's investments.

Prior to joining Argentem Creek in 2023, Maarten spent over 25 years at ABN AMRO Bank, where he served as Regional Chief Executive Officer responsible for all activities of ABN AMRO in North and South America. In addition, he was appointed Chief Sustainability Officer for ABN AMRO Bank Group in January 2022. During his long tenure at the firm, he held various senior executive positions in corporate and investment banking and advisory across sectors including Industrials, Natural Resources, Trade and Commodity Finance, Global Transportation and Logistics in New York, London and Amsterdam.

Through these leadership positions, Mr. Terlouw has managed numerous global teams, and business lines and developed a deep and broad understanding of various facets of banking, ranging from design and implementation of risk and compliance programs, regulatory matters, design and execution of growth and deceleration strategies. As a business leader and practitioner, Maarten has experience in various sectors in Corporate Finance, M&A advisory, Leveraged and Structured Finance and large and complex fund-raising exercises, in many parts of the world across different industries.



**Fiona Paulus**  
Senior  
Independent  
Non-Executive  
Director

Ms. Paulus has extensive global investment banking experience, having held senior management roles with several leading international investment banks including CIBC, Royal Bank of Scotland (RBS), ABN AMRO Bank, JP Morgan and Citigroup. Additionally, Ms. Paulus has advised companies and private equity firms on strategic initiatives in the energy and resources sectors across more than 70 countries. She is a Senior Adviser in the Metals & Mining business at Gleacher Shacklock and is a Non-Executive Director at Interpipe Group, JSW Steel, and Nostrum Oil & Gas.



**Mark Cutis**  
Independent  
Non-Executive  
Director

Mark Cutis is a seasoned banking and capital markets executive with extensive global experience having actively managed portfolios of assets as CIO and CEO on behalf of both private and state-owned capital managers. Mr Cutis has held senior management roles at Bank of America, Morgan Stanley, Merrill Lynch, UniCredit and the European Bank for Reconstruction and Development.



**Hendrik  
Johannes Faul**  
Independent  
Non-Executive  
Director

Hendrik Faul has over 30 years of mining industry experience as both a qualified mining engineer and as a senior corporate manager, with demonstrated ESG leadership experience as well as operational and project execution experience across 5 continents.

Mr. Faul is a Non-Executive Director of London-listed gold company Centamin, a position he has held since July 2020. He has also been a Non-Executive Director of Johannesburg-listed Master Drilling Group since June 2020. Mr. Faul was Chairman of the International Copper Association from 2016 to 2018.

## Corporate Governance continued

### Board Committees

Board members	Audit Committee	Sustainability and Technical Committee	Remuneration and Nomination Committee
Mark Cutis	X		X
Hendrik Johannes Faul	X	X	X
Fiona Paulus	X	X	X
Mustafa Aksoy	X		
Maarten Terlouw			
Michael R. Pompeo			



## QCA Corporate Governance Statement

### Corporate Governance Report

As the Group has an Equity Shares (Transition) Listing on the London Stock Exchange ("LSE"), there is no requirement to comply with the UK Corporate Governance Code. Nevertheless, the Directors are committed to maintaining high standards of corporate governance and, where practicable given the Company's size and nature, voluntarily adopt and comply with the Quoted Companies Alliance (QCA) Code.

The QCA Code provides a flexible set of principles designed to help growing companies achieve sound corporate governance. ACG Metals has enthusiastically adopted this framework to enhance transparency and accountability.

### Delivering Growth

#### Principle 1 – Establish a strategy and business model which promotes long-term value for shareholders

ACG Metals has a clear strategy and business model focused on the consolidation of the copper sector through a series of roll-up acquisitions. The company's vision is to become a leading copper producer, following a high standard of ESG and carbon footprint characteristics.

The Group has demonstrated this commitment through the acquisition of the Gediktepe Mine in 2024 and securing a \$200 million bond facility shortly afterwards for the Sulphide expansion.

#### Principle 2 – Seek to understand and meet shareholder needs and expectations

The Board actively engages with shareholders through regular communications, annual general meetings, investor presentations, and regulatory announcements. Feedback from shareholders is reviewed and integrated into strategic planning.

ACG Metals is committed to transparency and accountability in its operations. ACG Metals prioritizes transparency by providing regular updates to shareholders and the market through various means including its website, third party platforms and regulatory announcements, to keep our shareholders well-informed. Our communication provides updates on our financial performance, strategic initiatives, and other significant developments. Furthermore, all transactions and projects are carefully evaluated to ensure they align with our goal of delivering long-term value to our shareholders.

#### Principle 3 – Take into account wider stakeholder and social responsibilities and their implications for long-term success

ACG Metals actively engages with suppliers, employees, and local communities, ensuring their interests are represented in decision-making. The company actively engages with the local community by providing employment opportunities, fostering economic growth, and investing in infrastructure development to enhance their quality of life.

## QCA Corporate Governance Statement continued

Maintaining strong business relationships is vital to the company's success, as they foster trust, collaboration, and long-term growth opportunities. The company's foundation is built on long-standing relationships, which has been instrumental in shaping its enduring success and resilience.

### **Principle 4 – Embed effective risk management, considering both opportunities and threats, throughout the organization**

The company has robust risk management procedures in place to identify, assess, and mitigate potential risks. We maintain a group-wide risk management framework. Key risk areas include operational performance, financial compliance, and geopolitical and market developments.

The Group maintains robust financial control environments, the effectiveness of which is ultimately reported to the Board, CEO and CFO. Key risks are identified by monitoring the market movements and reviewing internal reporting on a regular basis at both group and subsidiary levels. Once identified the team collaborates internally and externally as needed, to explore mitigation strategies. These findings are then evaluated using both qualitative and quantitative factors and presented to the relevant party following the correct levels of authority for effective and efficient decision-making.

The Audit Committee plays a key role in overseeing risk management. To ensure effective risk management, we assess the potential impact to the Group and implement measures to mitigate and manage the risk, with the assistance of external consultants.

This ongoing evaluation process allows us to proactively address potential risks and safeguard the interests of our stakeholders.

### **Maintain a Dynamic Management Framework**

#### **Principle 5 – Maintain the Board as a well-functioning, balanced team led by the chair**

The Board comprises a majority of Non-executive directors, ensuring independence and objectivity in decision-making. The roles of Chairman and Non-executive directors are separated to maintain a clear division of responsibilities. The decision to combine the roles of CEO and Chairman reflects the company's commitment to streamlined leadership and efficient decision-making. Given the CEO's deep understanding of the business operations and strategic direction, this structure ensures continuity and alignment between governance and execution. The Board maintains strong oversight through independent Non-executive directors, ensuring that checks and balances remain in place. Regular reviews of governance practices, alongside transparent reporting, reinforce the effectiveness of this leadership approach while safeguarding shareholder interests. The Board is kept abreast of all strategic developments within the Group by the management team, and they meet regularly to discuss strategic and operational matters.

## QCA Corporate Governance Statement

### **Principle 6 – Ensure that between them the directors have the necessary up-to-date experience, skills, and capabilities**

Each Board member brings relevant industry expertise, skills, qualifications and personal qualities. The directors bring extensive experience as active Board members across a range of leading global corporations. Their ongoing involvement ensures they remain engaged with industry developments, allowing them to continuously refine their expertise and apply best practices from diverse sectors. This relevant, hands-on experience combined with technical abilities from various institutions is key to keeping their skills up to date, strengthening the company's governance and strategic decision-making. Where necessary, the company can provide ongoing professional development. The company has access to a range of independent advice and experts to ensure that directors remain well-informed.

In addition to external legal and technical advisers, internal advisory roles help support the effective functioning of the Board.

The Company Secretary and Chief Legal Officer play a central role in supporting the Chairman and the Board on corporate governance matters. Responsibilities include facilitating Board procedures, advising on director duties, maintaining statutory records, ensuring regulatory compliance, and ensuring that Board materials are circulated in a timely manner.

These roles are critical in maintaining high standards of governance, providing

continuity between Board and executive functions, and enabling independent oversight.

The Board is committed to maintaining an appropriate balance of Directors, with the Nomination Committee responsible for assessing the Board's composition to ensure it has the required expertise to support the Company's strategic objectives. Biographies are available on pages 16 and 17.

### **Principle 7 – Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

Board performance is reviewed annually to identify areas of effectiveness and improvement. The Board believes that succession planning, skill gaps, and overall effectiveness in governance are key considerations to achieving the Group's objectives.

### **Principle 8 – Promote a corporate culture that is based on ethical values and behaviours**

The company prioritizes integrity, accountability, and transparency. These values are embedded in its corporate culture and reinforced through policies, training, and leadership initiatives. ACG Metals is committed to embedding responsible business practices into every aspect of its management. This commitment is fundamental to achieving operational excellence and plays a pivotal role in supporting the successful implementation of the Company's overall strategy.

ACG Metals promotes ethical conduct through policies including its anti-bribery and corruption

## QCA Corporate Governance Statement

policy, code of conduct, and whistleblowing framework. ACG takes a zero-tolerance approach to unethical behaviour and employees are encouraged to report suspected breaches in confidence. The Board mainly assesses the Group's culture by reviewing any feedback received from the workplace, monitoring reports from various committees and evaluating how executives and managers embody company values in their decision-making and interactions.

By integrating these practices, the Company ensures sustainable growth, strengthens stakeholder trust, and aligns its operations with its long-term strategic objectives.

### **Principle 9 – Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

The Board has a formal governance framework, with key decisions reserved for Board approval. Committees are structured to oversee specific governance areas, ensuring effective decision-making. The composition of committees and independence of members is on page 18.

### **Build Trust**

### **Principle 10 – Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The company ensures transparency through regular shareholder updates and regulatory announcements. As mentioned in Principle 2, financial performance, strategic initiatives, and operational developments are shared via

various channels such as our website, social media and third-party platforms, to foster investor confidence.

The Company has established Board Committees with clear remits:

- The Audit Committee is to meet at least once every financial quarter and is responsible for overseeing financial reporting, internal controls, and business risk management. It ensures the integrity of financial statements, reviews key financial policies and practices, and assesses the assurance process for the Annual Report to ensure it is fair, balanced, and understandable. It reviews emerging risks, oversees risk exposures, and ensures robust assessment processes are in place. It also maintains oversight of whistleblowing arrangements, fraud prevention systems, and ethical conduct policies.
- The Remuneration Committee is responsible for setting executive pay and reviewing employee benefit structures.
- The Nomination Committee oversees Board composition and succession planning.
- The Sustainability & Technical Committee monitors ESG risks, oversees health and safety, reviews environmental and social incidents, and advises on ESG disclosures and targets.

All committees operate under formally adopted terms of reference and report to the Board.

ACG Metals will continue to assess and refine its corporate governance policies in alignment with its growth and evolving operational landscape. The company will report annually on its compliance

## QCA Corporate Governance Statement

with the QCA Code and update its governance statement accordingly.

By adhering to the QCA Code, ACG Metals will demonstrate its commitment to good corporate governance, which is essential for building trust with investors and other stakeholders, and for achieving long-term success. As the Company continues to operate, the Company will re-evaluate its corporate governance policies and procedures in line with the size and operations of an enlarged group. This will include an assessment and implementation of the Company's policy and objectives concerning diversity (which is currently not in place due to the early stage of the company's development), and composition of management and Board committees. At the same time, the Company will review any additional risk management and internal control processes that need to be put in place.

The Company will report to its shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated Corporate Governance statement annually.

## QCA Corporate Governance Statement continued

### QCA Code – Areas of Non-Compliance and Explanation

QCA Principle	Current Level of Compliance	Explanation & Future Action
Principle 4 – Embed effective risk management, considering both opportunities and threats, throughout the organization	Partially complied with	The Audit Committee is actively working to formalize its review of control processes to enhance governance and oversight. As the group continues to expand, it will evaluate the necessity of establishing a dedicated Internal Audit Committee to further strengthen internal controls and risk management. This initiative aims to ensure that the Board will receive assurance over the effectiveness of risk management and related control systems.
Principle 5 – Maintain the Board as a well-functioning, balanced team led by the chair	Not complied with	The roles of CEO and Chairman are currently combined to streamline leadership and align governance with execution during the Group's early growth phase. While this structure ensures continuity, we acknowledge that the QCA Code recommends separating these roles to maintain independent oversight. The Board will revisit this structure as the Group matures and scales, with the intention to separate the roles in due course.
Principle 7 – Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	Partially complied with	Board performance is reviewed annually; however, the evaluation process is conducted internally without formalised performance metrics. There is currently no disclosure on outcomes or follow-up actions. The Group intends to enhance its evaluation process by introducing a formal framework and considering an external review as the Board evolves.
Principle 10 – Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other stakeholders	Partially complied with	While shareholder engagement is actively maintained through announcements and meetings, there is currently no publication of AGM voting outcomes or formal mechanism to capture minority shareholder feedback. These enhancements are under review and will be implemented as part of future governance improvements, and will include the publication of an Audit Committee report in future periods.
Diversity Policy (related to Principle 6 and Principle 10)	Not in place	The Company does not currently have a formal Board or management diversity policy in place due to the early stage of development. A formal diversity policy will be introduced as the Group expands, to support Board composition and talent development in alignment with ESG objectives.
Committee Composition and Activity Reporting (Principle 9)	Partially complied with	Committees have been established with formal terms of reference. However, further disclosure on the composition, independence of members, and committee activity during the year will be enhanced in future governance reporting.
Governance Structures and Delegation of Authority (Principle 9)	Partially complied with	The Group has a governance framework in place, but limited detail is currently disclosed on the delegation of responsibilities, authority levels, and decision-making structures. These areas will be further detailed in future statements as the Company matures.

## QCA Corporate Governance Statement continued

### **Statement as to disclosure of information to auditors**

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

### **Directors' statement pursuant to the Disclosure and Transparency Rules**

The Directors are responsible for preparing the financial statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with UK adopted International Accounting Standards.

Each of the directors, whose names and functions are listed in the Board of Directors section, confirm that, to the best of each person's knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the company; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the ACG Metals website: [acgmetals.com](http://acgmetals.com).

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

**Artem Volynets**  
24 April 2025



## Financial Risk Management

### Principal risks and uncertainties

The Group's business activities expose it to a variety of risks, including financing and cashflow risks, and strategic and other emerging risks in the course of business.

In common with other businesses, the Group is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade payables and accruals
- Redeemable Public Share liabilities
- Derivative Financial Instruments (at fair value through profit or loss)
- Loans (measured through amortised cost)

To the extent financial instruments are not carried at fair value, book

value approximates to fair value at 31 December 2024.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the statement of comprehensive income in the relevant period. As at 31 December 2024, the Group had other receivables of \$8.1 million (2023: \$0.2m for the Company).

Trade and other payables and loans are measured at amortised cost. The financial liabilities were \$24.8 million (2023: \$1.1m for the Company) in respect of trade payables and accruals and \$39.6 million (2023: \$nil) for loans and borrowings. The management of risk is a fundamental concern of the Group's management. This note summarises the key risks to the Group and the policies and procedures put in place by management to manage it.

## Financial Risk Management continued

### PROSPECTIVE TARGETS

Risk	Potential impact on the group	Mitigating factors
The Group aims to complete a series of acquisitions toward becoming a premier copper supplier. Identifying and evaluating prospective targets carries inherent risk of the target's valuation, financial health, operational stability and challenges, market, and regulatory uncertainty.	<ul style="list-style-type: none"> <li>One or more shortfalls on any inherent risk factors could result in an acquisition with insufficient or negative returns, loss of market confidence in the Group, operational disruptions, opportunity costs on better targets, and legal and compliance issues.</li> <li>Any due diligence conducted by the Group in connection with an acquisition may not have revealed all the liabilities and risks of the target, which could have a material adverse effect on the Group's financial condition or results of operations.</li> <li>The Group may not be able to raise sufficient funds (debt or equity) to fund an acquisition.</li> <li>If the Group is able to complete another acquisition, there can be no assurance that the Group will be successful in executing its strategy or business plan in the future, which could materially adversely affect the Group and its Shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>In evaluating prospective acquisition targets, the Group conducts thorough due diligence which encompasses, among other things, meetings with incumbent management and key employees, document reviews, interviews of customers and suppliers, inspection of facilities, as well as a review of financial, operational, legal and other information that is made available to the Group. These processes ensure that the risk to shareholders' capital is mitigated to the extent these processes are able to identify additional risks.</li> <li>The Group is well-equipped with a diverse structure of a well-experienced leadership and advisory team from around the globe. The Group utilises the team's ongoing support and direction on ongoing target evaluations.</li> <li>The Group has retained the services of consultants and third-party advisors who are, together with the Directors and management, will work to negotiate and execute an acquisition in an effective manner, with the aim of minimising these concerns.</li> </ul>

### COMMODITY RISK

Risk	Potential impact on the group	Mitigating factors
The Group's revenues and profitability are significantly influenced by fluctuations in metal prices, particularly gold, silver and once commercial, copper.	<ul style="list-style-type: none"> <li>A fall in the commodity price could lead to a significant reduction of revenue and by extension, cashflows.</li> </ul>	<ul style="list-style-type: none"> <li>The management team tracks trends in the commodity price and reviews hedging options to limit exposure.</li> </ul>

## Financial Risk Management continued

### FOREIGN CURRENCY RISK

Risk	Potential impact on the group	Mitigating factors
Foreign exchange risk arises from adverse movements in currency exchange rates.  Operating internationally exposes the Group to currency fluctuations, especially between the US Dollar (USD) and the Turkish Lira (TRY). Gediktepe's operational currency is denominated in Turkish Lira whereas the Group's functional and reporting currency is the US Dollar. The Turkish Lira is subject to volatility which needs to be managed.	<ul style="list-style-type: none"> <li>Devaluations on the US Dollar/ Turkish Lira exchange rate could affect future cash flows at an operational level and on corporate financing.</li> </ul>	<ul style="list-style-type: none"> <li>The management team tracks currency fluctuations and can exercise hedging options to limit exposure and manage the treasury function.</li> </ul>

### COUNTRY RISK

Risk	Potential impact on the group	Mitigating factors
Turkey is located in a region that has been subject to ongoing political and security concerns, especially in recent years. Political uncertainty within Turkey and in certain neighbouring and nearby countries, has historically been one of the potential risks associated with investment in Turkey.  Turkey has from time to time experienced volatile political and social conditions. Political considerations may again influence interest rates and monetary policy in the future.	<ul style="list-style-type: none"> <li>A failure of the Turkish Authorities, Central Bank and/or the Turkish Treasury to implement effective policies might adversely affect the Turkish economy and thus have a material adverse effect on the Enlarged Group's business, financial condition and results of operations.</li> </ul>	<ul style="list-style-type: none"> <li>Gediktepe is in good standing with local authorities and agencies, and the Group maintains a good relationship with the Seller of Gediktepe, who can support and advise on the Turkish fiscal and social climate.</li> </ul>

## Financial Risk Management continued

### LIQUIDITY RISK

Risk	Potential impact on the group	Mitigating factors
Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group manages this risk by maintaining adequate cash reserves, monitoring cash flow forecasts, and ensuring access to diverse funding sources. The Group aims to align the maturity profiles of financial assets and liabilities to prevent liquidity shortfalls. The Group relies on shareholder debt and equity contributions for immediate funding needs. The Group has arrangements with its sponsors in place to provide funding as required for working capital purposes.	<ul style="list-style-type: none"> <li>Failure to manage financing requirements may lead to a breach of bond terms.</li> <li>Cost of debt may rise which restricts access of additional funding.</li> </ul>	<ul style="list-style-type: none"> <li>Management has implemented minimum internal liquidity measures and cash flow procedures to track liquidity and identify shortfalls.</li> <li>The Group's ability to manage corresponding risks such as commodity and currency fluctuations will impact liquidity.</li> </ul>
To further the exploration and advancement of Gediktepe, the Group sought financing through a bond placement which is subject to financial covenants and restrictions.		

### MINERAL RESOURCES AND RESERVES

Risk	Potential impact on the group	Mitigating factors
Mineral Resources and Ore Reserves involve significant judgement, and assumptions which may prove unreliable. Testing of samples may not be representative of the entire population, and actual production conditions may hinder recovery or economic value.	<ul style="list-style-type: none"> <li>Exploration efforts may prove costly and unfruitful.</li> <li>Production output along with market price conditions for gold and silver, may not translate into profitability.</li> </ul>	<ul style="list-style-type: none"> <li>The Group has a well-experienced and knowledgeable technical team to exercise judgement and expertise on determining the accuracy of resources available. This extends to the production team who has managed the mining process for many years.</li> </ul>
Similarly, exploration and mine development provide no guarantee of mineral discovery or the ability to transition the discovery to an operating state. This guarantee extends to securing permits and licenses.		<ul style="list-style-type: none"> <li>Exploration and development activities are evaluated by both internal and externally qualified parties, and the next stage of activity is determined and reviewed comprehensively before approvals are given.</li> </ul>

## Financial Risk Management continued

### HEALTH AND SAFETY RISK

Risk	Potential impact on the group	Mitigating factors
The mining operation has inherent risk. Additionally, the location of the mine, and potential political and social issues may arise which could affect the safety of the workforce.	<ul style="list-style-type: none"><li>Poor management of our workforce impacts on our community and reputation.</li><li>Non-compliance with regulations can result in financial loss such as litigation consequences and imposition of fines, loss of production due to injury or fatality, and withdrawal of mining licenses.</li></ul>	<ul style="list-style-type: none"><li>Health and safety policies and procedures are implemented. Adherence to this is taken very seriously by management.</li><li>Training is held regularly and is rigorously monitored.</li><li>Dedicated professional personnel monitor and ensure we comply with laws and regulations.</li></ul>



## Environmental, Social, and Governance Matters

### Statement of Non-Compliance

ACG Metals acknowledges that we are not yet in full compliance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Following the acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. (Polimetal) in August 2024 we have entered a transitional phase. Our focus has been on aligning Polimetal's operations, data infrastructure, and risk governance with ACG Metals' ESG standards. This includes foundational work in integrating environmental and social data collection systems, harmonising risk review processes, and building internal governance mechanisms to oversee climate-related strategy.

Given the scale and timing of the acquisition, the integration of Polimetal's ESG data, policies, and reporting systems is ongoing and we will implement a formal ESG roadmap, strengthen climate governance at the Board level, and complete the climate scenario analysis required under the TCFD framework in due course.

ACG Metals remains firmly committed to transparency, investor confidence, and the alignment of our operations with international sustainability standards. We view TCFD compliance not as a compliance exercise alone, but as a key enabler of long-term value creation, risk management, and operational resilience in a climate-affected economy.

### TCFD Pillar-Based Roadmap

TCFD Pillar	Actions to Date (2024)	Planned Actions
<b>Governance</b>	ESG oversight has been integrated into the internal governance framework at the management level. Preliminary ESG management reviews have been initiated across both Polimetal and legacy ACG Metals operations.	ACG Metals has established a formal ESG committee to ensure strategic oversight of climate-related matters. The company will also define and embed ESG roles and responsibilities across the executive leadership team and operational management structures.
<b>Strategy</b>	A preliminary evaluation of physical and transition climate risks has been initiated. Water resource and biodiversity action plans have been introduced, particularly at the Gediktepe Mine.	ACG Metals intends to develop and apply climate-related scenario analysis that is aligned with business strategy. The company will also publish an ESG-aligned business strategy that outlines short- and long-term climate-related risks and opportunities.
<b>Risk Management</b>	A risk review process with an ESG lens has been launched at the Gediktepe Mine, and core health and safety risk frameworks are currently in effect.	The company will formalise an ESG risk register and integrate ESG-related risks into the broader corporate risk framework. These risks will be embedded in enterprise-wide reporting, escalation, and internal control systems.
<b>Metrics &amp; Targets</b>	Data collection for greenhouse gas (GHG) emissions and water usage is underway. Internal assessments have also commenced to evaluate compatibility with ISO 14064 and the Global Reporting Initiative (GRI) standards.	ACG Metals remains committed to implementing the ESG roadmap for 2025. The formal establishment of GHG and water reduction targets will be subject to management review and approval, considering operational realities during the construction period. Disclosures will aim to align with global reporting frameworks such as GRI, TCFD, and SASB.

## Environmental, Social, and Governance Matters

continued

### ESG Progress Since Acquisition

Following the acquisition of Polimetal, ACG began an ESG integration process focused on embedding key policies and practices across the combined operations. The initial phase of this process has concentrated on:

- **Operational Alignment:** Integrating Polimetal's operational systems and practices into ACG Metals' existing ESG framework.
- **Baseline Assessment:** Reviewing current performance in environmental, social, and governance areas to establish a consistent group-wide baseline.
- **Stakeholder Engagement:** Initiating dialogue with local communities, regulators, and investors to align expectations and priorities.

### Current ESG Initiatives at the Gediktepe Mine

ACG Metals has implemented several ESG initiatives at the Gediktepe Mine since the acquisition:

- **Water Management and Conservation:** Water recycling systems have been implemented. Key indicators currently being tracked include freshwater makeup volumes, effluent volumes, recycled water volumes, and unit water consumption rates.
- **Biodiversity Protection:** A reforestation programme has been launched to support restoration of mined areas.
- **Carbon Emissions Reduction:** Feasibility studies are underway to assess the potential for solar energy integration and other emissions reduction measures.

### Community Engagement:

Employment and investment initiatives have been launched to support local economic development.

- **Health and Safety:** A zero-incident target has been adopted, supported by compliance protocols and active monitoring.

### Internal ESG Review and Areas for Improvement

Internal ESG reviews are ongoing to evaluate current practices and identify opportunities for improvement:

- **Greenhouse Gas (GHG) Emissions:** An internal review of alignment with ISO 14064 and GRI standards is in progress. Specific attention is being given to Sections 5.1.5 and 5.1.6 for future integration.
- **Water Resource Management:** The company is reviewing its water data practices in the context of GRI, TCFD, and TNFD frameworks. Efforts are underway to strengthen data collection systems to support transparent and consistent reporting.

### ESG and TCFD Strategy for 2025

To support the objective of achieving full ESG and TCFD compliance, ACG Metals has identified four priority areas for 2025:

#### 1. Conducting Climate Risk

Assessments Conducting a full climate risk assessment will be pursued pending budgetary approval. ACG Metals will seek management endorsement to initiate the study in 2025.

## Environmental, Social, and Governance Matters

continued

### 2. Developing a Formal ESG Roadmap

A structured plan will be developed to define ESG goals and identify metrics aligned with recognised global frameworks.

### 3. Enhancing Stakeholder Engagement

ACG Metals will continue to build engagement with stakeholders to improve transparency and ensure disclosures reflect expectations.

### 4. Benchmarking Against Best Practices

The company will review and incorporate learnings from leading ESG frameworks to guide its disclosures and internal processes.

### Conclusion

ACG recognises the importance of ESG and TCFD reporting for responsible business conduct, risk management, and long-term resilience. In 2025, the company's focus will be on strengthening ESG integration, advancing climate governance initiatives, and conducting foundational assessments to support future target-setting. Certain actions, including the formal establishment of GHG and water reduction targets and the initiation of a dedicated climate risk assessment, will be subject to management review and operational considerations. ACG remains committed to aligning its operations with global sustainability standards and meeting stakeholder expectations as we advance towards full ESG and TCFD alignment.





## Directors' Report

The Directors present their report for the 12-month period ended 31 December 2024.

### Principal activities

ACG Metals Limited, previously ACG Acquisition Company Limited, (the "Company" or "ACG"), a public limited company incorporated in the British Virgin Islands with Registered Number 2067083 under the BVI Business Companies Act 2004 (as amended) (the "BVI Companies Act"), maintains its registered office at Craigmuir Chambers, PO Box 71, Road Town, Tortola, British Virgin Islands.

In 2023, the principal activity of the Group was that of a Special Purpose Acquisition Company ("SPAC"), established with the objective of acquiring a majority (or otherwise controlling) stake in a company or operating business through a merger, demerger, share exchange, share purchase, reorganization, or similar transaction (an "Acquisition").

In 2024, the Group successfully completed the acquisition of the Gediktepe Mine, marking a pivotal milestone in its operational trajectory. This acquisition necessitated the delisting and subsequent relisting of the Company on the London Stock Exchange, reinforcing its commitment to capitalizing on the growing global demand for essential metals. The Gediktepe Mine, now under full ownership of ACG Metals, is transitioning to produce copper and zinc concentrate, aligning with the Group's broader strategy of consolidating high-potential mining assets.

The Group's principal activity continues to be the strategic consolidation of various mines through targeted acquisitions, leveraging its extensive industry expertise and global network to identify and integrate high-value assets. The Group's strategic focus remains on the metals and mining sector globally (excluding Russia), with a particular emphasis on emerging markets.

### Results and Dividends

The Directors have considered the prospects and developments of the Group in detail in the Strategic Review on pages 6 to 15.

### Directors and Directors' interests

The Board of Directors of ACG Metals Limited as at the date of signing the report and accounts comprised:

Artem Volynets – Chairman & Chief Executive Officer  
Mark Curtis – Independent Non-Executive Director  
Hendrik Johannes Faul – Independent Non-Executive Director  
Fiona Paulus – Independent Non-Executive Director  
Warren Gilman – Independent Non-Executive Director – resigned on 29 April 2024  
Maarten Terlouw – Non-Executive Director  
Mustafa Aksoy – Non-Executive Director  
Michael R. Pompeo – Independent Non-Executive Director – Appointed 30 January 2025

## Directors' Report continued

### Remuneration policy

The base fees for the Non-executive Directors / Chairman were set at IPO and were not increased during period. Please refer for the Directors' Remuneration Report on pages 44 to 45.

### Changes in Board Composition

During 2024, the following changes occurred:

- Warren Gilman resigned as an Independent Non-Executive Director on 29 April 2024.
- Maarten Terlouw and Mustafa Aksoy were appointed as Independent Non-Executive Directors appointed on 30 September 2024.

### Share Capital

Details of the Group's issued share capital, together with details of the movements during the year, are shown in Note 24.

The Group has one class of ordinary shares, and all shares have equal voting rights.

### Substantial shareholdings in the Group

The following information has been received in accordance with Rule 5 of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") from holders of notifiable interests in the Group's issued share capital.

Holder	Shareholding	Voting rights
Lidya Madencilik Sanayi ve Ticaret A.S.	7,112,072	32.8%
ACP II Trading LLC	6,577,969	30.4%

### Responsibility Statement of the directors in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations. The directors are permitted under the Listing Rules of the Financial Conduct Authority to prepare the Group financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board. The Group financial statements are required by International Financial Reporting Standards issued by the International Accounting Standards Board to present fairly the financial position of the Group and the financial performance of the Group.

The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for the financial period.

In preparing each of the Group financial statements, the Directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and accounting estimates that are reasonable and prudent;
- stated whether they have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and
- prepared the financial statements on the going concern basis unless it is

## Directors' Report continued

inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose, with reasonable accuracy at any time, the financial position of the Group and enable them to ensure that the financial statements comply with the BVI Business Companies Act. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Going concern and Viability

#### Statement

The directors of ACG Metals Limited have assessed the Group's ability to continue as a going concern, considering its current financial position, principal risks, and future prospects. This assessment covers a period of at least 12 months from the financial statement approval date, ensuring a comprehensive evaluation of financial stability and future projections. It involves a detailed review of key assumptions that underpin financial decisions, an in-depth analysis of consolidated cash flow forecasts to assess liquidity and funding requirements, and the application of sensitivity testing to key inputs. Sensitivity analysis helps gauge how variations in underlying factors such as market conditions, revenue fluctuations, and cost changes, might impact financial performance, providing a robust framework for risk management and strategic planning.

ACG Metals is focused on consolidating the copper sector and aims to increase our market cap from US\$100 million in 2024 to US\$3-5 billion in the next 3-5 years. In January 2025, the Group raised \$200 million in bonds to finance our Turkey copper mine, indicating active efforts to expand operations and deliver on our growth strategy. ACG Metals sought early refinancing of debt which arose at acquisition, demonstrating proactive and strategic management of funds. In addition to its current facilities, ACG Metals has a financial commitment from ACP, one of our main Shareholders for an additional share purchase worth \$7 million at the option of ACG Metals. The Group's current market cap and ongoing fundraising efforts indicates access to capital and a good relationship with investors.

The Group has secured offtake agreements from the start of copper concentrate production for the entire mine life with Glencore. The Group has also secured Zinc offtake agreements with Traxys with respect to all zinc concentrates produced by the project. Contracts are in-line with international benchmark terms with flexibility on INCO terms for ACG to optimise delivery schedule.

The Group is positioned to capitalize on the growing global demand for copper, which is crucial for clean-energy and transport technologies.

#### Conclusion

Based on the available information, the directors have concluded that the Group is in a strong position to continue as a going concern. Our ambitious growth plans, proactive debt management, and favourable market conditions

## Directors' Report continued

support this assessment. In the 2023 financial statements the directors disclosed the existence of a material uncertainty because the company had not completed an acquisition and was dependent on continuing support from sponsors to fund its operations up to the date of an acquisition. Following the completion of the acquisition of Polymetal and the financing activities as disclosed above, the directors are satisfied that there is no longer a material uncertainty in respect of going concern.

### Viability statement

The directors of ACG Metals Limited have assessed the Group's prospects, taking into account its current position and principal risks. This assessment covers a period of four years, which aligns with the Group's financing plan, specifically the senior secured Nordic bond issue which was executed in January 2025 to fund the Sulphide Expansion Project, and reflects the time frame over which the directors believe they can reasonably predict the Group's performance.

The Group's viability is reviewed annually in partnership with Board members and the management team, taking into account current operational developments, market projections, and strategic initiatives. During this review, the Group analysed comprehensive forecasts regarding liquidity, the Group's banking facility covenants, and its principal risks.

### Financial Performance

ACG Metals has demonstrated strong financial performance, with a market cap of approximately US\$100 million and ambitious

growth plans to reach US\$3-5 billion in the next 3-5 years.

The Group was able to repay in cash \$3.3 million of its Shareholder loan and \$12.1 million of principal on the debt incurred at acquisition in 2024. \$4.5 million of the Shareholder loan was also converted to shares in 2024.

The Group has successfully raised US\$200 million in bonds to finance its Turkey copper mine and has secured various offtake agreements on copper and zinc production for the lifetime of the mine.

Additionally, the Group anticipates settling their warrant tender for cash and shares in 2025, specifically up to 26,899,425 Public, Sponsor and Private Placement Warrants (70% of all Warrants) for 2,689,942 Class A Ordinary shares on a fixed purchase price of US\$0.50 per Warrant in exchange for Shares at US\$5.00 per new Share.

### Operational Efficiency

The Group has a robust business model focused on the efficient extraction of copper, with plans to become a leading copper producer on the London Stock Exchange. The Gediktepe Copper-Gold Mine, a significant producer of copper, zinc, gold, and silver, is a key asset towards this strategy.

Throughout 2024, Gediktepe Mine processed 801,600 tonnes of ore, an 18% increase compared to the previous year, driven by strategic stockpile management to take advantage of favourable market conditions namely, commodity prices in 2024. Realized gold and silver prices increased by 22% to \$2,387/oz and \$29/oz, respectively.

Total gold equivalent production rose significantly by 49% year-on-

## Directors' Report continued

year, reaching 55,374 oz, supported by silver output. The average gold grade decreased by 4% to 2.17 g/t, while the silver grade improved by 7% to 62.4 g/t. Historically, operations under the mine plan have consistently followed a seasonal sequence: pre-stripping in Q1, mining lower-grade, higher zones in Q2, and ramping up full oxide production in Q3 and Q4. This approach was implemented in 2024 and is set to continue through 2025. All-in sustaining costs (AISC) for gold decreased slightly to \$1,139/oz (2023: \$1,164/oz).

### Principal Risks and Mitigating Factors

Pages 28 to 32 detail the Group's principal risks that were considered during the period. Risks specific to the Group's viability are discussed below.

- Commodity prices
- Inflation fluctuations
- Foreign exchange fluctuations
- Production and grade
- Capital projects
- Group liquidity

To evaluate the potential effects of these principal risks over the forecast period, either directly or indirectly, the Group has conducted downside scenario analyses involving:

- A 5% reduction in all projected commodity prices in the same instance for the duration up to 2028;
- A 5% appreciation in the forecasted Turkish Lira to US Dollar exchange rate during the same period;
- A 5% rise in operating costs throughout the period ending 2028;

- A 5% increase in capital expenditure over the forecasted period;
- A combined sensitivity scenario comprising a 5% drop in revenue, a 5% increase in operating expenses, a 5% appreciation of the exchange rate and a 5% rise in total capital expenditure.

After performing these sensitivities, the Board has considered that should these risks occur, it would be unlikely that the eventualities of these risks would jeopardise the Group for the forecasted period.

A stress test of these scenarios was conducted in combination to assess their potential impact on revenue, EBITDA, and cash flows during the projected timeframe.

In cases of severe downside scenarios, the Group would face significant risk; however, the Board has assessed the likelihood of such events occurring as low.

### Conclusion

Based on this assessment, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the next four years. This conclusion is supported by the Group's strong financial performance and robust business model.

### Website publication

The financial statements are published on the Group's website at [acgmetals.com](http://acgmetals.com). The work carried out by the auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes

## Directors' Report continued

that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

### Corporate governance

As a Company listed on the standard segment of the LSE, there is no requirement to comply with the UK Corporate Governance Code, which is applicable to all companies whose securities are admitted to trading to the premium segment of the Official List.

### Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

Directors' statement pursuant to the Disclosure and Transparency Rules

The Directors are responsible for preparing the financial statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with UK adopted International Accounting Standards.

Each of the directors, whose names and functions are listed in the Board of Directors section, confirm

that, to the best of each person's knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the ACG Metals website: [acgmetals.com](http://acgmetals.com).

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

**Artem Volynets**

Executive Director and Chairman

24 April 2025

## Directors' Remuneration Report

The Board of Directors presents the Directors' Remuneration Report for ACG Metals Limited and its subsidiaries (the "Group") for the year ended 31 December 2024.

### Board of Directors

During the reporting period, the Board was comprised of the following members:

- Artem Volynets – Executive Director, Chief Executive Officer, and Chairman;
- Mark Curtis – Independent Non-Executive Director;
- Hendrik Johannes Faul – Independent Non-Executive Director;
- Fiona Paulus – Independent Non-Executive Director;
- Maarten Terlouw – Independent Non-Executive Director (Appointed 30 September 2024);
- Mustafa Aksoy – Independent Non-Executive Director (Appointed 30 September 2024);
- Michael R. Pompeo – Non-Executive Director (Appointed 30 January 2025);
- Warren Gilman – Independent Non-Executive Director (Resigned 29 April 2024).

The Board acknowledges Warren Gilman for his contributions to the Group and welcomes Maarten Terlouw, and Mustafa Aksoy, Michael R. Pompeo, who bring additional strategic and governance expertise.

### Remuneration Policy

The remuneration structure aligns with ACG's corporate governance principles and long-term incentive strategy.

- Base fees for Non-Executive Directors were set at IPO and were not increased during the period.
- Executive remuneration is designed to attract, retain, and reward senior management, ensuring long-term value creation;
- Performance-based incentives include long-term equity participation through the ACG Equity Incentive Plan.

The Group does not offer guaranteed bonuses to executive or Non-executive directors. No additional, Non-contractual bonuses were given to directors or employees at the Group's discretion

### Performance Considerations

Executive remuneration is linked to performance, with share-based awards subject to vesting conditions. Non-Executive Directors receive fixed fees and share grants based on contributions to strategic growth. In determining director pay, the Board considers pay conditions across the Group, ensuring equity and fairness and the Group's performance relative to industry benchmarks.

## Directors' Remuneration Report continued

	Artem Volynets	Fiona Paulus	Mark Cutis	Hendrik J. Faul	Marteen Terlouw	Mustafa Aksoy	Warren Gilman
Fixed Pay	416,667	105,000	105,000	105,000	25,500	25,500	26,250
Base fees	416,667	105,000	105,000	105,000	25,500	25,500	26,250
Total Fixed Pay	416,667	105,000	105,000	105,000	25,500	25,500	26,250
Other Pay	-	-	-	-	-	-	-
<b>Total remuneration</b>	<b>416,667</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>25,500</b>	<b>25,500</b>	<b>26,250</b>

Total remuneration paid to Executive Director Artem Volynets was \$416,667. Artem Volynets was paid a discretionary performance bonus of \$458,333 in March 2025 in respect of performance in

2024, in line with the description of bonus arrangements in the Prospectus. The bonus has not been recognised in 2024 because it was not approved by the Remuneration Committee until 2025.

