

**THIS LETTER IS BEING SENT TO YOU IN ACCORDANCE WITH THE PRACTICE STATEMENT (COMPANIES: SCHEMES OF ARRANGEMENT UNDER PART 26 AND PART 26A OF THE COMPANIES ACT 2006) ISSUED BY THE HIGH COURT OF JUSTICE IN ENGLAND AND WALES, AND CONCERNS MATTERS WHICH MAY AFFECT YOUR LEGAL RIGHTS AND ENTITLEMENTS.**

**If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 or, if you are in a territory outside the United Kingdom, is an appropriately authorised independent financial adviser.**

**If you have sold or otherwise transferred all of your shares in KAZ Minerals PLC, please send this document at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, this document should not be forwarded or transmitted in whole or in part in, into or from any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.**

From: KAZ Minerals PLC (“**KAZ Minerals**” or the “**Company**”)  
6<sup>th</sup> Floor  
Cardinal Place  
100 Victoria Street  
London SW1E 5JL  
Registered number: 05180783

To: the holders of ordinary shares in the Company

29 October 2020

Dear Shareholder

**Recommended offer by Nova Resources B.V. (“Bidco”) to acquire the Company to be effected by means of a scheme of arrangement in relation to the Company pursuant to Part 26 of the Companies Act 2006**

In accordance with the UK City Code on Takeovers and Mergers (the “**Code**”), Bidco and the Independent Committee of the board of directors of the Company announced on 28 October 2020 the terms of a recommended offer by Bidco to acquire the entire issued and to be issued share capital of the Company (other than the KAZ Minerals Shares already owned or controlled by the Consortium). The Acquisition will be implemented by way of a scheme of arrangement between the Company and the Scheme Shareholders pursuant to Part 26 of the Companies Act 2006.

In accordance with KAZ Minerals’ obligations under the Code, you will find enclosed with this letter the full text of the firm offer announcement published pursuant to Rule 2.7 of the Code (the “**Announcement**”). The full text of the Announcement and all other information, documents and announcements relating to the Offer will remain available during the course of the offer period on the KAZ Minerals website at [www.kazminerals.com](http://www.kazminerals.com). Please contact Susanna Freeman on +44 (0) 20 7901 7826 for any administrative queries you may have.

I am writing to you on behalf of the Independent Committee:

- (a) to inform you that the Company is proposing to apply to the High Court of Justice in England and Wales to seek an order convening the Court Meeting of the Scheme Shareholders for the purpose of considering and, if thought fit, approving the Scheme; and
- (b) to explain the approach that will be adopted to grouping Scheme Shareholders together into 'classes' for the purposes of convening the Court Meeting and to make Scheme Shareholders aware that, if they wish to argue that those proposals are inappropriate, or to raise any other issue in relation to the constitution of the Court Meeting or which might otherwise affect the conduct of the Court Meeting, they may attend the Court hearing of the Company's application for an order convening the Court Meeting and raise their concerns.

In this letter, unless otherwise defined, capitalised terms shall have the meanings given to them in the Announcement.

### **The Scheme and the Court Meeting**

The Acquisition will be implemented by means of the Scheme. An outline of the Scheme process and the conditions to the Acquisition is set out in paragraph 16 of the Announcement.

In order to become Effective, the Scheme must be approved by the Scheme Shareholders at the Court Meeting. Under the provisions of Part 26 of the Companies Act 2006, a scheme of arrangement must be approved by a majority in number, representing 75 per cent. by value, of each class of shareholders present and voting (either in person or by proxy) at the meeting to be summoned by the Court. The Scheme must then be sanctioned by the Court.

Subject to the Court granting an order allowing the Company to convene the Court Meeting, the Scheme Document will contain notice of the Court Meeting with details of the time and place of the Court Meeting.

### **Composition of classes for the Court Meeting**

It is important for the Company to formulate the correct class groupings of Scheme Shareholders for the purposes of convening the Court Meeting at which those Scheme Shareholders will consider and, if thought fit, approve the proposed Scheme. The Court Meeting must be properly constituted, such that the meeting consists of shareholders whose rights are not so dissimilar as to make it impossible for them to consult together with a view to their common interest.

You should note that any KAZ Minerals Shares owned or controlled by each of Oleg Novachuk and Vladimir Kim will not be transferred under the Scheme. Therefore, neither Oleg Novachuk nor Vladimir Kim is a Scheme Shareholder, and any KAZ Minerals Shares owned or controlled by them will not be voted at the Court Meeting.

Paragraph 14 of the Announcement contains information regarding the position of Ferris, Denalot and Greenleas, each of whom is a Scheme Shareholder, in light of the rights that Aristus, a wholly-owned subsidiary of Ferris, has under the Baimskaya SPA. Paragraph 11 of the Announcement contains information regarding irrevocable undertakings given by each of Ferris, Denalot and Greenleas to vote in favour of the Scheme at the Court Meeting.

