

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this document should be read.

If you have sold or transferred all of your registered holding of Ordinary Shares please forward this document as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or transferred only part of your registered holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

This document does not comprise a prospectus in accordance with the Prospectus Rules and, pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended), has not been drawn up in accordance with the Prospectus Rules. This document has not been approved by the Financial Conduct Authority or by any other authority in any jurisdiction.

The Ordinary Shares are currently admitted to trading on AIM. Application will be made to the London Stock Exchange for the Second Placing Shares and the Broker Option Shares, to be admitted to trading on AIM. It is expected that admission of the Second Placing Shares and the Broker Option Shares will become effective, and dealings for normal settlement in the Second Placing Shares and the Broker Option Shares will commence at 8.00 a.m. on 2 August 2022. The Second Placing Shares and the Broker Option Shares will not be dealt in, or on, any other recognised investment exchange and no other such application will be made. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the UKLA has examined or approved the contents of this document.

---

# IRONVELD PLC

*(incorporated and registered in England and Wales with registered number 04095614)*

## **CONDITIONAL PLACING FOR 1,379,999,999 ORDINARY SHARES AT A PRICE OF 0.30 PENCE PER SHARE TO RAISE £4.14 MILLION**

### **NOTICE OF GENERAL MEETING**

---

The Placing Shares will, following allotment, rank *pari passu* in all respects with the Ordinary Shares in issue at the date of Admission including the right to receive all dividends and other distributions thereafter declared made or paid on the ordinary share capital of the Company.

Notice of a General Meeting of the Company to be held at the office of Kuit Steinart Levy LLP, 7th Floor, Blackfriars House, The Parsonage, Manchester M3 2JA at 10.00 a.m. on 1 August 2022 at which the resolutions required to effect, *inter alia*, the Second Placing and the Broker Option are to be proposed is set out at the end of this document. Please note that a Form of Proxy is not enclosed with this document. All Shareholders are urged to complete their proxy vote either online at [www.signalshares.com](http://www.signalshares.com) or through CREST, so as to be received by the Registrars, Link Group, by not later than 10.00 a.m. on 28 July 2022. Completion of a vote by proxy will not prevent a Shareholder from attending and voting in person at the General Meeting. Your attention is drawn to the letter from the Chairman of the Company which is set out in this document which contains a unanimous recommendation from the Directors that you vote in favour of the resolutions to be proposed at the General Meeting.

finnCap Ltd, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company and will not be acting for any other person or otherwise be responsible to any person for providing the protections afforded to customers of finnCap Ltd or for advising any other person in respect of the Placing. finnCap Ltd's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company nor to any other person. finnCap Ltd is not making any representation or warranty, express or implied, and takes no responsibility for the contents of this document or for the General Meeting.

Turner Pope, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company and will not be acting for any other person or otherwise be responsible to any person for

providing the protections afforded to customers of Turner Pope or for advising any other person in respect of the Placing. Turner Pope is not making any representation or warranty, express or implied, and takes no responsibility for the contents of this document, the proposals described in it, including the Placing, or for the General Meeting.

The release, publication or distribution of this document in or outside the UK may be restricted by law. Persons who come into possession of this document should inform themselves about and observe any applicable restrictions or requirements in their particular jurisdiction. Failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction. No action has been taken by the Company, finnCap Ltd or Turner Pope that would permit possession or distribution of this document in any jurisdiction (including the United Kingdom) where action for that purpose is required.

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy securities to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Placing has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission; and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Placing. Subject to certain exceptions, the Ordinary Shares may not, directly or indirectly, be offered or sold within the United States or any other Excluded Territory or offered or sold to a person within the United States or any other Excluded Territory. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction.

It is the responsibility of any person receiving a copy of this document outside the United Kingdom to satisfy himself or herself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any government or other consents which may be required or observing any other formalities required to be observed in such territory and paying any other issue, transfer or other taxes due in such other territory.

The contents of this document should not be construed as legal, business, financial or tax advice. Each Shareholder should consult his, her or its own legal adviser or tax adviser for legal, business, financial or tax advice.