### Share-Based Incentives & Awards

As part of ACG Metals' long-term incentive plan (LTIP), the Board approved share awards to directors in 2024.

Name	Existing Class A Shares	New Class A Shares Issued	Total Shares Held Post-Issuance	Total award
Artem Volynets	147,731	325,000	472,731	\$1,950,000
Mark Curtis	-	39,666	39,666	\$237,996
Hendrik Johannes Faul	-	39,666	39,666	\$237,996
Fiona Paulus	-	45,333	45,333	\$271,998
Maarten Terlouw	-	34,000	34,000	\$204,000
Mustafa Aksoy	-	34,000	34,000	\$204,000

These share grants were issued as restricted shares for nominal consideration on 16 October 2024. The award values disclosed above are based on a share price of \$6 per share. The total value of shares awarded (including those to management who are not directors) is estimated as \$4,326,612. The awards granted to Artem Volynets are service and performance-based, with vesting over three annual tranches. Shares awarded to Independent Directors were given in recognition of their strategic contributions and efforts related to the Gediktepe Mine acquisition and re-admission to trading.

### Warrants & Incentives

As of 31 December 2024, Artem Volynets held a total of 1,279,266 share warrants, comprised of 156,546 indirectly held and 1,122,721 directly held. The total warrant valuation was \$576,093.90, based on an estimated fair value of \$0.30 per warrant.

These instruments were issued under IFRS 2 – Share-Based Payments as part of the long-term incentive structure.

## Independent Auditor's Report to the Members of ACG Metals Limited

### Opinion

We have audited the financial statements of ACG Metals Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024, which comprise the consolidated statement of profit or loss and comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards issued by the International Accounting Standards Board.

In our opinion:

- the financial statements give a true and fair view of the state of the group's affairs as at 31 December 2024 and of the group's loss for the year then ended; and
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Summary of our audit approach

<b>Key audit matters</b>	<b>Group</b>
<ul style="list-style-type: none"><li>• Accounting for the acquisition of Polimetral</li></ul>	
<b>Materiality</b>	<b>Group</b>
<ul style="list-style-type: none"><li>• Overall materiality: \$3,000,000</li><li>• Performance materiality: \$2,000,000</li></ul>	
<b>Scope</b>	Our full scope audit procedures covered 100% of revenue, 100% of total assets and 100% of result before tax.

## Independent Auditor's Report to the Members of ACG Metals Limited continued

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Accounting for the acquisition of Polimetal

Key audit matter description	As disclosed in note 10 the group completed the 100% acquisition of Polimetal Madenclik Sanayi ve Ticaret ("Polimetal") on 3 September 2024.
	The application of IFRS 3 Business Combinations requires a number of significant judgements and estimates to be applied, including assessing the fair value of the consideration transferred and the acquired assets, liabilities and contingent liabilities.
	The acquisition of Polimetal involved a number of complex funding arrangements and agreements, which also give rise to potentially complex accounting and valuation judgements and estimates.
	The accounting for the acquisition of Polimetal is considered to be a key audit matter due to the number, complexity and materiality of the judgements and estimates, the audit resources allocated to the transaction and the significance of the acquisition to the financial statements as a whole.

## Independent Auditor's Report to the Members of ACG Metals Limited continued

### **How the matter was addressed in the audit**

We performed the following procedures:

- Obtained and reviewed the acquisition documents and checked that the terms has been reflected in the acquisition accounting;
- Assessed the completeness of the acquisition accounting by reviewing the acquisition bible, Board minutes and announcements made in respect of the acquisition;
- Auditing management's assessment of the fair value of consideration and acquired assets, liabilities and contingent liabilities, including assessing the work of management's experts;
- Engaging an auditor's expert in valuations to assist with the audit work on the elements of the consideration and acquired assets, where the valuations involved use of complex valuation techniques;
- Visiting the Polimetal mine in Turkey to corroborate existence of the assets and assess the consistency of the acquisition accounting with our observations on-site;
- Auditing the accuracy and completeness of the disclosures made in the financial statements.

## Independent Auditor's Report to the Members of ACG Metals Limited continued

### Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group 2024	Group 2023
<b>Overall materiality</b>	\$3,000,000	\$209,000
<b>Basis for determining overall materiality</b>	1.5% of total assets	1% of expenses (excluding finance expense)
<b>Rationale for benchmark applied</b>	Entity made its first acquisition in the period – primary focus of investors expected to be on the assets acquired, represented by total assets, which will generate future revenue and profits.	Entity was seeking an acquisition – expenses considered key benchmark for sponsors as indicative of utilisation of funds in order to achieve objective of an acquisition.
<b>Performance materiality</b>	\$2,000,000	\$156,000
<b>Basis for determining performance materiality</b>	65% of overall materiality – reduced from 75% to reflect first period of audit of Polimetal	75% of overall materiality
<b>Reporting of misstatements to the Audit Committee</b>	Misstatements in excess of \$150,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of \$10,400 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

### An overview of the scope of our audit

The group consists of 6 legal entities, located in the following countries British Virgin Islands, United Kingdom and Turkey.

Full scope audits were performed for 3 components and our full scope audit procedures covered 100% of revenue, 100% of total assets and 100% of result before tax. The other components are immaterial to the group.

## Independent Auditor's Report to the Members of ACG Metals Limited continued

The full scope audit for 1 component was undertaken by a component auditor.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of management's going concern evaluation;
- Reviewing the cash flow forecasts of the Group and challenging the assumptions made by management;
- Checking the mathematical accuracy of the forecasts;
- Reviewing the terms of financing arrangements alongside covenant calculations prepared by management and checking that they have been incorporated into the forecasts;
- Checking that the forecasts take account of post year end transactions, including changes to the Group's funding arrangements;
- Obtaining management's sensitivity analysis and assessing the impact of changes in key assumptions; and
- Evaluating the Group's disclosures on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have

## Independent Auditor's Report to the Members of ACG Metals Limited continued

performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 39, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of Non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of Non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected Non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## Independent Auditor's Report to the Members of ACG Metals Limited continued

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group operates in and how the group are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about Non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the overall control environment.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the financial statements were communicated to component auditors. Any instances of Non-compliance with laws and regulations identified and communicated by a component auditor were considered in our audit approach.

The most significant laws and regulations were determined as follows:

<b>Legislation / Regulation</b>	<b>Additional audit procedures performed by the Group audit engagement team and component auditors included:</b>
<b>IFRS</b>	<ul style="list-style-type: none"> <li>• Review of the financial statement disclosures and testing to supporting documentation</li> <li>• Completion of disclosure checklists to identify areas of Non-compliance</li> </ul>
<b>Tax compliance regulations</b>	<ul style="list-style-type: none"> <li>• Inspection of advice received from internal and external tax advisors</li> <li>• Inspection of correspondence with local tax authorities</li> <li>• Input from a tax specialist was obtained regarding the approach to auditing Turkish tax</li> </ul>

## Independent Auditor's Report to the Members of ACG Metals Limited continued

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
<b>Revenue recognition</b>	<p>Testing cut-off of revenue transactions around the reporting date and the accuracy of revenue recorded in the year;</p> <p>Challenging management on the accounting impact of offtake agreements in place in the year; and</p> <p>Reviewing the disclosures in the financial statements pertaining to revenue and significant judgements.</p>
<b>Management override of controls</b>	<p>Testing the appropriateness of journal entries and other adjustments;</p> <p>Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and</p> <p>Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.</p>

A further description of our responsibilities for the audit of the financial statements is included in Appendix 1 of this auditor's report. This description forms part of our auditor's report.

### Other matters which we are required to address

Following the recommendation of those charged with governance, we were appointed by the directors on 20 April 2022 to audit the financial statements for the period ending 30 June 2022 and subsequent financial periods.

The period of total uninterrupted consecutive appointments is three financial periods, covering the period from incorporation to 30 June 2022 (prior to the company's listing on the London Stock Exchange on 7 October 2022), the 18 month period ended 31 December 2023 and the year ended 31 December 2024.

The Non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee in accordance with ISAs (UK).

## Independent Auditor's Report to the Members of ACG Metals Limited continued

### Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 22 November 2024 and rule 4.1.7 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules, these financial statements will form part of the Annual Financial Report prepared in Extensible Hypertext Markup Language (XHTML) format and filed on the National Storage Mechanism of the UK FCA. This auditor's report provides no assurance over whether the annual financial report has been prepared in XHTML format.

### Graham Ricketts

For and on behalf of RSM UK Audit LLP, Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB  
United Kingdom

Date: 24 April 2025

## Independent Auditor's Report to the Members of ACG Metals Limited continued

### Appendix 1: Auditor's responsibilities for the audit of the financial statements

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, we report these conclusions in the auditor's report. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

## Independent Auditor's Report to the Members of ACG Metals Limited continued

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard as applied to listed public interest entities, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We are required to include in the auditor's report an explanation of how we evaluated management's assessment of the group's ability to continue as a going concern and, where relevant, key observations arising with respect to that evaluation.

## Consolidated Statement of Profit or Loss and other Comprehensive Income

	Notes	Year ended 31 December 2024 \$000	18-month period ending 31 December 2023 \$000
Revenue	4	<b>57,745</b>	–
Cost of sales		<b>(33,704)</b>	–
<b>Gross profit</b>		<b>24,041</b>	–
Research & Development expenses		<b>(375)</b>	–
General administrative expenses	6	<b>(18,132)</b>	(20,930)
Share based payments		<b>(1,050)</b>	–
Other income from operating activities		<b>301</b>	–
<b>Operating profit/(loss)</b>		<b>4,785</b>	(20,930)
Finance income	7	<b>1,104</b>	6,684
Finance expense	7	<b>(4,388)</b>	(14,423)
(Loss) / gain on derivatives		<b>(8,472)</b>	2,732
<b>Loss before tax on continuing operations</b>		<b>(6,971)</b>	(25,937)
Tax expense	8	<b>(6,118)</b>	–
<b>Loss for the period</b>		<b>(13,089)</b>	(25,937)
<b>Other comprehensive income / (loss)</b>			
Other movements		<b>(27)</b>	–
		<b>(27)</b>	–
<b>Total comprehensive loss</b>		<b>(13,116)</b>	(25,937)
Loss per ordinary share – basic and diluted	9	<b>(1.58)</b>	(14.44)

The accompanying notes are an integral part of these financial statements.

All amounts are derived from continuing operations.

## Consolidated Balance Sheet

	Notes	At 31 December 2024 \$000	At 31 December 2023 \$000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant, and equipment	12	<b>43,201</b>	–
Intangible assets	13	<b>142,723</b>	–
Other non-current assets	11	<b>293</b>	–
<b>Total non-current assets</b>		<b>186,217</b>	–
<b>Current assets</b>			
Cash and cash equivalents	20	<b>9,675</b>	1,454
Other receivables	19	<b>8,098</b>	206
Inventories	18	<b>7,429</b>	–
<b>Total current assets</b>		<b>25,202</b>	1,660
<b>Total assets</b>		<b>211,419</b>	1,660
<b>Equity and liability</b>			
<b>Non-current liabilities</b>			
Deferred revenue		<b>108</b>	–
Deferred taxation		<b>18,626</b>	–
Contingent consideration	15	<b>28,158</b>	–
Provisions	16	<b>13,817</b>	–
<b>Total non-current liabilities</b>		<b>60,709</b>	–
<b>Current liabilities</b>			
Loans & borrowings	22	<b>39,611</b>	–
Redeemable public share liabilities	24	<b>25</b>	292
Derivative financial instruments	23	<b>14,890</b>	770
Trade and other payables	21	<b>24,785</b>	844
Deferred consideration	15	<b>6,839</b>	–
Deferred revenue		<b>527</b>	–
Provisions	16	<b>186</b>	–
Current tax liabilities		<b>5,536</b>	–
<b>Total current liabilities</b>		<b>92,399</b>	1,906
<b>TOTAL LIABILITIES</b>		<b>153,108</b>	1,906
<b>Equity</b>			
Share capital	24	<b>90,897</b>	2,031
Share Based Payments reserve	25	<b>366</b>	–
Share subscription advances and sponsor loans	26	<b>–</b>	15,425
Other equity reserve	26	<b>10,963</b>	10,963
Other comprehensive income reserve	26	<b>(27)</b>	–
Accumulated loss		<b>(43,888)</b>	(28,665)
<b>Equity attributable to equity holders of the parent</b>		<b>58,311</b>	(246)
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>211,419</b>	1,660

## Consolidated Balance Sheet continued

These financial statements were approved and authorised for issue by the Board of directors on 24 April 2025 and were signed on its behalf by:

Executive Director

**Company Registration Number:** 2067083 (registered in BVI)

The accompanying notes are an integral part of these financial statements.

## Consolidated Statement of Changes in Equity

	Issued Share capital \$'000	Share based payment reserve \$'000	Share subscription advances and sponsor loans \$'000	Other Equity Reserve \$'000	Accumulated losses \$'000	Other comprehensive income reserve \$'000	Total \$'000
<b>Balance as at 1-Jan-24</b>	<b>2,031</b>	–	<b>15,425</b>	<b>10,963</b>	<b>(28,665)</b>	–	<b>(246)</b>
Loss for the year	–	–	–	–	(13,089)	–	(13,089)
<i>Other Comprehensive income not recognised in profit / (loss)</i>							
Other movements in Other Comprehensive Income	–	–	–	–	–	(27)	(27)
<b>Total comprehensive loss for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(13,089)</b>	<b>(27)</b>	<b>(13,116)</b>
	<b>2,031</b>	–	<b>15,425</b>	<b>10,963</b>	<b>(41,754)</b>	<b>(27)</b>	<b>(13,362)</b>
<b>Transactions with owners recorded directly in equity</b>							
Share based payment – LTIP scheme	684	–	–	–	–	–	684
Issue of 6,646,796 ordinary A shares to Lidya	39,881	–	–	–	–	–	39,881
Issue of 7,715,659 ordinary A shares – Other investors	43,979	–	–	–	–	–	43,979
Issue of 721,102 ordinary A shares – EIP Scheme	–	366	–	–	–	–	366
Sponsor loan received	–	–	3,250	–	–	–	3,250
Fair value adjustment on initial recognition of liability	–	–	2,134	–	(2,134)	–	–
Issue of 758,207 ordinary A shares – Sponsor debt for equity	4,322	–	(3,989)	–	–	–	333
Sponsor loan reclassified to debt	–	–	(16,820)	–	–	–	(16,820)
<b>Balance as at 31-Dec-24</b>	<b>90,897</b>	<b>366</b>	–	<b>10,963</b>	<b>(43,888)</b>	<b>(27)</b>	<b>58,311</b>

## Consolidated Statement of Changes in Equity continued

	Issued Share capital \$ 000	Share and sponsor loans \$000	Other equity reserve \$000	Accumulated losses \$000	Total \$000
<b>Balance as at 1-Jul-22</b>	–	<b>6,239</b>	–	<b>(2,728)</b>	<b>3,511</b>
Total comprehensive loss for the period	–	–	–	(25,937)	(25,937)
	–	<b>6,239</b>	–	<b>(28,665)</b>	<b>(22,426)</b>
<b>Transactions with owners recorded directly in equity</b>					
Repayment of share subscription advances	–	(2,000)	–	–	(2,000)
Issue of shares net of expenses	31	–	–	–	31
Transfer on sponsor warrants on IPO	–	(4,239)	10,963	–	6,724
Sponsor loans received	–	15,425	–	–	15,425
Class B shares subscription	2,000	–	–	–	2,000
<b>Balance as at 31-Dec-23</b>	<b>2,031</b>	<b>15,425</b>	<b>10,963</b>	<b>(28,665)</b>	<b>(246)</b>

The accompanying notes are an integral part of these financial statements.

## Consolidated Statement of Cash Flows

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
<b>Cash flows from operating activities</b>		
Loss for the year / period	(13,116)	(25,937)
<b>Adjustments for:</b>		
Finance income	(1,104)	(257)
Finance costs	4,388	7,996
Loss / (gain) on derivative	8,472	(2,732)
Depreciation and amortisation	7,229	–
Share-based payment	1,050	–
Tax expenses	6,118	–
<b>Adjustments to reconcile profit</b>	<b>26,153</b>	5,007
<b>Working capital adjustments</b>		
Decrease in inventory	2,797	–
Increase in trade and other receivables	(7,001)	(159)
Increase / (decrease) in trade and other payables	20,448	(746)
Decrease in deferred revenue	(26)	–
Increase in provisions	45	–
Taxes paid	(8,023)	–
<b>Changes in working capital</b>	<b>8,240</b>	(905)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>21,277</b>	(21,835)
<b>Cash flows from investing activities</b>		
Interest income	1,054	257
Interest on restricted funds	50	6,427
Consideration acquisition Polimetal (net of cash acquired)	(80,979)	–
Purchase of property, plant and equipment	(2,513)	–
Disposal of intangible assets	156	–
<b>Net cash (outflow) / inflow from investing activities</b>	<b>(82,232)</b>	6,684

## Consolidated Statement of Cash Flows continued

	Year ended 31 December 2024	18-month period ended 31 December 2023
	\$000	\$000
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary share capital	46,294	125,000
Redemption of public shares	(739)	(134,683)
Sponsor loans received	3,250	15,425
Sponsor loan repaid	(3,250)	–
Issue of sponsor shares	–	2,031
Issue of sponsor warrants	–	9,110
Issue costs settled	–	(2,817)
Advance share/warrant subscriptions (repaid)/received	–	(2,000)
Proceeds from loans	37,500	–
Repayment of loans	(13,776)	–
<b>Net cash inflows from financing activities</b>	<b>69,279</b>	<b>12,066</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>8,324</b>	<b>(3,086)</b>
Cash and cash equivalents at the beginning of the year	1,454	4,539
Exchange gains / (losses) on cash and cash equivalents	(103)	–
<b>Cash and cash equivalents at the end of the year</b>	<b>9,675</b>	<b>1,454</b>

The accompanying notes are an integral part of these financial statements.

## Notes to the Consolidated Financial Statements

### 1. Corporate information

ACG Metals Limited (the "Company") is a company limited by shares incorporated in the British Virgin Islands under the BVI Business Companies Act 2004 (as amended) (the "BVI Companies Act"). The Company changed name on the 3 September 2024 having complied with the requirements of the BVI Companies Act. The Company changed its name from ACG Acquisition Company Limited to ACG Metals Limited following readmission of its shares on the Main Market of the London Stock Exchange on 5 September 2024.

ACG Metals Limited (formerly ACG Acquisition Company Limited) and the entities controlled by the Company are referred to as the "Group".

These financial statements represent the results of the Group as of, and for the 12 months ended, 31 December 2024. The comparative period represents the period 18 months ending 31 December 2023, and therefore the results are not directly comparable. The audited financial statements as at and for the 18-months ending 31 December 2023 are available on the Group's website.

### 2. Accounting policies

#### 2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial instruments measured at fair value through profit or loss or otherwise noted.

The Financial Statements are presented in US Dollars ("USD" / "\$"), which is the presentational currency of the Group and the functional currency of the Company and all subsidiaries in the year, and have been prepared under the historical cost convention, with the exception of certain balances held at fair value, rounded to the nearest whole USD. The Group considers the USD to be the currency of the primary economic environment that it operates within. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's Financial Statements.

##### 2.1.1. Going concern

The directors of ACG Metals Limited have assessed the Group's ability to continue as a going concern, considering its current financial position, principal risks, and future prospects. This assessment covers a period of at least 12 months from the financial statement approval date, ensuring a comprehensive evaluation of financial stability and future projections. It involves a detailed review of key assumptions that underpin financial decisions, an in-depth analysis of consolidated cash flow forecasts to assess liquidity and funding requirements, and the application of sensitivity testing to key inputs. Sensitivity analysis helps gauge how variations in underlying factors such as market conditions, revenue fluctuations, and

## Notes to the Consolidated Financial Statements

continued

cost changes, might impact financial performance, providing a robust framework for risk management and strategic planning.

ACG Metals is focused on consolidating the copper sector and aims to increase our market cap from US\$100 million in 2024 to US\$3-5 billion in the next 3-5 years. In January 2025, the Group raised \$200 million in bonds to finance our Turkey copper mine, indicating active efforts to expand operations and deliver on our growth strategy. ACG Metals sought early refinancing of debt which arose at acquisition, demonstrating proactive and strategic management of funds. In addition to its current facilities, ACG Metals has a financial commitment from ACP, one of our main Shareholders for an additional share purchase worth \$7 million at the option of ACG Metals. The Group's current market cap and ongoing fundraising efforts indicates access to capital and a good relationship with investors.

The Group has secured offtake agreements from the start of copper concentrate production for the entire mine life with Glencore. The Group has also secured Zinc offtake agreements with Traxys with respect to all zinc concentrates produced by the project. Contracts are in-line with international benchmark terms with flexibility on INCO terms for ACG to optimise delivery schedule.

The Group is positioned to capitalize on the growing global demand for copper, which is crucial for clean-energy and transport technologies.

### Conclusion

Based on the available information, the directors have concluded that the Group is in a strong position to continue as a going concern. Our ambitious growth plans, proactive debt management, and favourable market conditions support this assessment. In the 2023 financial statements the directors disclosed the existence of a material uncertainty because the company had not completed an acquisition and was dependent on continuing support from sponsors to fund its operations up to the date of an acquisition. Following the completion of the acquisition of Polimetals and the financing activities as disclosed above, the directors are satisfied that there is no longer a material uncertainty in respect of going concern.

#### 2.1.2. Approval of the financial statements

The financial statements have been approved and authorized to be published on 24 April 2025 by the Board of Directors.

#### 2.2. Basis of consolidation

The financial information consolidates the financial statements of ACG Metals Limited (formerly ACG Acquisition Company Limited) and the entities controlled by the Company.

#### 2.3. Subsidiaries

Subsidiaries are all entities over whose financial and operating policies the Group has the power to govern, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of the potential voting rights that are currently exercisable or convertible are

## Notes to the Consolidated Financial Statements

continued

considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

### 2.4. New standards, interpretations and amendments adopted in these financial statements:

#### a. New standard or amendment – applicable 1 January 2024

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2024:

New standard or amendment	Effective date
Classification of Liabilities as Current or Non-current – Amendments to IAS 1, Non-current liabilities with Covenants – Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

#### b. New standard or amendment – issued not yet effective

As at 31 December 2024, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2024.

New standard or amendment	Effective date
Amendments to IAS 21 to clarify the accounting when there is a lack of exchangeability	1 January 2025
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

None of the standards or amendments which became effective in the year had a significant impact on the Group. The Group have not early adopted and standards or amendments which are not yet effective. IFRS 18 will introduce presentational amendments to the primary statements which will be evaluated prior to their effective date. No other standards or amendments issued but not yet effective are expected to have a material impact.

### 2.5. Foreign currency

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting

## Notes to the Consolidated Financial Statements

continued

from trading activities (trade receivables and payables) denominated in foreign currencies have been accounted for under "other operating income/expenses" whereas foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under "financial income/expenses" in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

### 2.6. Taxation

#### 2.6.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in future and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted for substantively enacted by the balance sheet date.

#### 2.6.2. Deferred tax

Deferred tax is determined by calculating the temporary differences between the carrying amounts of assets/liabilities in the financial statements and the corresponding tax bases, used in the computation of the taxable profit, using currently enacted tax rates.

Deferred tax liabilities are generally recognized for all taxable temporary differences whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized if it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The Group has not recorded deferred tax assets over its accumulated losses, since it is not probable that sufficient profit will be generated to cause a tax liability that can be offset in subsequent periods.

## Notes to the Consolidated Financial Statements

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### 2.7. Business combinations (Note 10)

The acquisition of subsidiaries and joint operations that meet the definition of a business, is accounted for under the acquisition method as defined by IFRS 3 'Business Combinations'.

The cost of acquisition is measured as being the aggregate fair value of consideration to be transferred at the date control is obtained. Goodwill is measured at the acquisition date as the fair value of consideration transferred, plus non-controlling interests, less the net recognised amount (which is generally fair value) of the identifiable assets, liabilities and contingent liabilities assumed. Goodwill is subject to an annual review for impairment (or more frequently if necessary) in accordance with the Group's impairment accounting policy.

Contingent consideration is initially recognised as a liability at fair value and subsequently re-measured through the income statement. Acquisition costs are expensed as incurred.

Changes in ownership that do not result in a change of control are accounted for as equity transactions.

### 2.8. Property, plant and equipment

Property, plant and equipment are depreciated with the linear depreciation method in accordance with the useful life principle. The useful lives of buildings, machinery, facilities and devices are limited by the useful life of the respective mines. Land is not depreciated as it is deemed to have an indefinite useful life. Depreciation commences when the assets are ready for their intended use.

The cost of the property, plant and equipment consists of acquisition cost, import taxes, non-refundable taxes, and expenses incurred to make the asset ready for use. After the asset is started to be used, expenses such as repair and maintenance are recognized as an expense in the period they occur. If the expenditures provide an economic value increase for the related asset in its future use, these expenses are added to the cost of the asset.

Assets in the construction phase are shown by deducting the impairment loss, if any, from their cost. When these assets are built and ready for use, they are classified into the relevant fixed asset item. Such assets are subject to depreciation when they are ready for use, as in the depreciation method used for other fixed assets.

The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Useful lives
Land improvements	8-10 years
Buildings	10 years
Machinery and equipment	4-24 years
Motor vehicles	4-7 years
Furniture and fixtures	1-50 years
Leasehold improvements	2-5 years

## Notes to the Consolidated Financial Statements

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### **Mining Assets**

Mining assets begin to be amortized with the commencement of production. The depreciation expenses of the mining assets are associated with the production costs on the basis of the relevant mining sites.

The mine site development costs include the evaluation and development of new ore veins, as well as the opening of underground galleries, excavation and construction of roads for the continuation and development of existing ore seams. Mine development costs are capitalized in cases where it is highly likely to obtain an economic benefit in the future from the mine in question, can be identified for specific mining areas and the cost can be measured reliably. Costs incurred during production are capitalized as long as they are directly related to the development of the mine site. Production-related costs are reflected as expense in the statement of profit or loss and other comprehensive income.

In cases where mining site development expenses cannot be distinguished from research and evaluation expenses, the said expenses are recorded as expense in the profit or loss and other comprehensive income statement in the period they occur.

Mining assets are depreciated when their capacity is ready to be used fully and their physical conditions meet the production capacity determined by the Group management. Mine development costs are capitalized in cases where it is highly probable to obtain economic benefit in the future and are subject to depreciation considering the economic benefit. Mine development costs are distributed to the departments to the extent that they can be defined on the basis of the relevant mining areas as soon as they are first recorded, and the departments in each mine area are subjected to depreciation by using the units of production method, taking into account the economic benefits separately.

The mine development costs at each mine site are depreciated over the redemption rate found by dividing the total amount of gold in ounce mined from the relevant mine by the total ounce of visible and possible workable remaining gold reserves in the said mine during the period. The visible and possible reserve amounts in each mine site indicate the known and measurable resource that can be extracted and processed economically in the foreseeable future.

The deferred mining costs consist of the direct costs incurred during stripping, which facilitates access to the defined part of the ore in each open pit ore deposit during the period, and the general production costs associated with the stripping work. It is subject to depreciation taking into account the deferred extraction rate, which is calculated based on the usable remaining life of each open pit.

Deferred mining costs are depreciated over the amortization rate found by dividing the total ounce of gold mined from the relevant mine by the total ounce of visible and possible workable remaining gold reserves in the said mine. The visible and possible reserve amounts in each mine site indicate the known and measurable resource that can be extracted and processed economically in the foreseeable future.

## Notes to the Consolidated Financial Statements

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### 2.9. Financial Instruments

Financial assets and financial liabilities are recognised in the Consolidated statement of financial position when the Group becomes a part of the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 2.9.1. Financial assets

##### *Classification of financial assets*

Financial assets that meet the following conditions are classified as financial assets at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets classified at amortised cost including other receivables, amounts held in escrow and cash and bank balances, are initially recognised at their fair value at the date of the transaction.

Financial assets classified at amortised cost are subsequently carried at amortised cost using the effective interest rate method. The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any allowance for expected credit losses where relevant.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognized in the income statement and is included in the “finance income – interest income” line item.

##### *Foreign exchange gains and losses*

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss.

## Notes to the Consolidated Financial Statements

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For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss.

### *Impairment of financial assets*

The Group utilizes a simplified approach for receivables that do not have significant financing component and calculates the allowance for impairment based on the lifetime ECL of the related financial assets.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

For financial assets, the expected credit losses are estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss.

### **2.9.2. Financial liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. At initial recognition financial liabilities are measured at their fair value less, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability.

Financial liabilities are classified at amortised cost, except for:

- a) Financial liabilities at FVTPL: Warrants are derivative liabilities, which are classified as financial liabilities at fair value through profit or loss. Subsequent to initial recognition, all warrants are measured at fair value and changes thereto are recognised in the profit or loss.
- b) Contingent consideration recognised in the financial statements recognised by the entity acquired in a business combination where IFRS 3 is applied. After initial recognition, the related contingent consideration is measured at FVTPL.

## Notes to the Consolidated Financial Statements

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c) Deferred consideration recognised in relation to the Lidya working capital settlement with an option to settle in shares. This instrument has been initially recognised at fair value and will be measured at FVTPL.

Financial liabilities classified at amortised cost, including interest bearing loans and trade & other payables, are subsequently measured at amortised cost using the effective interest rate. The amortised cost of a financial liability is the amount at which the financial liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount. Such amortisation amounts are recognised in the Statement of Comprehensive Income. Due to the short-term nature of the trade and other payables, they are stated at their nominal value, which approximates their fair value.

The Group determines the classification of its financial liabilities at initial recognition and re-evaluates the designation at each financial period end.

IAS 32 provides that the Group's financial instruments shall be classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument.

### *Derecognition of financial liabilities*

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

### **2.10. Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and short-term time deposits held with banks. Short-term time deposits are highly liquid that can be easily converted into cash without a risk of losing its value. Cash and cash equivalents are presented in the statement of financial position. Deposits from which interest income is obtained despite being blocked are classified under long-term financial assets.

Restricted cash represents amounts held in escrow and is made up of the proceeds of the listing, and the Co-Sponsor Overfunding Subscription, and any interest earned. The Group may only direct the release of funds upon the occurrence of certain events as outlined in the Company's prospectus. See Note 20 for further details.

### **2.11. Inventories**

The cost of inventories comprises all costs incurred in bringing the inventories to their present location and condition. The components of the cost included in inventories are material, labour and overhead costs. Inventories consists of mining inventories, chemicals, operating materials and spare parts. Mining inventories consists of ready to be processed and mined ore clusters, solution obtained by treating mining inventories through heap leach and gold and silver bars in the production process or ready for shipment.

## Notes to the Consolidated Financial Statements

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Depreciation and amortization of mineral assets and other fixed assets related to production are included in the costs of the inventory at the relevant production location and stage.

Inventory is the lower of Cost and Net Realisable Value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

### **2.12. Mineral exploration, evaluation and development expenses**

After the license acquisition, mineral exploration and evaluation expenses include all kinds of technical services from the initial prospecting and exploration stages of a mine site to the realization of a mining project. These technical services are all kinds of geological studies from mining activities to reserve calculation, all kinds of ore production planning from exploitable reserve calculation to production method, optimization and organization, construction and implementation of ore enrichment projects for determination of complete flow chart, from process mineralogy to market analysis and necessary financing.

Mine site development costs are capitalised in cases where it is highly likely that:

- an economic benefit will be obtained from the mine in question in the future,
- can be identified for specific mine sites and;
- the costs can be measured reliably

The costs incurred during the research and evaluation are capitalized as long as they are directly related to the development of the mine site.

At commencement of commercial production at the mine site, all costs incurred are transferred to the mining assets account. However, when it is decided that there is no future economic benefit, all costs incurred are reflected in the income statement. As the production starts after the preparation period, mineral assets begin to be depreciated.

For the capitalised costs, the Group's management evaluates on each balance sheet date whether there is any indication of impairment such as a significant decrease in the reserve amount, expiration of the rights acquired for mining sites, and failure to renew or cancel. If there is such an indicator, the relevant recoverable value, which is determined as the higher of value in use or Fair Value less cost to sell, is estimated and the impairment losses are reflected as expense in the profit or loss and other comprehensive income statement. The carried value is reduced to its recoverable value.

### **2.13. Intangible Assets**

#### **2.13.1. Recognition & Measurement**

Purchased intangible assets are recorded at Fair Value. Finite-life intangible assets are amortised over their useful economic lives on a straight line or units of production basis, as appropriate. These include software, licenses, and the mining license (Contract based intangible asset) arising on

## Notes to the Consolidated Financial Statements

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the business acquisition in the period. Rights, software and licenses are amortised over their estimated useful life of three years in most cases. The mining license is amortised on a unit of production basis over the 12 year life of the license.

Intangible assets that are deemed to have indefinite lives and intangible assets that are not yet ready for use are not amortised; they are reviewed annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment. This includes Goodwill recognized arising from the business acquisition which took place in the period.

### **2.13.2. Impairment**

At each reporting date the Group assesses whether there are indicators that an intangible asset may be impaired. If such indicators exist, the assets recoverable amount, being the higher of the fair value less costs of disposal, and value in use) is compared with its carrying amount. For indefinite life intangible assets, impairment testing is conducted annually, regardless of whether indicators exist.

Impairment losses are recognised in profit or loss and cannot be reversed for goodwill. For other intangible assets reversals are allowed if there is a change in the estimates used to determine the asset's recoverable amount.

### **2.14. Revenue**

The Group sales consist of gold ore bars with a right of first refusal to domestic banks on consignment to be sold to the Central Bank of the Republic of Turkey and silver to a domestic refinery on consignment.

The Group applies IFRS 15's the five-step model to recognise revenue as follows:

1. Identification of customer contracts
2. Identification of performance obligations
3. Determination of the transaction price in the contracts
4. Allocation of transaction price to the performance obligations
5. Recognition of revenue when the performance obligations are satisfied

The Group evaluates each contracted obligation separately. Obligations committed to deliver distinct goods or perform services are determined as separate performance obligations. According to this model, firstly, the goods or services in the contract with the customers are assessed and each commitment for transferring the goods or services is determined as a separate performance obligation. Then it is assessed whether the performance obligations will be fulfilled at a point in time or over time. Revenue is recognised when control of the goods or services is transferred to the customers.

## Notes to the Consolidated Financial Statements

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Following indicators are considered while evaluating the transfer of control of the goods and services:

- a) Presence of Group's collection right of the consideration for the goods or services
- b) Group's ownership of the legal title on goods or services
- c) Physical transfer of goods or services
- d) Customer's ownership of significant risks and rewards related to the goods or services
- e) Customer's acceptance of goods or services

When the contract effectively constitutes a financing component, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. The difference between the discounted value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

The main activities of the Group are operating mines and improving the mines of on-going projects.

### *Sale of gold and silver*

Sale of gold and silver is recognised at the point of sale, which is where the customer has taken delivery of the goods, or upon shipment depending on the terms of the contract, when control is transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

### **2.15. Employee Benefits**

#### *a) Provision for employment termination benefits*

In relation to employees based in Turkey, the provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employee based actuarial projections. IAS 19 Employee Benefits requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligations for actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/losses and recognised under other comprehensive income.

The Group makes no provision for employee termination for employees based in the United Kingdom.

#### *b) Defined contribution plans*

Under Turkish law in relation to employees based in Turkey, the Group has to pay contributions to the Social Security Institution on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. These contributions are recognised as an employee benefit expense when they are accrued.

In the United Kingdom, due to the number of employees being below the autoenrollment threshold, the Group has no obligation to offer a personal

## Notes to the Consolidated Financial Statements

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pension plan. The Group will make an employer contribution to employee private pension plans

### *c) Holiday pay accrual*

Liabilities arising from unused vacations of the employees are accrued in the period when the unused vacations are qualified.

### **2.16. Provisions**

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### *Contingent liabilities and contingent assets*

A possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group has not been recognized in these financial statements and treated as contingent liabilities and contingent assets.

### *Environmental rehabilitation, rehabilitation of mining sites and mine closure provision*

The Group records the present value of the estimated costs of legal and constructive obligations required to restore the operating places in the period in which the obligation occurred (Note 16). These restoration activities include the dismantling and removal of structures, the rehabilitation of mines and waste dams, the dismantling of operating facilities, the closure and restoration of factories and waste areas, and the remediation and greening of the affected areas. The requirement usually occurs when the asset is set up or the place / environment in the production area is adversely affected. When the liability is first recorded, the present value of the estimated costs is capitalized by increasing the net book value of the relevant mining assets up to the amount at which the development / construction of the mine will take place. The liability that is discounted over time is increased by the change in the present value, which depends on the discount rates reflecting the market evaluations in the current period and the risks specific to the liability.

The periodic fluctuation of the discount is recognized as a financial cost in the income statement. Additional disruptions or changes in rehabilitation

## Notes to the Consolidated Financial Statements

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costs are reflected in the respective assets and rehabilitation liabilities they occur.

### 2.17. Share-based Payments

The Group issues share-based payments to employees, directors, and third parties as part of its incentive schemes. These payments are accounted for in accordance with IFRS 2 Share-Based Payments.

Share-based payments are classified as either equity settled, where shares or share options are granted and settled in equity instruments of the Group, or cash settled, where payments are made based on the value of the Group's shares, but settled in cash. The fair value of share-based payment awards is determined at the grant date and recognized as an expense over the vesting period, with a corresponding increase in equity (for equity-settled awards) or liabilities (for cash-settled awards).

The fair value of equity settled share-based payments is determined using an appropriate valuation model and the expense is recognised over the vesting period based on the number of options that are expected to vest. At each reporting date the expected vesting rate is reviewed and adjustments are made for forfeitures. The grant date fair value is not subsequently re-measured. Cash settled share-based payments are recognised as a liability and re-measured at each reporting date with changes in fair value recognised through profit or loss.

### 2.18. Equity Instruments

Equity instruments issued are classified in accordance with the substance of the contractual arrangements entered, and the definition of an equity instrument under IAS 32. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity is recorded at the amount of proceeds received, net of issue costs. Refer to notes 24 – 26 for further details of the share capital and other equity reserves.

### 2.19. Summary of critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires Management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions are based on various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The principal judgements and estimates are as follows:

## Notes to the Consolidated Financial Statements

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### **Critical accounting estimates and judgements**

#### **2.19.1. Estimates and judgements associated with mining operations**

##### *Amortisation and depreciation*

Mining assets consists of mine site development costs, mining rights, mining lands, deferred stripping costs and discounted costs associated with the improvement, rehabilitation and closure of mine sites. Mining assets are amortised on a unit of production basis according to producible ore reserve from the commencement of production. The unit of production basis of amortisation involves estimates of total ore reserves and the proportion of those reserves which has been produced to date. Group management reviews the estimates made in relation to the visible and probable mineral reserves in each balance sheet period (Note 12).

Other tangible assets, both movable and fixed, other than mining assets are depreciated using the straight-line method over their useful lives, which is limited to the lifetime of the mines they are related to.

##### *Impairment*

The impairment tests performed by the Group management depend on the management's estimates about the future gold prices, current market conditions, exchange rates and pre-tax discount rate together with the relevant project risk. The recoverable value of the cash- generating units is determined as the higher one from the value in use of the relevant cash- generating unit or its fair value after deducting sales costs. These calculations require the use of some assumptions and estimates. Changes in assumptions and estimates based on gold prices may affect the useful life of mines (Note 13).

##### *Provision for asset retirement and environmental rehabilitation*

Amounts of provision reflected in financial statements regarding environmental rehabilitation and closure of mine sites is based on the plans of the Group management and the requirements of the relevant legal regulations. Changes in the aforementioned plans and legal regulations, up-to-date market data and prices, discount rates used, changes in estimates based on mineral resources and reserves may affect provisions.

### **Critical accounting Estimates and judgements (continued)**

As of 31 December 2024, the Group reassessed the provision amounts due to changes in discount rates, costs, production areas subject to rehabilitation and reserve lifetimes. The Group annually engages an expert to evaluate mine rehabilitation provision cost. Significant estimates and assumptions are made in determining the provision for mine rehabilitation due to the large number of factors that may affect the final liability to be paid. These factors include estimates of the scope and cost of rehabilitation activities, technological changes, changes in regulations, cost increases proportional to inflation rates and changes in net discount rates. These uncertainties may cause future expenditures to differ from the amounts estimated today (Note 16).