The Company has considered the rights of the Scheme Shareholders in their capacity as shareholders, and in particular the position of Ferris, Denalot and Greenleas in light of the right of Aristus to accelerate second completion under the Baimskaya SPA at completion of the Acquisition, and, having taken legal advice, the Company considers that it is appropriate for the meeting of the Scheme Shareholders to be convened as a single class. The rights of the Scheme Shareholders as shareholders of the Company are not so dissimilar as to make it impossible for them to consult together with a view to their common interest, notwithstanding

the commercial effect of the Scheme on the position of Ferris, Denalot and Greenleas in light of the acceleration of Aristus' rights under the Baimskaya SPA.

In particular, the Company, having taken legal advice, considers the following factors as relevant to this determination:

- (i) the rights attaching to the KAZ Minerals Shares held by Ferris, Denalot and Greenleas are the same as those held by other Scheme Shareholders under KAZ Minerals' articles of association;
- (ii) each Scheme Shareholder, including Ferris, Denalot and Greenleas, will receive the same consideration for the transfer of their Scheme Shares to Bidco under the Scheme; and
- (iii) any additional amount that Aristus receives from KAZ Minerals Investments Limited following completion of the Acquisition as a result of the acceleration of Aristus' rights under the Baimskaya SPA is by reason of Aristus' pre-existing contractual rights under that agreement, which was executed in August 2018, and which has not been and will not be amended or varied in connection with the Acquisition.

At the Court Meeting (unless the Court determines otherwise), all of the Scheme Shareholders will accordingly together form a single class. The rights attached to the Scheme Shares pursuant to KAZ Minerals' articles of association are the same, and all of the Scheme Shareholders will be treated in the same way under the Scheme. The interests of the Scheme Shareholders are aligned to allow them to vote as a single class.

Subject to restrictions made necessary by the outbreak of COVID-19, Scheme Shareholders will be entitled to attend the Court Meeting, and will in any event be able to vote their Scheme Shares at the Court Meeting. Each Scheme Shareholder present (in person or by proxy) will be entitled to one vote for each KAZ Minerals Share held.

### **Shareholder issues**

The purpose of this letter is to put the Scheme Shareholders on notice that, if they wish to argue that the Company's proposal as outlined in this letter for convening the Court Meeting is inappropriate, or to raise any other issue in relation to the constitution of the meeting or which might otherwise affect the conduct of such meeting, they may attend before the Court at the hearing of the Company's application for an order convening such meeting.

### **The application will be heard before a Judge in the Companies Court, London on 23 November 2020, and the time of the hearing will be announced by the Court the business day before the hearing.**

Scheme Shareholders have the opportunity to attend and to be heard at this hearing, which is expected to be held by electronic means. If a Scheme Shareholder wishes to attend or make representations at the Court hearing, they can register their interest in advance via [company.secretarial@kazminerals.com](mailto:company.secretarial@kazminerals.com), and KAZ Minerals will provide further details of how they can attend once this information is made available by the Court. Alternatively, shareholders can contact the Court's listing office via [chanceryjudgeslisting@justice.gov.uk](mailto:chanceryjudgeslisting@justice.gov.uk).

In the event that the Court makes the order convening the Court Meeting, then the Company will write again to Scheme Shareholders with further details, including details of how Scheme Shareholders can vote, and with further details of the proposed Scheme itself. The Court Meeting is expected to take place during December 2020 or early January 2021, but again further details of timing and location will be made available in due course.

Yours faithfully



Michael Lynch-Bell

Senior Independent Director and Chair of the Independent Committee

***Directors' Responsibility Statement***

*The members of the Independent Committee, being all Directors of KAZ Minerals other than Oleg Novachuk and Vladimir Kim, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the members of the Independent Committee, who have taken all reasonable care to ensure such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.*

***Provision of addresses, electronic addresses and other details***

*Please note that addresses, electronic addresses and certain other information provided by the shareholders of KAZ Minerals, persons with information rights and other relevant persons for the receipt of communications from KAZ Minerals may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Code.*

***Publication on Website***

*A copy of this document will be made available subject to certain restrictions relating to persons resident in restricted jurisdictions on the KAZ Minerals website at [www.kazminerals.com](http://www.kazminerals.com) by no later than 12 noon (London time) on 30 October 2020. For the avoidance of doubt, the contents of this website are not incorporated into and do not form part of this document.*

*You may request a hard copy of this document by contacting KAZ Minerals' registrars, Computershare Investor Services PLC, during business hours on +44 (0) 370 707 1100 or at [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk). You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.*