## Notes to the Consolidated Financial Statements

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### 2.19.2. Estimates and judgements associated with financial instruments

#### *Fair value of derivative financial instruments at fair value through profit or loss*

The group recognises its derivative financial instruments comprising Public Warrants, Sponsor Warrants and Private Placement Warrants, initially at fair value at date of issuance with any subsequent movement in fair value between the issuance date and the reporting date being recognised as a fair value movement through profit and loss.

As at 31 December 2024 a third party valued the 37,669,542 Warrants in issue using an appropriate valuation model and determined fair value at the reporting date to be \$0.3875 per warrant, being the quoted market price of a public warrant.

#### *Equity classification of sponsor loans*

Prior to completion of the acquisition, loan advances were received from sponsors to fund acquisition related costs and pre-acquisition administrative expenses. During the year a further \$3.25m was advanced, adding to total loans of \$15.4m received in the prior period. The sponsor loans met the criteria for classification as equity under IAS 32 until completion of the acquisition, at which point the loans became repayable along with interest accrued. Following the acquisition, the sponsor loans no longer satisfied IAS 32's equity classification criteria and were reclassified to debt, and included within Loans and Borrowings. Please refer to Note 22 for further details.

#### *Equity Classification of Sponsor Shares*

On 12 October 2022, the Company completed its admission to trading on the London Stock Exchange, issuing 12,500,000 redeemable Class A Ordinary Shares ("Public Shares") of no par value and 6,250,000 warrants ("Public Warrants") to investors. The Public Warrants were issued on the basis of ½ of one redeemable warrant per Class A Ordinary Share, with each Class A Ordinary Share priced at \$10.00.

As part of the same transaction, the Company also issued 3,125,000 Class B Ordinary Shares of no par value to the Sponsors at a subscription price of \$0.01 per share.

Following the successful completion of the acquisition, each Class B Share automatically converted into a Class A Ordinary Share.

A total of 114,096 Class B Shares were reallocated from the Sponsors to members of management under a long-term incentive plan (LTIP). These shares were accounted for in accordance with IFRS 2 – Share-based Payment, with a charge recognised in profit or loss based on the grant date fair value. The shares vested immediately, as there were no post-acquisition service or performance conditions. Prior to the acquisition, these shares were deemed to represent an economic interest in the target entity, and therefore no expense was recognised prior to acquisition.

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The Company exercised judgment in determining the appropriate accounting treatment of the remaining Sponsor Shares upon conversion to Class A Ordinary Shares. As the Sponsors did not provide services, the Company concluded that these shares did not meet the criteria of a share-based payment under IFRS 2. Accordingly, the Sponsor Shares were accounted for as equity instruments in accordance with IAS 32 – Financial Instruments: Presentation.

### **2.19.3. Estimates and judgements associated with the acquisition of Polimetals**

On 3 September 2024 the Group completed the acquisition of the Gediktepe Mine through the acquisition of the issued share capital of Polimetals by ACG Holdco 1 Limited. The acquisition was accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations*. Details of the rationale for the acquisition, purchase consideration transferred, net assets acquired and liabilities assumed, and residual (provisional) Goodwill, are included at Note 10.

#### *Fair Value of acquired assets and liabilities*

As part of the business combination, management engaged independent third-party valuation specialists to assist in determining the fair value of identifiable assets and liabilities acquired, in accordance with IFRS 3 *Business Combinations*.

Given the technical and industry-specific nature of the acquired mining licence, specialist expertise was required to assess its fair value. The valuation was based on the Excess Earnings method, which is an income approach, considering factors such as resource estimates, expected production profiles, commodity prices, licence terms, and associated costs and discounted at an appropriate discount rate.

Management reviewed and challenged the key assumptions used by the valuation experts to ensure they were appropriate and consistent with internal forecasts and market data. The final valuation formed the basis for recognising the mining licence as an intangible asset at acquisition. Due to the inherent uncertainty in estimating future cash flows and market variables, changes in any of the above assumptions could result in a materially different valuation of the mining licence and may give rise to future impairment. The fair value of the acquired mining license was determined to be \$102.7m – see note 13).

#### *Fair Value of Contingent Consideration*

Purchase consideration transferred included contingent consideration relating to Copper Price and Copper Discovery Bonuses. These are payable 12 months after the commencement of commercial production, expected in 2026. Payments are contingent upon achieving specified copper price and discovery targets over 2 years (Price Bonus) and 10 years (Discovery Bonus) from commencement.

The liability is initially measured at fair value by a third party management expert on acquisition and remeasured at each reporting period, with changes recognized in profit or loss.

## Notes to the Consolidated Financial Statements

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### *Working Capital settlement conversion option*

As part of the acquisition, the Group issued a €5.8 million working capital loan to the seller, Lidya. Settlement is by November 2025 and Lidya has an option to either settle in cash or A ordinary shares at a discount to the market value, with a fixed floor of €6 per share.

Management has exercised judgement in determining the appropriate accounting treatment for the share settlement option element. It was concluded that the instrument as a financial liability at fair value through profit or loss due to the variability of the number of shares to be issued under the share settlement option. The valuation of the conversion option involves estimating the economic benefit of the 15% discount and the impact of the €6 floor, which limits the value of the option at lower share prices. At initial recognition, the fair value of the option was estimated at €1.0m, with no changes in fair value recognised subsequently as the share price did not change significantly in the period.

The valuation is sensitive to changes in the Group's share price, expected volatility, and the likelihood of the option being exercised. These factors are reassessed at each reporting date. Please refer to note 15.

### *Copper Price Bonus*

The first and second Copper Price Bonuses are due 12 and 24 months after commercial production begins, expected on be 1 April 2026.

The valuation approach applied a Monte Carlo simulation to model a volume of copper price scenarios, incorporating expected metal price volatility and correlations from 3 September 2024 to 1 April 2028. Risk-free US government bond yields were applied to discount the present value.

### *Copper Discovery Bonus*

If new ore reserves of at least 100,000 copper equivalent tonnes are discovered, the Group will pay Lidya \$50 million in 4 instalments over two years, starting no earlier than four years after production begins.

The bonus is expected to be triggered in 2031. The same Monte Carlo simulation used for the Price Bonuses was applied to estimate the remaining cap available for Discovery Bonus payments. The average estimated value across simulations was \$47.4m.

The fair value of \$12.6m recognised is based on probability-weighted production scenarios and discounted at the Group's WACC of 18.0%.

### *Sensitivity*

In respect of the Copper Price Bonus, a +0.5% change in the risk-free rate applied to present value the liability would have decreased the contingent consideration recognised from \$15.6m to \$15.3m. A 5% increase in the estimated bonus based on copper price simulations, before discounting would have increased the contingent recognised from \$15.6m to \$16.3m. In respect of the Copper Discovery Bonus, a +1% change in the WACC applied to 19% would have decreased contingent consideration recognized from £12.6m to \$11.9m. A 5% increase in the estimated bonus based on copper

## Notes to the Consolidated Financial Statements

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price simulations, before discounting, would have increased the contingent recognised from \$12.6m to \$13.2m.

This liability is classified as level 3 on the IFRS 13 Fair Value hierarchy, due to the use of significant unobservable inputs.

### 3. Financial Risk Management

#### 3.1. Principal financial instruments and their categories

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

	31 December 2024 \$000	31 December 2023 \$000
<b>Categories of financial assets</b>		
Other receivables	8,098	206
Cash and cash equivalents	9,675	1,454
<b>Total current financial assets at amortised cost</b>	<b>17,773</b>	1,660
<b>Categories of financial liabilities at amortised cost</b>		
Trade payables	17,678	228
Accruals	6,096	102
Other payables	1,011	514
<b>Trade and other payables</b>	<b>24,785</b>	844
Current loans and borrowings	39,611	–
<b>Loans and borrowings</b>	<b>39,611</b>	–
<b>Total financial liabilities at amortised cost</b>	<b>64,396</b>	844
<b>Categories of financial liabilities at Fair Value</b>		
Derivatives	14,890	770
Contingent consideration	28,158	–
Deferred consideration	6,839	–
<b>Total current financial liabilities at Fair Value</b>	<b>49,887</b>	770

#### 3.2. General objectives, policies and processes

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk and interest rate risk) and liquidity risk. The Group's overall risk management strategy focus on the unpredictability of financial markets and targets to minimize potential adverse effects on financial performance.

## Notes to the Consolidated Financial Statements

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### 3.3. Credit risk management

Credit risk arises from cash and cash equivalents and deposits maintained with banks and financial institutions with credit ratings acceptable to the management, as well as credit exposures with customers, including outstanding receivables and committed transactions. The company had low exposure to credit risk as its cash and cash equivalents are held in a bank with strong credit ratings and receivables are paid within 15 days.

31 December 2024	Receivables				
	Trade receivables		Other receivables		
	Related party	Third party	Related party	Third party	Bank deposits
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	-	-	-	8,391	9,675
- The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired	-	-	-	8,391	9,675
B. Net book value of financial assets that are renegotiated	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	-	-	-	-	-
- The part of maximum risk under guarantee with collateral	-	-	-	-	-
D. Net book value of impaired asset	-	-	-	-	-
- Overdue (gross net book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-
- Undue (gross net book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- The part of net value under guarantee with collateral	-	-	-	-	-
E. Credit Risk of the Statement of Financial Position	-	-	-	-	-

## Notes to the Consolidated Financial Statements

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31 December 2023	Receivables				
	Trade receivables		Other receivables		
	Related party	Third party	Related party	Third party	Bank deposits
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	–	–	–	206	–
- The part of maximum risk under guarantee with collateral	–	–	–	–	–
A. Net book value of financial assets that are neither overdue nor impaired	–	–	–	206	–
B. Net book value of financial assets that are renegotiated	–	–	–	–	–
C. Net book value of financial assets that are overdue but not impaired	–	–	–	–	–
- The part of maximum risk under guarantee with collateral	–	–	–	–	–
D. Net book value of impaired asset	–	–	–	–	–
- Overdue (gross net book value)	–	–	–	–	–
- Impairment (–)	–	–	–	–	–
- The part of net value under guarantee with collateral	–	–	–	–	–
- Undue (gross net book value)	–	–	–	–	–
- Impairment (–)	–	–	–	–	–
- The part of net value under guarantee with collateral etc.	–	–	–	–	–
E. Credit Risk of the Statement of Financial Position	–	–	–	–	–

\* The factors that increase the credit reliability, such as guarantee received are not considered in the determination of the balance.

## Notes to the Consolidated Financial Statements

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### 3.4. Liquidity risk

Liquidity risk comprises the risks arising from the inability to fund the increase in the assets, the inability to cover the liabilities due and the operations performed in illiquid markets. In the framework of liquidity risk management, funding sources are being diversified and sufficient cash and cash equivalents are held. In order to meet instant cash necessities, it is ensured that the level of cash and cash equivalent assets does not fall below a predetermined portion of the short-term liabilities.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows, including contractual interest) of financial liabilities:

31 December 2024	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade payables	17,678	—	—	—	—
Other payables	7,107	—	—	—	—
Redeemable public share liabilities	—	25	—	—	—
Derivative financial instruments	—	14,890	—	—	—
Sponsor loans	—	14,806	—	—	—
Traxys loan	26,036	—	—	—	—
Deferred consideration	—	6,839	—	—	—
Contingent consideration	—	—	—	17,479	47,370
<b>Undiscounted financial liabilities</b>	<b>50,821</b>	<b>36,560</b>	<b>—</b>	<b>17,479</b>	<b>47,370</b>

31 December 2023	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade payables	228	—	—	—	—
Other payables	616	—	—	—	—
Redeemable public share liabilities	—	292	—	—	—
Derivative financial instruments	—	770	—	—	—
<b>Undiscounted financial liabilities</b>	<b>844</b>	<b>1,062</b>	<b>—</b>	<b>—</b>	<b>—</b>

### 3.5. Interest rate risk

Interest rate risk arises from increases in market interest rates and could potentially arise from the use of bank overdrafts. Changes in interest rates can impact the Group's borrowing costs.

The interest-bearing loans are held at a fixed rate of interest. As such, it is considered there is no immediate risk associated with fluctuations in interest rates.

## Notes to the Consolidated Financial Statements

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### 3.6. Foreign exchange risk

The difference between the foreign currency denominated and foreign currency indexed assets and liabilities of the Group are defined as the "Net foreign currency position" and it is the basis of the currency risk. Another important dimension of the currency risk is the changes of the exchange rates of different foreign currencies in net foreign currency position (cross currency risk).

Assets and liabilities denominated in foreign currency are as follows:

Foreign exchange position	31 December 2024				
	USD	TL	EUR	AUD	GBP
1. Monetary financial assets	3,822	134,617	–	–	–
2. Trade receivables	–	–	–	–	–
3. Other receivables	44	1,541	–	–	–
4. Other current assets	10	8	–	15	–
<b>5. Current assets (1+2+3+4)</b>	<b>3,876</b>	<b>136,166</b>	–	<b>15</b>	–
6. Other receivables	90	3,170	–	–	–
7. Non-current assets (6)	90	3,170	–	–	–
<b>8. Total assets (5+7)</b>	<b>3,966</b>	<b>139,336</b>	–	<b>15</b>	–
9. Trade payables	3,379	100,720	117	122	257
10. Other payables	358	12,623	–	–	–
11. Other current liabilities	–	–	–	–	–
<b>12. Current liabilities (9+10+11)</b>	<b>3,737</b>	<b>113,343</b>	<b>117</b>	<b>122</b>	<b>257</b>
<b>13. Total liabilities</b>	<b>3,737</b>	<b>113,343</b>	<b>117</b>	<b>122</b>	<b>257</b>
<b>14. Net foreign currency (liability) / asset (8-13)</b>	<b>229</b>	<b>25,993</b>	<b>(117)</b>	<b>(107)</b>	<b>(257)</b>

## Notes to the Consolidated Financial Statements

continued

Foreign exchange position	31 December 2023				
	USD	TL	EUR	AUD	GBP
1. Monetary financial assets	—	—	—	—	—
2. Trade receivables	—	—	—	—	—
3. Other receivables	—	—	—	—	—
4. Other current assets	—	—	—	—	—
<b>5. Current assets (1+2+3+4)</b>	—	—	—	—	—
6. Other receivables	—	—	—	—	—
7. Non-current assets (6)	—	—	—	—	—
<b>8. Total assets (5+7)</b>	—	—	—	—	—
9. Trade payables	71	—	—	66	20
10. Other payables	—	—	—	—	—
11. Other current liabilities	—	—	—	—	—
<b>12. Current liabilities (9+10+11)</b>	<b>71</b>	—	—	<b>66</b>	<b>20</b>
<b>13. Total liabilities</b>	<b>71</b>	—	—	<b>66</b>	<b>20</b>
<b>14. Net foreign currency (liability) / asset (8-13)</b>	<b>(71)</b>	—	—	<b>(66)</b>	<b>(20)</b>

As of 31 December 2024, the Group's profit & loss exposure to changes in foreign exchange rate was as follows:

Against USD by 10% / (10%)

	2024 +10% \$000	2024 -10% \$000
TL denominated net assets / liabilities	74	(74)
EUR denominated net assets / liabilities	(12)	14
Other currency denominated net assets / liabilities	(8)	19
<b>Total</b>	<b>54</b>	<b>(41)</b>
	2023 +10% \$000	2023 -10% \$000
TL denominated net assets / liabilities	—	—
EUR denominated net assets / liabilities	—	—
Other currency denominated net assets / liabilities	(6)	8
<b>Total</b>	<b>(6)</b>	<b>8</b>

## Notes to the Consolidated Financial Statements

continued

### 3.7. Capital risk management

The Group's main objectives for capital management are to keep the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may decide on the amount of dividends paid to shareholders, issue of new shares or sell assets to decrease net financial debt.

The Group monitors capital on the basis of the net financial debt / invested capital ratio. Net financial debt is calculated as total financial liabilities less cash and cash equivalents (excluding blocked deposits) and invested capital is calculated as net financial debt plus total equity. Net financial debt / invested capital ratio was as follows:

	31 December 2024 \$000	31 December 2023 \$000
Total financial liabilities (a)	<b>114,283</b>	1,614
Cash and cash equivalents (b)	<b>9,675</b>	1,454
Net financial debt (c = a-b)	<b>104,608</b>	160
Equity (d)	<b>58,311</b>	(246)
<b>Invested Capital (e = c+d)</b>	<b>162,919</b>	(86)
<b>Capital Ratio (f = c / e)</b>	<b>64%</b>	(186)%

### 4. Revenue and segmental information

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Revenues	<b>57,745</b>	–
Sale of Goods	<b>57,745</b>	–
<b>Total</b>	<b>57,745</b>	–

Revenue from the sale of goods represents the sale of gold and silver, for which revenue is recognised at the point in time at which control transfers to the customer.

The Group had revenues from customers in the following countries that were determined to be material:

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Revenues	<b>55,891</b>	–
Turkey – domestic	<b>1,854</b>	–
<b>Total</b>	<b>57,745</b>	–

## Notes to the Consolidated Financial Statements

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The Group had 1 customer that exceeded 10% of revenue in 2024 (2023: 0 customers). All sales related to the mining operating segment:

	<b>Year ended 31 December 2024</b>	18-month period ended 31 December 2023
Revenues	\$	\$
Customer 1	<b>57,745</b>	—
<b>Total</b>	<b>57,745</b>	—

### Segment information

The Group has one operational segment: mining. Non-operational group activities consisting of investing and Group management are not allocated to the operating segment and are presented below as "corporate".

### Geographical Segments

	<b>Year ended 31 December 2024</b>	18-month period ended 31 December 2023
	\$000	\$000
<b>Revenue</b>		
Europe	<b>57,745</b>	—
Rest of world	—	—
<b>Total revenue</b>	<b>57,745</b>	—
<b>Operating profit / (loss)</b>		
Europe	<b>20,365</b>	—
Rest of world	<b>(15,580)</b>	(20,930)
<b>Total operating profit / (loss)</b>	<b>4,785</b>	(20,930)
<b>Non-current assets</b>		
Europe	<b>186,217</b>	—
Rest of world	—	—
<b>Total non-current assets</b>	<b>186,217</b>	—

## Notes to the Consolidated Financial Statements

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### Operational and corporate segments

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
<b>Revenue</b>		
Operational	<b>57,745</b>	–
Corporate	–	–
<b>Total revenue</b>	<b>57,745</b>	–
<b>Operating profit / (loss)</b>		
Operational	<b>24,099</b>	–
Corporate	<b>(19,314)</b>	(20,930)
<b>Total operating profit / (loss)</b>	<b>4,785</b>	(20,930)
<b>Non-current assets</b>		
Operational	<b>186,217</b>	–
Corporate	–	–
<b>Total non-current assets</b>	<b>186,217</b>	–

### 5. Other income and other expense

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Other income from mining activities	<b>301</b>	–
<b>Total other income</b>	<b>301</b>	–

## Notes to the Consolidated Financial Statements

continued

### 6. Operating Profit

	<b>Year ended 31 December 2024</b>	18-month period ended 31 December 2023
	<b>\$000</b>	\$000
Operating profit (2023: loss) is stated after charging:		
<b>Auditors' remuneration:</b>		
Audit fees – audit of the Company and its subsidiaries pursuant to legislation	<b>400</b>	100
Non-audit fees – other assurance services	<b>333</b>	–
Project costs in relation acquisition	<b>7,858</b>	–
Legal & professional costs	<b>4,872</b>	19,142
Consultancy	<b>9,041</b>	1,689
Depreciation of Property Plant and Equipment	<b>4,352</b>	–
Amortisation of intangible assets	<b>2,877</b>	–
Share based payment	<b>1,050</b>	–
Royalty payments	<b>10,334</b>	–
Non-executive fees	<b>392</b>	–
Directors' fee and staff costs	<b>670</b>	–
Listing expense	<b>297</b>	–
Research and Development	<b>375</b>	–

## Notes to the Consolidated Financial Statements

continued

### Sales and Cost of Sales

The details of sales and costs of sales for the year ended 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	Year ended 31 December 2024	18-month period ended 31 December 2023
	\$000	\$000
Sales of gold and silver	<b>57,745</b>	–
<b>Revenue</b>	<b>57,745</b>	–
Costs of sales of gold and silver	<b>(33,704)</b>	–
<b>Gross Profit</b>	<b>24,041</b>	–

For the year ended 31 December 2024 cost of sales includes depreciation and amortisation expenses amounting to \$5.2m (18-month period ended 31 December 2023: \$nil), personnel expenses amounting to \$3.6m (2023: \$nil), and royalty expenses of \$10.3m (2023: \$nil).

### 7. Finance income and finance costs

	Year ended 31 Dec 2024	18 months ended 31 Dec 2023
	\$000	\$000
Finance income		
Interest on restricted cash repayable on shares classified as liabilities	50	6,427
Bank interest received	953	257
Other bank interest income	101	–
	<b>1,104</b>	6,684
Finance expenses		
Interest on restricted cash repayable on shares classified as liabilities	50	6,427
Interest accrued public share liabilities at amortised cost	–	7,996
Loan interest	3,590	–
Other interest costs	242	–
Foreign exchange loss	506	–
	<b>4,388</b>	14,423

## Notes to the Consolidated Financial Statements

continued

### 8. Income tax

#### Current income tax

The Group is subject to taxation in jurisdictions where it operates. The primary source of taxable income is its Turkish subsidiary, Polimetal, which is subject to corporate income tax in Turkey at a statutory rate of 25%. The parent entity, ACG Metals Ltd, is incorporated in the British Virgin Islands, which does not levy corporate income tax.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, dividend income from domestic companies, other exempt income and investment incentives utilized.

In Turkey, income taxes are calculated and accrued on a quarterly basis. Corporate income tax rate applied in 2024 is 25%. Losses can be carried forward for offset against future taxable income for up to 5 years. However, losses cannot be carried back for offset against profits from previous periods.

Corporate tax liabilities recognised in the consolidated balance sheet are as follows:

	2024 \$000	2023 \$000
Current income tax liabilities	(11,470)	–
Withholding tax	(689)	–
Less: Prepaid income tax	6,623	–
<b>Net current income tax liabilities</b>	<b>(5,536)</b>	–

Tax expense details recognised in the income statement are as follows:

	2024 \$000	2023 \$000
Current period tax expense	9,760	–
Withholding tax	689	–
Deferred tax income	(4,331)	–
<b>Tax expense</b>	<b>6,118</b>	–

## Notes to the Consolidated Financial Statements

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### Deferred taxes

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences (including unused incentive amounts and carried forward tax losses of prior years) are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% as of 31 December 2024 (2023: n/a).

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided at applicable tax rates are as follows:

	31 December 2024 Cumulative temporary differences	31 December 2024 Deferred tax asset/ (liability)	31 December 2023 Cumulative temporary differences	31 December 2023 Deferred tax liability
Inventories	410	(102)	–	–
Property, plant and equipment and intangible assets	99,541	(24,886)	–	–
Temporary differences on accruals and provisions	(12,446)	3,112	–	–
Employee severance indemnity	(433)	108	–	–
Construction in progress	518	(130)	–	–
Vacation pay liability	(186)	47	–	–
Asset retirement obligation provisions	(12,506)	3,126	–	–
Other temporary differences	(396)	99	–	–
<b>Net deferred tax liability</b>	<b>(18,626)</b>		<b>–</b>	

Movements in deferred tax assets / (liabilities) are as follows:

	2024 \$000	2023 \$000
<b>1 January</b>	–	–
Acquired in Business Combination	(22,957)	–
Deferred tax income recognised in income statement	4,331	–
<b>31 December</b>	<b>(18,626)</b>	<b>–</b>

## Notes to the Consolidated Financial Statements

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The reconciliation of the tax income / (expense) is as follows:

	<b>Year ended 31 December</b>	18-month period ended 31 December
	<b>2024</b>	2023
	<b>\$000</b>	<b>\$000</b>
Loss on ordinary activities before income tax	<b>(6,971)</b>	(25,937)
British Virgin Islands ("BVI") rate of corporation tax	0%	0%
	—	—
Effect of Turkish tax rate of 25% on Turkish profits	<b>5,429</b>	—
Withholding tax	<b>689</b>	—
<b>Tax expense</b>	<b>6,118</b>	—

ACG Holdco1 Limited has tax losses that arose in United Kingdom of \$6.2m (2023: \$Nil) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets were not recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group. These losses arose because ACG Holdco1 Limited had been loss-making for some time, and future taxable profits against which to offset the losses cannot be forecast with reasonable certainty. If ACG Holdco1 Limited were able to recognise all unrecognised deferred tax assets, the loss will have reduced by \$1.2m (2023: \$Nil).

### 9. Loss per share

	<b>Year ended 31 December</b>	18-month period ended 31 December
	<b>2024</b>	2023
		Restated
<b>Basic and diluted</b>		
Loss for the period and earnings used in basic & diluted EPS (\$000)	<b>(13,089)</b>	(25,937)
Weighted average number of shares used in basic and diluted EPS	<b>8,290,049</b>	1,795,946
Loss per share (\$)	<b>(1.58)</b>	(14.44)

The weighted average number of ordinary shares is determined by reference to the Class A Ordinary shares. The redeemable Public Shares under IAS 33 are deemed to be contingently issuable shares issuable only upon an acquisition so are excluded from the earnings per share calculations until an acquisition has occurred. Please refer to Note 24 Share Capital for movement in Redeemable Shares.

As the Group is reporting a net loss the diluted earnings per share is equal to the basic earnings per share.

## Notes to the Consolidated Financial Statements

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The comparative weighted average number of shares is restated under IAS 33.26 due to the share conversion.

### 10. Acquisition of Polimetal Madenclik Sanayi ve Ticaret (“Polimetal”)

On 3 September 2024 the Group completed the acquisition of the Gediktepe Mine through the acquisition of the issued share capital of Polimetal by ACG Holdco 1 Limited.

The acquisition was accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations*. The reason for the acquisition was furtherance of the Group strategy.

Total consideration of \$178.9m for the acquisition was comprised as follows:

Consideration	\$000
Cash	84,000
Shares issued to Lidya	39,881
Working capital (deferred consideration)	6,839
Lidya's debts to Polimetal	15,638
Copper price bonus (contingent consideration)	15,551
Copper discovery bonus (contingent consideration)	12,607
Warrants issued to Lidya	1,994
Royalty liabilities assumed from seller	2,343
<b>Total Consideration</b>	<b>178,853</b>

## Notes to the Consolidated Financial Statements

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The fair values of the identifiable assets and liabilities of Polimetal as at the date of acquisition were as follows:

<b>Assets acquired and liabilities assumed</b>	<b>Fair value at acquisition \$000</b>
Mining license	102,670
Property, plant, and equipment	45,196
Intangible assets	50
Related party (Lidya) debt	15,638
Other non-current assets	335
Inventories	16,053
Trade and other receivables	850
Cash and cash equivalents	3,021
Asset retirement obligation	(12,455)
Non-current liabilities	(525)
Non-current litigation	(878)
Deferred tax	(22,957)
Trade and other payables	(11,025)
<b>Total net assets acquired</b>	<b>135,973</b>

The acquisition has been accounted for on provisional basis as permitted by IFRS 3 para 45. The main items accounted for on a provisional basis are the acquired intangible assets and certain acquired liabilities.

Goodwill arising from the transaction were as follows:

	<b>\$000</b>
Total Consideration transferred	178,853
Less: Fair value of net assets acquired	(135,973)
<b>Goodwill (residual)</b>	<b>42,880</b>

The goodwill in Polimetal relates to its strategic value in ACG Metals' broader vision to consolidate the copper industry and was acquired to capitalise on Polimetal's assets, expertise, and potential for expansion.

The acquisition required an upfront payment of \$84 million, a 38% shareholding in ACG Metals which included a private placement warrant issue, working capital of \$7m and contingent consideration described below. The consideration also included the transfer of debts due by Lidya to Polimetal of \$15.6m and royalty liabilities assumed from Lidya of \$2.3m. The group also assumed the liability to continue to pay these royalties to a third party based on a % of Polimetal's production revenues.

Fair value of consideration at the date of acquisition included Copper Price Bonuses and a Copper Discovery Bonus. These are dependent on a significant increase in copper prices and copper reserve expansions from

## Notes to the Consolidated Financial Statements

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2027 subject to meeting certain thresholds. These were measured at fair value based on a Monte-Carlo simulation.

Acquisition costs of \$7.2m were expensed to operating costs in the year. The acquired business contributed \$57.7m to revenue and \$30.8m of costs to operating profit of the Group for the year.

The below pro-forma Profit or Loss shows the combined effect of pre-acquisition results of Polimetals plus post-acquisition results of the Group:

	31 Dec 2024
	\$000
<b>Pro-forma P&amp;L</b>	
Revenue	136,614
Cost of sales	(64,684)
<b>Gross profit</b>	<b>71,930</b>
Research & Development	(2,506)
General administrative expenses	(23,059)
Share based payments	(1,050)
Other income from operating activities	955
<b>Operating profit</b>	<b>46,270</b>
Finance income	8,501
Finance expense	(10,150)
(Loss) / gain on derivatives	(8,472)
<b>Profit before tax on continuing operations</b>	<b>36,149</b>
Tax expense	(6,991)
<b>Profit for the year</b>	<b>29,158</b>

### II. Other non-current assets

	2024	2023
	\$000	\$000
<b>Non-current</b>		
Prepayments	293	-
	<b>293</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

continued

### 12. Property, plant and equipment

	Land \$000	Land Improve \$000	Buildings \$000	Plant & Machinery \$000	Motor Vehicle \$000	Fixtures & Construction Fittings in Progress \$000	Mining assets \$000	Total \$000
<b>Cost</b>								
<b>At 1 January and 31 December 2023</b>	–	–	–	–	–	–	–	–
Acquired	2,695	3,832	2,912	21,401	783	1,577	6,134	5,862 <b>45,196</b>
Additions	–	326	–	1,374	–	253	560	– <b>2,513</b>
Disposals	–	–	–	–	–	–	–	(156) <b>(156)</b>
<b>At 31 December 2024</b>	<b>2,695</b>	<b>4,158</b>	<b>2,912</b>	<b>22,775</b>	<b>783</b>	<b>1,830</b>	<b>6,694</b>	<b>5,706 <b>47,553</b></b>
<b>Depreciation</b>								
<b>At 1 January and 31 December 2023</b>	–	–	–	–	–	–	–	–
Charge for the year	–	176	167	1,013	110	122	–	2,764 <b>4,352</b>
<b>At 31 December 2024</b>	<b>–</b>	<b>176</b>	<b>167</b>	<b>1,013</b>	<b>110</b>	<b>122</b>	<b>–</b>	<b>2,764 <b>4,352</b></b>
<b>Net book value</b>								
At 31 December 2023	–	–	–	–	–	–	–	–
<b>At 31 December 2024</b>	<b>2,695</b>	<b>3,982</b>	<b>2,745</b>	<b>21,762</b>	<b>673</b>	<b>1,708</b>	<b>6,694</b>	<b>2,942 <b>43,201</b></b>

### 13. Intangible assets

	Goodwill \$000	Mining License \$000	Rights, software and licenses \$000	Total \$000
<b>Cost</b>				
<b>At 1 January and 31 December 2023</b>	–	–	–	–
Acquired	42,880	102,670	50	145,600
<b>At 31 December 2024</b>	<b>42,880</b>	<b>102,670</b>	<b>50</b>	<b>145,600</b>
<b>Amortisation</b>				
<b>At 1 January and 31 December 2023</b>	–	–	–	–
Charge for the year	–	2,852	25	2,877
<b>At 31 December 2024</b>	<b>–</b>	<b>2,852</b>	<b>25</b>	<b>2,877</b>
<b>Net book value</b>				
At 31 December 2023	–	–	–	–
<b>At 31 December 2024</b>	<b>42,880</b>	<b>99,818</b>	<b>25</b>	<b>142,723</b>

## Notes to the Consolidated Financial Statements

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Goodwill of \$42.9m arose from the purchase of the Gediktepe Mine and is recognised in line with IFRS 3. This will be tested for impairment annually.

As of the end of 2024, the Group performed a Net Present Value calculation and considered various assumptions utilized in the financial model during the acquisition, alongside an evaluation of relevant market factors. The reported reserves were consistent with expectations, commodity prices at the year-end were higher than those assumed in the acquisition model and remained elevated throughout Polimetal's ownership, and the impact of foreign currency fluctuations was not deemed material. Consequently, no impairment of goodwill was recognized.

Included in intangible assets is the mining license in relation to the Gediktepe mine situated near Balikesir recognised at acquisition in line with IFRS 3, for a fair value of \$102.7 million which was valued using the Excess Earnings Method. See Note 2.19.3 for further details.

### 14. Employee benefits

#### Employee benefits obligations

The details of employee benefit obligations as of 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	31-Dec-24 \$000	31-Dec-23 \$000
Social Security premium payables	213	-
<b>Total</b>	<b>213</b>	<b>-</b>

### 15. Deferred and contingent consideration

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Copper Discovery Bonus	12,607	-
Copper Price Bonus	15,551	-
	<b>28,158</b>	<b>-</b>
		\$000
At 1 January 2023		-
At acquisition		28,158
<b>At 31 December 2024</b>	<b>28,158</b>	

Details of accounting for contingent consideration is given in Accounting Policies (Note 2). Please also refer to Acquisitions (Note 10). Contingent consideration is provisional under IFRS3 para.45.

#### Deferred consideration

An element of the consideration included a "working capital" settlement which can be settled in cash or in A Ordinary shares at the option of

## Notes to the Consolidated Financial Statements

continued

Lidya. The share settlement option includes discounts to the share price that impact the number of shares that would be issued. The instrument has been valued at fair value at the acquisition date with no changes in fair value recognised subsequently as the share price has not changed significantly in the period. Settlement has not yet occurred but is due by November 2025 therefore the balance is classified as a current liability.

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Acquisition working capital settlement	6,839	-
	<b>6,839</b>	<b>-</b>
		\$000
At 1 January 2023		-
At acquisition		6,839
<b>At 31 December 2024</b>	<b>6,839</b>	

### 16. Provisions

#### a) Other current provisions

The details of other current provisions as of 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Current provision	186	-
<b>Total other current provisions</b>	<b>186</b>	<b>-</b>

Movement of provision for unused leave for the year ended 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	2024 \$000	2023 \$000
<b>1<sup>st</sup> January</b>	-	-
Acquired	232	-
Cancelled	(43)	-
Foreign exchange gain	(3)	-
<b>31<sup>st</sup> December</b>	<b>186</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

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### b) Other non-current provisions

	Year ended 31 December 2024	18-month period ended 31 December 2023
	\$000	\$000
Provision for Asset Retirement Obligation ("ARO")	12,506	–
Legal and other provisions	878	–
Long Term Severance Pay Provision	433	–
<b>Total other non-current provisions</b>	<b>13,817</b>	–
		31 December 2023
Movement on provision for ARO	\$000	\$000
<b>January 1</b>	–	–
Acquired	12,455	–
Interest expense	207	–
Revaluation at year end	(156)	–
<b>December 31</b>	<b>12,506</b>	–

The rehabilitation provision for the Gediktepe Mine oxide-phase closure, as of 31 December 2024 amounted to \$12.5 million (2023: \$nil). This value is primarily driven by revisions in regional unit cost estimates, reflecting changes in labour and equipment rates and adjustments due to local inflation and exchange rate fluctuations.

Key assumptions in determining the provision include a pre-tax discount rate, inflation rate, and estimated timing of rehabilitation activities. The Group has applied a discount rate consistent with regional market conditions and an estimated rehabilitation period of approximately four years commencing from the cessation of oxide ore mining in 2025, followed by a 30-year post-closure monitoring and maintenance period.

Closure activities include covering and revegetating waste rock dumps, heap leach facilities, and disturbed areas, decommissioning of processing plants and ancillary facilities, management of residual process solutions, and long-term monitoring of environmental stability and water quality. Provisions incorporate contingencies to account for uncertainties inherent in closure estimations, which are aligned with international guidelines, reflecting industry best practice.

Management has assessed that all infrastructure will be removed, with only necessary access roads, open pits, waste rock dumps, and heap leach facilities remaining post-closure. The Group will conduct periodic monitoring and inspections during the post-closure period to ensure environmental compliance and stability. Detailed assessments of rehabilitation activities and their associated costs are updated regularly to reflect current economic conditions, regulatory changes, and technological advancements.

## Notes to the Consolidated Financial Statements

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	31 December 2024 \$000	31 December 2023 \$000
Movement on acquired contingent liability for legal costs		
<b>January 1</b>	—	—
Acquired	<b>878</b>	—
<b>December 31</b>	<b>878</b>	—
	31 December 2024 \$000	31 December 2023 \$000
Movement on provision for severance pay		
<b>January 1</b>	—	—
Acquired	<b>393</b>	—
Additions	<b>31</b>	—
Cancellations	<b>(3)</b>	—
Interest income	<b>28</b>	—
Foreign exchange gain	<b>(16)</b>	—
<b>December 31</b>	<b>433</b>	—

### 17. Subsidiary undertakings

As at 31 December 2024 the subsidiaries of the Company, all of which have been included in these consolidated financial statements, are as follows:

Name	Country of incorporation	Parent	Direct or indirect holding	Proportion of ownership interest at 31 December 2024	Nature of business
ACG Holdco 1 Limited	United Kingdom	ACG Metals Ltd	Direct	100%	Holding company
ACG Holdco 2 Limited	United Kingdom	ACG Metals Ltd	Direct	100%	Dormant
Polimetal Madenclik Sanayi ve Ticaret	Turkey	ACG Holdco 1 Limited	Direct	100%	Mining company
Name		Registered address			
ACG Holdco 1 Limited		Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT			
ACG Holdco 2 Limited		Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT			
Polimetal Madenclik Sanayi ve Ticaret		Bestepe Mahallesi Yasam Caddesi, Ak Plaza Apt, No: 7/7, Yenimahalle, Ankara.			

## Notes to the Consolidated Financial Statements

continued

### 18. Inventories

	2024 \$000	2023 \$000
Finished goods	11	–
Unfinished goods	5,669	–
Raw materials	1,749	–
<b>Total Inventories</b>	<b>7,429</b>	–

During the period \$12.3m inventories relating to revenue were recognized as a cost in the income statement (2023: \$nil).

### 19. Other receivables

	2024 \$000	2023 \$000
Receivables in escrow	6,773	–
Prepayments	597	206
VAT and other taxes receivable	223	–
Other receivables	505	–
<b>Total Other receivables</b>	<b>8,098</b>	<b>206</b>

The receivables in escrow relate to balance held in cash at bank balances are held in an escrow account, with limited access to the company.

The escrow account serves as a designated collection account for financing the acquisition of 100% of the issued shares of Polimetel and is to be held by Traxys Europe S.A. in trust for the Guarantor, ACG Metals Limited. Subsequent to year end, the Traxys loan was repaid in full and this amount was released.

### 20. Cash and cash equivalents

	2024 \$000	2023 \$000
Restricted cash	76	806
Cash on deposit	3,849	–
Cash & cash equivalents	5,750	648
<b>Total</b>	<b>9,675</b>	<b>1,454</b>

The fair value of the cash & cash equivalents is as disclosed above. For the purpose of the cash flow statement, cash and cash equivalents comprise of the amounts shown above.

Included in Cash on deposit is \$3.8m (2023: \$nil) in relation to Time deposits and \$45k (2023: \$nil) in relation to Demand deposits.

Amounts held in USD totaled \$5.85m (2023: \$1.45m) of which \$0.1m (2023: \$0.80m) is held in escrow. Amounts held in Turkish Lira totaled \$3.82m (2023: \$nil).

## Notes to the Consolidated Financial Statements

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### 21. Trade and other payables

	2024 \$000	2023 \$000
Trade payables	17,678	228
Accruals	6,096	102
Social security & other taxes payables	213	–
Other payables	440	514
Deposits and Guarantees received	358	–
<b>Total trade and other payables</b>	<b>24,785</b>	<b>844</b>

### 22. Loans and borrowings

	2024 \$000	2023 \$000
Current		
Sponsor loans	13,768	–
Other loans	25,843	–
<b>Total current loans</b>	<b>39,611</b>	<b>–</b>

During 2024, the Company received \$3.25 million from its Co-Sponsors in accordance with the sponsor funding side deed.

On 29 August 2024 and 4 October 2024, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement which outlines the repayment of the funding received by the Company in the event of an acquisition being completed by the New Long Stop Date of 12 October 2024 with interest. \$16.8 million of Sponsor loans were therefore reclassified from equity to liabilities upon completion of the Polimetals acquisition.

Additionally, the side deeds stipulated that \$4.55 million of the amount owing by the Company was to be converted to shares at \$6 per share, this conversion happened on 16 October 2024. In September and October 2024, a total of \$3.25 million was repaid on Sponsor loans. Post 31 December 2024, a further \$7.1m was repaid on Sponsor loans. The loan incurred interest at 16%.

On 29 August 2024, the Group entered into an agreement with Traxys Europe S.A. and Argentum Creek Partners for \$37.5 million. In first two months, \$12.1 million of the principal was repaid. The loan incurs interest at 15.2% and is repayable by 31 July 2025.

The Traxys loan is secured with 100% of the shares in Polimetals, being 195,070,560 shares, were pledged at 1.00 Turkish Lira per share to the Security Agent with respect to the Loan Facility Agreement with Traxys Europe S.A. In January 2025, the Traxys loan was repaid in full thereby releasing this security.

Credit facilities are available to Polimetals with the local bank and this has not been drawdown as yet.

## Notes to the Consolidated Financial Statements

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### Reconciliation of liabilities to cashflows arising from financing activities

	01-Jan-24 \$000	Non-cash Debt for equity \$000	Cash inflow \$000	Cash outflow \$000	Non-cash Interest and discount unwind \$000	Non-cash Redemption \$000	31-Dec-24 \$000
Class A Shares	292	–	–	–	–	(267)	25
Loans – Traxys	–	–	37,500	(13,201)	1,544	–	25,843
Sponsor loan	–	16,820	–	(3,825)	773	–	13,768
	<b>292</b>	<b>16,820</b>	<b>37,500</b>	<b>(17,026)</b>	<b>2,317</b>	<b>(267)</b>	<b>39,636</b>

### 23. Derivative financial liabilities – Warrants

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Opening Balance	<b>770</b>	–
Inception date fair value	–	3,502
Warrants issued	<b>5,648</b>	–
Fair value loss through profit or loss	<b>8,472</b>	(2,732)
<b>Closing Balance</b>	<b>14,890</b>	770

During 2024 a total of 18,829,000 warrants were issued to Shareholders.

#### Private Warrants

On 3 September 2024, Private Warrants were issued arising from the share issue (6,504,000), Shareholder debt (2,541,667), as part-contribution to a commitment (1,166,667) and as consideration for the acquisition of Gediktepe (6,646,796) at a fair value of \$0.30 per Warrant.

#### Public Warrants

On 3 September 2024, 1,211,663 Public Warrants were issued arising from the share issue at a value of \$0.30 per Warrant.

#### Sponsor Warrants

As part of the Sponsor loan conversion from debt to equity. 758,207 Warrants were issued to Co-Sponsors at a fair value of \$0.30 per Warrant.

On 3 September 2024, 667,438 Sponsor Warrants were transferred from Co-Sponsors to key management personnel as a condition of completing the acquisition at a fair value of \$0.30 per Warrant.

As at 31 December 2024, the total number of Private, Public and Sponsor warrants in issue was 16,859,130 (2023: none), 7,461,663 (2023: 6,250,000) and 14,106,959 (2023: 13,348,750) respectively.

## Notes to the Consolidated Financial Statements

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Warrants were revalued through the profit and loss at year end and are recognized in these financial statements at a fair value of \$0.38 per Warrant (2023: \$0.04) totaling \$14,890,754 (2023: \$770,231).

### 24. Share capital

#### *Class A ordinary shares ("Public Shares")*

In October 2022, ACG successfully completed its IPO with the admission of 12,500,000 Class A Ordinary Shares, onto the London Stock Exchange at an initial offering price of \$10.00 per unit. 6,250,000 warrants were issued concurrently, as each subscriber also received half of one Warrant ("Public Warrant") with their Public Share. The Public Warrants carry a \$11.50 strike price and are redeemable in whole or in part, prior to completion of the Acquisition. The Public Shares have been classified as a financial liability measured at amortised cost.

In October 2023, following an EGM circular which included a notice providing Class A Shareholders a right to redeem their shares, 12,471,732 (99.77% of Class A) shares were redeemed at a price of \$10.7991 per share. Funds totalling \$134,683,481 were returned to shareholders on 26 October 2023 which included interest earned and received on the funds held on escrow as at the redemption date, which Class A shareholders were entitled to receive.

#### *Class B ordinary shares ("Sponsor Shares")*

In October 2022, as a result of the IPO, Sponsors and Directors subscribed to a total of 3,125,000 Sponsor Shares at a price of \$0.01 per share. In December 2023, 1,333,333 new B shares were subscribed to and allotted at \$1.50 per share, taking the total number of Class B Shares to 4,458,333.

Upon completion of the acquisition, the Sponsor "B" Shares converted into Public "A" Shares.

Ordinary A shares carry the same voting rights and the same rights to dividend.

The following summarises the issued share capital classified as equity and classified as financial liability as at 31 December 2023 and 31 December 2024.

Classified as equity	Number	\$000
<b>At 31 December 2023</b>		
\$0.01 Class B ordinary shares ("Sponsor Shares")	3,125,000	31
\$1.50 Class B ordinary Shares ("Sponsor Shares")	1,333,333	2,000
<b>Total share capital classified as equity 31 December 2023</b>	<b>4,458,333</b>	<b>2,031</b>

## Notes to the Consolidated Financial Statements

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	Number	\$000
B ordinary shares converted at acquisition	(4,458,333)	(2,031)
A ordinary shares created on re-admission	3,125,000	2,031
LTIP share impact	–	684
Ordinary A shares issued – Lidya	6,646,796	39,881
Ordinary A shares – EIP	721,102	–
Ordinary A shares issued – Other investors	7,715,659	43,979
Ordinary A shares – Sponsor debt for equity	758,207	4,322
<b>Total share capital classified as equity 31 December 2024</b>	<b>18,966,764</b>	<b>90,897</b>

On 3 September 2024, the Company issued Ordinary A shares to support to acquisition of Polimetel namely:

- 7,715,667 shares purchased by investors,
- 6,646,796 shares offered as consideration of Polimetel,
- the conversion of 4,458,333 B shares to 3,125,000 Ordinary A shares,
- Long Term Incentive Planning awards of 114,096 B shares reallocated from Co-sponsors to Management, and
- Co-sponsor debt of \$4,549,242 converted to 758,207 Ordinary A shares.

## Notes to the Consolidated Financial Statements

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	2024 Number	2023 Number	2024 \$000	2023 \$000
<b>Classified as a financial liability: Public shares</b>				
\$10.00 redeemable Class A ordinary shares				
Opening balance	28,268	–	292	–
Proceeds of issue of Public Shares	–	12,500,000	–	125,000
Less: initial recognition of Public Warrants	–	–	–	(1,117)
Less: share issue costs	–	–	–	(2,817)
Effective interest accretion	–	–	–	7,996
Redemption of Class A Shares	(25,813)	(12,471,732)	(267)	(128,770)
<b>Total share capital classified as financial liability</b>	<b>2,455</b>	<b>28,268</b>	<b>25</b>	<b>292</b>

In January and August 2024, Class A Shareholders exercised their right to redeem their shares. 24,156 and 1,657 Class A shares were redeemed at a price of \$28.51 and \$30.2966 per share, respectively. Funds totaling \$688,798 and \$50,201 for each respective tranche, were returned to shareholders which included interest earned and received on the funds held on escrow as at the redemption date, which Class A shareholders were entitled to receive.

### 25. Share-based payment reserve

#### Equity incentive plan

As outlined in the prospectus, the Employee Incentive Plan (EIP) was granted to key personnel in recognition of their contributions towards the acquisition.

The Group provides employees and contractors with an annual issuance of shares under its Share Incentive Plan, with shares issued for nominal consideration. This plan ensures that employees are rewarded for their contributions to the organisation.

The aggregate Award Price for these shares is nominal and they vest annually over three years from the grant date, subject to specified performance targets, including Total Shareholder Return (TSR). The vesting of shares is subject to achieving a TSR performance target, which the Board may adjust downward by up to 50% at its discretion based on the TSR achieved.

Malus and clawback provisions are in place, allowing the Group to mitigate risk associated with performance conditions. Restrictions on transfer apply during the vesting period, and all taxes and social security contributions arising from the award are borne by the participant.

When an employment agreement concludes, the Group is required to uphold the terms of the Share Incentive Plan.

On 16 October 2024, 721,102 Ordinary A Shares were issued to Management as part of the Equity Incentive Plan. In 2024, \$366,309 was recognised in

## Notes to the Consolidated Financial Statements

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the Share-based payment reserve for the EIP Scheme. The 2024 share-based payment expense also includes Long Term Incentive Plan benefits of \$684,000 as discussed in Note 2.19.2.

### 26. Other reserves

The following describes the nature and purpose of other reserves not disclosed elsewhere in equity:

#### Other equity reserve

On IPO on 7 October 2022, 3,125,000 Class B ordinary shares were issued to sponsors for \$0.01 per share, which has been allocated to share capital. In addition, 13,348,750 warrants were issued to sponsors for \$1 per warrant. The fair value of the sponsor warrants on issue (\$2,385,422) was recognised as a derivative financial liability, with the balance of the consideration received from the sponsors (including \$4,239,000 of pre-funded subscriptions and less \$79 of transaction costs related to the issue of the Class B shares) being recognised in equity (other equity reserve).

The value of the initial warrant issue in the prior period, remains in *Other Equity* with no further movement.

	2024 \$000	2023 \$000
Issue of share capital and sponsors warrants on IPO	<b>10,963</b>	10,963
	<b>10,963</b>	10,963

#### Accumulated losses

Accumulated losses include cumulative profits, losses and total other recognised gains or losses made by the Group.

#### Other comprehensive income reserve

The other comprehensive income reserve relates to valuation of severance pay liabilities recognised in OCI.

## Notes to the Consolidated Financial Statements

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### 27. Related Party Transactions

#### Acquisition of Polimetal and Transactions with Lidya Madencilik Sanayi ve Ticaret A.Ş.

On 03 September 2024, ACG completed the acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") from Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi ("Lidya"), a subsidiary of Çalık Holding. Please refer to note 10 for further details of the acquisition including consideration arrangements.

As part of the acquisition, Lidya was issued 6,646,796 Class A Shares in ACG Metals representing a 38% equity interest in ACG upon completion. It also holds contractual right to appoint one director to ACG's Board of Directors. As a result of its equity holding and Board representation, Lidya is considered a related party of ACG in accordance with IAS 24 – Related Party Disclosures.

#### *Post-Acquisition Transactions*

Subsequent to the acquisition, ACG may enter into additional arrangements with Lidya, including but not limited to:

- Operational support agreements
- Royalty or offtake agreements
- Financing arrangements or shareholder loans

All such transactions will be assessed to determine whether they constitute related party transactions under IAS 24 and, where applicable, will be disclosed in future financial periods, including the nature of the relationship, transaction terms, and amounts involved.

#### *Lidya transactions*

Subsequent to the acquisition, ACG has an outstanding amount with Lidya being the working capital payment which has a fair value of \$6.8million.

#### Compensation of Key Management Personnel

The Group's key management personnel include its directors and external consultants who provide key management services. Each director is appointed under a letter of appointment signed with the Company on their respective appointment dates.

Under the terms of these appointments, independent directors receive an annual fee ranging from \$102,000 to \$105,000. They are also reimbursed for any out-of-pocket expenses incurred while carrying out activities on behalf of the Group. Additional fees are payable to independent directors who assume additional Board responsibilities. Directors were also remunerated through share-based incentive plans.

A detailed breakdown of Directors' Remuneration is provided in the Directors' Remuneration Report.

In addition to director compensation, fees paid to consultants providing key management personnel services for the 12-month period ended 31 December 2024 amounted to \$312,000 (18-month period ended 31

## Notes to the Consolidated Financial Statements

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December 2023: \$476,355). These consultants provide essential services, including strategic, financial, and operational oversight, to support ACG's ongoing business activities.

### **Transactions with companies controlled by Key Management Personnel**

\$472,182 was paid to companies controlled by Artem Volynets in 2024, of which \$416,667 related to remuneration and \$55,515 related to other services.

### **28. Commitments and contingencies**

As at the 31 December 2024, the Group had received letters of guarantee issued by local authorities and institutions amounting to \$133.2k (2023: nil). The Group had given letters of guarantee of \$11.2k (2023: nil), arising in the normal course of business. These guarantees are denominated in Turkish lira and no material losses are expected from these guarantees as at the reporting date.

Capital commitments also includes the development of the mine for the sulphide expansion amounting to \$146 million with EPC which was agreed upon in 2024 and funded through the \$200 million bond mentioned in note 29.

### **29. Events after the reporting date**

Since the reporting date, the Group has made significant progress on a number of strategic initiatives aimed at strengthening its capital structure, advancing project development, and enhancing corporate governance. These events are classified as non-adjusting events under IAS 10 "Events after the Reporting Period", as they reflect conditions that arose subsequent to the year-end.

#### **USD 200 Million Bond Financing for Project Development**

In January 2025, the Group successfully engaged international joint managers and completed the placement of USD 200 million in senior secured notes. This financing represents a key milestone in the funding of the Group's high-grade sulphide project in Turkey and positions the business well for the transition into the construction phase.

#### **Warrant Tender Offer**

To simplify its capital structure and improve balance sheet flexibility, the Group completed their restructuring programme in March 2025 consisting of a warrant exchange offer and a concurrent cash tender offer. The warrant exchange enabled holders to convert their outstanding warrants into new ordinary shares, providing the Group with greater long-term alignment between shareholders and management. Alongside this, a voluntary cash tender offer was extended to shareholders, giving eligible participants the opportunity to tender shares for cash consideration.

## Notes to the Consolidated Financial Statements

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### Leadership

In parallel with these capital markets activities, the Group strengthened its leadership team with the appointment of Michael R. Pompeo, former U.S. Secretary of State, to the Board of Directors. His appointment brings strategic geopolitical insight and global governance expertise to the Group as it scales up operations across emerging markets.

### Hedging

Finally, the Group executed a comprehensive hedging agreement designed to manage commodity price exposure and mitigates risk in the construction phase of its flagship project. The agreement is a zero-cost structured collar option which will cover approximately 14,000 ounces of gold from Gediktepe, representing around 50% of expected gold production through to January 2026, when the sulphide expansion is anticipated to commence operations. This is expected to mitigate volatility in input pricing and enhance forecast certainty during the capital-intensive development stage.

These events illustrate the Group's proactive approach to financial management, governance, and project execution. While they do not adjust the financial results as of year-end, they are considered qualitatively or quantitatively material for users of the financial statements and reflect the Group's strong post-period momentum.

### 30. Ultimate controlling party

As at 31 December 2024, the Group was owned 35% by Lidya Madencilik Sanayi ve Ticaret A.S. and 26% by Argentem Creek Partners. There is no ultimate controlling party.

## Officers and Advisers

<b>Directors:</b>	Artem Volynets – Chairman & Chief Executive Officer Mark Curtis – Independent Non-Executive Director Hendrik Johannes Faul – Independent Non-Executive Director Fiona Paulus – Independent Non-Executive Director Maarten Terlouw – Non-Executive Director Mustafa Aksoy – Non-Executive Director Michael R. Pompeo – Independent Non-Executive Director
<b>Company secretary:</b>	Riverbank House C/O Fieldfisher LLP 2 Swan Lane London United Kingdom, EC4R 3TT
<b>Registered office:</b>	Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
<b>Registered agent:</b>	Harneys Corporate Services Limited Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
<b>Depository:</b>	Link Group, Central Square 29 Wellington Street Leeds, LS1 4DL
<b>Bankers:</b>	Citibank, N.A, CGC Centre, Canada Square Canary Wharf, E14 5LB
<b>Auditors:</b>	RSM UK Audit LLP 25 Farringdon Street, London, EC4A 4AB
<b>Legal advisors to the Company as to BVI law:</b>	Harneys Corporate Services Limited Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
<b>Legal advisors to the Company as to US and English law:</b>	Cleary Gottlieb Steen & Hamilton LLP 2 London Wall Place, London, EC2Y 5AU
<b>Registrars:</b>	Link Market Services (Guernsey) Limited, PO Box 627, St Peter Port, Guernsey, GY1 4PP
<b>Company Number:</b>	2067083 (registered in BVI)





**ACG HOLDCO 1 LIMITED**  
**Annual Report and Audited Financial Statements**  
**Year Ended 31 December 2024**

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## CHAIR'S REVIEW

Dear Shareholders,

I am delighted to present the Annual Financial Statements of ACG Holdco 1 Limited (“ACG”) for the financial year ended 31 December 2024.

In the prior year ACG was a dormant entity and in August 2024, the group acquired Polimetal Madencilik Sanayi ve Ticaret A.Ş. (“Polimetal”) and by extension, the Gediktepe Mine in Türkiye.

In November, shortly following the completion of the Gediktepe transaction, the group achieved another major milestone by entering into a fixed-price, turnkey Engineering, Procurement and Construction (“EPC”) contract with Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi (“GAP İNŞAAT”) for the \$146 million brownfield sulphide expansion at Gediktepe. This expansion leverages existing site infrastructure and benefits from extensive geological studies and proven metallurgical processes. Once operational, this project is projected to deliver annual production of up to 25,000 tonnes of copper equivalent over an initial 11-year mine life. This development serves as a vital catalyst, significantly accelerating our journey towards becoming one of the leading copper-focused companies listed on the LSE.

The sulphide expansion project is inherently low risk, capitalizing on more than a decade of comprehensive technical studies and leveraging the existing infrastructure from our oxide operation. It entails a two-stage flotation process plant - a metallurgical approach proven and optimized over many years as well as essential supporting earthworks, including waste management, tailings facilities, and environmental pond infrastructure.

Building upon this positive momentum, in December 2024 ACG passed another landmark by successfully completing a pioneering \$200 million Nordic senior secured bond placement, the first of its kind for a Turkish mining asset and subsequently settling the bond issue in January 2025. The enthusiastic reception of this bond issuance underscores the market’s confidence in our strategic direction, operational capability, and growth trajectory, while further enhancing our financial flexibility and international visibility.

The Company also benefited considerably from robust gold prices during the last quarter of the year, providing additional financial strength and reinforcing our resilience amidst fluctuating market conditions. The group is ideally positioned to benefit from a structured gold hedge, signed in March 2025, which covers 50% of planned annual production through to 2026 thereby enhancing cash flow visibility, reducing risk whilst preserving upside returns.

Looking ahead, the Board and management remain dedicated to disciplined execution, operational excellence and progressing our growth strategy to deliver long-term, sustainable value for our shareholders.

On behalf of the Board, I extend my sincere gratitude for your ongoing support and confidence in our vision, as well as our talented team that are driving this positive momentum.

Artem Volynets  
Chairman and Chief Executive Officer  
30 April 2025

## STRATEGIC REPORT

The Directors present the Strategic Report for the period ended 31 December 2024.

### Principal activity

The principal activity of the company is that of an investment company, holding the investment in Polimetal Madencilik Sanayi ve Ticaret A.Ş. (“Polimetal”), a company incorporated in Turkey and acquired in August 2024.

### Business and FY2024 overview

The Company’s defining achievement during the year was the successful acquisition of the Gediktepe Mine in Western Türkiye in August 2024. Gediktepe was acquired from Lidya Madencilik Sanayi ve Ticaret A.Ş. (“Lidya”), a subsidiary of the Turkish industrial conglomerate Çalık Holding, a well-established operator with a history of successful project execution and regulatory alignment.

The Gediktepe acquisition was followed by the award of a \$146 million fixed-price turnkey Engineering, Procurement and Construction (EPC) contract to GAP İnşaat Yatırım ve Dış Ticaret A.Ş., one of Türkiye’s largest construction and industrial services companies. This contract covers the full delivery of the Gediktepe sulphide flotation circuit, including design, procurement, civil works, installation, and commissioning.

To fully fund this expansion and refinance the acquisition-related debt, ACG completed a \$200 million Nordic senior secured bond in December 2024. This bond marked the first-ever Nordic-style secured issuance linked to a Turkish mining asset. It attracted significant investor interest from institutional fixed income funds across Europe and the rest of the globe, reflecting a strong appetite for emerging-market credit exposure backed by high-grade metals projects. Settlement of the bond occurred in January 2025, after which construction mobilisation began.

### Operational Outlook

Gediktepe’s full-year operating performance in 2024 shows strong output, robust grades, and cost discipline to provide a clear springboard for the copper-focused sulphide expansion now underway.

The oxide phase will continue to produce gold and silver through 2025 and into 2026, bridging the mine through the construction period and generating capital to partially self-fund the transition to copper. These results, achieved during a year of ownership change and integration, underscore the strength of the team on the ground and the quality of the asset. The Company’s ability to maintain this performance while simultaneously managing construction, refinancing, and growth initiatives speaks to the depth and agility of the operational platform it is building.

### Financial Performance

Financial KPI	2024 Result
Administrative expenses	(\$14.5 million)
Investment in Subsidiary	\$179 million
Net Assets	\$62.5 million

Administrative expenses for the year totalled \$14.5 million (2023: \$nil), which included royalty fees and once-off legal, advisory, listing, and integration costs associated with the acquisition and re-admission process.

The acquisition of Polimetal was funded through equity raised by ACG Metals Limited and a \$37.5 million acquisition debt agreement with Traxys Europe S.A. (“Traxys”) and Argentem Creek Partners (“ACP”) as of 31st August 2024. By 31 December 2024, \$12.1 million of the principal amount of the acquisition debt facility was repaid.

The total assets include the Investment in Polimetal of \$179 million (2023: \$nil) and cash and cash equivalents at year end totalling \$Nil (2023: \$nil).

## STRATEGIC REPORT (continued)

### Outlook

In January 2025, ACG completed the placement of a USD 200 million, four-year, senior secured bond with a coupon rate of 14.75 percent at par. The bond placement was met with strong investor demand across European and international markets and was the first Nordic bond issuance secured against a Turkish mining asset, illustrating ACG's ability to pioneer capital markets solutions for emerging-market operations. These proceeds from the bond were used to repay the Company's existing facility and to fully fund the engineering, procurement, and construction (EPC) works for the sulphide flotation plant.

In March 2025, ACG entered into a structured hedge covering approximately 50% of its planned 2025 oxide gold production. The hedge secures a floor price of \$2,875/oz and allows upside participation. This hedging strategy was executed at near-record gold prices and is intended to protect cash flows during the sulphide construction phase, ensuring financial stability while retaining upside exposure. The approach is consistent with ACG's risk management philosophy of protecting returns without impairing long-term optionality.

### Financial risk management

#### Principal risks and uncertainties

The Company's business activities expose it to a variety of risks, including financing and cashflow risks, and strategic and other emerging risks in the course of business.

In comparison with other businesses, the Company is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Other receivables
- Trade and other payables
- Contingent consideration
- Loans (measured at amortised cost)

To the extent financial instruments are not carried at fair value, book value approximates to fair value at 31 December 2024.

Other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the statement of comprehensive income in the relevant period. As at 31 December 2024, the Company had other receivables of \$11.5 million (2023: \$100 for the Company, rounded as nil).

Trade and other payables and loans are measured at amortised cost. The financial liabilities were \$3.8 million (2023: \$Nil for the Company) in respect of trade payables and accruals, \$95.1 million (2023: \$nil) for loans and borrowings and \$28.2 million (2023: \$nil) for Contingent consideration. The management of risk is a fundamental concern of the Company's management. This note summarises the key risks to the Company and the policies and procedures put in place by management to manage it.

#### Strategic risk

Identifying and evaluating the prospective target carries inherent risk of the target's valuation, financial health, operational stability and challenges, market, and regulatory uncertainty.

This could result in an acquisition with insufficient or negative returns, loss of market confidence in the Company, operational disruptions, opportunity costs on better targets, and legal and compliance issues.

In evaluating prospective acquisition targets, the Company conducts thorough due diligence which encompasses, among other things, meetings with incumbent management and key employees, document reviews, interviews of customers and suppliers, and inspection of facilities, as well as a review of financial, operational, legal and other information that is made available to the Company. These processes ensure that the risk to shareholders' capital is mitigated to the extent these processes are able to identify additional risks.

## STRATEGIC REPORT (continued)

### Financial risk management (continued)

#### Country risk

Turkey is located in a region that has been subject to ongoing political and security concerns, especially in recent years. Political uncertainty within Turkey and in certain neighbouring and nearby countries, has historically been one of the potential risks associated with investment in Turkey.

Turkey has from time to time experienced volatile political and social conditions. Political considerations may again influence interest rates and monetary policy in the future.

Polimetal is in good standing with local authorities and agencies, and the group maintains a good relationship with Lidya, who can support and advise on the Turkish fiscal and social climate.

#### Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. To further the exploration and advancement of Gediktepe, the Company sought financing through a bond placement which is subject to financial covenants and restrictions.

The Company manages this risk by maintaining adequate cash reserves, monitoring cash flow forecasts, and ensuring access to diverse funding sources. Management has implemented minimum internal liquidity measures and cash flow procedures to track liquidity and identify shortfalls.

The Company aims to align the maturity profiles of financial assets and liabilities to prevent liquidity shortfalls. The Company relies on shareholder debt and equity contributions for immediate funding needs.

The Company continues to monitor industry trends, geopolitical developments, and market conditions to make informed decisions that support its expansion objectives while maintaining financial discipline and operational efficiency.

### Section 172 statement

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term

The Company intends to continue maintaining, implementing and improving its policies to ensure it:

- considers the interests and wellbeing of its employees.
- ensures compliance with environmental laws wherever its future activities take place.
- takes into account the long-term impact of its decisions.
- is mindful of its responsibilities towards local communities.
- maintains the highest standards of probity and integrity in its business dealings.
- concentrates on establishing enduring relationships with those with whom it carries on business.

#### *Key stakeholders*

The Directors have identified the key stakeholders as shareholders, investors and employees.

#### *Growth strategy*

The expansion strategy committed to by the Company had an impact on multiple stakeholders, including shareholders, investors and employees. The expansion of the Company created opportunities for employees as they worked to integrate new acquisitions into the Company.

## STRATEGIC REPORT (continued)

### Section 172 statement (continued)

#### *Employee information and engagement*

The Directors strive to create an environment where employees can thrive and create opportunities for long, rewarding and fulfilling careers. These objectives are supported through various communication mechanisms whilst at the same time encouraging feedback from team members.

The Board is kept informed on employee-related matters at every Board meeting at which it receives a standing agenda update. Consultation with employees happens when their views need to be considered in decisions the Company needs to make that will likely affect their interests.

All employees are kept abreast of Company news and financial performance in regular business updates. The Company is firmly committed to the principles of diversity and inclusion and place an equally high degree of importance on the physical and mental well-being of employees. There are also well-established fire, health, safety and welfare policies in place.

#### *Corporate governance*

The Directors are responsible for determining the Company's strategy for managing risk and overseeing its systems of internal control. The Company maintains appropriate standards of corporate governance to conduct its business in a prudent and well-organised manner.

#### *Stakeholder engagement and decision making*

The Directors meet regularly to make decisions which promote the success of the Company and its stakeholders. All business strategy proposals are thoroughly discussed and approved, following the agreement of all relevant stakeholders.

#### *Business relationships*

The Company closely monitors all of its business relationships to ensure its processes are efficient. It assesses, on an ongoing basis, the risks of adverse impact on its people, the environment in which the Company operates as a result of these relationships, and any negative impact on the Company's Corporate Social Responsibility policies.

On behalf of the Directors

*Damien Coles*

Damien Coles  
Executive Director  
30 April 2025

## DIRECTORS' REPORT

The Directors present their report for the 12-month period ended 31 December 2024.

### **Principal activities**

The principal activity of the company is that of an investment company, holding the investment in Polimetal, a company incorporated in Turkey and acquired in August 2024.

### **Financial performance**

Refer to the strategic report for financial performance.

### **Financial risk management**

Refer to the strategic report for financial risk management.

### **Future development**

Refer to the Chair's review for future development.

### **Dividends**

No dividend is recommended for 2024 (2023: \$nil).

### **Directors**

The Board of Directors of ACG Holdco 1 Limited as at the date of signing the report and accounts, unless otherwise stated comprised:

Damien Coles – Appointed 18 November 2024

Moorlander Services Limited – Appointed 18 November 2024

Artem Volynets – Resigned 25 September 2024

Chiara Hoolasi - Appointed 25 September 2024; Resigned 18 November 2024

### **Donations**

There are no political donations in the reporting year (2023: \$nil).

### **Directors' indemnities**

There are no directors' indemnity provisions during the reporting year (2023: \$nil).

### **Greenhouse gas emissions, energy consumption and energy efficiency action**

The Company has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as the energy consumption of the Company in the United Kingdom for the period is 40,000kWh or lower (2023: 40,000kWh or lower). No subsidiary undertakings are individually required to provide Streamlined Energy Carbon Reporting and therefore consolidated information has not been prepared.

### **Statement as to disclosure of information to auditors**

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

On behalf of the board

*Damien Coles*

Damien Coles  
Executive Director  
30 April 2025

## **DIRECTOR RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. The directors have elected under company law to prepare the financial statements in accordance with UK-adopted International Accounting Standards.

The financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with UK-adopted International Accounting Standards;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Directors

*Damien Coles*

Damien Coles  
Executive Director  
30 April 2025

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACG HOLDCO 1 LIMITED

### Opinion

We have audited the financial statements of ACG Holdco 1 Limited (the 'company') for the year ended 31 December 2024 which comprise the statement of financial position as at the accounting reference date, the statement of profit or loss and other comprehensive income and the statement of changes in equity for the year then ended, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other matters - prior period financial statements not audited

The company was dormant in the period ended 31 December 2023 and consequently the corresponding figures are unaudited.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are UK-adopted IAS, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating advice received from internal/external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



GRAHAM RICKETTS (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

Date: 30 April 2025

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE  
 YEAR ENDED 31 DECEMBER 2024**

	Note	2024 \$000	2023 \$000
Other operating income	7	1,452	-
Administrative expenses	8	(14,492)	-
<b>Operating (loss)</b>		<b>(13,040)</b>	-
Finance income	10.1	129	
Finance costs	10.2	(3,881)	-
<b>Loss before tax</b>		<b>(16,792)</b>	-
Income tax	11	(689)	-
<b>Loss after tax</b>		<b>(17,481)</b>	-
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income</b>		<b>(17,481)</b>	-

The accompanying notes are an integral part of these financial statements.  
 All amounts are derived from continuing operations.

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

	Note	2024 \$000	2023 \$000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	12	178,853	-
		<b>178,853</b>	-
<b>Current assets</b>			
Other receivables	13	11,521	-
		<b>11,521</b>	-
<b>Total assets</b>		<b>190,374</b>	-
<b>Non-current liabilities</b>			
Contingent consideration	16	28,159	-
		<b>28,159</b>	-
<b>Current liabilities</b>			
Loans and borrowings	15	95,183	-
Trade and other payables	17	4,487	-
		<b>99,670</b>	-
<b>Total liabilities</b>		<b>127,829</b>	-
<b>Equity</b>			
Issued capital	19	-	-
Share based payments reserve	20	77	-
Other reserves	20	79,949	-
Retained earnings	20	(17,481)	-
		<b>62,545</b>	-
<b>Total equity</b>		<b>62,545</b>	-
<b>Total equity and liabilities</b>		<b>190,374</b>	-

These financial statements were approved and authorised for issue by the Board of directors on 30 April 2025 and were signed on its behalf by:

*Damien Coles*

Damien Coles  
 Executive Director

**Company Registration Number:** 14939464 (registered in the UK)

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024**

	Share capital \$000	Share based payments reserve \$000	Other reserves \$000	Retained loss \$000	Total \$000
<b>As at incorporation and 1 January 2024</b>					
Loss for the period	-	-	-	(17,481)	(17,481)
<b>Total comprehensive income</b>	-	-	-	(17,481)	(17,481)
Capital contribution (Note 20)	-	-	79,949	-	79,949
Share based payments (Note 21)	-	77	-	-	77
<b>Total transaction with owners</b>	-	77	79,949	-	80,026
<b>As at 31 December 2024</b>	-	77	79,949	(17,481)	62,545

The accompanying notes are an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Corporate information

ACG Holdco 1 Limited (the "Company") is a company limited by shares incorporated in the United Kingdom under the Companies Act 2006 (as amended) (the "Companies Act"). The registered address of the Company is Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT.

These financial statements represent the results for the year ended, 31 December 2024. The comparative period represents the period from incorporation on 15 June 2023 to 31 December 2023, and therefore the results are not directly comparable. The Company was dormant in the comparative period.

### 2. Accounting policies

#### 2.1. Basis of preparation

The financial statements have been prepared in accordance with UK adopted International Accounting Standards (IFRS) and the Companies Act 2006.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in US dollars, and all values are rounded to the nearest thousand (\$000), except when otherwise indicated.

The financial statements provide comparative information in respect of the previous period; during which the Company was dormant.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of ACG Metals Limited, which are publicly available on the ACG Metals website.

##### 2.1.1. Going concern

The directors have assessed the Company's ability to continue as a going concern, considering its current financial position, principal risks, and future prospects. The Company is part of a Group and forecasts are considered on a Group basis. The Group assessment covers a period of at least 12 months from the financial statement approval date, ensuring a comprehensive evaluation of financial stability and future projections. It involves a detailed review of key assumptions that underpin financial decisions, an in-depth analysis of consolidated cash flow forecasts to assess liquidity and funding requirements, and the application of sensitivity testing to key inputs. Sensitivity analysis helps gauge how variations in underlying factors such as market conditions, revenue fluctuations, and cost changes, might impact financial performance, providing a robust framework for risk management and strategic planning.

The Group, of which the Company is part, is focused on consolidating the copper sector and aims to increase market capitalisation from US\$100m in 2024 to US\$3-5bn in the next 3-5 years. In January 2025, the Group raised \$200m in bonds to finance a Turkey copper mine, indicating active efforts to expand operations and deliver on the growth strategy. The Group sought early refinancing of debt which arose at acquisition, demonstrating proactive and strategic management of funds. In addition to current facilities, The Group has a financial commitment from ACP, a main Shareholder for an additional share purchase worth \$7m at the option of the Group. The Group's current market capitalisation and ongoing fundraising efforts indicate access to capital and a good relationship with investors.

The Group has secured offtake agreements from the start of copper concentrate production for the entire mine life with Glencore. The Group has also secured Zinc offtake agreements with Traxys with respect to all zinc concentrates produced by the project. Contracts are in-line with international benchmark terms with flexibility on INCO terms for ACG to optimise delivery schedule.

The Group is positioned to capitalize on the growing global demand for copper, which is crucial for clean-energy and transport technologies.

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **Accounting policies (continued)**

#### **Going concern (continued)**

##### ***Conclusion***

Based on the available information, the directors have concluded that the Group and by extension the Company is in a strong position to continue as a going concern. Ambitious growth plans, proactive debt management, and favourable market conditions support this assessment.

##### **2.1.2. Cashflows**

The Company did not operate a bank account in 2024, and payments made on behalf of the Company are made by the parent entity. The Company accounts for this as a non-cash transaction, as there is no direct exchange of cash to or from the Company and accordingly no company cashflow statement is presented.

##### **2.2. Current versus non-current classification**

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **Accounting policies (continued)**

#### **2.3. Fair value measurement**

The Company measures financial instruments such as contingent consideration, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

#### **2.4. Investments in subsidiaries**

The Company's investment in its subsidiaries are accounted for under at cost less accumulated impairment as allowed by IAS 27 in the separate financial statements of the parent. The investment is recognised at cost.

The Company assesses at each reporting date whether there is any objective evidence that the investment in the subsidiary is impaired. An impairment loss is recognised if the recoverable amount of the investment is less than its carrying amount. The recoverable amount is the higher of the investment's fair value less costs of disposal and its value in use. Impairment losses are recognised in profit or loss and are reversed if there is a subsequent increase in the recoverable amount of the investment.

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **Accounting policies (continued)**

#### **2.5. Foreign currency**

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting from trading activities (trade receivables and payables) denominated in foreign currencies have been accounted for under “other operating income/expenses” whereas foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under “financial income/expenses” in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

#### **2.6. Taxation**

##### **2.6.1. Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in future and it further excludes items that are never taxable or deductible. The Company’s liability for current tax is calculated using tax rates that have been enacted for substantively enacted by the balance sheet date.

##### **2.6.2. Deferred tax**

Deferred tax is determined by calculating the temporary differences between the carrying amounts of assets/liabilities in the financial statements and the corresponding tax bases, used in the computation of the taxable profit, using currently enacted tax rates.

Deferred tax liabilities are generally recognized for all taxable temporary differences whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized if it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences, and they are expected to reverse in the foreseeable future.

The Company has not recorded deferred tax assets over its accumulated losses, since it is not probable that sufficient profit will be generated to cause a tax liability that can be offset in subsequent periods.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**Accounting policies (continued)**

**2.7. Financial Instruments**

**2.7.1. Financial Instruments**

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a part of the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**2.7.2. Financial assets**

*Classification of financial assets*

Financial assets that meet the following conditions are classified as financial assets at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets classified at amortised cost includes other receivables, which represents the amounts held in escrow and cash and bank balances, are initially recognised at their fair value at the date of the transaction and are subsequently measured at amortised cost using the effective interest rate method.

Financial assets classified at amortised cost are subsequently carried at amortised cost using the effective interest rate method. The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any allowance for expected credit losses where relevant.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company does not currently have any financial assets subsequently measured at FVTOCI.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

- Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset; the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met.

The Company does not currently have any financial assets subsequently measured at FVTPL.

Interest income is recognized in the income statement and is included in the “finance income – interest income” line item.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Accounting policies (continued)

#### Financial assets (continued)

##### *Foreign exchange gains and losses*

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognized in profit or loss. Other exchange differences are recognized in other comprehensive income in the investments revaluation reserve;

For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss.

##### *Impairment of financial assets*

The Company recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company utilises a simplified approach for receivables that do not have a significant financing component and calculates the allowance for impairment against the lifetime ECL of the related financial assets.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

##### *Derecognition of financial assets*

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss.

### 2.7.3. Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. At initial recognition financial liabilities are measured at their fair value less, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability.

Financial liabilities are classified at amortised cost, except for:

- a) Contingent consideration recognised in the financial statements recognised by the entity acquired in a business combination: After initial recognition, the related contingent consideration is measured as at FVTPL.

Financial liabilities classified at amortised cost, including interest bearing loans and trade & other payables, are subsequently measured at amortised cost using the effective interest rate. The amortised cost of a financial liability is the amount at which the financial liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount. Such amortisation amounts are recognised in the Statement of Comprehensive Income. Due to the short-term nature of the trade and other payables, they are stated at their nominal value, which approximates their fair value.

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **Accounting policies (continued)**

#### **Financial liabilities (continued)**

The Company determines the classification of its financial liabilities at initial recognition and re-evaluates the designation at each financial period end.

IAS 32 provides that the Company's financial instruments shall be classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument.

##### *Contingent consideration*

Contingent consideration is classified as a financial liability. Contingent consideration is within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9.

##### *Derecognition of financial liabilities*

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

### **2.8. Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and short-term time deposits held with banks. Short-term time deposits are highly liquid that can be easily converted into cash without a risk of losing its value. Cash and cash equivalents are presented in the statement of financial position. Deposits from which interest income is obtained despite being blocked are classified under long-term financial assets. The Company did not have any cash or cash equivalents in 2024 - see 2.1.2 above.

### **2.9. Share-based Payments**

ACG Metals Limited issues share-based payments to the Company's employees, directors, and third parties as part of its incentive schemes. These payments are accounted for in accordance with IFRS 2 Share-Based Payments. The charge for the share-based payments recognised relates to the Company's employees.

Share-based payments are classified as either equity settled, where shares or share options are granted and settled in equity instruments of the Company, or cash settled, where payments are made based on the value of the Company's shares, but settled in cash. The fair value of share-based payment awards is determined at the grant date and recognized as an expense over the vesting period, with a corresponding increase in equity (for equity-settled awards) or liabilities (for cash-settled awards).

The fair value of equity settled share-based payments is determined using an appropriate valuation model and the expense is recognised over the vesting period based on the number of options that are expected to vest. At each reporting date the expected vesting rate is reviewed and adjustments are made for forfeitures. The grant date fair value is not subsequently re-measured. Cash settled share-based payments are recognised as a liability and re-measured at each reporting date with changes in fair value recognised through profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3. Summary of critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires Management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses.

#### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

#### Estimates and assumptions

The estimates and associated assumptions are based on various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

#### *Carrying value of investments*

The carrying value of investments does not include any estimates or assumptions, except for the estimation of the fair value of contingent consideration. The carrying value of investment in Polimetals was not tested for impairment during the reporting period as there were no indications of impairment. Please refer to Note 12.

#### *Fair Value of Contingent Consideration*

Purchase consideration transferred included contingent consideration relating to Copper Price and Copper Discovery Bonuses. These are payable 12 months after the commencement of commercial production, expected in 2026. Payments are contingent upon achieving specified copper price and discovery targets over 2 years (Price Bonus) and 10 years (Discovery Bonus) from commencement.

The liability is initially measured at fair value by a third-party management expert on acquisition and remeasured at each reporting period, with changes recognized in profit or loss. The valuation is sensitive to changes in the Company's share price, expected volatility, and the likelihood of the option being exercised. These factors are reassessed at each reporting date. Please refer to note 16.

#### *Copper Price Bonus*

The first and second Copper Price Bonuses are due 12 and 24 months after commercial production begins, expected on 1 April 2026.

The valuation approach applied a Monte Carlo simulation to model a volume of copper price scenarios, incorporating expected metal price volatility and correlations from 3 September 2024 to 1 April 2028. Risk-free US government bond yields were applied to discount the present value.

#### *Copper Discovery Bonus*

If new ore reserves of at least 100,000 copper equivalent tonnes are discovered, the Company will pay Lidya \$50 million in 4 instalments over two years, starting no earlier than four years after production begins.

The bonus is expected to be triggered in 2031. The same Monte Carlo simulation used for the Price Bonuses was applied to estimate the remaining cap available for Discovery Bonus payments. The average estimated value across simulations was \$47.4m.

The fair value of \$12.6m recognised is based on probability-weighted production scenarios and discounted at the WACC of 18.0%.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Summary of critical accounting estimates and judgements (continued)

#### *Sensitivity to contingent consideration*

In respect of the Copper Price Bonus, a +0.5% change in the risk-free rate applied to present value the liability would have decreased the contingent consideration recognised from \$15.6m to \$15.3m. A 5% increase in the estimated bonus based on copper price simulations, before discounting would have increased the contingent recognised from \$15.6m to \$16.3m. In respect of the Copper Discovery Bonus, a +1% change in the WACC applied to 19% would have decreased contingent consideration recognized from £12.6m to \$11.9m. A 5% increase in the estimated bonus based on copper price simulations, before discounting, would have increased the contingent recognised from \$12.6m to \$13.2m.

This liability is classified as level 3 on the IFRS 13 Fair Value hierarchy, due to the use of significant unobservable inputs.

#### **4. New standards, interpretations and amendments adopted in these financial statements:**

##### **4.1 New standard or amendment – applicable 1 January 2024**

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2024:

New standard or amendment	Effective date
Classification of Liabilities as Current or Non-current – Amendments to IAS 1, Non-current liabilities with Covenants – Amendments to IAS 1	1 <sup>st</sup> January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 <sup>st</sup> January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7	1 <sup>st</sup> January 2024

##### **4.2 New standard or amendment – issued not yet effective**

As at 31 December 2024, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2024.

New standard or amendment	Effective date
Amendments to IAS 21 to clarify the accounting when there is a lack of exchangeability	1 <sup>st</sup> January 2025
IFRS 18 Presentation and Disclosure in Financial Statements	1 <sup>st</sup> January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 <sup>st</sup> January 2027

None of the standards or amendments which became effective in the year had a significant impact on the Company. The Company have not early adopted standards or amendments which are not yet effective. IFRS 18 will introduce presentational amendments to the primary statements which will be evaluated prior to their effective date. No other standards or amendments issued but not yet effective are expected to have a material impact.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**5. Financial Risk Management**

**5.1 Principal financial instruments and their categories**

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

Categories of financial assets	31 December 2024	31 December 2023
	\$000	\$000
Other receivables	11,521	-
<b>Total current financial assets at amortised cost</b>	<b>11,521</b>	-
	=====	=====
Categories of financial liabilities at amortised cost	31 December 2024	31 December 2023
	\$000	\$000
Trade payables	108	-
Accruals	3,690	-
<b>Trade and other payables</b>	<b>3,798</b>	-
<b>Current loans and borrowings</b>	<b>95,183</b>	-
<b>Loans and borrowings</b>	<b>95,183</b>	-
<b>Total financial liabilities at amortised cost</b>	<b>98,981</b>	-
	=====	=====
Categories of financial liabilities at Fair Value	31 December 2024	31 December 2023
	\$000	\$000
Contingent consideration	28,159	-
<b>Total current financial liabilities at Fair Value</b>	<b>28,159</b>	-
	=====	=====

**5.2. General objectives, policies and processes**

The Company is exposed to credit risk, market risk (foreign exchange risk and interest rate risk) and liquidity risk. The Company's overall risk management strategy focuses on the unpredictability of financial markets and targets to minimize potential adverse effects on financial performance.

**5.3. Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. To minimise this risk, the company endeavours only to deal with companies which are demonstrably creditworthy.

**Other receivables**

The aggregate financial exposure is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount of the Company's receivables from the parent company, totalling \$4.7 million (2023: \$Nil) and other receivables totalling \$6.8 million (2023: \$100). There is no expected credit loss for other receivables.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**Financial Risk Management (continued)**

**5.4. Liquidity risk**

Liquidity risk arises from the company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

The company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The company currently has access to cash held in ACG Metals bank accounts to provide funding for normal trading activity and is managed centrally. Trade and other payables are monitored as part of normal management routine.

The liquidity risk of each company entity is managed centrally by the group's treasury function. Each operation has a facility with company treasury, the amount of the facility being based on budgets. The budgets are set locally and agreed by the Board in advance, enabling the company's cash requirements to be anticipated. Where facilities of company entities need to be increased, approval must be sought from the company finance director. Where the amount of the facility is above a certain level, agreement of the Board is needed.

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry. To avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows, including contractual interest) of financial liabilities:

	Up to 3 Months \$000	Between 3 and 12 months \$000	Between 1 and 5 years \$000	Over 5 years \$000	Total contractual outflows \$000
<b>As at 31 December 2024</b>					
Trade payables	-	108	-	-	108
Accruals	-	3,690	-	-	3,690
Contingent consideration	-	-	17,479	47,370	64,849
Borrowings – interest bearing	26,036	76,021	-	-	102,057
	<b>26,036</b>	<b>79,819</b>	<b>17,479</b>	<b>47,370</b>	<b>170,704</b>

There are no financial liabilities as at the end of 31 December 2023.

**5.5. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk, and currency risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings.

**5.5.1 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's debt obligations with floating interest rates.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Financial Risk Management (continued)

The Company is not exposed to interest rate risk at the end of the reporting period as it has only fixed rate borrowings.

#### 5.5.2 Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of foreign denominated assets or liabilities will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when income or expense is denominated in a foreign currency).

The Company is not exposed to foreign currency risk at the end of the reporting period.

### 6. Capital risk management

The Company's main objectives for capital management are to keep the Company's ability to continue as a going concern and to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Company may decide on the amount of dividends paid to shareholders, issue of new shares or sell assets to decrease net financial debt.

The Company monitors capital on the basis of the net financial debt / invested capital ratio. Net financial debt is calculated as total financial liabilities less cash and cash equivalents (excluding blocked deposits) and invested capital is calculated as net financial debt plus total equity. Net financial debt / invested capital ratio was as follows:

	2024 \$000	2023 \$000
Loans and borrowings	95,183	-
Trade and other payables	3,798	-
	-----	-----
	98,981	-
	-----	-----
Equity	62,545	-
	-----	-----
<b>Total capital</b>	<b>62,545</b>	-
	-----	-----
<b>Capital and net debt</b>	<b>161,526</b>	-
	-----	-----
<b>Gearing ratio</b>	<b>61.3%</b>	-
	=====	=====

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**7. Other operating income**

	<b>2024</b> <b>\$000</b>	<b>2023</b> <b>\$000</b>
Management service charge	1,452	-
	<b>1,452</b>	-

**8. Administrative expenses**

	<b>2024</b> <b>\$000</b>	<b>2023</b> <b>\$000</b>
Consultancy fees	6,900	-
Royalty fees	4,815	-
Insurance expenses	629	-
Due diligence costs	1,968	-
Share based expenses	77	-
Travel, accommodation and other related expenses	103	-
	<b>14,492</b>	-

Included in the consultancy fee is an audit fee of \$50,000 for the year ended 31 December 2024 (2023: Nil) payable to RSM UK Audit LLP.

**9. Employee benefit expenses**

	<b>2024</b> <b>\$000</b>	<b>2023</b> <b>\$000</b>
Short-term employee benefits	54	-
Share-based payments expenses	77	-
	<b>131</b>	-

The average monthly number of employees, including the executive directors, during the year is 2 (2023: Nil). The aggregate remuneration to directors was \$51,500 (2023: \$Nil). During the year, no director exercised a share-based payments scheme (2023: Nil).

**10. Finance income and costs**

**10.1. Finance income**

	<b>2024</b> <b>\$000</b>	<b>2023</b> <b>\$000</b>
Interest income	129	-
	<b>129</b>	-

**10.2. Finance costs**

	<b>2024</b> <b>\$000</b>	<b>2023</b> <b>\$000</b>
Interest on third party loans and borrowings	2,882	-
Interest on intercompany loans	999	-
	<b>3,881</b>	-

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11. Income tax**

The Company is subject to taxation in the United Kingdom. Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, dividend income from domestic companies, other exempt income and investment incentives utilised. The effective tax rate applied in 2024 is 25% (2023: 23.5%). The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

	2024 \$000	2023 \$000
Profit or loss		
<i>Current income tax:</i>		
Current income tax charge	689	-
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	-	-
<b>Income tax expense</b>	<b>689</b>	-
	=====	=====

Reconciliation of tax expense and the accounting profit multiplied by United Kingdom's domestic tax rate for 2023 and 2024:

	2024 \$000	2023 \$000
<b>Accounting (loss) before tax</b>	<b>(16,792)</b>	-
	=====	=====
At UK's statutory income tax rate of 25% (2023: 23.5%)	(4,198)	-
Non-deductible expenses	3,143	-
Deferred tax not recognised	1,055	
Differences due to other taxes	689	
<b>At the effective income tax rate</b>	<b>689</b>	-
	=====	=====

The company has tax losses that arose in United Kingdom of \$4,218,186 (2023: \$Nil) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the group. These losses have arisen because the company has been loss-making for some time, and future taxable profits against which to offset the losses cannot be forecast with reasonable certainty. If the company were able to recognise all unrecognised deferred tax assets, the loss will have reduced by \$1,054,547 (2023: \$Nil).

**12. Investments in subsidiaries**

Set out below are the details of the subsidiaries held directly by the company:

Name of subsidiary	Country of incorporation	Principal activity	Proportion of ownerships	2024	2023
				\$000	\$000
Polimetall Madencilik Sanayi ve Ticaret A.Ş	Turkey	Mining	100%	178,853	-
			%	=====	=====
				<b>178,853</b>	-
				=====	=====

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

The company has elected not to prepare consolidated financial statements and instead prepares separate financial statements. The exemption from consolidation has been applied. The immediate parent, ACG Metals Limited, a public limited company incorporated in the British Virgin Islands, prepares consolidated financial statements that comply with IFRS, and these accounts have been made available for public use.

During the year, the Company acquired 100% of the share capital of Polimet. The total consideration of \$178.9 million for the acquisition was comprised as follows:

<b>Consideration</b>	<b>\$000</b>
Cash consideration	84,000
Shares of ACG Metals issued to Lidya	39,881
Warrants of ACG Metals issued to Lidya	1,994
Lidya's Debts to Polimet	15,638
Deferred consideration owed by ACG Metals	6,839
Copper price bonus (contingent consideration)	15,551
Copper discovery bonus (contingent consideration)	12,607
Royalty liabilities assumed from seller	2,343
<b>Total Consideration</b>	<b>178,853</b>

The cash consideration above was paid by ACG Metals Limited on behalf of the Company. \$30.4 million has been accounted for as a capital contribution (see note 20.2) and \$16.0 million represented an intercompany loan from ACG Metals Limited (see note 15) and \$37.5 million represented the proceeds of the loan from Traxys (see note 15).

Out of the cash consideration, \$30.4 million represented a capital contribution to the Company by ACG Metals and is accounted for in equity. Shares of ACG Metals issued to Lidya, Warrants of ACG Metals issued to Lidya, and Deferred consideration have been accounted for as capital contributions bringing the total capital contribution recognised in equity to \$79.9 million, including \$0.7 million relating to warrants of ACG Metals issued to ACP which is not included in consideration above.

### 13. Other receivables

	2024 \$000	2023 \$000
Receivables from related parties – ACG Metals Limited	4,748	-
Other receivables – escrow account	6,773	-
<b>11,521</b>	<b>-----</b>	<b>-----</b>

Receivables from related parties held by ACG Metals Limited represent amounts due to the Company held in the ACG Metals bank accounts. Refer to Note 22 for details of related party transactions.

The balances included as other receivables are held in an escrow account, with limited access to the company. The escrow account serves as a designated collection account for financing the acquisition of 100% of the issued shares of Polimet. Funds in this account are restricted and held in Trust for the Guarantor. Subsequent to year end, the Traxys loan was repaid in full, and this amount was released. Call-in arrears, included under other receivables, amount to \$Nil in 2024 (2023: \$100, rounded to Nil). For fair value information, please refer to Note 18.

### 14. Cash and cash equivalents

The cash and cash equivalents as at 31 December 2024 is \$Nil for 2024 (2023: \$Nil). The Company did not operate a bank account in 2024, and payments made on behalf of the Company are made by the parent entity.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**15. Loans and borrowings**

	<b>2024</b> <b>\$000</b>	<b>2023</b> <b>\$000</b>
<b>Current</b>		
Traxys loans	25,843	-
ACG Metals loans (Intercompany loan)	14,181	-
Polimetals loans (Intercompany loan)	55,159	-
	-----	-----
<b>Total loans and borrowings</b>	<b>95,183</b>	-
	=====	=====

At 31 December 2024, all loans were classified as current liabilities. Subsequent to the year end, the terms of the intercompany loans were formalised as presented below.

	<b>Interest rate %</b>	<b>Maturity</b>	<b>2024 \$000</b>	<b>2023 \$000</b>
ACG Metals loans (Intercompany loan)	0%	17-Jan-29	14,181	-
Polimetals loans (Intercompany loan)	8%	17-Jan-29	55,159	-
			-----	-----
			<b>69,340</b>	-
			=====	=====

Refer to Note 18 for fair value information.

**Intercompany loans (ACG Metals Limited)**

Intercompany loans are payable to ACG Metals were issued to fund the consideration for the acquisition of Polimetals and to support the normal operations of the company. \$16.0 million represented an intercompany loan from ACG Metals Limited on acquisition of Polimetals (see note 12). After the acquisition, \$1.8 million of the intercompany loan from ACG Metals limited was settled using a separate loan from Polimetals. No interest was charged in 2024.

**Intercompany loans (Polimetals)**

Intercompany loans are payable to Polimetals at 8% per annum. \$15.6 million of these loans was taken over by the Company from Lida as part of the acquisition of Polimetals. The loans were subsequently increased by \$1.8 million in part-settlement of the ACG Metals loan, \$11.7 million in part-settlement of the Traxys loans and \$26.1 million in funding of expenses incurred by the Company.

**Traxys loans**

The loan from Traxys was obtained in connection with the Company's acquisition of Polimetals. Interest was charged at SOFR plus 10% in 2024 and the loan was repayable by 31 July 2025. \$37.5 million represented an intercompany loan from Traxys on acquisition of Polimetals (see note 12). After the acquisition, \$11.7 million of the intercompany loan from Traxys was settled using a separate loan from Polimetals. The Traxys loan is secured with 100% of the shares in Polimetals, being 195,070,560 shares, were pledged at 1.00 Turkish Lira per share to the Security Agent with respect to the Loan Facility Agreement with Traxys Europe S.A. In January 2025, the Traxys loan was repaid in full thereby releasing this security.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**15.1 Reconciliation of net debt**

	01-Jan-24	Non -cash movements	31-Dec-24
	USD'000	USD'000	USD'000
Current loans and borrowings	-	95,183	95,183
<b>Total</b>	-	<b>95,183</b>	<b>95,183</b>

**16. Contingent consideration**

	2024	2023
	\$000	\$000
Copper Discovery Bonus	12,607	-
Copper Price Bonus	15,552	-
	-----	-----
	<b>28,159</b>	-
	-----	-----
	\$000	
At 1 January 2023	-	-
At acquisition	28,159	-----
	-----	-----
<b>At 31 December 2024</b>	<b>28,159</b>	-----
	-----	-----

As part of the purchase agreement with the previous owner of Polimetal, a contingent consideration has been agreed. This consideration is dependent on achieving a specified copper price and discovery targets over 2 years (Price Bonus) and 10 years (Discovery Bonus) from commencement. The fair value of the contingent consideration at the acquisition date was \$28,159,000. There were no movements in the fair value between the acquisition date and the reporting date. Details of accounting for contingent consideration are given in Accounting Policies (Note 2 and Note 3).

**17. Trade and other payables**

	2024	2023
	\$000	\$000
Trade payables	108	-
Accruals	3,690	-
Withholding tax payable	689	-
	-----	-----
<b>Total trade and other payables</b>	<b>4,487</b>	-
	-----	-----

Trade payables are non-interest bearing and are normally settled on 30-day terms. Refer to Note 18 for fair value information.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**18. Fair values**

Below is a comparison, by class, of the carrying amounts and fair values of the company's financial instruments.

	31-Dec-24		31-Dec-23	
	Carrying \$000	Fair value \$000	Carrying value \$000	Fair value \$000
<b>Financial assets</b>				
Other receivables	11,521	11,521	-	-
<b>Total financial assets</b>	<b>11,521</b>	<b>11,521</b>	-	-
<b>Financial liabilities</b>				
Loans and borrowings	95,183	95,183	-	-
Contingent consideration	28,159	28,159	-	-
Trade and other payables	4,487	4,487	-	-
<b>Total financial liabilities</b>	<b>127,829</b>	<b>127,829</b>	-	-

Management has determined that the fair values of other receivables, trade payables, and other payables approximate their carrying amounts, primarily due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate borrowings are evaluated by the company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project.
- The fair value methods and assumptions for contingent consideration is included in Note 3.

**19. Share capital**

	2024 Numbers	2023 Numbers	2024 \$000	2023 \$000
<b>Allotted, called-up and fully paid</b>				
Ordinary shares of \$1 each	100	100	-	-
			-	-
			-	-

The issued share capital issued at the end of the reporting year is \$100, rounded off to nil (2023: \$100).

**20. Nature and purpose of reserve**

**20.1 Share based payments reserve**

The Company falls within the ACG Metals Group, which operates a share option scheme granting options to subscribe for ACG Metals shares to certain senior executives and other employees. Senior executives of ACG Holdco 1 also participate in these share-based schemes, resulting in the creation of a reserve from shares issued by ACG Holdco 1's parent company. Please refer to Note 21 for further details.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 20.2 Other reserves

Other reserves comprise capital contributions from ACG Metals Limited, the immediate parent of the Company. Capital contributions are funds provided to the Company to support in the acquisition of Polimetel. These contributions are in the form of cash injections and asset transfers. They are recorded in the Company's financial statements as equity.

### 20.3 Retained loss

Retained loss or accumulated loss represents the cumulative net losses that a company has incurred over time, which have not been distributed as dividends to shareholders. Instead, these losses are retained within the company to cover any future losses or to reinvest in the business. Accumulated losses are shown as a negative balance in the equity section of the balance sheet.

## 21. Share based payments

### Equity incentive plan

As outlined in the prospectus, the Employee Incentive Plan (EIP) was granted to key personnel in recognition of their contributions towards the acquisition.

The Company provides employees and contractors with an annual issuance of shares under its Share Incentive Plan, with restricted shares issued for nominal consideration. This plan ensures that employees are rewarded for their contributions to the organisation. When an employment agreement concludes, the Company is required to uphold the terms of the Share Incentive Plan.

ACG Metals Limited as the ultimate parent company provides employees and contractors with an annual issuance of shares under its Share Incentive Plan, with shares issued for nominal consideration. This plan ensures that employees are rewarded for their contributions to the organisation.

The aggregate Award Price for these shares is nominal and they vest annually over three years from the grant date, subject to specified performance targets, including Total Shareholder Return (TSR). The vesting of shares is subject to achieving a TSR performance target, which the Board may adjust downward by up to 50% at its discretion based on the TSR achieved.

## 22. Related party transactions

Transactions with related parties in the entity

	Loans to/ (from) related party	Receivables from related party
	\$000	\$000
<b>Payables to ACG Metals (Intercompany)</b>		
At 31-Dec-24	(14,181)	-
<b>Payables to Polimetel (Intercompany)</b>		
At 31-Dec-24	(55,159)	-
<b>Receivables from ACG Metals (Intercompany)</b>		
At 31-Dec-24	-	4,748

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

There are no sales or purchases between the Company and its related parties during the year. However, the Company's recharges to Polimetal, represented as management service income during the year, amounted to \$1.4 million (2023: \$Nil). This balance was settled by Polimetal within the year.

### Nature of related party transactions

#### **Intercompany loans (ACG Metals Limited)**

No interest was charged in 2024. Following the formalization of loan agreements in January 2025, intercompany loans will remain payable to ACG Metals at a rate of 0% per annum. These funds were used towards the consideration for the acquisition of Polimetal and to support the normal operations of the company.

#### **Intercompany loans (Polimetal)**

Intercompany loans are payable to Polimetal at 8% per annum. One of these loans was taken over by the Company as part of the acquisition of Polimetal.

#### **Receivables from ACG Metals**

Receivables from related parties held by ACG Metals Limited represent the company's cash balances in ACG Metals' bank accounts as at the end of the reporting period. The cash held by ACG Metals on behalf of the Company does not accrue any interest at the end of the reporting period.

### Compensation of key management personnel

The compensation for key management personnel is as per the details provided in Note 9.

### **23. Ultimate controlling party**

The immediate direct parent of the company is ACG Metals Limited. There is no ultimate controlling party.

### **24. Events after reporting period**

#### **24.1 USD 200 Million Bond Financing for Project Development**

In January 2025, the Company successfully engaged international joint managers and completed the placement of USD 200 million in senior secured notes. This financing represents a key milestone in the funding of the Company's sulphide investment project in Turkey and positions the business well for the transition into the construction phase. Additionally, the outstanding Traxys loan for the year was fully repaid using bond proceeds.

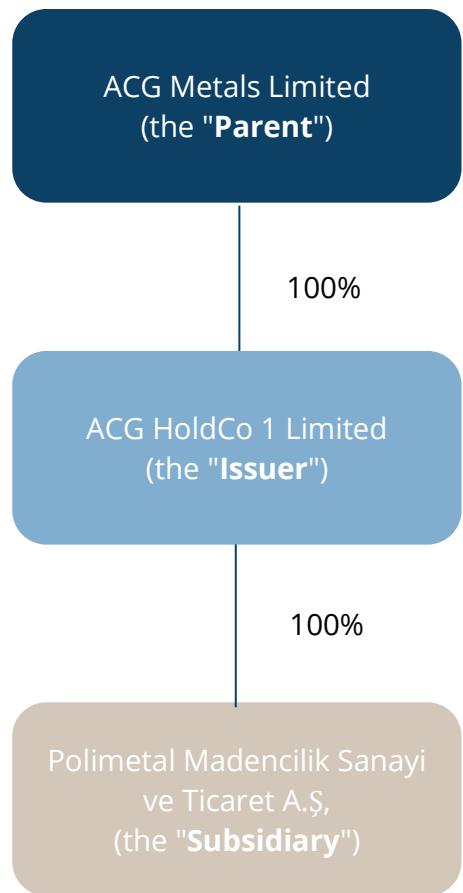
#### **24.2 Hedging**

The Company executed a comprehensive hedging agreement designed to manage commodity price exposure and mitigate risk in the construction phase of its flagship project. The agreement is a zero-cost structured collar option which will cover approximately 14,000 ounces of gold from Gediktepe, representing around 50% of expected gold production through to January 2026, when the sulphide expansion is anticipated to commence operations. This is expected to mitigate volatility in input pricing and enhance forecast certainty during the capital-intensive development stage.

#### **24.3 Debt restructuring**

In 2025, ACG Holdco 1 Limited and ACG Metals Limited agreed a debt restructuring agreement, novating the third party loans which were outstanding in ACG Metals in 2024, to ACG Holdco 1 Limited amounting to \$7million.

APPENDIX 2  
CORPORATE GROUP STRUCTURE



**APPENDIX 3**  
**THE ISSUER'S ARTICLES OF ASSOCIATION**

## Director's Certificate

**ACG HOLDCO 1 LIMITED (company number 14939464)**

**(the "Company")**

To: Nordic Trustee AS as security agent under the Bond Terms (defined below) dated on or about the date of this certificate and made between, amongst others, the Company as issuer, Nordic Trustee AS as bond trustee (as amended, varied, novated, supplemented, substituted, replaced, extended or restated from time to time) (the "Bond Terms").

(the "Addressee")

Date:

Dear Addressee

We refer to the Bond Terms. Terms defined in the Bond Terms have the same meaning when used in this certificate unless given a different meaning in this certificate.

I, Damien Coles being a Director of the Company hereby certify (without personal liability, save for fraud and wilful deceit) that:

**1. Constitutional Documents**

Attached to this certificate marked "**Annexure A**" are true, complete and up-to-date copies of the certificate of incorporation, and articles of association of the Company. Such constitutional documents are in full force and effect as at the date of this certificate and have not been amended or superseded.

**2. Board Resolutions**

Attached to this certificate marked "**Annexure B**" is a true, correct and up-to-date copy of a written resolution of the board of directors of the Company:

- (a) approving the terms of and the transactions contemplated by the Finance Documents to which the Company is a party and resolving that the Company execute, deliver and perform the Finance Documents to which it is a party;
- (b) authorising a specified person or persons to execute the Finance Documents to which the Company is a party on its behalf; and
- (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all notices, certificates and communications under or in connection with the Finance Documents to which it is a party,

and such resolutions have been duly passed, have not been amended, modified or revoked and are in full force and effect as at the date of this certificate.

**3. Shareholder Resolutions**

Attached to this certificate marked "**Annexure C**" is a true, correct and up-to-date copy of the written resolutions of the sole shareholder of the Company (passed as ordinary resolutions) approving the terms of, and the transactions contemplated by, the Finance Documents to which

the Company is a party, and such resolutions have been duly passed, have not been amended, modified or revoked, and are in full force and effect.

#### 4. Register of Members

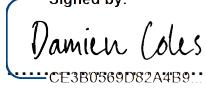
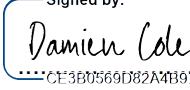
Attached to this certificate marked "**Annexure D**" is a true, complete and up-to-date copy of the statutory register of members of the Company, which shows the entire issued share capital of the Company as at the date of this certificate.

#### 5. PSC Register

Attached to this certificate marked "**Annexure E**" is a copy of the PSC register (the meaning as given to it in section 790C(10) of the Companies Act 2006) of the Company which is correct and complete as at the date of this certificate.

#### 6. Specimen Signatures

- 6.1 The following signatures are the true signatures of the persons referred to in paragraph 2 who have been authorised to sign and execute the Finance Documents to which the Company is a party and to give notices, certificates and communications under or in connection with the Finance Documents to which the Company is a party.
- 6.2 The signatures and email addresses set opposite their names are their true manuscript signatures and/or their correct email addresses to which links for the signature of documents by electronic means on an online electronic signature platform are to be sent.

Name	Position	Wet Ink Signature	DocuSign Signature	Email address
Damien Coles	Director	.....	<p>Signed by:              CE3B07369D82A4B9</p>	damien.coles@acgcorp.co
Signed:		<p>Signed by:              CE3B07369D82A4B9</p>		
Date:	09/01/2025	.....		

the Company is a party, and such resolutions have been duly passed, have not been amended, modified or revoked, and are in full force and effect.

**4. Register of Members**

Attached to this certificate marked "**Annexure D**" is a true, complete and up-to-date copy of the statutory register of members of the Company, which shows the entire issued share capital of the Company as at the date of this certificate.

**5. PSC Register**

Attached to this certificate marked "**Annexure E**" is a copy of the PSC register (the meaning as given to it in section 790C(10) of the Companies Act 2006) of the Company which is correct and complete as at the date of this certificate.

**6. Specimen Signatures**

6.1 The following signatures are the true signatures of the persons referred to in paragraph 2 who have been authorised to sign and execute the Finance Documents to which the Company is a party and to give notices, certificates and communications under or in connection with the Finance Documents to which the Company is a party.

6.2 The signatures and email addresses set opposite their names are their true manuscript signatures and/or their correct email addresses to which links for the signature of documents by electronic means on an online electronic signature platform are to be sent.

Name	Position	Wet Ink Signature	DocuSign Signature	Email address
				

Signed: .....

Date: .....

**Annexure A**

**Constitutional Documents**

# FILE COPY



## CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

Company Number **14939464**

The Registrar of Companies for England and Wales, hereby certifies that

**ACG HOLDCO 1 LIMITED**

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **15th June 2023**



\*N14939464R\*



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**Company Number: 14939464**

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**ACG HOLDCO 1 LIMITED (the “company”)**

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**Adopted by special resolution passed on 20 July 2023**

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## **PART 1**

### **INTERPRETATION AND LIMITATION OF LIABILITY**

#### **1. EXCLUSION OF OTHER REGULATIONS AND DEFINED TERMS**

1.1 No regulations or model articles contained in any statute or subordinate legislation, including those contained in the Model Articles, apply to the company.

1.2 In the articles, unless the context requires otherwise:

“**alternate director**” has the meaning given in article 25.1(b);

“**appointor**” has the meaning given in article 25;

“**articles**” means the company’s articles of association;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“**capitalised sum**” has the meaning given in article 48.1(b);

“**chairman**” has the meaning given in article 12.2;

“**chairman of the meeting**” has the meaning given in article 51.3;

“**Companies Acts**” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“**Conflict**” has the meaning given in article 15.1;

“**conflicts of interest**” include a conflict of interest and duty and a conflict of duties and “**interest**” includes both direct and indirect interests;

“**contract**” in article 14 includes any transaction or arrangement (whether or not constituting a contract);

“**director**” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“**distribution recipient**” has the meaning given in article 42.3;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form;

“**fully paid**” in relation to a share means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“**group company**” means a subsidiary undertaking or parent undertaking of the company or a subsidiary undertaking of any parent undertaking of the company;

**“holder”** in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

**“instrument”** means a document in hard copy form;

**“Model Articles”** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI2008/3229) as amended prior to the adoption of these articles;

**“paid”** means paid or credited as paid;

**“participate”**, in relation to a directors’ meeting, has the meaning given in article 10.1;

**“Permitted Situation”** has the meaning given in article 15.4;

**“persons entitled”** has the meaning given in article 48.1(b);

**“proxy notice”** has the meaning given in article 57.1;

**“shareholder”** means a person who is the holder of a share;

**“shares”** means shares in the company;

**“transmittee”** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

**“writing”** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.3 Unless the context otherwise requires, other words or expressions contained in the articles bear the same meaning as in Companies Act 2006 as in force on the date when the articles become binding on the company.

## **2. LIABILITY OF MEMBERS**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

## **PART 2** **DIRECTORS**

### **DIRECTORS’ POWERS AND RESPONSIBILITIES**

#### **3. DIRECTORS’ GENERAL AUTHORITY**

Subject to the articles, the directors are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company.

**4. SHAREHOLDERS' RESERVE POWER AND EFFECT OF ALTERING THE ARTICLES**

- 4.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.
- 4.3 No alteration of the articles invalidates anything which the directors have done before the alteration was made.

**5. DIRECTORS MAY DELEGATE**

- 5.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
  - (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions as they think fit.
- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3 Where a provision in the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.
- 5.4 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

**6. COMMITTEES**

- 6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- 6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

7.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

7.2 If:

- (a) the company only has one director; and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making. For purposes of article 11, the quorum for the transaction of business by a sole director is one, and all other provisions of the articles apply with any necessary modification (unless a provision expressly provides otherwise).

7.3 If only one director is eligible to vote on any authorisation required under article 15, the general rule does not apply, and the eligible director may take decisions in relation to the relevant matter without regard to any of the provisions of the articles relating to directors' decision-making.

### **8. UNANIMOUS DECISIONS**

8.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter. If an alternate director indicates that he shares the common view, his appointor need not also indicate his agreement.

8.2 Such a decision may take the form of a resolution in writing, at least one copy of which has been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing. A resolution signed by an alternate director need not also be signed by or agreed to by his appointor.

8.3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter and whose vote would have been counted had it been proposed as a resolution at a directors' meeting.

8.4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

### **9. CALLING A DIRECTORS' MEETING**

9.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

9.2 Notice of any directors' meeting must indicate:

- (a) its proposed date and time;

- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

9.3 Notice of a directors' meeting must be given to each director, but need not be in writing.

9.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company either before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **10. PARTICIPATION IN DIRECTORS' MEETINGS**

10.1 Subject to the articles, directors "participate" in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the articles; and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

10.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **11. QUORUM FOR DIRECTORS' MEETINGS**

11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

11.2 Subject always to articles 7.2 and 7.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

11.3 Subject always to article 7.2, if the total number of directors for the time being in office is less than the quorum required, the directors must not take any decision other than a decision:

- (a) appoint further directors; or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors.

## **12. CHAIRING OF DIRECTORS' MEETINGS**

12.1 The directors may appoint a director to chair their meetings.

- 12.2 The person so appointed for the time being is known as the “**chairman**”.
- 12.3 The directors may terminate the chairman’s appointment at any time.
- 12.4 If the chairman is not participating in a directors’ meeting within ten minutes of the time at which it was to start, the participating directors may appoint one of themselves to chair it.

### **13. CASTING VOTE**

- 13.1 If the numbers of votes at a meeting of directors for and against a proposal are equal (ignoring any votes which are to be discounted in accordance with the articles or the Companies Acts), the chairman or other director chairing the meeting has a casting vote.
- 13.2 Article 13.1 does not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

### **14. TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY**

- 14.1 Provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with and to the extent required by the Companies Acts, a director notwithstanding his office:
  - (a) may be a party to, or otherwise interested in, any contract with the company or in which the company is otherwise interested;
  - (b) may be a director or other officer of, or employed by, or a party to any contract with, or otherwise interested in, any group company or in any body corporate promoted by the company or any group company or in which the company or any group company is interested; and
  - (c) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor).
- 14.2 For the purposes of this article:
  - (a) a director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any group company; and
  - (b) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any contract in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such contract of the nature and extent so specified.
- 14.3 Where a director is a director or other officer of, or employed by, a group company, he:
  - (a) may in exercising his independent judgement take into account the success of other group companies as well as the success of the company; and

(b) shall in the exercise of his duties, where that other group company is a parent company, have a duty of confidentiality to the parent company in relation to confidential information of the parent company, but he shall not be restricted by any duty of confidentiality to the company from providing information to any parent company.

## 15. CONFLICTS OF INTEREST REQUIRING BOARD AUTHORISATION

15.1 The directors may, subject to the quorum and voting requirements set out in the articles, authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest (a “**Conflict**”).

15.2 Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter that is the subject of a Conflict. Such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and decided upon by the directors under the provisions of the articles, save that:

- (a) the relevant director shall not count towards the quorum nor vote on any resolution giving such authority; and
- (b) if there are insufficient directors eligible to vote and therefore to form a quorum, article 7.3 will apply.

15.3 Where the directors give authority in relation to a Conflict:

- (a) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (b) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation or variation in accordance with the terms of such authority.

15.4 Where the directors give authority in relation to a Conflict or where any of the situations referred to in article 14.1 (each a “**Permitted Situation**”) applies:

- (a) the directors may (whether at the relevant time or subsequently): (i) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the directors or otherwise) related to the Conflict or Permitted Situation; and (ii) impose upon the relevant director such other terms for the purpose of dealing with the Conflict as they may determine;
- (b) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the board in relation to the Conflict or Permitted Situation; and
- (c) the directors may provide that where the relevant director obtains (otherwise than through his position as a director of the company) information that is confidential to a third party, the director will not be obliged to disclose that information to the company, or to use or apply the information in relation to the company’s affairs, where to do so would amount to a breach of that confidence.

15.5 A director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the company or the members for any remuneration, profit or other benefit realised by reason of his having any type of interest in a Conflict authorised under this article or in any Permitted Situation and no contract shall be liable to be avoided on the grounds of a director having any such interest.

**16. DIRECTORS MAY VOTE WHEN INTERESTED**

16.1 Subject where applicable to disclosure in accordance with the Companies Acts or the articles and subject to any terms imposed by the directors in relation to any Conflict or Permitted Situation, a director shall be entitled to vote in respect of any matter in which he is interested directly or indirectly and if he shall do so his vote shall be counted and, whether or not he does, his presence at the meeting shall be taken into account in ascertaining whether a quorum is present.

16.2 Subject to article 16.3, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

16.3 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

**17. RECORDS OF DECISIONS TO BE KEPT**

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

**18. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

**19. CHANGE OF NAME**

The company may change its name by a decision of the directors. The provisions of section 79 of the Companies Act 2006 will be complied with on any change of the company's name pursuant to this article.

**APPOINTMENT OF DIRECTORS**

**20. METHODS OF APPOINTING DIRECTORS**

20.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

(a) by ordinary resolution;

- (b) by a decision of the directors; or
- (c) by a notice of his appointment given in accordance with article 22.

20.2 In any case where, as a result of death, bankruptcy or other events, the company has no shareholders and no directors, the transmittee(s) of the last shareholder have the right, by notice in writing, to appoint one or more persons to be a director.

20.3 For the purposes of article 20.2, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

## **21. TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (f) that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors resolve that that person should cease to be director; or
- (g) notice of his removal is given in accordance with article 22.

## **22. APPOINTMENT AND REMOVAL OF DIRECTORS BY MAJORITY SHAREHOLDERS**

A shareholder or shareholders holding in aggregate a majority in nominal value of the issued shares may, by notice in writing to the company, at any time and from time to time appoint any person who is willing to act, and is permitted by law to do so, to be a director (either to fill a vacancy or as an additional director) and/or remove any director from office (no matter how he was appointed). The appointment and/or removal takes effect immediately on delivery of the notice or on such later date (if any) specified in the notice.

## **23. DIRECTORS' REMUNERATION**

- 23.1 Directors may undertake any services for the company that the directors decide.
- 23.2 Directors are entitled to such remuneration as the directors determine:
  - (a) for their services to the company as directors; and
  - (b) for any other service which they undertake for the company.
- 23.3 Subject to the articles, a director's remuneration may take any form.
- 23.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 23.5 Directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company, any group company or any other body corporate in which the company is interested, and the receipt of such benefit shall not disqualify any person from being a director of the company.
- 23.6 The directors may provide benefits, whether by the payment of a pension, allowance or gratuities, or any death, sickness or disability benefits or by insurance or otherwise, for any director or former director who holds or has held any office or employment with the company, predecessor in business of the company or with any undertaking which is or has been a group company and for any member of his family (including a spouse or former spouse) or any person who is or was dependent on him, and may (before as well as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## **24. DIRECTORS' EXPENSES**

- 24.1 The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
  - (a) meetings of directors or committees of directors;
  - (b) general meetings; or
  - (c) separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.
- 24.2 Subject to the Companies Acts, the directors shall have power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him for the purpose of the company or for the purpose of enabling him properly to perform his duties as an officer of the company or to avoid him incurring any such expenditure.

## **ALTERNATE DIRECTORS**

### **25. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 25.1 Any director (other than an alternate director) (the “**appointor**”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
  - (a) exercise that director’s powers; and
  - (b) carry out that director’s responsibilities in relation to the taking of decisions by the directors in the absence of the alternate’s appointor (such person known as an “**alternate director**”).
- 25.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.
- 25.3 The notice must:
  - (a) identify the proposed alternate; and
  - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

### **26. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 26.1 An alternate director has the same rights, in relation to any directors’ meeting and all meetings of committees of directors of which his appointor is a member or directors’ written resolutions, as the alternate’s appointor.
- 26.2 Except as the articles specify otherwise, alternate directors:
  - (a) are deemed for all purposes to be directors;
  - (b) are liable for their own acts and omissions;
  - (c) are subject to the same restrictions as their appointor; and
  - (d) are not deemed to be agents of or for their appointor.
- 26.3 Subject to the articles, a person who is an alternate director but not also a director:
  - (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person’s appointor is not participating); and
  - (b) may sign or otherwise indicate his agreement to a written resolution (but only if it is not signed or to be signed or otherwise agreed by that person’s appointor).

No alternate may be counted as more than one director for such purposes.

26.4 Subject to the articles, a director who is also an alternate director has an additional vote on behalf of each appointor who:

- (a) is not participating in a directors' meeting; and
- (b) would have been entitled to vote if he was participating in it.

26.5 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

## **27. TERMINATION OF ALTERNATE DIRECTORSHIP**

27.1 An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates.

## **PART 3** **SHARES AND DISTRIBUTIONS**

### **28. ALL SHARES TO BE FULLY PAID**

28.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

28.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

### **29. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

29.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue further classes of shares with such rights or restrictions as may be determined by ordinary resolution or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the directors may decide.

29.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

29.3 The rights, restrictions, terms and conditions attached to any shares issued pursuant to article 29.1 or 29.2 shall apply as if the same were set out in the articles.

### **30. ALTERATION OF SHARE CAPITAL**

- 30.1 In exercising the power of the Company under section 618 of the Companies Act 2006, a resolution of the members to authorise a sub-division of shares may provide, as between the shares resulting from the sub-division, for any of them to have a preference or advantage or any other differing right, as compared with the others.
- 30.2 In addition to its powers to alter its share capital under the Companies Act 2006 and the articles, the Company may, by ordinary resolution, redesignate all or any part of its share capital by assigning a name or other designation, or a new name or other designation, to any class or description of its shares and may in that resolution, as between the shares being redesignated, provide for any of them to have a preference or advantage or other differing right, as compared with the others.

### **31. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES**

- 31.1 The company may pay any person a commission in consideration for that person:
  - (a) subscribing, or agreeing to subscribe, for shares; or
  - (b) procuring, or agreeing to procure, subscriptions for shares.
- 31.2 Any such commission may be paid:
  - (a) in cash, or in fully paid shares or other securities, or partly in one way and partly in the other; and
  - (b) in respect of a conditional or an absolute subscription.

### **32. EXCLUSION OF PRE-EMPTION RIGHTS**

The pre-emption provisions in sections 561 and 562 of the Companies Act 2006 shall not apply to any allotment of equity securities made by the company.

### **33. PURCHASE OF OWN SHARES**

The company may purchase its own shares in any way provided for by the Companies Acts.

### **34. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

### **35. SHARE CERTIFICATES**

- 35.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 35.2 Every certificate must specify:

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

35.3 No certificate may be issued in respect of shares of more than one class.

35.4 If more than one person holds a share, only one certificate may be issued in respect of it.

35.5 Certificates must:

- (a) have affixed to them the company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

**36. REPLACEMENT SHARE CERTIFICATES**

36.1 If a certificate issued in respect of a shareholder's shares is:

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

36.2 A shareholder exercising the right to be issued with such a replacement certificate:

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

**37. SHARE TRANSFERS**

37.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

37.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

37.3 The company may retain any instrument of transfer which is registered.

37.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

37.5 Subject to articles 37.6 to 37.7 (inclusive), the directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

37.6 Notwithstanding any contrary provisions in these articles, where shares in the company have been mortgaged or charged by way of security in favour of any financial institution or other person (including where such person acts as a security agent or security trustee) (a "Secured Party"):

- (a) to the extent permissible by law, the directors must not decline to register any transfer of those shares, nor suspend registration of those shares, nor will any restriction on the transfer of shares apply, where such transfer is a Security Transfer; and
- (b) a certificate from the Secured Party, its nominee or any receiver (or similar officer) that a transfer of shares in the company is a Security Transfer will be conclusive evidence of that fact and the directors must forthwith register any such Security Transfer.

In this article 37.6, a "Security Transfer" is a transfer of shares in the company:

- (i) to a Secured Party or to a person who is a beneficiary under a security trust or security agency or, in either case, its nominee; or
- (ii) that is executed by a Secured Party, its nominee or any receiver (or similar officer) pursuant to a power of sale, right of appropriation or other power conferred by the security.

37.7 Any lien on shares which the company has shall not apply in respect of any shares which have been charged by way of security to a bank or financial institution or a subsidiary of a bank or financial institution or which are transferred in accordance with the provisions of this article.

## 38. TRANSMISSION OF SHARES

38.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

38.2 Subject to article 38.3, a transmittee who produces such evidence of entitlement to shares as the directors may properly require:

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as were enjoyed by the holder from whom the transmittee derived such entitlement.

38.3 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the event which gave rise to the transmission, unless they become the holders of those shares.

### **39. EXERCISE OF TRANSMITTEES' RIGHTS**

39.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

39.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

39.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

### **40. TRANSMITTEES BOUND BY PRIOR NOTICES**

If a notice is given to a shareholder in respect of shares and a transmittee (or any person nominated under article 38.2) is entitled to those shares, the transmittee (and any person nominated under article 38.2) is bound by the notice if it was given to the shareholder before the transmittee's name had been entered in the register of members.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **41. PROCEDURE FOR DECLARING DIVIDENDS**

41.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

41.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

41.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

41.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, the dividend must be paid by reference to each shareholder's holding of shares in the class in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

41.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

41.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

41.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

## 42. **PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

42.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

42.2 Subject to the provisions of the articles and to the rights attaching to any shares, any dividend or other sum payable on or in respect of a share may be paid in such currency as the directors may resolve, using such exchange rate for currency conversions as the directors may select.

42.3 In the articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

## 43. **NO INTEREST ON DISTRIBUTIONS**

The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- (a) the terms on which the share was issued; or

- (b) the provisions of another agreement between the holder of that share and the company.

#### **44. UNCLAIMED DISTRIBUTIONS**

44.1 All dividends or other sums which are:

- (a) payable in respect of shares; and
- (b) unclaimed after having been declared or become payable may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

44.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

44.3 If:

- (a) 12 years have passed from the date on which a dividend or other sum became due for payment; and
- (b) the distribution recipient has not claimed it the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

#### **45. NON-CASH DISTRIBUTIONS**

45.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors or by a decision of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

45.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

#### **46. WAIVER OF DISTRIBUTIONS**

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

- (a) the share has more than one holder; or

- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

#### **47. DISTRIBUTION IN SPECIE ON WINDING UP**

If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by law, divide among the shareholders in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

#### **CAPITALISATION OF PROFITS**

#### **48. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

48.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of any of the company's reserves or funds, including but not limited to the share premium account, capital redemption reserve, merger reserve or revaluation reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

48.2 Capitalised sums must be applied

- (a) on behalf of the persons entitled; and
- (b) in the same proportions as a dividend would have been distributed to them.

48.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

48.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

48.5 Subject to the articles the directors may:

- (a) apply capitalised sums in accordance with articles 48.3 and 48.4 partly in one way and partly in another;

- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## **PART 4** **DECISION MAKING BY SHAREHOLDERS**

### **49. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 49.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 49.2 A person is able to exercise the right to vote at a general meeting when:
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 49.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 49.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 49.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **50. QUORUM FOR GENERAL MEETINGS**

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

### **51. CHAIRING GENERAL MEETINGS**

- 51.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 51.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
  - (a) the directors present; or

(b) (if no directors are present), the meeting must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

51.3 The person chairing a meeting in accordance with this article is referred to as the **“chairman of the meeting”**.

52. **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

52.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

52.2 The chairman of the meeting may permit other persons who are not:

- (a) shareholders of the company; or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings to attend and speak at a general meeting.

53. **ADJOURNMENT**

53.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

53.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment; or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

53.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

53.4 When adjourning a general meeting, the chairman of the meeting must:

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

53.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (a) to the same persons to whom notice of the company's general meetings is required to be given; and

- (b) containing the same information which such notice is required to contain.

53.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

**54. VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

**55. ERRORS AND DISPUTES**

55.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

55.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

**56. POLL VOTES**

56.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

56.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution;
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution; or
- (e) a person or persons holding shares in the company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right.

A demand for a poll by a proxy counts, for the purposes of paragraph (c) above, as a demand by a member, for the purposes of paragraph (d) above, as a demand by a member representing the voting rights that the proxy is authorised to exercise, and, for the purposes of paragraph (e) above, as a demand by a member holding the shares to which those rights are attached.

56.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairman of the meeting consents to the withdrawal.

56.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

**57. CONTENT OF PROXY NOTICES**

57.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate.

57.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

57.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

57.4 Unless a proxy notice indicates otherwise, it must be treated as:

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

**58. DELIVERY OF PROXY NOTICES**

58.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

58.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

58.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

58.4 The directors may require the production of any evidence which they consider necessary to determine the validity of any proxy notice.

**59. AMENDMENTS TO RESOLUTIONS**

59.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

59.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

59.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**60. CLASS MEETINGS**

The provisions of the articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of shares of a class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

**PART 5**  
**ADMINISTRATIVE ARRANGEMENTS**

**61. MEANS OF COMMUNICATION TO BE USED**

61.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

61.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

61.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

**62. WHEN NOTICE OR OTHER COMMUNICATION DEEMED TO HAVE BEEN RECEIVED**

62.1 Any notice, document or information sent or supplied by the company to the shareholders or any of them:

- (a) by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post, or there is only one class of post, or it was sent by air mail to an address outside the United Kingdom, in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
- (b) by being left at a shareholder's registered address, or such other postal address as notified by the shareholder to the company for the purpose of receiving company communications, shall be deemed to have been received on the day it was left;
- (c) by electronic means, shall be deemed to have been received 24 hours after it was sent. Proof that a notice, document or information in electronic form was addressed to the electronic address provided by the shareholder for the purpose of receiving communications from the company shall be conclusive evidence that the notice, document or information was sent; and
- (d) by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this article or, if later, the date on which it is first made available on the website.

**63. COMPANY SEALS**

63.1 Any common seal may only be used by the authority of the directors.

63.2 The directors may decide by what means and in what form any common seal is to be used.

63.3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

63.4 For the purposes of this article, an authorised person is:

- (a) any director of the company;
- (b) the company secretary (if any); or

- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **64. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

#### **65. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **66. INDEMNITY**

- 66.1 Subject to article 66.4, a relevant director may be indemnified out of the company's assets against:
  - (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;
  - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme; and
  - (c) any other liability incurred by that director as an officer of the company or an associated company.
- 66.2 The company may fund a relevant director's expenditure for the purposes permitted under the Companies Acts and may do anything to enable a relevant director to avoid incurring such expenditure as provided in the Companies Acts.
- 66.3 No relevant director shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.
- 66.4 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

#### **67. INSURANCE**

The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

## 68. **DEFINITIONS**

68.1 In articles 66 and 67:

- (a) companies are “**associated**” if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- (b) a “**relevant director**” means any director or former director of the company or an associated company; and
- (c) a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company.

**Annexure B**

**Board Resolutions**

ACG Holdco1 Limited (the "**Company**")

Company No. 14939464

Written resolutions of the directors of the Company passed in accordance with the articles of association of the Company (the "**Articles**") and the Companies Act 2006 (the "**Act**") (the "**Resolutions**")

Present: Damien Coles (in the Chair)

Damien Coles on behalf of Moorlander Services Limited

**1. Purpose of the Resolutions**

- 1.1 We note that the Company has one wholly owned subsidiary being Polimetal Madencilik Sanayi ve Ticaret A.Ş. (the "**Mining Company**") and is in turn wholly owned by ACG Metals Limited (the "**Parent**").
- 1.2 We refer to the proposed arrangements in respect of a USD 200,000,000 senior secured bond issue 2025/2029 (the "**Bond Issue**") to be documented and governed by Norwegian law governed bond terms to be made between, amongst others, the Company as issuer and Nordic Trustee AS as bond trustee (the "**Bond Trustee**"), (the "**Bond Terms**").
- 1.3 The Company would apply the monies from the Bond Issue towards:
  - (a) the repayment of the USD 25,400,000 facility dated 29 August 2024 made available to the Company by Traxys Europe S.A. (the "**Existing Debt**");
  - (b) costs associated with the expansion of the current mining operations in respect of the Gediktepe Mine;
  - (c) payment of transaction expenses relating to the Bond Issue, the repayment of Existing Debt and related documentation; and
  - (d) the general corporate purposes of the Company and its subsidiaries (the "**Transaction**").
- 1.3.2 The Company would apply the monies from the Intercompany Loan towards the general corporate purposes of the Company.
- 1.4 It is noted that it is a condition of the proposed Bond Issue being made available to the Company that:
  - (a) the Company enter into the following documents (the "**Documents**"):
    - (i) the Bond Terms;
    - (ii) the Norwegian law governed fee agreement to be entered into by the Issuer and the Bond Trustee for the services provided by the Bond Trustee in relation to the Bond Issue;
    - (iii) an English law governed subordination and turnover agreement to be made between, among others, the Issuer and the Bond Trustee;

- (iv) a Norwegian law governed first priority pledge over the USD bank account held with Nordic Trustee Services AS, to be made between, amongst others, the Company as pledgor and Nordic Trustee AS as pledgee;
- (v) a Norwegian law governed escrow agreement made between, among others, the Issuer, the Bond Trustee and Nordic Trustee Services AS as escrow manager (the "**Escrow Agreement**");
- (vi) a Turkish law governed first priority pledge over the entire share capital of the Polimetal Madencilik Sanayi ve Ticaret A.Ş. (the "**Mining Company**") to be made between the Company as pledgor and Nordic Trustee AS as pledgee (the "**Share Pledge**");
- (vii) an English law governed security agreement to be made between the Company as chargor and the Nordic Trustee AS as security agent (the "**Security Agent**"), whereby the Company is to grant, among other things, fixed and floating charges in favor of the Security Agent;
- (viii) an English law governed intercompany loan to be made by the Company as lender to the Mining Company as borrower (the "**Secured Downstream Loan**");
- (ix) an English law governed subordination and turnover agreement to be made between, among others, the Issuer and the Bond Trustee in respect of the Secured Downstream Loan;
- (x) an English law governed first priority assignment to be made by the Company as assignor and the Security Agent as assignee over its rights under the Secured Downstream Loan and all security provided to the Company by the Mining Company as security for the Mining Company's obligations to the Company under the Secured Downstream Loan;
- (xi) a Turkish law governed mine mortgage agreement to be made between the Mining Company as mortgagee and the Company as mortgagor as security for the Secured Downstream Loan (the "**Mining Mortgage**");
- (xii) the Norwegian law governed account operator agreement dated 22 November 2024 and made between the Issuer as issuer and Nordic Trustee Services AS as account operator;
- (xiii) an English law governed power of attorney in respect of the execution of the Mining Mortgage (if applicable) and the Share Pledge; and
- (xiv) a certificate, addressed to the Bond Trustee, certifying certain matters of fact relating to the Company, and

(b) the sole shareholder of the Company pass a shareholder resolution by way of a written resolution to, among other things, approve the Company's entry into the Documents and the Transaction (the "**Written Resolution**").

1.5 By signing below, each director confirms that it has received drafts of each of the Documents and the Written Resolution.

## 2. Declarations of interest

- 2.1 By signing these Resolutions, each director confirms that they have complied with their obligations under the Companies Act 2006 and the articles of association of the Company to:
  - (a) declare the nature and extent of their interests (direct or indirect) in any proposed or existing transaction or arrangement with the Company; and
  - (b) update any declaration of interests which has become inaccurate or incomplete.
- 2.2 By signing these Resolutions, each director confirms that they had no direct or indirect interest in any way in the proposed or existing transactions to be considered at the meeting which they were required by sections 177 or 182 (as appropriate) of the Companies Act 2006 and the Company's articles of association to disclose, other than those matters that had already been disclosed.
- 2.3 By signing these Resolutions, each director confirms that, under the articles of association of the Company, they were entitled to vote on the proposed transactions.

## 3. Consideration of Documents

- 3.1 By signing these Resolutions, each director confirms that they have considered the terms of each of the Documents in detail, each director having been given the opportunity to ask questions in relation to the same.
- 3.2 By signing these Resolutions, each director confirms their full understanding of the effect and implications for the Company of entering into the Documents and confirms they are of the opinion that:
  - (a) having regard to the factors relevant to the decision the Bond Issue and the Company entering into the Documents would be most likely to promote the success of the Company for the benefit of its members as a whole; and
  - (b) the execution and delivery of each of the Documents and the exercise by the Company of its respective rights, and the performance of its respective obligations, under the Documents would not contravene any provision of the Company's memorandum and articles of association or any agreement or any obligations binding on the Company.

## 4. Written resolution approving the Documents

By signing below, each director RESOLVES THAT:

- (a) the Written Resolution and the terms of the resolutions set out in the Written Resolution be approved; and
- (b) the Written Resolution be circulated to the sole shareholder of the Company for signature (together with any documents referred to in the Written Resolution which have not yet been supplied to the sole shareholder of the Company).

## 5. Resolutions

- 5.1 By signing below, each director confirms that they have made careful consideration of the Documents, the transactions contemplated by them, and the matters set out in section 172(1) of the Companies Act 2006 and such other matters as were considered relevant.

5.2 By signing below, each director RESOLVES THAT, conditional upon the Written Resolution being duly passed by the sole shareholder of the Company:

- (a) the Transaction, the Documents and the transactions contemplated thereby would promote the success of the Company for the benefit of its members as a whole;
- (b) the terms of, and the transactions contemplated by, the Documents be and are approved;
- (c) the execution and delivery by the Company of each of the Documents and the performance of its obligations under each of the Documents is approved;
- (d) each director be and is authorised on behalf of the Company to sign the Documents, in the form produced to the meeting or with such variations or amendments if any as he may in his discretion approve, in such form as any one director may in his or her discretion approve and to sign any other documents, notices, confirmations, certificates or communications connected with or anticipated by the Documents and to give effect the Transaction and/or as required to be delivered as a condition precedent or otherwise under any of the Finance Documents;
- (e) the Mining Mortgage, to be established over the mining operation licenses of the Mining Company, including but not limited to the Company's IV. Group (c) mining operation license numbered 85535 dated 23/06/2011 valid until 23/06/2036 for an area of 1,486.99 hectares and any other related costs (interest, taxes, etc.) arising from the Secured Downstream Loan, to which the Company is the pledgee, and the performance of all actions necessary for this purpose, including the granting of a power of attorney, is hereby approved;
- (f) any Document to be executed as a deed be executed and delivered as a deed on behalf of the Company by any two directors or by the attested signature of any director, in the form produced to the meeting or with such variations or amendments if any as any one director may in his or her discretion approve; and
- (g) where any such variations or amendments as are referred to above are made, the approval of the director concerned shall in each case be conclusively evidenced by his or her signing or otherwise executing the relevant Document.

## 6. Company secretarial matters

If these resolutions are passed, any director be and is hereby instructed to make all necessary and appropriate entries in the books and registers of the Company.

**SIGNED by DAMIEN COLES:**

Signed by:

Damien Coles

CE3B0569D82A4B9

Signature

Damien Coles

Date 10 January 2025

**SIGNED by a director for and on behalf of MOORLANDER SERVICES LIMITED:**

Signed by:

Damien Coles

CE3B0569D82A4B9

Signature

Damien Coles

Print name

Damien Coles

Date 10 January 2025

**Annexure C**

**Shareholder Resolutions**

**Company No. 14939464**

**Written Resolution of ACG HOLDCO 1 LIMITED (the "Company")**

Circulation Date:

Pursuant to section 288 of the Companies Act 2006, it is proposed that the following unanimous ordinary resolution (the "**Resolution**") be passed by the sole shareholder of the Company:

1. THAT the provisions of, and performance of the obligations set out in, the following documents:
  - (a) bond terms to document and govern a USD 200,000,000 senior secured bond issue 2025/2029 to be made between, amongst others, the Company as issuer (the "**Issuer**") and Nordic Trustee AS as bond trustee (the "**Bond Trustee**");
  - (b) the Norwegian law governed fee agreement to be entered into by the Issuer and the Bond Trustee for the services provided by the Bond Trustee in relation to Bond Issue;
  - (c) an English law governed subordination and turnover agreement to be made between, among others, the Issuer and the Bond Trustee;
  - (d) a Norwegian law governed first priority pledge over the USD bank account held with Nordic Trustee Services AS, to be made between, amongst others, the Company as pledgor and Nordic Trustee AS as pledgee;
  - (e) a Norwegian law governed escrow agreement made between, among others, the Issuer, the Bond Trustee and Nordic Trustee Services AS as escrow manager;
  - (f) a Turkish law governed first priority pledge over the entire share capital of Polimetal Madencilik Sanayi ve Ticaret A.Ş. (the "**Mining Company**") to be made between the Company as pledgor and Nordic Trustee AS as pledgee (the "**Share Pledge**");
  - (g) an English law governed security agreement to be made between the Company as chargor and Nordic Trustee AS as security agent (the "**Security Agent**"), whereby the Company is to grant, among other things, fixed and floating charges in favor of the Security Agent;
  - (h) an English law governed intercompany loan to be made by the Company as lender to the Mining Company as borrower (the "**Secured Downstream Loan**");
  - (i) an English law governed subordination and turnover agreement to be made between, among others, the Issuer and the Bond Trustee in respect of the Secured Downstream Loan;
  - (j) an English law governed first priority assignment to be made by the Company as assignor and the Security Agent as assignee over its rights under the Secured Downstream Loan and all security provided to the Company by the Mining Company as security for the Mining Company's obligations to the Company under the Secured Downstream Loan;
  - (k) a Norwegian law governed account operator agreement dated 22 November 2024 and made between the Issuer as issuer and Nordic Trustee Services AS as account operator;

(l) a Turkish law governed mine mortgage agreement to be made between the Mining Company as mortgagee and the Company as mortgagor as security for the Secured Downstream Loan (the "**Mining Mortgage**"); and

(m) an English law governed power of attorney dated 30 December 2024 in respect of the execution of the Mining Mortgage (if applicable) and the Share Pledge,

(together, the "**Documents**"), which the Company is proposing to enter into in connection with the financing arrangements with the Bond Trustee (the "**Transaction**") be and are hereby approved (copies of such Documents having been supplied to the sole member of the Company prior to the signing of this Written Resolution), subject to such changes as the Company's directors, in their absolute discretion, think fit, such opinion being evidenced by the execution of such Documents.

2. THAT, notwithstanding any provisions of the Company's memorandum and articles of association or any personal interest of any of the Company's directors, the Company's directors be and are hereby authorised and directed to execute, deliver and perform the obligations set out in the Documents and give or execute any or all notices, communications or other documents on behalf of the Company pursuant to or in connection with each of the Documents for the Company (in such manner and subject to such changes as the Company's directors, in their absolute discretion, think fit (such opinion being evidenced by the execution of such Documents)).
3. THAT, notwithstanding any provisions of the memorandum or articles of association of the Company, for the purposes of the transactions contemplated by the Documents only, a director who is considered to have a conflict of interest with the Company may be counted as participating in a decision at a directors' meeting or part of a directors' meeting or pursuant to a written board resolution or part of a written board resolution, relating to it for quorum or voting purposes.
4. THAT, the terms of and the transactions contemplated by the Documents to which the Company is to be a party are hereby approved and that the entry into by the Company of the Documents to which it is a party will promote the success of the Company for the benefit of its members as a whole.
5. THAT, the Mining Mortgage, to be established over the mining operation licenses of the Mining Company, including but not limited to the Company's IV. Group (c) mining operation license numbered 85535 dated 23/06/2011 valid until 23/06/2036 for an area of 1,486.99 hectares, and any other related costs (interest, taxes, etc.) arising from the Secured Downstream Loan, to which the Company is the pledgee, and the performance of all actions necessary for this purpose, including the granting of a power of attorney, be and are hereby approved
6. THAT, the directors be severally authorised to do any act, matter or thing, and to execute and deliver any Document, document, agreement, certificate, notice, communication or confirmation as is required or as they may approve or as they may deem necessary or desirable to be done or executed in connection with the Documents, or the transactions contemplated therein, and to approve any amendments or complete any details in relation to any Document, that approval being conclusively evidenced by the execution or signature of the relevant Document.

Please read the Notes below before taking any further action with regard to the Resolution.

The undersigned, being all of the "eligible members" of the Company (as defined in section 289 of the Companies Act 2006) and entitled to vote on the Resolution on the circulation date specified above, irrevocably agree to the Resolution:

Signed by:

  
Artem Volynets  
.....  
E042AA1324BA427...

**For and on behalf of ACG Metals Limited**

Dated: 10/01/2025

**Annexure D**

**Register of Members**

ACG Holdco 1 Limited

Date 31/12/2024

## Register of Members and Share Ledger

**Company Number**  
14939464

<b>Name</b> <b>Address</b>	<b>ACG Metals Limited</b> Craigmuir Chambers, PO BOX 71, Road Town, Tortola, Virgin Islands, British Territory	<b>Date of Entry as a Member</b> <b>Date Membership Ceased</b>	15/06/2023
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Class	Currency					
	Pounds Sterling			Price Per Share	Total Amount Agreed to be Paid	Notes
	Date of Entry	Entry Number	Certificate Number	Acquired	Number of Shares Disposed	Balance
£11.00 Ordinary shares						
15/06/2023	1	1	1	100	100	100
			<b>Totals</b>	<b>100</b>	<b>0</b>	<b>100</b>

**Annexure E**

**PSC Register**

# ACG Holdco 1 Limited

## Register of People with Significant Control “PSC Register”

Date  
07/01/2025

Company Number  
14939464

Name Registered or Principal Office	ACG Metals Limited Craigmuir Chambers, PO BOX 71, Road Town, Tortola, Virgin Islands, British Virgin Islands	Date Registrable Date first entered on Register Date Ceased
Legal Form Governing Law Registration Number If applicable, where the company/firm is registered Additional Registrations	Corporate Virgin Islands, British 2067083 British Virgin Islands	15/06/2023 15/06/2023

## Nature of Control

As Registrable Relevant Legal Entity	
Date From	Specified Condition
15/06/2023	The person holds, directly or indirectly, 75% or more of the shares in the company
15/06/2023	The person holds, directly or indirectly, 75% or more of the voting rights in the company
15/06/2023	The person holds the right, directly or indirectly, to appoint or remove a majority of the board of directors

**APPENDIX 4**  
**BOND TERMS**

**BOND TERMS**

**FOR**

**ACG HoldCo 1 Limited 14.75% Senior Secured USD 200,000,000 bonds  
2025/2029**

**ISIN NO0013414565**

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT

ATTACHMENT 3 PROJECT DOCUMENTS AND PROJECT APPROVALS

ATTACHMENT 4 DETAILED EPC DRAWDOWN SCHEDULE

<b>BOND TERMS between</b>	
ISSUER:	ACG HoldCo 1 Limited, a company existing under the laws of England and Wales with registration number 14939464 and LEI-code 9845008FS09985054W54;
PARENT:	ACG Metals Limited, a company registered under the laws of British Virgin Islands with registration number 2067083; and
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	10 January 2025
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

**"Acceptable Bank"** means (i) any Nordic banking institution, (ii) any other bank having a credit rating of A- or better or (iii) if no such bank is available, a commercial bank or financial institution with the highest credit rating of the banks in the applicable jurisdiction.

**"Acceptable Stock Exchange"** means the main list on the New York Stock Exchange, the Toronto Stock Exchange, the Australia Securities Exchange (ASX), the Hong Kong Stock Exchange (HKEX) or the Singapore Exchange (SGX).

**"Accounting Standard"** means generally accepted accounting practices and principles in the country in which the relevant Group Company is incorporated including, if applicable, IFRS.

**"Accounts"** means all bank accounts held by any Group Company from time to time, except for any Excluded Accounts and the Escrow Account.

**"Accounts Pledge"** means the first priority pledge by the Mining Company over all its Accounts.

**"Affiliate"** means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and

(c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

**"Annual Financial Statements"** means the audited unconsolidated annual financial statements of each of the Issuer and the Mining Company in the English language for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

**"Attachment"** means any schedule, appendix or other attachment to these Bond Terms.

**"Bond Currency"** means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Bond Issue"** means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Bond Terms"** means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

**"Bond Trustee"** means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

**"Bond Trustee Fee Agreement"** means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

**"Bondholder"** means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

**"Bondholders' Meeting"** means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

**"Bonds"** means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

**"Business Day"** means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

**"Business Day Convention"** means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

**"Call Option"** has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

**"Call Option Repayment Date"** means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d)

of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

**"Change of Control Event"** means if any person or group of persons acting in concert obtains Decisive Influence over the Parent.

**"Completion Payment"** has the meaning ascribed to such term in the Detailed EPC Drawdown Schedule.

**"Compliance Certificate"** means a statement substantially in the form as set out in Attachment 1 hereto.

**"CSD"** means the central securities depository in which the Bonds will be registered, being Verdipapirsentralen ASA (VPS).

**"Cure Amount"** means cash actually received by the Issuer (i) in exchange for fully paid shares in the Issuer or (ii) as Subordinated Loans, for the purpose of curing the failure to comply with any Financial Covenant.

**"Decisive Influence"** means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

**"Default Notice"** has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

**"Default Repayment Date"** means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

**"Delisting Event"** means if the equity securities of the Parent cease to be listed on London Stock Exchange without being listed on another Acceptable Stock Exchange.

**"Detailed EPC Drawdown Schedule"** means the detailed EPC drawdown schedule set out in Attachment 4 (*Detailed EPC Drawdown Schedule*) as it may be amended from time to time as set out in these Bond Terms.

**"Disposal"** means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

**"Distributions"** means:

- (a) payment of dividend, charge or fee or other distribution (whether in cash or in kind) on or in respect of share capital;
- (b) repayment or distribution of dividend or share premium reserve;

- (c) redemption, repurchase or repayment of share capital or other restricted equity with repayment to shareholders;
- (d) repayment or service of any Subordinated Loan (other than capitalising accrued interest); or
- (e) other similar distributions or transfers of value to the direct and indirect shareholders of any Group Company or the Affiliates of such direct and indirect shareholders.

**"Downstream Subordination and Turnover Agreement"** means an agreement between the Bond Trustee (as agent for and on behalf of the Bondholders) and the Issuer as lender under the Secured Downstream Loan, whereby the Secured Downstream Loan is, unless otherwise agreed or instructed by the Bond Trustee, subordinated to the Secured Obligations to the satisfaction of the Bond Trustee and where (a) no principal may be paid, repaid, re-purchased, set off, reduced through the payment of other amounts or settled in kind, and (b) with cross declaration of default and acceleration and enforcement of security thereunder occurring at the option of and on instructions from the Bond Trustee, and (c) the Issuer as lender thereunder shall undertake to promptly turn-over any proceeds (including, for the avoidance of doubt, any enforcement proceeds) received in breach of such agreement to the Bond Trustee.

**"EPC Contract"** means the engineering, procurement and construction agreement executed by and between the Mining Company and the EPC Contractor on 1 November 2024.

**"EPC Contractor"** means GAP İnşaat Yatırım ve Dış Ticaret Anonim Şirketi.

**"Equity Commitment"** means the subscription agreement with ACP II Trading LLC in respect of the subscription for an additional 1,166,666 funding shares (subject to a maximum aggregate purchase price of USD 7,000,000 for such funding shares) dated 4 August 2024, as amended on 24 November 2024.

**"Escrow Account"** means an account in the name of the Issuer, blocked and pledged on first priority as security for the Issuer's obligations under the Finance Documents.

**"Escrow Account Pledge"** means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

**"Event of Default"** means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

**"Exchange"** means:

- (a) Nordic ABM, a self-regulated marketplace organised and operated by Oslo Børs;
- (b) Oslo Børs (the Oslo Stock Exchange); or
- (c) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

**"Excluded Accounts"** means:

- (a) escrow or cash collateral accounts constituting Permitted Security;
- (b) such accounts which, under applicable law or the general policies of the account bank, cannot or shall not be subject to third party Security; and
- (c) accounts on which less than USD 50,000 (or its equivalent in other currencies) are deposited.

**"Existing Debt"** means the USD 25,400,000 facility made available to the Issuer by (among others) Traxys Europe S.A. pursuant to the prepayment facility agreement dated 29 August 2024.

**"Expansion Project Costs"** means the amounts paid, payable, or forecast to be paid by the Group in bringing the Sulphide Expansion Project to the Taking Over Date as set out in the EPC Contract and Attachment 4 (*Detailed EPC Drawdown Schedule*) hereto, as amended from time to time.

**"Finance Charges"** means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness paid or payable by any Group Company (calculated on a consolidated basis) in cash or capitalised in respect of that Relevant Period:

- (a) including the interest (but not the capital) element of payments in respect of any lease or hire purchase contract;
- (b) including any commission, fees, discounts and other finance payments payable by any Group Company under any interest rate hedging arrangement;
- (c) taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis,

and so that no amount shall be added (or deducted) more than once.

**"Finance Documents"** means these Bond Terms, the Bond Trustee Fee Agreement, any Transaction Security Document, the Downstream Subordination and Turnover Agreement, any Subordination and Turnover Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

**"Financial Covenants"** means the financial covenants set out in Clause 13.3 (*Financial covenants*).

**"Financial Indebtedness"** means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;

- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the mark to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement, or stream) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

**"Financial Reports"** means the Annual Financial Statements and the Interim Accounts.

**"First Call Date"** means 13 January 2027.

**"Gediktepe Mine"** means the Gediktepe mine, located ~50km east of Balıkesir in northwest Türkiye, being a polymetallic volcanogenic massive Sulphide mine with two zones being present within the deposit; (i) an Oxide zone producing gold and silver and (ii) a Sulphide zone with potential to produce zinc, copper, gold, and silver.

**"Group"** means the Issuer and all its Subsidiaries from time to time.

**"Group Company"** means any person which is a member of the Group.

**"Guarantees"** means the unconditional Norwegian law guarantee and indemnity (Norwegian: "*selvskyldnerkausjon*") issued by each of the Guarantors in respect of the Secured Obligations.

**"Guarantor"** means the Parent and all Group Companies (other than the Issuer).

**"IFRS"** means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

**"Initial Nominal Amount"** means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Insolvent"** means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

**"Intercompany Loans"** means any loan or credit granted by a Group Company to any other Group Company, provided that first priority Security shall be granted in favour of the Bond Trustee.

**"Interest Payment Date"** means the last day of each Interest Period, the first Interest Payment Date being 13 July 2025 and the last Interest Payment Date being the Maturity Date.

**"Interest Period"** means, subject to adjustment in accordance with the Business Day Convention, the periods between 13 January and 13 July each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

**"Interest Rate"** means 14.75 percentage points per annum.

**"Interim Accounts"** means the unaudited unconsolidated semi-annual financial statements of each of the Issuer and the Mining Company for the semi-annual period ending on 30 June each year in the English language, prepared in accordance with the Accounting Standard.

**"ISIN"** means International Securities Identification Number.

**"Issue Date"** means 13 January 2025.

**"Issuer"** means the company designated as such in the preamble to these Bond Terms.

**"Issuer's Bonds"** means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

**"Issuer's EBITDA"** means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation:

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- (d) after adding back any losses to the extent covered by any insurance; and
- (e) after adding back any amount attributable to the amortisation, depreciation, depletion or impairment of assets of any Group Company,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation, and further adjusted so that until 4 full financial quarters have passed since the Taking Over Date, the Issuer's EBITDA shall be calculated by annualising on a straight line basis the Issuer's EBITDA for the full quarters that have passed since the Taking Over Date.

**"Issuer's Total Net Debt"** means, at any time, the aggregate amount of all Financial Indebtedness of the Group but:

- (a) excluding any such obligations to any other Group Company;
- (b) excluding any such obligations in respect of any Subordinated Loan;
- (c) including, in the case of any lease or hire purchase contract only, their capitalised value; and
- (d) deducting the aggregate amount of Liquidity and the balance of the amount standing to the credit of the Escrow Account at that time,

and so that no amount shall be included or excluded more than once.

**"Joint Bookrunner"** means Clarksons Securities AS.

**"Joint Lead Managers and Bookrunners"** means ABG Sundal Collier ASA and Stifel Europe AG.

**"Leverage Ratio"** means, in respect of any Relevant Period:

- (a) for the Issuer, the ratio of the Issuer's Total Net Debt to the Issuer's EBITDA in respect of that Relevant Period; and
- (b) for the Parent, the ratio of the Parent's Total Net Debt to the Parent's EBITDA in respect of that Relevant Period.

**"Liquidity"** means the aggregate balance of the amounts standing to the credit of any Accounts, excluding the balance of the amount standing to the credit of the Escrow Account, that are not

subject to any Security (other than the Transaction Security) and to which any Group Company (save for as follows from the Finance Documents) has sole and unrestricted rights.

**"Listing Deadline"** means 13 July 2025.

**"Listing Failure Event"** means:

- (a) that the Bonds have not been admitted to listing on an Exchange within the Listing Deadline; or
- (b) in the case of a successful admission to listing, that a period of three (3) months has elapsed since the Bonds ceased to be admitted to listing on an Exchange.

**"Make Whole Amount"** means an amount equal to the sum of the present value on the Call Option Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the First Call Price as if such payment had originally taken place on the First Call Date; and
- (b) the remaining interest payments on the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds) up to the First Call Date,

where the "present value" shall be calculated by using a discount rate of 4.50 per cent. per annum.

**"Management Report"** means a press release on the London Stock Exchange by the management of the Issuer with an update on the Group's business and operations for the period covered to update on key operating and financial data.

**"Managers"** means the Joint Lead Managers and Bookrunners and the Joint Bookrunner.

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the ability of the Issuer or any Obligor to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

**"Maturity Date"** means 13 January 2029.

**"Mining Company"** means Polimetal Madencilik Sanayi ve Ticaret A.Ş, a company organised as a joint stock company and existing under the laws of the Republic of Türkiye having its registered office at Beştepe Mahallesi Yaşam Cad. Ak Plaza Apt. No: 7/7 Yenimahalle, Ankara with registration number 294256 at Ankara Trade Registry and MERSIS No: 0732069762900012, being 100 per cent. owned by the Issuer.

**"Mining Contract"** means the mining contract for the construction works and open pit operations including pickling and ore production in the Gediktepe Mine between the Mining Company and Uluova İnşaat ve Makine Sanayi Limited Şirketi dated 1 February 2023.

**"Mining Mortgage"** means a mine mortgage to be established over the mining license for the Gediktepe Mine numbered 85535, also covering shafts, pits, machinery, transport vehicles, tools, equipment and facilities that are necessary for ore extraction, cleaning, and processing as well as one year's worth of operating materials.

**"Net Finance Charges"** means, for any Relevant Period, the Finance Charges for that Relevant Period after deducting any interest payable in that Relevant Period to any Group Company (other than by another Group Company) on any amounts standing to the credit on any Accounts.

**"Net Proceeds"** means the proceeds from the issuance of the Bonds (net of fees and approved legal expenses of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses properly incurred in connection with the issuance of the Bonds).

**"Nominal Amount"** means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

**"Notice of Completion"** means the document to be submitted by the EPC Contractor to the Mining Company pursuant to the terms of the EPC Contract in respect of the Sulphide Expansion Project declaring that the Plant has been technically ready to commission with ore in accordance with the terms and conditions of the EPC Contract.

**"Obligor"** means the Issuer and any Guarantor.

**"Offtake Contracts"** means the Copper concentrate offtake agreement with Glencore dated 28 August 2024 and the marketing agreement with Traxys International dated 30 August 2024.

**"Outstanding Bonds"** means any Bonds not redeemed or otherwise discharged.

**"Overdue Amount"** means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

**"Oxide Mine"** means the existing Oxide mine operations of the Gediktepe Mine.

**"Parent"** means the company designated as such in the preamble to these Bond Terms.

**"Parent Group"** means the Parent and all its Subsidiaries from time to time.

**"Parent's EBITDA"** means, in respect of any Relevant Period, the consolidated operating profit of the Parent Group before taxation:

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Parent Group;
- (b) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Parent Group (calculated on a consolidated basis) in respect of that Relevant Period;

- (c) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- (d) after adding back any losses to the extent covered by any insurance; and
- (e) after adding back any amount attributable to the amortisation, depreciation, depletion or impairment of assets of any member of the Parent Group;

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Parent Group before taxation, and adjusted so that entities, assets or operations acquired, disposed or discontinued of by the Parent Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be included or excluded (as applicable), pro forma, for the entire Relevant Period.

**"Parent's Total Debt"** means at any time, the aggregate amount of all Financial Indebtedness of the Parent Group but:

- (a) excluding any such obligations to any other member of the Parent Group; and
- (b) including, in the case of any lease or hire purchase contract only, their capitalised value.

**"Parent's Total Net Debt"** means Parent's Total Debt net of the aggregate amount of cash and cash equivalents held and being unrestricted and immediately available by any member of the Parent Group, and subject to no Security save for (as relevant) the Transaction Security or Security in favour of any debt provider to such relevant member of the Parent Group not being a Group Company.

**"Partial Payment"** means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

**"Paying Agent"** means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

**"Payment Date"** means any Interest Payment Date or any Repayment Date.

**"Permitted Disposal"** means a Disposal:

- (a) by a Group Company to another Group Company;
- (b) of product in the ordinary course of business, including under any Offtake Contracts or any Project Document;
- (c) of assets that are obsolete or worn out;
- (d) of equipment for which a replacement piece of equipment is acquired; and
- (e) any other property or assets not in excess of USD 10,000,000 per year in the aggregate.

**"Permitted Distribution"** means:

- (a) any distribution by the Issuer to the Parent not exceeding USD 500,000 per calendar month; and
- (b) any Distribution by a Group Company (other than the Issuer), if such Distribution is made to another Group Company,

and in each case, provided that the Issuer remains in compliance with the Financial Covenants tested pro-forma immediately following such Distribution, and that no Event of Default has occurred and is continuing or would result by making such Distribution.

**"Permitted Financial Indebtedness"** means any Financial Indebtedness:

- (a) arising under the Finance Documents;
- (b) constituting Permitted Hedging;
- (c) up to the First Release, existing under any Existing Debt;
- (d) arising under any lease agreements entered into in the ordinary course of business of the Group;
- (e) arising under any Intercompany Loans;
- (f) arising under supplier credits on normal commercial terms in the ordinary course of business;
- (g) arising as a result of a contemplated refinancing of the Bonds in full provided that (i) a call notice has been served on the Bonds or will be served in connection with the refinancing (in full and any conditions precedent have been satisfied or waived) and (ii) the proceeds of such debt issuance are held in escrow until full repayment of the Bonds;
- (h) arising under any pension and tax liabilities incurred in the ordinary course of business;
- (i) arising under Subordinated Loans;
- (j) arising under the Permitted Royalties;
- (k) at any time after the Taking Over Date, arising under local credit lines in Turkey in an outstanding amount which does not exceed USD 10,000,000, provided that no guarantee or Security is granted to secure such credit line; and
- (l) not permitted by the preceding paragraphs in an outstanding principal amount which does not exceed USD 10,000,000, in aggregate for the Group at any time.

**"Permitted Guarantee"** means:

- (a) any guarantee or indemnity granted under the Finance Documents;

- (b) any guarantee or indemnity for the benefit of third parties in the ordinary course of business;
- (c) any guarantee for the obligations of another Group Company; or
- (d) any guarantee given in respect of netting or set-off arrangements permitted pursuant to paragraph (e) of the definition of Permitted Security.

**"Permitted Hedging"** means any hedging by the Issuer of currency, interest rate fluctuations or commodities in the ordinary course of business and on a non-speculative basis.

**"Permitted Loan"** means:

- (a) any trade credit extended by any Group Company on normal commercial terms and in the ordinary course of trading;
- (b) any Intercompany Loan;
- (c) any loan constituting a Permitted Distribution, provided it is subject to Transaction Security; and
- (d) any loan (other than any Intercompany Loan) so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed USD 2,500,000 (or its equivalent) at any time.

**"Permitted Royalties"** means:

- (a) royalties payable in favour of the Turkish state pursuant to Turkish mining law; and
- (b) the net smelter return royalty of EMX Royalty Corporation under the net smelter return royalty agreement originally executed by and between Alacer Gold and Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi and dated 17 July 2019.

**"Permitted Security"** means:

- (a) any Transaction Security created under the Finance Documents;
- (b) security in the form of cash deposits securing any Permitted Hedging, in an amount that does not exceed USD 10,000,000 (or its equivalent in other currencies) at any time;
- (c) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any Group Company;
- (d) any Security in respect of the Existing Debt so long as the Security is irrevocably released or discharged by no later than the date of the First Release;
- (e) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group;

- (f) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any Group Company; or
- (g) any Security arising as a consequence of any lease agreement permitted pursuant to the definition of "Permitted Financial Indebtedness".

**"Plant"** means the ore beneficiation plant operating by the flotation method, structures, apparatus, equipment, machinery and vehicles (including any components) whether situated on the mining site or otherwise allocated to the EPC Contract and intended to form or forming part of the Sulphide Expansion Project.

**"Polimetal Share Pledge"** means the first priority pledge by the Issuer over 100 per cent. of the share capital of the Mining Company.

**"Pre First Release Security"** has the meaning given to such term in paragraph (a) of Clause 2.5 (*Transaction Security*).

**"Pre Second Release Security"** has the meaning given to such term in paragraph (a) of Clause 2.5 (*Transaction Security*).

**"Pre Settlement Security"** has the meaning given to such term in paragraph (a) of Clause 2.5 (*Transaction Security*).

**"Project Approvals"** means all licences, permits, consents, approvals and other authorisations required under Turkish laws and regulations relating to land use planning and development, environmental impact assessment, environmental protection, wildlife protection, pollution and contamination, water management and use, heritage, waste management and dangerous or hazardous goods for the development, construction and operation of the Oxide Mine and the Sulphide Expansion Project including those set out in Attachment 3 (*List of Project Approvals and Project Documents*).

**"Project Completion Date"** means the date of the issuance of the Notice of Completion.

**"Project Controls Executive Summary"** means the weekly project control report prepared by the project director of the Group. Such report shall be prepared using Primavera P6 for scheduling and preparing S curves and graphs and shall be in line with examples provided to the Joint Lead Managers and Bookrunners, and as acceptable to the Bond Trustee in cooperation with the Joint Lead Managers and Bookrunners.

**"Project Documents"** means the agreements (including with landowners), the Offtake Contracts, and other material contracts that are required for the current operation of the Oxide Mine and the completion of the Sulphide Expansion Project as set out in Attachment 3 (*List of Project Approvals and Project Documents*).

**"Put Option"** has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**"Put Option Event"** means either (i) a Change of Control Event or (ii) Delisting Event.

**"Put Option Repayment Date"** means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**"Relevant Jurisdiction"** means the country in which the Bonds are issued, being Norway.

**"Relevant Period"** means each period of twelve (12) consecutive calendar months ending on the last day of each financial quarter.

**"Relevant Record Date"** means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

**"Repayment Date"** means any date for payment of instalments in accordance with Clause 10.1 (*Redemption of Bonds*), any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

**"Secured Downstream Loan"** means the loan under which all funds withdrawn from the Escrow Account (except for the First Release) until the aggregated amount withdrawn equals at least USD 100,000,000, shall be on-lent to the Mining Company under an intercompany loan agreement governed by English law and with maturity at the 5th anniversary of the withdrawal of the Completion Payment, secured by the Mining Mortgage and the Accounts Pledge (being shared with the Bond Issue subject to the Downstream Subordination and Turnover Agreement).

**"Secured Obligations"** means all present and future liabilities and obligations of the Issuer to any of the Secured Parties under the Finance Documents.

**"Secured Parties"** means the Security Agent and the Bond Trustee on behalf of itself and the Bondholders.

**"Securities Trading Act"** means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Security Agent"** means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

**"Security Agent Agreement"** means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

**"Security Provider"** means each person granting Transaction Security.

**"Subordinated Loan"** means any loan granted to the Issuer from any of its (direct or indirect) shareholders that:

- (a) falls due no earlier than six (6) months after the Maturity Date and contains no scheduled amortization or requirement for payment of cash interest; and
- (b) is subject to a Subordination and Turnover Agreement.

**"Subordination and Turnover Agreement"** means a subordination agreement between the Bond Trustee (as agent for and on behalf of the Bondholders), the relevant borrower and lender under any Subordinated Loan whereby the Subordinated Loan is fully subordinated to the Secured Obligations to the satisfaction of the Bond Trustee and where:

- (a) no principal or interest may be paid, repaid, repurchased, set off, reduced through the payment of other amounts or settled in kind other than as set out under the definition of "Permitted Distribution" or through capitalisation of accrued interest;
- (b) no acceleration or declaration of default may occur, in each case prior to all Secured Obligations have been repaid in full; and
- (c) the lender shall undertake to promptly turn-over any proceeds received in breach of such agreement.

**"Subsidiary"** means a person over which another person has Decisive Influence.

**"Sulphide Expansion Project"** means the expansion of the current mining operations of the Gediktepe Mine to develop the Sulphide zone and produce and deliver copper and zinc, pursuant to the Work Schedule.

**"Summons"** means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

**"Taking Over"** means, in relation to the Sulphide Expansion Project, the provisional acceptance of the Plant by the Mining Company together with the completion of the relevant tests and Taking Over Certificate as further set out in the EPC Contract.

**"Taking Over Certificate"** means the document issued by the Mining Company in respect of the Sulphide Expansion Project and declaring that the Sulphide Expansion Project has been provisionally accepted by the Mining Company in accordance with the terms and conditions of the EPC Contract.

**"Taking Over Date"** means the date by which Taking Over of the Sulphide Expansion Project must be completed following completion of all tests specified in the EPC Contract, which date shall be no later than 3 (three) months from the Project Completion Date.

**"Tax Event Repayment Date"** means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

**"Testing Date"** means, in each financial year, 31 March, 30 June, 30 September and 31 December.

**"Transaction Costs"** means fees, costs and expenses, stamp duties, registration and other taxes incurred or payable by a member of the Group directly or indirectly in connection with the Finance Documents, the Bond Issue, and any fees, costs and expenses payable in connection with the refinancing of the Existing Debt.

**"Transaction Security"** means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

**"Transaction Security Documents"** means, collectively, all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*).

**"Voting Bonds"** means the Outstanding Bonds less the Issuer's Bonds.

**"Work Schedule"** means Annex E (GSP Summary Schedule (22-10-24)) of the EPC Contract, as further sets out in a detailed "all levels" working schedule in line with the document named "Gediktepe Sulphide Project Work Schedule Data Date: 01/07/2024" from the EPC Contractor.

**"Written Resolution"** means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of "**law**" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;

- (h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*);
- (j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is "**continuing**" if it has not been remedied or waived.

## **2. THE BONDS**

### **2.1 Amount, denomination and ISIN of the Bonds**

- (a) The Issuer has resolved to issue a series of Bonds in the amount of USD 200,000,000.
- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 50,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

### **2.2 Tenor of the Bonds**

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

### **2.3 Use of proceeds**

The Net Proceeds from the Bond Issue shall be applied towards:

- (i) repayment of Existing Debt in full (USD 25,750,000 together with accrued interest);
- (ii) up to USD 2,500,000 to cover Transaction Costs;
- (iii) Expansion Project Costs; and
- (iv) after the Taking Over Date, general corporate purposes of the Group.

### **2.4 Status of the Bonds**

The Bonds and all present and future obligations and liabilities under or in relation to the Finance Documents shall constitute senior debt obligations of the Issuer and shall be secured

on a first priority basis by the Transaction Security and guaranteed under the Guarantees. The Bonds will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

## **2.5 Transaction Security**

(a) As security for the due and punctual fulfilment of all present and future obligations and liabilities under or in connection with the Bonds and the other Finance Documents, the Issuer shall procure that the following Security is granted in favour of the Bond Trustee within the times agreed in Clause 6 (*Conditions for Disbursement*):

*Pre Settlement Security:*

(i) the Escrow Account Pledge;

*Pre First Release Security:*

(ii) the Guarantees;

(iii) a first priority charge by the Parent over 100 per cent. of the share capital of the Issuer;

(iv) a first priority assignment by the Parent of any Subordinated Loan;

(v) the Polimetals Share Pledge;

(vi) a first priority assignment of any Intercompany Loan (excluding the Secured Downstream Loan);

(vii) a first priority fixed and floating charge in respect of the Issuer, which shall include, *inter alia*, a charge by the Issuer over all its Accounts; and

(viii) the Accounts Pledge.

*Pre Second Release Security:*

(ix) the Mining Mortgage to be established in favour of the Issuer by the Mining Company to secure the Secured Downstream Loan;

(x) a first priority assignment by the Issuer of the Secured Downstream Loan (including the Mining Mortgage);

(xi) a first priority assignment by the Mining Company of claims under the EPC Contract; of claims under the parent company guarantee provided by Çalik Holding A.Ş., dated 21 November 2024, of claims under the performance bond, issued by Türkiye Halk Bankası A.Ş. Avrupa Kurumsal İstanbul Şubesi, dated 18 November 2024 and any other guarantees, performance bonds or similar arrangements in connection with the EPC Contract, and of claims under the Mining Contract; and

- (xii) a first priority movable asset pledge over the movable assets of the Mining Company (excluding assets secured under the Mining Mortgage).
- (b) The Pre Settlement Security shall be governed by Norwegian law and established in due time (as determined by the Bond Trustee) prior to the Issue Date, in favour of the Bond Trustee (on behalf of the Bondholders).
- (c) The Pre First Release Security shall be governed by, as relevant, English law, Turkish law or other relevant law and initially established prior to the First Release (except for the Polimetel Share Pledge which shall be established within 3 Business Days after the First Release), in favour of the Bond Trustee (on behalf of the Bondholders), however so that the Accounts Pledge shall also serve as security for the Secured Downstream Loan, subject to the Downstream Subordination and Turnover Agreement.
- (d) The Pre Second Release Security shall be governed by, as relevant, English or Turkish law or other relevant law and established no later than prior to the Second Release in favour of the Bond Trustee (on behalf of the Bondholders), except for the Mining Mortgage which shall serve as security for the Secured Downstream Loan and shall be established no later than the later of 45 days after the First Release and the date of the Second Release.
- (e) The Transaction Security, the Downstream Subordination and Turnover Agreement and any Subordination and Turnover Agreement shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in their discretion deem appropriate in order to create the intended benefit for the Secured Parties under the relevant document.
- (f) The Security Agent is (in its sole discretion) authorised to release and discharge:
  - (i) any Guarantees and Transaction Security over assets which are sold or otherwise disposed of (directly or indirectly) in any merger, de-merger or disposal permitted in compliance with Clauses 13.1.5 (*Mergers and de-mergers*) or 13.1.9 (*Disposals*); and
  - (ii) any Guarantee and Transaction Security in connection with the enforcement of any relevant Transaction Security.

## **2.6 Further Security**

If at any time the Issuer becomes the owner of any assets other than the shares in the Mining Company, the Secured Downstream Loan or any other Intercompany Loan, it shall promptly procure that Security over such assets is granted in favour of, and in such form and substance satisfactory to, the Bond Trustee.

## **3. THE BONDHOLDERS**

### **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without

any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.

- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

### **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

### **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

## **4. ADMISSION TO LISTING**

The Issuer shall ensure that the Bonds are listed on an Exchange within the Listing Deadline and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

## **5. REGISTRATION OF THE BONDS**

### **5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

## **5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

## **5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

# **6. CONDITIONS FOR DISBURSEMENT**

## **6.1 Conditions precedent for disbursement to the Issuer**

### **6.1.1 Payment to the Escrow Account**

Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee (the "**Pre Settlement Conditions Precedent**"):

- (a) these Bond Terms duly executed by all parties hereto;
- (b) copies of all necessary corporate resolutions of the Issuer (and including all necessary shareholder resolutions) to issue the Bonds and execute the Finance Documents to which it is a party;
- (c) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
- (d) copies of the Issuer's articles of association and other constitutional documents and including a copy of its register of members and PSC register;
- (e) evidence that the Escrow Account has been established on the terms and conditions set forth herein
- (f) the Transaction Security Documents for the Pre Settlement Security duly executed by all parties thereto and evidence of the establishment and perfection thereof;
- (g) confirmation that no potential Event of Default is materially likely or actual Event of Default exists
- (h) copies of the Issuer's latest Financial Reports (if any);
- (i) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation (EU) 2017/1129) concerning the issuance of the Bonds have been fulfilled;
- (j) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;

- (k) copies of any other consent or waiver required from any third parties to issue the Bonds or establish the Pre Settlement Security;
- (l) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
- (m) confirmation of acceptance from any service of process agent;
- (n) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
- (o) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
- (p) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

### **6.1.2 Disbursement – First Release**

The first release from the Escrow Account (the "**First Release**") shall be conditional on the Bond Trustee having received or being satisfied that it will receive in due time (as determined by the Bond Trustee) prior to the First Release, each of the following documents, in form and substance satisfactory to the Bond Trustee (in consultation with its advisors) (the "**First Release Conditions Precedent**"):

- (a) a duly executed release notice from the Issuer, as set out in Attachment 2 (*Release notice – Escrow Account*);
- (b) copies of all necessary corporate resolutions of each Guarantor and any other Security Provider required to provide Transaction Security Documents (for the Pre First Release Security) and execute the Finance Documents to which it is a party;
- (c) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Guarantor and any other Security Provider to relevant individuals for their execution of the Finance Documents to which it is a party;
- (d) copies of each relevant Guarantor's and any other Security Provider's articles of association and of a full extract from the relevant company register in respect of each such entity evidencing that it is validly existing;
- (e) the Transaction Security Documents for the Pre First Release Security duly executed by all parties thereto and evidence of the establishment and perfection of such Transaction Security in accordance with the Closing Procedure;
- (f) copies of loan agreements governing any Intercompany Loans and any Subordinated Loans;
- (g) the Subordination and Turnover Agreement, duly executed by the parties thereto;

- (h) evidence that (i) the Existing Debt will be refinanced in full upon First Release and (ii) any guarantee or security created in respect of the Existing Debt will be released and discharged in full, in each case subject to the Closing Procedure;
- (i) copy of the EPC Contract (and any amendments, schedules and annexes thereto);
- (j) copy of any guarantees, bonds, etc. issued pursuant to or in connection with the EPC Contract;
- (k) confirmation from the EPC Contractor and the Issuer that the payment schedule agreed under the EPC Contract is in line with Attachment 4 (*Detailed EPC Drawdown Schedule*);
- (l) evidence that each of the conditions precedent to commencement occurring under the EPC Contract has been satisfied or waived;
- (m) copy of the Mining Contract and the other Project Documents;
- (n) confirmation from the Issuer that the Issuer and/or any other Group Company is the counterparty to the EPC Contract and each of the Project Documents and that all such agreements and documents remain in full force and effect at the date of the First Release and that the Issuer is not aware of any circumstances that would lead to the termination of any of such agreements or documents in each case materially in conformance with the description set out in the Issuer's investor presentation in respect of the Bond Issue;
- (o) confirmation from the Issuer and supporting evidence that all Project Approvals required to operate the Oxide Mine and complete the Sulphide Expansion Project are issued to and remain with the Group and remain in full force and effect at the date of the First Release;
- (p) copy of insurance policies together with a confirmation from the insurance broker to the Issuer that the insurance policies of the Group are deemed appropriate and sufficient for the Issuer's business and conform with the requirements set forth herein;
- (q) copy of any consent or waiver required from any third parties to establish the Pre First Release Security, including under the EPC Contract;
- (r) evidence of payment of any applicable stamp duty, fees or taxes in respect of the Pre First Release Security; and
- (s) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to each of the Issuer, Guarantors and any other Security Provider and the legality, validity and enforceability of the Finance Documents) (unless delivered in connection with the Pre Settlement Conditions Precedent).

### **6.1.3 Disbursement – Second Release**

The first release from the Escrow Account following the First Release (the "**Second Release**") shall, in addition to the First Release Conditions Precedent, be subject to the Bond Trustee having received or is satisfied that it will receive in due time (as determined by the Bond

Trustee) prior to such Second Release, each of the following documents, in form and substance satisfactory to the Bond Trustee:

- (a) the Transaction Security Documents for the Pre-Second Release Security duly executed by all parties thereto and evidence of the establishment and perfection of such Transaction Security;
- (b) copies of the loan agreement governing the Secured Downstream Loan duly executed by all parties thereto and evidence of the establishment and perfection of the Mining Mortgage and (unless covered under First Release Conditions Precedent) the Accounts Pledge;
- (c) the Downstream Subordination and Turnover Agreement, duly executed by the parties thereto; and
- (d) payment of stamp duty in respect of the Accounts Pledge, the Secured Downstream Loan and the Mining Mortgage.

#### **6.1.4 Releases from the Escrow Account**

- (a) At any time after the Issue Date and subject to the satisfaction of the First Release Conditions Precedent, the Issuer may make the First Release, which shall be in the maximum amount of USD 28,500,000, to refinance the Existing Debt in full and pay up to USD 2,500,000 in Transaction Costs.
- (b) The Second Release and any subsequent withdrawals from the Escrow Account until the Taking Over Date is reached, shall be paid directly to an Account for funding Expansion Project Cost as it falls due under the EPC Contract.
- (c) In connection with each release request to fund Expansion Project Cost, the Issuer shall:
  - (i) estimate the amount of Expansion Project Cost that will fall due for the next 2 months (or, in respect of the Completion Payment, the total amount of such payment); and
  - (ii) adjust for any difference between the Expansion Project Cost that was estimated to fall due for the previous period since the last release and the actual Expansion Project Cost paid for such period,(together, the "**Requested Release Amount**").
- (d) The release request from the Issuer shall be in such form set out in Attachment 2 (*Release notice – Escrow Account*), completed and signed by (i) the CFO, CEO or an authorised officer of the Issuer and (ii) the project director for the Sulphide Expansion Project and be supported by (in a format agreed by the Bond Trustee):
  - (i) calculation of the Requested Release Amount;
  - (ii) documentation confirming that the aggregate remaining amount to be paid under the EPC Contract (as amended from time to time and including any change orders

or similar), as documented by an updated Detailed EPC Drawdown Schedule, is equal to or less than the aggregate of (1) balance standing to the credit of the Escrow Account, (2) balance standing to the credit of the Accounts, and (3) any unutilised amount under the Equity Commitment;

- (iii) documentation confirming that the Sulphide Expansion Project progresses substantially in line with the Work Schedule, and that, based on all available information of the Issuer, the Notice of Completion will be issued on or prior to 30 September 2026;
- (iv) a copy of the latest Project Controls Executive Summary report available and not more than 2 weeks old; and
- (v) in respect of release of the Completion Payment, a copy of the Notice of Completion or the Taking Over Certificate (as the case may be).

- (e) If the Issuer fails to evidence the aforesaid, no further release from the Escrow Account shall be made before (i) in respect of a cost-overrun or increase in the costs under the EPC Contract to be covered by the Mining Company, additional funding is raised and deposited on the Accounts and/or (ii) in respect of a delay, a Bondholders' Meeting has approved (with a simple majority) further releases.
- (f) Any available funds on the Escrow Account following the Taking Over Date shall be released to the Issuer for general corporate purposes.
- (g) The Bond Trustee will not and may not release any amount from the Escrow Account unless the relevant release notice is accompanied by the documents and evidence as aforesaid. The Bond Trustee will not evaluate or certify such underlying documents and evidence and is not in any way required to seek advice from the Bondholders or any advisors in respect of the instructions and confirmations set out in the relevant release notice.

#### **6.1.5 Waivers**

The Bond Trustee may (at its sole discretion and in each case) waive or postpone the delivery of one or more conditions precedent set out in this Clause 6.1 or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer (the "**Closing Procedure**"), which may allow that certain First Release Conditions Precedent will be delivered prior to or in connection with the release of funds from the Escrow Account. The Transaction Security (except for the Escrow Account Pledge) shall be perfected as soon as possible in accordance with the terms of the Closing Procedure on or immediately after the release of funds from the Escrow Account, including to allow for certain matters to be handled post disbursement, as customary or required for practical reasons.

#### **6.2 Disbursement of the proceeds**

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to Clause 6.1.5 (*Waivers*).

## 7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of (as applicable) itself, each Guarantor and other Security Provider and, as relevant, each Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date; and
- (c) on each date of disbursement of proceeds from the Escrow Account;

### 7.1 Status

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### 7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### 7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

### 7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

### 7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

## **7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

## **7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

## **7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

## **7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

## **7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

## **7.11 No withholdings**

For so long as the Bonds are listed on a recognised stock exchange (as such term is defined in section 1005 of the UK Income Tax Act 2007), the Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

## **7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party rank as set out in Clause 2.4 (*Status of the Bonds*).

## **7.13 Security**

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

## **8. PAYMENTS IN RESPECT OF THE BONDS**

### **8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

### **8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum.

### **8.3 Partial Payments**

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);

- (ii) secondly, towards accrued interest due but unpaid; and
- (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.

(b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;

- (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
- (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

#### **8.4 Taxation**

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees, taxes or similar charges levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

#### **8.5 Currency**

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent,

and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

## **8.6 Set-off and counterclaims**

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## **9. INTEREST**

### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
  - (i) the last day in the relevant Interest Period is the 31<sup>st</sup> calendar day but the first day of that Interest Period is a day other than the 30<sup>th</sup> or the 31<sup>st</sup> day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
  - (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

### **9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

## **10. REDEMPTION AND REPURCHASE OF BONDS**

### **10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

### **10.2 Voluntary early redemption - Call Option**

- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the "**Call Option**") on any Business Day from and including:
  - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
  - (ii) the First Call Date to, but excluding, the Interest Payment Date in July 2027, at a price equal to 107.3750 per cent. of the Nominal Amount of each of the redeemed Bonds (the "**First Call Price**");

- (iii) the Interest Payment Date in July 2027 to, but excluding, the Interest Payment Date in January 2028, at a price equal to 105.5313 per cent. of the Nominal Amount of each of the redeemed Bonds;
- (iv) the Interest Payment Date in January 2028 to, but excluding, the Interest Payment Date in July 2028, at a price equal to 103.6875 per cent. of the Nominal Amount of each of the redeemed Bonds; and
- (v) the Interest Payment Date in July 2028 to, but excluding, the Maturity Date, at a price equal to 100 per cent. of the Nominal Amount of each of the redeemed Bonds,

in each case, including any accrued but unpaid interest on the redeemed Bonds.

- (b) The Call Option may be exercised by the Issuer by a written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed repayment date for the Call Option (the **"Call Option Repayment Date"**). Any call notice given in respect of redemptions of Bonds shall be irrevocable, but may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, to be satisfied or waived by the Issuer no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been satisfied or waived by that date, the call notice shall be null and void.
- (c) The redemption prices above shall be determined based on the settlement date for the Call Option and not based on the date the Call Option was exercised (issue of call notice).
- (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

### 10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder shall have a right to require that the Issuer repurchases all or some of that Bondholder's Bonds ("**Put Option**") at a price of 101.00 per cent. of the Nominal Amount of the repurchased Bonds (plus accrued and unpaid interest on the repurchased Bonds).
- (b) The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5<sup>th</sup> Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the

remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

#### **10.4 Early redemption option due to a tax event**

If the Issuer is or will be required by law to gross up any withheld tax from any payment in respect of the Bonds under the Finance Documents as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Bonds at a price equal to 100.00 per cent. of the Nominal Amount (plus accrued and unpaid interest). The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than forty (40) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

### **11. PURCHASE AND TRANSFER OF BONDS**

#### **11.1 Issuer's purchase of Bonds**

The Issuer may purchase and hold Bonds and such Bonds may be retained or sold in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*), but not discharged.

#### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

### **12. INFORMATION UNDERTAKINGS**

#### **12.1 Financial Reports**

- (a) The Issuer shall, without being requested to do so, prepare and make available on its website (alternatively by arranging for publication on another relevant information platform) its and the Mining Company's Annual Financial Statements, as soon as they become available, and not later than four (4) months after the end of each of its financial years.
- (b) The Issuer shall, without being requested to do so, prepare and make available on its website (alternatively by arranging for publication on another relevant information platform) its and the Mining Company's Interim Accounts, as soon as they become

available, and not later than three (3) months after the end of each relevant interim period.

- (c) The Issuer shall, without being requested to do so, prepare and make available on its website (alternatively by arranging for publication on another relevant information platform) quarterly Management Reports for each financial quarter ending on 31 March and 30 September each year, as soon as they become available, and not later than two (2) months after the end of each relevant financial period.

## **12.2 Requirements as to Financial Reports**

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of each of the Financial Reports and Management Reports, which shall contain calculations and figures (in reasonable detail) in respect of the Financial Covenants (with relevant supporting documentation acceptable to or as required by the Bond Trustee). The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

## **12.3 Put Option Event**

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

## **12.4 Listing Failure Event**

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

## **12.5 Information: Miscellaneous**

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;

- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

## **13. GENERAL AND FINANCIAL UNDERTAKINGS**

### **13.1 General undertakings by the Issuer**

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

#### **13.1.1 Authorisations**

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain and comply in all material respects with the terms of the Project Approvals and any other authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time.

#### **13.1.2 Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

#### **13.1.3 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

#### **13.1.4 Corporate status**

The Issuer shall as soon as possible, and no later than the date falling six (6) months after the initial offering of the Bonds, complete its corporate conversion into a public limited company. Otherwise, the Issuer shall not change its type of organisation or jurisdiction of incorporation.

#### **13.1.5 Mergers and de-mergers**

- (a) The Issuer shall not, and shall procure that no other Group Company will, carry out:
  - (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person that are not a Group Company, and if any merger involves the Issuer, the Issuer shall be the surviving entity; or
  - (ii) any de-merger or other corporate reorganisation having the same effect as a de-merger.
- (b) Paragraph (a) above does not apply to any Permitted Disposal.

### **13.1.6 Financial Indebtedness**

The Issuer shall not, and shall procure that no other Group Company will, incur or maintain any Financial Indebtedness, other than Permitted Financial Indebtedness.

### **13.1.7 Negative pledge**

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (present or future) other than Permitted Security.

### **13.1.8 Loans or credit**

The Issuer shall not, and shall procure that no other Group Company will, be a creditor in respect of any Financial Indebtedness other than any Permitted Loan.

### **13.1.9 No guarantees or indemnities**

The Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any guarantee or indemnity in respect of any obligation of any person, other than any Permitted Guarantee.

### **13.1.10 Disposals**

The Issuer shall not, and shall procure that no other Group Company will, make any Disposal of any asset or right related to the Gediktepe Mine, except for Permitted Disposals.

### **13.1.11 Ownership of any Group Company**

The Issuer shall maintain 100 per cent. (direct or indirect) ownership over all the shares and control over the voting rights of the Mining Company and any other Group Company.

### **13.1.12 Transaction Security**

The Issuer shall ensure that no other Security is created over its shares or any Subordinated Loans other than the Transaction Security.

### **13.1.13 Anti-corruption and sanctions**

The Issuer shall, and shall ensure that all other Group Companies will, (i) ensure that no proceeds from the Bond Issue are used directly or indirectly for any purpose which would breach any applicable sanctions regulations or laws or any acts, regulations or laws on bribery, corruption or similar and (ii) conduct its businesses and maintain policies and procedures in compliance with applicable anti-corruption and sanction laws.

### **13.1.14 Environmental**

The Issuer shall, and shall ensure that all other Group Companies will, obtain and maintain any environmental and social authorisation that is required in order to carry out the Oxide Mine operations and complete the Sulphide Expansion Project. Further, each Group Company must (i) comply, in all material respects, with all environmental law, social law and environmental and social authorisations; and (ii) use all reasonable precautions to avoid any act or omission that would reasonably result in a material environmental or material social incident.

### **13.1.15 Mining business**

- (a) The Issuer shall, and shall ensure that all other Group Companies will, procure that all Project Approvals and all other assets, rights and operations required to carry out the Oxide Mine operations and/or complete the Sulphide Expansion Project are owned, held or otherwise conducted solely by or (in respect of operations) on behalf of the Group, and that all further investment related to the Gediktepe Mine, including the acquisition of any assets relating thereto, shall be made by and remain with the Group. The Issuer shall not, and shall procure that no other Group Company will, invest or take part in any activity other than the Gediktepe Mine or any activity reasonably incidental to the Gediktepe Mine.
- (b) The Issuer shall, and shall ensure that all other Group Companies will, conduct their business in compliance in all material respects with all applicable laws and good industry practices, and shall in all material respects comply with all conditions and requirements of the Project Approvals and Project Documents and do whatever may be reasonably required to keep the Project Approvals and Project Documents in full force and effect.

### **13.1.16 Project Documents**

In respect of any Project Documents to which it is or becomes a party (as may be relevant), each Group Company shall: (i) perform and observe all of its covenants and agreements contained in such Project Documents, (ii) take all reasonably necessary action to prevent the termination of any such Project Documents, other than by expiration of the term of such Project Documents or if it constitutes a permitted substitution, (iii) take any and all actions as may be reasonably necessary promptly to enforce its rights and to collect any and all sums due to it under the Project Documents, (iv) not agree to the cancellation or termination thereof, (v) not dispose of any part of its interest, (vi) not waive any default thereunder or any breach thereof, (vii) not amend, supplement, modify or give any consent or exercise any option thereunder, and/or (viii) not breach or otherwise default thereunder or take any action that would likely result in a breach or default thereunder; in each case to the extent that failure to do so is likely to either have a material adverse impact on the development, completion or operation of the Sulphide Expansion Project. A permitted substitution of a Project Document includes where a Project Document is replaced within 90 days of its termination, with another document or agreement on terms not materially less favourable to the relevant Group Company than the terms of the Project Document being replaced, provided, however, that the Issuer and the Mining Company shall ensure that the Mining Contract (or a replacement thereof) is in place at all times.

### **13.1.17 Inspection**

The Issuer shall, and shall ensure that all other Group Companies will, allow the Bond Trustee or its representatives to have access at reasonable times and notice on customary terms to all premises of the Group (at the Issuer's cost, but limited to one per financial year prior to any Event of Default) to inspect the assets and activities related to the Gediktepe Mine.

### **13.1.18 Insurances**

The Issuer shall, and shall ensure that all other Group Companies will, maintain insurances on and in relation to its material business and assets against those risks and to the extent as is usual

for companies carrying on the same or substantially similar business. All insurances must be with reputable independent insurance companies or underwriters.

#### **13.1.19 Distributions**

The Issuer shall not, and shall procure that no other Group Company will, make any Distributions to the Issuer's (direct or indirect) shareholders or any of their Affiliates (not being a Group Company), other than any Permitted Distribution.

#### **13.1.20 Preservation of assets**

The Issuer shall, and shall procure that each Group Company will, in all material respects maintain in good working order and condition (ordinary wear and tear excepted) all of its assets necessary or desirable in the conduct of its business.

#### **13.1.21 Arm's length transactions**

Without limiting Clause 13.2.2 (*Compliance with laws*) above, the Issuer shall not, and shall procure that no other Group Company will, enter into any transaction with any Affiliate which is not a Group Company except on arm's length basis.

#### **13.1.22 Subsidiaries' distributions**

The Issuer shall procure that no Group Company creates or permits to exist any contractual obligation (or encumbrance) restricting the right to pay dividends or make other Distributions to its shareholders, other than where such obligation or encumbrance is not reasonably likely to prevent the Issuer from complying with its payment obligations under the Finance Documents.

#### **13.1.23 Hedging**

The Issuer shall not, and shall procure that no other Group Company will, enter into any hedging arrangement or other forms of derivative transactions in connection with protection against or benefit from fluctuation in any rate or price other than any Permitted Hedging.

#### **13.1.24 Royalties**

The Issuer shall not, and shall ensure that the Mining Company does not, sell or grant any royalty or stream with respect to the Gediktepe Mine other than Permitted Royalties. The Issuer shall further ensure that the Permitted Royalties are not amended to the detriment of the Group.

#### **13.1.25 Accounts**

The Issuer shall, and shall procure that each Group Company will, hold all Accounts with an Acceptable Bank and ensure that such Accounts (at any time following establishment of the Pre Second Release Security) are subject to Transaction Security.

### **13.2 General undertakings by the Parent**

#### **13.2.1 Authorisations**

The Parent will obtain, maintain and comply in all material respects with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time.

### **13.2.2 Compliance with laws**

The Parent will comply in all material respects with all laws and regulations to which it may be subject from time to time, including any applicable sanctions regulations or laws or any acts, regulations or laws on bribery, corruption or similar laws.

### **13.2.3 Continuation of business**

The Parent shall procure that no material change is made to the general nature of the business of the Group from that intended at the Issue Date.

### **13.2.4 Corporate status**

The Parent shall not change its type of organisation or jurisdiction of incorporation.

### **13.2.5 Ownership of the Issuer**

The Parent shall maintain 100 per cent. (direct) ownership over all the shares and control over the voting rights of the Issuer.

### **13.2.6 Conversion to public limited company**

The Parent shall procure that the Issuer completes the conversion into a public limited company no later than the date falling six (6) months after the initial offering of the Bonds.

### **13.2.7 Equity Commitment**

The Parent shall, to the extent required to fund the completion of the Sulphide Expansion Project and none of the proceeds of the Bond Issue remain available for such purpose, require the subscription of shares under the Equity Commitment and promptly downstream the funds received from such Equity Commitment as Subordinated Loans to the Issuer.

### **13.2.8 Negative pledge**

The Parent shall not create or allow to subsist, retain, provide, prolong or renew any Security over any of its assets that are subject to the Transaction Security.

### **13.2.9 Distributions**

The Parent shall not make any Distribution.

## **13.3 Financial covenants**

(a) In respect of the issuer, the Issuer shall ensure that:

(i) **Leverage Ratio:** from and including the earlier of (i) the Relevant Period ending 31 December 2026; and (ii) the first Relevant Period ending on the second Testing Date after the Taking Over Date, it maintains a Leverage Ratio, maximum 2.5x;

(ii) **Liquidity:** it maintains a Liquidity of, at all times:

(A) up to the Taking Over Date, minimum USD 3,000,000; and

(B) following the Taking Over Date, minimum USD 10,000,000.

(b) The Issuer undertakes to comply with the above Financial Covenants on a consolidated basis for the Group, such compliance to be measured on each Testing Date and certified

by the Issuer in each Compliance Certificate, attaching supporting documentation in the form of the relevant Financial Reports or Management Report (as the case may be) and calculations.

- (c) In respect of the Parent, the Parent shall ensure that in any Relevant Period where the aggregate amount of the Parent's Total Debt less the Issuer's Total Net Debt exceeds USD 30,000,000 at the last day of that Relevant Period, it maintains a Leverage Ratio of maximum 4.0x.
- (d) The Parent undertakes to comply with the above Financial Covenant on a consolidated basis for the Parent Group, such compliance to be measured on each Testing Date and certified by the Issuer in each Compliance Certificate, attaching supporting documentation in the form of the Parent's financial statements or management report (as the case may be) and calculations.

### **13.3.2 Financial Covenants Cure**

- (a) If the Issuer fails to comply with the maximum Leverage Ratio requirement of the Financial Covenant and the Issuer receives or has received any Cure Amount during the period from the last Testing Date up to the date of delivery to the Bond Trustee of the Compliance Certificate in respect of such period, then the Leverage Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to reduce the Issuer's Total Net Debt for the Relevant Period.
- (b) If, after the Financial Covenants are recalculated as set out above, the breach has been remedied, the relevant Financial Covenants shall be deemed to have been satisfied on the relevant reporting date.
- (c) The Issuer shall be limited to a maximum of two (2) cures of actual failures to satisfy the Financial Covenants during the term of the Bonds, and no consecutive Financial Covenant cures are permitted.

## **14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS**

### **14.1 Events of Default**

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

- (a) *Non-payment*

An Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) *Breach of other obligations*

An Obligor does not comply with any provision of the Finance Documents other than as set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Group Company under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) *Cross default*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 5,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

A Group Company:

- (i) is Insolvent; or
- (ii) is the object of any corporate action or any legal proceedings is commenced in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or

- (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
- (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
- (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above; or
- (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for an Obligor to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of such Obligor to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

(h) *Terminations or withdrawals*

Any Project Approval required for the completion of the Sulphide Expansion Project is terminated or withdrawn.

## 14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or

- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

#### **14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

#### **14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

### **15. BONDHOLDERS' DECISIONS**

#### **15.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the

Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.

- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

## **15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
  - (i) the Issuer;
  - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
  - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
  - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **15.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### **15.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

### **15.5 Written Resolutions**

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a

Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.

- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders' Meetings*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,

shall not apply to a Written Resolution.

- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the "**Voting Period**").
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.

- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

### **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to

implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.

- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

### **16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

### **16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts; or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligors, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the

Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.

- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

## **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the date on which the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## **16.6 Security Agent**

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.

- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

## **17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

## **17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1(a)(i) (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## **18. MISCELLANEOUS**

### **18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

### **18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

### **18.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
  - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
  - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
  - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### 18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");
  - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and

(iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

- (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);
- (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security;
- (C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.

(b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.

(c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

## **19. GOVERNING LAW AND JURISDICTION**

### **19.1 Governing law**

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

### **19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

### **19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and

- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

#### **19.4 Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer and the Parent:
  - (i) irrevocably appoints Advokatfirmaet Thommessen AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
  - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

**SIGNATURES:**

**The Issuer:**

**ACG HoldCo 1 Limited**



By: Damien Coles

Position: Authorised signatory

**As Bond Trustee and Security Agent:**

**Nordic Trustee AS**



By: Jørgen Andersen

Position: Authorised signatory

**The Parent:**

**ACG Metals Limited**



By: Artem Volynets

Position: Authorised signatory

**SIGNATURES:**

**The Issuer:**

**ACG HoldCo 1 Limited**

**As Bond Trustee and Security Agent:**

**Nordic Trustee AS**

.....  
By: Damien Coles

Position: Authorised signatory

.....  
By: Jørgen Andersen

Position: Authorised signatory

**The Parent:**

**ACG Metals Limited**

.....  


By: Artem Volynets

Position: Authorised signatory

**SIGNATURES:**

**The Issuer:**

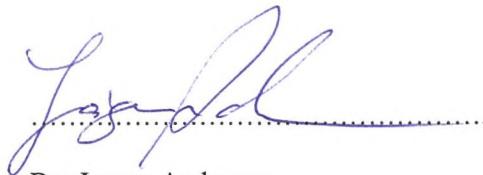
**ACG HoldCo 1 Limited**

.....  
By: Damien Coles

Position: Authorised signatory

**As Bond Trustee and Security Agent:**

**Nordic Trustee AS**



.....  
By: Jørgen Andersen

Position: Authorised signatory

**The Parent:**

**ACG Metals Limited**

.....  
By: Artem Volynets

Position: Authorised signatory

**ATTACHMENT 1**  
**COMPLIANCE CERTIFICATE**

[date]

**ACG HoldCo 1 Limited 14.75% Senior Secured USD 200,000,000 bonds 2025/2029 with ISIN  
NO0013414565**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 13.3 (*Financial covenants*) have been complied with in respect of the Relevant Period ending on [●]; please see the calculations and figures in respect of such financial covenants attached hereto.]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

ACG HoldCo 1 Limited

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Name of authorised person

*Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]*

**ATTACHMENT 2**  
**RELEASE NOTICE – ESCROW ACCOUNT**

[date]

Dear Sirs,

**ACG HOLDCO 1 LIMITED 14.75% SENIOR SECURED USD 200,000,000 BONDS 2025/2029**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw the amount of USD [*amount*] from the Escrow Account to be applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby confirm that:

- (a) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account;
- (b) the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof;
- (c) the aggregate remaining amount to be paid under the EPC Contract is equal to or less than the aggregate of (1) the balance standing to the credit of the Escrow Account, (2) the balance standing to the credit of the Accounts and (3) any unutilised amount under the Equity Commitment; and
- (d) the Sulphide Expansion Project progresses substantially in line with the Work Schedule, and, based on all available information of the Issuer, the project completion will take place on or prior to 30 November 2026.

We also enclose the following supporting documentation required to be disclosed under the Bond Terms:

- (i) calculation of the Requested Release Amount;
- (ii) an updated Detailed EPC Drawdown Schedule;
- (iii) [an updated progress report showing the progress of the Sulphide Expansion Project compared to the Work Schedule]; [and]
- (iv) a copy of the latest available Project Controls Executive Summary report dated [date]<sup>1</sup>[.]/[; and]
- (v) [a copy of the Notice of Completion.]<sup>2</sup>

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<sup>1</sup> The Project Controls Executive Summary report shall be no more than 2 weeks old.

<sup>2</sup> Only to be included in respect of the release of the Completion Payment.

**For and on behalf of**

**ACG HoldCo 1 Limited**

.....

.....

Name:

Title: [CFO / CEO / authorised officer]

Name:

Title: project director

Enclosures

**ATTACHMENT 3**  
**PROJECT DOCUMENTS AND PROJECT APPROVALS**

**PROJECT DOCUMENTS:**

1. The EPC Contract
2. The Mining Contract
3. Transitional support agreement executed by and between Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi as the Supporter and ACG Acquisition Company Limited as the Buyer and Polimetal Madencilik Sanayi ve Ticaret Anonim Şirketi as the Company on 3 September 2024 (the "TSA")
4. Main contract for the earthworks executed by and between the Company and Uluova İnşaat ve Makine Sanayi Limited Şirketi on 1 February 2023 (*Turkish*)

**PROJECT APPROVALS:**

1. Mining license for Gediktepe Mine numbered 85535 for 1,486.99ha
2. Mining operation permit for Gediktepe Mine numbered 85535 for 1,268.27ha
3. EIA positive letter for Gediktepe Mine dated 1 July 2016
4. Environmental permit and license certificate for Gediktepe Mine dated 11 April 2023
5. Cover letter regarding environmental permit and license certificate for Gediktepe Mine dated 11 April 2023
6. Workplace opening and operating permit for Gediktepe Mine dated 17 March 2022
7. Industrial registry certificate for Gediktepe Mine dated 9 November 2023
8. Industrial registry certificate cover letter for Gediktepe Mine dated 10 November 2023
9. Capacity report by Balikesir Chamber of Industry for Gediktepe Mine dated 23 August 2023
10. Groundwater utilization certificate for Gediktepe Mine dated 7 April 2023
11. Hazardous material activity certificate for Gediktepe Mine dated 18 December 2020
12. Industrial waste management plan approval for Gediktepe Mine dated 9 June 2022

13. Zero waste certificate for Gediktepe Mine dated 18 January 2022
14. Purchase and use of explosives permit for Gediktepe Mine dated 5 December 2023
15. Official letter by Balikesir Provincial Directorate of Environment and Urbanization for Gediktepe Mine dated 15 January 2015
16. Turkish Ministry of Environment and Urbanization's official letter for Gediktepe Mine dated 24 August 2016

Turkish Ministry of Environment and Urbanization's official letter for Gediktepe Mine dated 6 November 2019
17. Turkish Ministry of Agriculture and Forestry's permit letter for Gediktepe Mine for 55,284.79 m<sup>2</sup> dated 9 June 2016
18. Turkish Ministry of Agriculture and Forestry's permit letter for Gediktepe Mine for 41,725,38m<sup>2</sup> dated 15 May 2017
19. Turkish Ministry of Agriculture and Forestry's permit letter for Gediktepe Mine for 3.015.4m<sup>2</sup> dated 22 September 2017
20. Turkish Ministry of Agriculture and Forestry's permit letter for Gediktepe Mine dated 22 January 2021
21. Turkish Ministry of Agriculture and Forestry's mining operation, plant and infrastructure facility - additional final permit for Gediktepe Mine dated 15 April 2022
22. Turkish Ministry of Agriculture and Forestry's permit letter for Gediktepe Mine dated 6 April 2023
23. Turkish Ministry of Agriculture and Forestry's permit letter for Gediktepe Mine dated 11 July 2024
24. Turkish General Directorate of Forestry's permit letter for Gediktepe Mine for 1,661,547.09m<sup>2</sup> dated 27 July 2020
25. Turkish General Directorate of Forestry's permit letter for Gediktepe Mine for 943.51m<sup>2</sup> dated 26 February 2021
26. Turkish Ministry of Environment and Urbanization's official letter regarding construction project of heap leaching facility for Gediktepe Mine dated 23 October 2020
27. Turkish Ministry of Environment and Urbanization's official letter regarding construction project for rust (pasa) storage area Gediktepe Mine dated 30 April 2021

28. Official documents regarding forestry permit exploration drilling and road forestry permit for Gediktepe Mine for 57,607.15m<sup>2</sup> dated 13 April 2022
29. Clay production permit MAPEG dated 19 July 2016 (validation number: 808320)
30. Non-agricultural use permit (1,024,663.24 m<sup>2</sup>) Balikesir Governorship, Provincial Directorate of Food, Agriculture and Livestock dated 24 May 2016
31. Groundwater use permit for two wells (371.00 t/day or 135,415.00 t/year) and (1,000.00 t/day or 365,000.00 t/year) Ministry of Forestry and Water Management, General Directorate of State Water Works 25th Regional Directorate dated 4 October 2017
32. Groundwater use permit for two wells (1224.00 t/day or 446,760.00 t/year) and (176.00 t/day or 64,240.00 t/year) Turkish Ministry of Agriculture and Forestry, General Directorate of State Water Works 25th Regional Directorate dated 16 October 2020
33. Industry registration certificate Ministry of Industry & Technology dated 9 November 2021

**ATTACHMENT 4**  
**DETAILED EPC DRAWDOWN SCHEDULE**

EPC Milestone Payment Breakdown						
Milestone Main Codes	Sub Codes	Description	Supply	Install/Erection	Freight	Total Cost
Direct Costs	ER	Earthworks	\$613,780	\$5,247,847		\$5,861,627
	CL	Civil Work	\$1,916,366	\$1,237,201		\$3,153,567
	ME	Mechanical Equipment	\$40,465,520	\$5,426,197	\$1,470,944	\$47,362,661
	PL	Platework	\$1,091,644	\$298,409		\$1,390,053
	TK	Platework	\$407,983	\$131,924		\$539,907
	SS	Structural Steel	\$5,483,810	\$1,117,808		\$6,601,418
	EL	Electrical Installations	\$12,297,352	\$2,585,297		\$14,882,649
	PI	Piping	\$602,377	\$1,123,905		\$1,726,282
	BD	Buildings		\$3,114,133		\$3,114,133
	CE	Construction Equipment	\$1,369,355	\$64,441	\$96,660	\$1,530,456
			<b>\$64,248,187</b>	<b>\$20,346,959</b>	<b>\$1,567,604</b>	<b>\$86,162,751</b>
Other Earthworks	ER-2	TSF Earthworks		\$12,908,607		\$12,908,607
	ER-2	CWP Earthworks		\$751,975		\$751,975
	ER-2	Piling - INR		\$1,113,017		\$1,113,017
	ER-2	Access Road		\$1,219,018		\$1,219,018
	ER-2	Access Road - Yuzey Kaplama		\$477,007		\$477,007
				<b>\$16,469,624</b>		<b>\$16,469,624</b>
Indirect Costs	TF	Temporary Construction Facilities	\$1,106,516		\$77,456	\$1,183,972
	SCM	Supervision and Construction Management		\$4,672,180		\$4,672,180
	PM	Project and Procurement Management	\$162,955	\$2,920,531		\$3,083,486
	DE	Engineering and Design		\$3,937,500		\$3,937,500
	VC	Vendor Commissioning	\$2,732	\$220,994		\$223,726
	CO	Commissioning		\$2,281,168		\$2,281,168
	EPC	EPC indirect Costs	\$1,951,519			\$1,951,519
			<b>\$3,223,721</b>	<b>\$14,032,371</b>	<b>\$77,456</b>	<b>\$17,333,549</b>
Owners Costs	CA	Camp				
	IF	First Fills	\$2,169,704			\$2,169,704
	IS	Insurance Spares	\$1,238,991		\$86,729	\$1,325,720
			<b>\$3,408,695</b>		<b>\$86,729</b>	<b>\$3,495,424</b>
				<b>Total Project Costs</b>		<b>\$123,461,347</b>
					7.5% Contingency	\$9,259,601
					10% Profit	\$13,272,095
					<b>Offer Price</b>	<b>\$145,993,044</b>

Payment structure of the EPC Contract is as follows:

- **Design Work Fees** (estimated to be approx. USD 3.9 million) – Payable in two instalments, with the first 25% to be part of the first invoice from the EPC Contractor (expected in January 2025), and the second 75% in connection with approval by the Mining Company of the design and project drawing works and procedures;
- **Direct Supply Costs** (estimated to be approx. USD 64.2 million) – Payable in three instalments as follows; 30% when the relevant material has been ordered, 60% in connection with shipment of the relevant material and the remaining 10% to be paid as the relevant material is carried out in the mining site;

- **Other Work Cost** (estimated to be approx. USD 45.6 million) – To be paid monthly based on progress of the different tasks/workstreams; and
- **A completion payment** (the "Completion Payment") has been agreed with the EPC Contractor totalling approximately USD 32.3 million, of which 50% will be payable upon issue of the Notice of Completion, and 50% upon issue of the Taking Over Certificate. Completion Payment comprises the EPC Contractor's 10% profit, the 7.5% contingency amount, the commissioning cost, and 15% of the installation cost.

Under the terms of the EPC contract, any cost overruns by EPC Contractor will be at EPC Contractor's expense with zero claims to Mining Company.

**APPENDIX 5**  
**LOAN DESCRIPTION**



## ACG HoldCo 1 Limited 14.85% Senior Secured USD 200,000,000 bonds 2025/2029

### Terms:

#### **Documentation:**

*The Loan Agreement <sup>1)</sup> is described more closely in Standard Terms*

Before investing in the bond, the investor is encouraged to become familiar with relevant documents such as this term sheet, the Loan Agreement and the Issuer's financial accounts and articles of association and if relevant, admission document, cf. ABM-rules section 2.7.2.3. The documents are available with the Issuer and in Relevant Places. In the case of any discrepancies between the Loan Agreement and this term sheet, the Loan Agreement will apply.

<https://acgmetals.com>

#### **Relevant places:**

#### **Issuer:**

ACG HoldCo 1 Limited

#### **Borrowing Limit:**

USD 200,000,000.

#### **Loan Amount :<sup>2)</sup>**

USD 200,000,000.

#### **Disbursement Date:<sup>3)</sup>**

The Bonds were disbursed on 13 January 2025

#### **Maturity Date:<sup>4)</sup>**

13 January 2029

#### **Interest Rate:**

14.75 per cent p.a.

#### **Yield on Disbursement Date:**

14.75 per cent

#### **Day Count Fraction– Interest rate:<sup>5)</sup>**

30/360

#### **Business Day Convention:<sup>6)</sup>**

Unadjusted.

#### **Interest Payment Date(s):<sup>7)</sup>**

13 January and 13 July each year

#### **Interest accrual date:**

13 January 2025

#### **Date until which interest accrues:**

Maturity Date (13 January 2029)

#### **Status of the loan:<sup>8)</sup>**

Senior secured

#### **Issue Price:<sup>9)</sup>**

100 per cent of Nominal Amount, i.e. USD 50,000.

#### **Denomination:**

USD 50,000 (Initial Nominal Amount). Minimum subscription and allocation amount is USD 150,000 (but in no event less than the equivalent of EUR 100,000). Higher amounts can be subscribed for in integral multiples of USD 50,000 in excess thereof.

#### **Call:<sup>10)</sup>**

**Redemption Date(s):** See Special (distinct) conditions  
**Price:** See Special (distinct) conditions

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#### **Issuer's org. number/LEI number:**

14939464 / 9845008FS09985054W54

#### **Number / Codes:**

**Sector code:** 9100, 820 **Geographic code:** GB **Industry (trade) Code:** 07290

#### **Usage of funds:**

The Net Proceeds from the Bond Issue shall be applied towards:

- (i) refinancing of Existing Debt in full (USD 25,400,000) in kind with Bonds (the "Consideration Bonds");
- (ii) up to USD 2,500,000 to cover Transaction Costs;
- (iii) Expansion Project Costs; and
- (iv) after the Taking Over Date, general corporate purposes of the Group.

Please refer to Clause 1.1 (*Definitions*) of the Loan Agreement for definitions.

#### **Approvals / Permissions:**

- The issuance of the Bonds was approved by the board of directors on 10 January 2025.
- The admission document has been inspected by Oslo Børs, cf. ABM-rules sec 2.7

#### **Trustee:**

Nordic Trustee AS, Postboks 1470 Vika, NO-0116 Oslo, Norway

<b>Arranger(s):</b>	ABG Sundal Collier ASA, Stifel Europe AG and Clarksons Securities AS.
<b>Paying Agent:</b>	Nordic Trustee Services AS
<b>Securities Depository:</b>	Verdipapircentralen ASA (Euronext Securities Oslo)
<b>FISN- and CFI-code:</b>	FISN: ACG HoldCo 1/8 BD 20281206, CFI: DBFSGR
<b>Market Making:</b>	No market-maker agreement has been entered into for the issuance of the bonds .
<b>MiFiD II target market of end clients:</b>	Professional Clients/Retail Clients/Eligible Counterparty None PRIIPS or UK PRIIPS, No KID
<b>Withholding tax:</b> <sup>11)</sup>	Gross up
<b>Special (distinct) conditions:</b>	<p><b>Redemption of Bonds</b>  The Outstanding Bonds will mature in full on the Maturity Date shall be redeemed in full on the Maturity Date at a price of 100.00 per cent. of the Nominal Amount. Please refer to the Loan Agreement Clause 1.1 (<i>Definitions</i>) for definitions and Clause 10.1 (<i>Redemption of Bonds</i>) for the amortisation schedule.</p> <p><b>Voluntary early redemption – Call Option</b>  The Issuer may redeem all or part of the Outstanding Bonds (the "<b>Call Option</b>") on any Business Day from and including:</p> <ul style="list-style-type: none"> <li>(i) the Issue Date to, but excluding, the First Call Date at a price equal to the Make Whole Amount;</li> <li>(ii) the First Call Date to, but excluding, the Interest Payment Date falling 30 months after the Issue Date, at a price equal to 107.375 per cent. of the Nominal Amount of each of the redeemed Bonds (the "<b>First Call Price</b>");</li> <li>(iii) the Interest Payment Date falling 30 months after the Issue Date to, but excluding, the Interest Payment Date falling 36 months after the Issue Date, at a price equal to 105.5313 per cent. of the Nominal Amount of each of the redeemed Bonds;</li> <li>(iv) the Interest Payment Date falling 36 months after the Issue Date to, but excluding, the Interest Payment Date falling 42 months after the Issue Date, at a price equal to 103.6875 per cent. of the Nominal Amount of each of the redeemed Bonds; and</li> <li>(v) the Interest Payment Date falling 42 months after the Issue Date to, but excluding, the Maturity Date, at a price equal to 100 per cent. of the Nominal Amount of each of the redeemed Bonds,</li> </ul> <p>in each case, including any accrued but unpaid interest on the redeemed Bonds.</p> <p>The Call Option can be made subject to the satisfaction of one or more conditions precedent to be satisfied or waived by the Issuer no later than 3 Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been satisfied or waived by that date, the call notice shall be null and void.</p> <p>Please refer to the Loan Agreement Clause 1.1 (<i>Definitions</i>) for definitions and Clause 10.2 (<i>Voluntary early redemption - Call Option</i>).</p> <p><b>Mandatory repurchase due to a Put Option Event</b>  Upon the occurrence of a Put Option Event, each Bondholder shall have a right to require that the Issuer repurchases all or some of that Bondholder's Bonds ("<b>Put Option</b>") at a price of 101.00 per cent. of the Nominal Amount of the repurchased Bonds (plus accrued and unpaid interest on the repurchased Bonds).</p> <p>Please refer to the Loan Agreement Clause 1.1 (<i>Definitions</i>) for definitions and Clause 10.3 (<i>Mandatory repurchase due to a Put Option Event</i>).</p> <p><b>Clean-up call</b>  If Bonds representing more than 90.00 per cent. of the Outstanding Bonds have been repurchased as a result of the exercise of the Put Option, the Issuer will be entitled to redeem all the remaining Outstanding Bonds at a price equal to 101.00 per cent. of the Nominal Amount of the Bonds.</p> <p>Please refer to the Loan Agreement Clause 1.1 (<i>Definitions</i>) for definitions and Clause 10.3 (<i>Mandatory repurchase due to a Put Option Event</i>) paragraph (d).</p> <p><b>Early redemption option due to a tax event</b>  If the Issuer is or will be required by law to gross up any withheld tax from any payment in respect of the Bonds under the Finance Documents as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Bonds at a price equal to 100.00 per cent. of the Nominal Amount (plus accrued and unpaid interest).</p> <p>Please refer to the Loan Agreement Clause 1.1 (<i>Definitions</i>) for definitions and Clause 10.4 (<i>Early redemption option due to a tax event</i>).</p> <p><b>Mandatory early redemption due to a Mandatory Redemption Event</b></p>

Upon a Mandatory Redemption Event, the Issuer shall promptly, and in any event not later than on the date falling five Business Days after the Mandatory Redemption Event, redeem all of the Outstanding Bonds at a price which in aggregate equals the sum of the gross proceeds from the Bonds transferred to the Escrow Account and the amount of interest that has accrued on the Escrow Account between the Issue Date and the Long Stop Date, but otherwise without any accrued interest on the Bonds. The Issuer may apply the funds deposited on the Escrow Account towards such redemption.

Please refer to the Loan Agreement Clause 1.1 (*Definitions*) for definitions and Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*).

#### **Representations, financial covenants and general undertakings**

##### *Representations and warranties*

The Bond Terms (and each Guarantee) shall include customary representations and warranties by the Issuer (in accordance with the Standard Bond Terms) which shall be made by the Issuer on behalf (as applicable) itself, each Guarantor and other Security Provider and, as relevant, each Group Company, on the date of execution of the Bond Terms. The representations and warranties will be deemed to be repeated on the Issue Date, on each date of disbursement of funds from the Escrow Account.

Please refer to the Loan Agreement Clause 1.1 (*Definitions*) for definitions and Clause 7 (*Representations and warranties*).

##### *Information undertakings*

The Issuer shall comply with certain information undertakings set forth in the Loan Agreement Clause 12 (*Information undertakings*) (including delivering certain annual and interim accounts).

##### *Financial Undertakings*

The Parent of the Issuer, ACG Metals Limited, a company registered under the laws of British Virgin Islands with registration number 2067083 (hereinafter, the "Parent") shall ensure that in any Relevant Period where the aggregate amount of the Parent's Total Debt less the Issuer's Total Net Debt exceeds USD 30,000,000 at the last day of that Relevant Period, it maintains a Leverage Ratio of maximum 4.0x.

The Parent undertakes to comply with the above Financial Covenant on a consolidated basis for the Parent Group, such compliance to be measured on each Testing Date and certified by the Issuer in each Compliance Certificate, attaching supporting documentation in the form of the Parent's financial statements or management report (as the case may be) and calculations.

The Issuer shall ensure that:

- a) Leverage Ratio: from and including the earlier of (i) the Relevant Period ending 31 December 2026; and (ii) the first Relevant Period ending on the second Testing Date after the Taking Over Date, it maintains a Leverage Ratio, maximum 2.5x;
- b) Liquidity: it maintains a Liquidity of, at all times: (i) up to the Taking Over Date, minimum USD 3,000,000; and (ii) following the Taking Over Date, minimum USD 10,000,000.

The Issuer undertakes to comply with the above Financial Covenants on a consolidated basis for the Group, such compliance to be measured on each Testing Date and certified by the Issuer in each Compliance Certificate, attaching supporting documentation in the form of the relevant Financial Statements or Management Report (as the case may be) and calculations.

If the Issuer fails to comply with the maximum Leverage Ratio requirement of the Financial Covenant and the Issuer receives or has received any Cure Amount (as defined below) during the period from the last Testing Date up to the date of delivery to the Bond Trustee of the Compliance Certificate in respect of such period, then (i) the Leverage Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to reduce the Issuer's Total Net Debt for the Relevant Period. If, after the Financial Covenants are recalculated as set out above, the breach has been remedied, the relevant Financial Covenants shall be deemed to have been satisfied on the relevant reporting date.

The Issuer shall be limited to a maximum of two (2) cures of actual failures to satisfy the Financial Covenants during the term of the Bonds, and no consecutive Financial Covenant cures are permitted.

Please refer to the Loan Agreement Clause 1.1 (*Definitions*) for definitions, Clause 13.3 (*Financial covenants*).

##### *General undertakings – Issuer:*

The Issuer shall, and shall ensure that all other Group Companies will comply with the undertakings set forth in the Loan Agreement clause 13 (*General and financial undertakings*), which includes restrictions on mergers and de-mergers, financial indebtedness, loans or credit, disposals, dealings at arm's length terms, and compliance with laws and authorisations.

Please refer to the Loan Agreement Clause 1.1 (*Definitions*) for definitions, Clause 13.2 (*General undertakings by the Issuer*).

***General undertakings – Parent of Issuer:***

The Issuer shall, and shall ensure that all other Group Companies will comply with the undertakings set forth in the Loan Agreement clause 13 (*General and financial undertakings*), which includes restrictions on mergers and de-mergers, financial indebtedness, loans or credit, disposals, dealings at arm's length terms, compliance with laws and authorisations, and requirements of 100% ownership of the Issuer.

Please refer to the Loan Agreement Clause 1.1 (*Definitions*) for definitions, Clause 13.2 (*General undertakings by the Parent*).

**Issuer's acquisition of bonds**

The Issuer may purchase and hold Bonds and such Bonds may be retained or sold in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (Mandatory repurchase due to a Put Option Event), but not discharged.

**Supplementary information about status of the loan and collateral:<sup>8)</sup>**

**Status**

The Bonds are senior secured and shall constitute senior debt obligations of the Issuer, and shall be secured on a first priority basis by the Transaction Security and guaranteed under the Guarantees. Please refer to the Loan Agreement Clause 2.4 (*Status of the Bonds*)

**Transaction Security**

As security for the due and punctual fulfilment of all present and future obligations and liabilities under or in connection with the Bonds and the other Finance Documents, the Issuer shall procure that Transaction Security (as defined in the Loan Agreement) is granted in favour of the Bond Trustee:

Please refer to the Loan Agreement Clause 1.1 (*Definitions*) for definitions, Clause 2.5 (*Transaction Security*) for more about the transaction security and Clause 2.6 (*Further Security*) for further on the agreed Transaction Security.

**Standard terms:**

*If any discrepancy should occur between this Loan description and the Loan Agreement, then the Loan Agreement should apply.*

<b>Loan Agreement:</b> <sup>1)</sup>	The Loan Agreement will be entered into between the Issuer and the Trustee prior to Disbursement Date. The Loan Agreement regulates the Bondholder's rights and obligations in relations with the Issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Loan Agreement.  When bonds are subscribed/purchased, the Bondholder has accepted the Loan Agreement and is bound by the terms of the Loan Agreement. For tap issues, the Loan Agreement will apply for later issues made within the Borrowing Limit. The parties' rights and obligations are also valid for subsequent issued bonds within the Borrowing Limit.
<b>Open / Close:</b> <sup>3) 4)</sup>	Tap Issues will be opened on Disbursement Date and closed no later than five bank days before Maturity Date.
<b>Disbursement date:</b> <sup>3)</sup>	Payment of the First Tranche / Loan Amount takes place on the banking date ahead of Disbursement Date as agreed with the Manager(s). In case of late payment, the applicable default interest rate according to "lov 17. desember 1976 nr 100 om renter ved forsinkel betaling m.m." will accrue.
<b>Expansions – Tap Issues:</b> <sup>2)</sup>	For Tap Issues the Issuer can increase the loan above the First Tranche/Loan Amount. For taps not falling on Interest Payment Dates, Accrued Interest will be calculated using standard market practice in the secondary bond market. The Issuer may apply for an increase in the Borrowing Limit.
<b>Issue price – Tap Issues:</b> <sup>9)</sup>	Any taps under the Tap Issue will be made at market prices.
<b>Interest Period:</b> <sup>7)</sup>	The interest rate is due in arrears on the Interest Payment Date. The first Interest Rate is paid on the first Interest Payment Date after Disbursement Date. The subsequent period runs from this date until the next Interest Payment Date. Last Interest Payment Date corresponds to Maturity Date.
<b>Day Count Fraction– Interest rate:</b> <sup>5)</sup>	Interest shall be calculated on the basis of a 360 day year consisting of 12 months of 30 days, in case of a non-finished month the actual number of calendar days (30/360-basis), with the exception of periods where a) the last day in the period is the 31 <sup>st</sup> calendar day, and the first day of the period is neither the 30 <sup>th</sup> nor the 31 <sup>st</sup> of the month, in which the month containing the period shall not be reduced to 30 days; or b) the last day of the period is the last calendar day in February, in which February shall not be extended to a 30-day month.
<b>Standard Business Day Convention</b> <sup>6)</sup>	Interest Payment Date will not be moved even if it is on a day that is not a banking day. If Interest Payment Date is not a banking day, payments will be made on the following banking day.

<b>Accrued interest:</b>	Accrued Interest rates for trades in the secondary bond market are calculated on the basis of current recommendations of Norske Finansanalytikerers Forening ( <i>The Norwegian Society of Financial Analysts</i> ).
<b>Condition – Call:</b> <sup>10)</sup>	Exercise of Call shall be notified by the Issuer to the Bondholders and the Bond Trustee at least ten Business Days prior to the relevant Call Date. Partial exercise of Call shall be carried out pro rata between the Bonds (according to the procedures in the Securities Register).
<b>Registration:</b>	The loan must prior to disbursement be registered in the Securities Depository. The bonds are being registered on each Bondholders account or nominee account in the Securities Depository.
<b>Issuer's acquisition of bonds:</b>	The Issuer has the right to acquire Bonds and to retain, sell or discharge such Bonds in the Securities Depository. Subordinated bonds may not be purchased, sold or discharged by the Issuer without the consent of Finanstilsynet, provided that such consent is required.
<b>Amortisation:</b> <sup>4)</sup>	The bonds will run without instalments and be repaid in full on Maturity Date at par, provided the Issuer has not called the bonds.
<b>Redemption:</b>	Matured interest rate and matured principal will be credit each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
<b>Sale:</b>	Tranche 1/ Loan amount has been sold by the Arranger. Later taps can also take place by other authorized investment firms.
<b>Legislation:</b>	Disputes arising from or in connection with, the Loan Agreement which are not resolved amicably, shall be resolved in accordance with Norwegian law and the Norwegian courts. Legal suits shall be served at the Trustee's competent legal venue.
<b>Fees and expenses:</b>	Any public fees payable in connection with the Bond Agreement and fulfilling of the obligations pursuant to the Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds.
<b>Withholding tax:</b> <sup>11)</sup>	The issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the bonds. In case of Gross up, the issuer shall be liable to gross up any payments in relation to the bonds by virtue of withholding tax, public levy or similar taxes. In case of No gross up, the issuer shall not be liable to gross up any payments in relation to the bonds by virtue of withholding tax, public levy or similar taxes.

2 May 2025



**APPENDIX 6**

**SUMMONS FOR A WRITTEN RESOLUTION DATED 31 JANUARY 2025 AND NOTIC OF WRITTEN RESOLUTION  
DATED 12 FEBRUARY 2025**

Denne meldingen til obligasjonseierne er kun utarbeidet på engelsk. For informasjon på norsk vennligst kontakt Nordic Trustee AS.

**To the Bondholders in:**

**ISIN: NO0013414565      ACG HoldCo 1 Limited 14.75% Senior Secured USD 200,000,000 bonds 2025/2029**

Oslo, 31 January 2025

**SUMMONS FOR A WRITTEN RESOLUTION**

Nordic Trustee AS acts as trustee (the “**Bond Trustee**”) for the holders of bonds (the “**Bondholders**”) in the above listed bond issue with ISIN NO 001 NO0013414565 (the “**Bonds**” or the “**Bond Issue**”) issued by ACG HoldCo 1 Limited as issuer (the “**Issuer**” or the “**Company**”).

All capitalized terms used herein shall have the meaning assigned to them in the bond terms dated 10 January 2025 and made between the Bond Trustee and the Issuer (together the “**Bond Terms**”), unless otherwise stated herein. References to Clauses and paragraphs are references to Clauses and paragraphs in the Bond Terms.

The Issuer has requested that the Bond Trustee issues this summons for a Written Resolution (the “**Summons**”), pursuant to Clause 15.5 of the Bond Terms to consider the approval of the Proposal (as defined below).

*The information in this Summons regarding the Issuer is provided by the Issuer, and the Bond Trustee and the Bondholders expressly disclaim all liability whatsoever related to such information.*

**1. Background**

The Bonds were issued on 13 January 2025 in accordance with the Bond Terms, and on 22 January 2025 the Bond Trustee confirmed that all the First Release Conditions Precedent had been satisfied, with the First Release occurring on 22 January 2025.

The funds from the Second Release shall be applied towards payments which are currently due to the EPC Contractor under the EPC Contract, which requires that the funds from the Second Release are disbursed to the Issuer no later than 10 February 2025 (the “**Second Release Deadline**”).

The Second Release from the Escrow Account is conditional upon the Bond Trustee having received all the documents listed in Clause 6.1.3 of the Bond Terms, in form and substance satisfactory to the Bond Trustee (the “**Second Release Conditions Precedent**”), including

without limitation, the Transaction Security Documents for the Pre-Second Release Security duly executed and perfected.

The Pre-Second Release Security includes a first priority assignment by the Mining Company of claims under the EPC Contract as further described in Clause 2.5 (a) (xi) of the Bond Terms (the “**EPC Contract Assignment**”).

The EPC Contract Assignment contemplates, *inter alia*, the first priority assignment of claims under the performance bond issued by Türkiye Halk Bankası A.Ş. Avrupa Kurumsal İstanbul Şubesi (“**Halkbank**”) dated 18 November 2024 (the “**Halkbank Guarantee**”), however, this assignment requires the prior written consent of Halkbank pursuant to the terms of the Halkbank Guarantee.

Following issuance of the Bonds, the Issuer and the Mining Company made contact with Halkbank and used every possible effort to persuade them to consent to the assignment of the claims under the Halkbank Guarantee to satisfy the Second Release Conditions Precedent. However, despite numerous discussions and proposals regarding potential alternative approaches, Halkbank currently refuses to provide its consent or to agree on an alternative solution. Accordingly, while the Issuer and the Mining Company can continue to use their best endeavours to obtain consent from Halkbank, it is unlikely that this will be obtained by the Second Release Deadline or at all.

In the event that: (i) the consent cannot be obtained in time or at all; and (ii) as a consequence the Second Release cannot occur before the Second Release Deadline; the Sulphide Expansion Project will be delayed. This (in turn) could potentially lead to unfavourable consequences for the Bondholders’ position that outweigh the benefit of obtaining consent from Halkbank to the assignment of the Halkbank Guarantee.

Considering: (i) the scope of the Transaction Security that has been and will be established for the Bond Issue; and (ii) the fact that the value of the Halkbank Guarantee is limited to USD 14,599,304.40 (being a small proportion of the value of the overall collateral package and amount outstanding in respect of the Bonds); the Issuer believes that the amendments that are contemplated by the Proposal (as defined below) would not be detrimental to the rights and benefits of the Bondholders in any material respect.

On this basis, the Issuer is requesting that the Bondholders waive the requirement that the Mining Company assigns its claims under the Halkbank Guarantee on the terms described in Section 2 (*Proposal*) below.

## **2. Proposal**

Based on the above, the Issuer has requested the Bond Trustee to summon a Written Resolution to propose that the Bondholders consider and approve the following proposal by the Issuer (the “**Proposal**”):

- a) to waive the requirement that the Mining Company assigns its claims under the Halkbank Guarantee;

- b) to waive any Event of Default resulting from the taking of any steps contemplated by and consistent with the Proposal;
- c) to authorise and instruct the Bond Trustee to take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the implementation of the Proposal, including without limitation to prepare, finalise and enter into the necessary agreements and other documentation deemed appropriate in connection with documenting the Proposed Resolution, the granting of waivers, giving of instructions, consents, approvals and directions (including to the securities depository (VPS) and account operators);
- d) to agree that the Bond Trustee may consent and agree to further amendments of the Proposal where such amendments (i) are of minor or technical nature, (ii) are otherwise consistent with the principles of the Proposal, and (iii) in the opinion of the Bond Trustee do not have a Material Adverse Effect on the rights and interests of the Bondholders; and
- e) waive any obligation of the Issuer in any of the Bond Terms that are reasonably necessary to waive in order to implement the Proposal.

Other than the amendments contemplated by the Proposal, the terms and conditions of the Bond Terms will remain unchanged and continue to apply in their existing form.

### **3. Evaluation of the Proposal**

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders from the Bond Trustee. Each Bondholder should independently evaluate the Proposal and vote accordingly.

### **4. Further information**

For more detailed information about the Issuer, please see <https://www.acgcorp.co/>

or contact:

Artem Volynets / Chief Executive Officer: [artem.volynets@acgcorp.co](mailto:artem.volynets@acgcorp.co)

Damien Coles / Director: [damien.coles@acgcorp.co](mailto:damien.coles@acgcorp.co)

The Issuer has engaged Stifel Europe AG as its financial advisor (the “**Advisor**”) with respect to the Proposal. Accordingly, Bondholders may contact the Advisor for further information:

Richard Atkins: [richard.atkins@stifel.com](mailto:richard.atkins@stifel.com)  
+44(0) 78 2655 7319

The Advisor acts solely for the Issuer and no-one else in connection with the Proposal. No due diligence investigations have been carried out by the Advisor with respect to the Issuer, and the

Advisor expressly disclaims any and all liability whatsoever in connection with the Proposal (including but not limited to the information contained herein).

## 5. Written Resolution

Bondholders are hereby provided with a voting request for a Written Resolution pursuant to Clause 15.5 (*Written Resolutions*) of the Bond Terms. For the avoidance of doubt, no Bondholders' Meeting will be held.

It is proposed that the Bondholders resolve the following (the "**Proposed Resolution**"):

*"The Bondholders approve the Proposal as described in section 2 (Proposal) of this Summons.*

*The Bond Trustee is hereby authorized to implement the Proposal and carry out other necessary work to implement the Proposal, including to prepare, negotiate, finalize and enter into all necessary agreements in connection with documenting the decisions made by way of this Written Resolution as well as carry out necessary completion work."*

\* \* \* \*

**Voting Period:** The Voting Period shall expire on 18 February 2025 at 16:00 Oslo time. The Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority under the Bond Terms prior to the expiration of the Voting Period.

**How to vote:** A duly completed and signed Voting Form (attached hereto as Schedule 1), together with proof of ownership/holdings must be received by the Bond Trustee no later than at the end of the Voting Period and must be submitted by scanned e-mail to mail@nordictrustee.com.

A Proposed Resolution will be passed if either: (a) Bondholders representing at least a 2/3 majority of the total number of Voting Bonds vote in favour of the relevant Proposed Resolution prior to the expiry of the Voting Period; or (b) (i) a quorum representing at least 50% of the total number of Voting Bonds submits a timely response to the Summons and (ii) the votes cast in favour of the relevant Proposed Resolution represent at least a 2/3 majority of the Voting Bonds that timely responded to the Summons.

If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the expiry of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in Clause 15.1 (*Authority of the Bondholders' Meetings*).

The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

If the above resolution is not adopted as proposed herein, the Bond Terms and other Finance Documents will remain unchanged.

Yours sincerely

Nordic Trustee AS



Jørgen Andersen

Enclosed: Schedule 1: Voting form

## Schedule 1: Voting Form

**ISIN: NO0013414565      ACG HoldCo 1 Limited 14.75% Senior Secured USD  
200,000,000 bonds 2025/2029**

The undersigned holder or authorised person/entity, votes in the following manner to the Proposed Resolution as defined in the Notice of a Written Resolution dated 31 January 2025.

**In favour** of the Proposed Resolution

**Against** the Proposed Resolution

ISIN NO0013414565	Amount of bonds owned
Custodian Name	Account number at Custodian
Company	Day time telephone number
	E-mail

Enclosed to this form is the complete printout from our custodian/VPS<sup>1</sup>, verifying our bondholding in the bond issue as of \_\_\_\_\_.

We acknowledge that Nordic Trustee AS in relation to the Written Resolution for verification purpose may obtain information regarding our holding of Bonds on the above stated account in the securities register VPS.

We consent to the following information being shared with the issuer's advisors (the Advisors):

- Our identity and amounts of Bonds owned
- Our vote

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Place, date

Authorized signature

***Return by mail:***

*Nordic Trustee AS  
PO Box 1470 Vika  
N-0116 Oslo  
Norway*

Telephone: +47 22 87 94 00  
E-mail: [mail@nordictrustee.com](mailto:mail@nordictrustee.com)

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<sup>1</sup> If the Bonds are held in custody other than in the VPS, evidence provided from the custodian confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.

Denne melding til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee AS.

**To the bondholders in:**

**ISIN: NO0013414565 - ACG HoldCo 1 Limited 14.75% Senior Secured USD  
200,000,000 bonds 2025/2029**

Oslo, 12 February 2025

**Notice from Written Resolution**

Today a Written Resolution was resolved pursuant to the notice of Written Resolution dated 31 January 2025 (the “**Notice**”).

The Proposal (as defined in the Notice) was adopted according to the voting requirements of the Bond Terms and the Bond Trustee is authorised to take the necessary actions to implement the Proposal.

Yours sincerely  
**Nordic Trustee AS**

  
Jørgen Andersen