#### **Cautionary note regarding forward-looking statements**

This document contains statements about Ironveld Plc that are or may be deemed to be “forward-looking statements”.

All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Ironveld Plc. These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the City Code, the Prospectus Rules and/or the Financial Services and Markets Act 2000 (as amended)), Ironveld Plc does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Ironveld Plc or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors of Ironveld Plc at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

## CONTENTS

	<i>Page</i>
<b>Expected Timetable of Principal Events</b>	4
<b>Key Statistics</b>	5
<b>Definitions</b>	6
<b>Directors, Secretary and Advisers</b>	9
<b>Letter from the Chairman</b>	10
<b>Notice of General Meeting</b>	17

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2022
Announcement of the General Meeting	15 July
Date of publication of this document	15 July
Last date and time for receipt of Forms of Proxy	10.00 a.m. 28 July
General Meeting	10.00 a.m. 1 August
Admission and commencement of dealings in Second Placing Shares and Broker Option Shares on AIM	8.00 a.m. 2 August
CREST accounts credited with Second Placing Shares and Broker Option Shares in uncertificated form	2 August
Definitive share certificates in respect of Second Placing Shares and Broker Option Shares in certificated form despatched	by 5 August

If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of a Regulatory Information Service announcement. All events listed in the above timetable following the General Meeting are conditional on the passing of the resolutions at the General Meeting.

References to time in this document and the Notice of General Meeting are to BST.

If you have any questions please call Link Group on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## KEY STATISTICS

Ordinary Shares issued under the First Placing and Capitalisation	179,460,725
Ordinary Shares in issue as at the date of the Document	1,333,668,130
Par value of Ordinary Shares	0.1 pence
Ordinary Shares to be issued as part of the Second Placing, including Broker Option Shares	1,379,999,999
Enlarged Share Capital following the issue of the Second Placing Shares and Broker Option Shares	2,893,128,854
Second Placing Shares and Broker Option Shares as a percentage of the Enlarged Share Capital	47.7 per cent.
Placing price	0.30 pence
Gross proceeds of the Second Placing and the Broker Option Shares	£4.14 million

*Notes:*

The figures assume that no options / warrants are exercised prior to Admission.

The Exchange rate used throughout this document is GBP £1.00: ZAR 19.9

## DEFINITIONS

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

<b>“Acquisition”</b>	the agreed acquisition of FCF, as announced on 24 May 2022;
<b>“Act”</b>	the Companies Act 2006;
<b>“Admission”</b>	the admission of the Placing Shares to trading on AIM having become effective in accordance with the AIM Rules;
<b>“AIM”</b>	the AIM Market, a market operated by the London Stock Exchange;
<b>“AIM Rules”</b>	together, the rules published by the London Stock Exchange governing the admission to, and the operation of, AIM, consisting of the AIM Rules for Companies (including the guidance notes thereto) and the AIM Rules for Nominated Advisers, published by the London Stock Exchange from time-to-time;
<b>“Align”</b>	Align Research Ltd;
<b>“Broker Option”</b>	an option granted by the Company to TPI under the Placing Agreement;
<b>“Broker Option Shares”</b>	the 166,666,666 Ordinary Shares to be issued at the Placing Price pursuant to the Broker Option;
<b>“Broker Warrants”</b>	the 375,000,000 warrants to subscribe for 375,000,000 Ordinary Shares pursuant to the Warrant Instrument;
<b>“Capitalisation Shares”</b>	the 59,460,725 new Ordinary Shares issued to Giles Clarke, Nick Harrison and Martin Eales in satisfaction of and by way of capitalisation of deferred salary, fees and loans to the Company;
<b>“Circular”</b> or <b>“this document”</b>	this document, including the Notice at the end of this document;
<b>“City Code”</b>	City Code on Takeover and Mergers;
<b>“Company”</b> or <b>“Ironveld”</b>	Ironveld Plc, incorporated and registered in England & Wales under the Companies Act 1985, registered number 04095614 and having its registered office at Unit D, De Clare House, Sir Alfred Owen Way, Pontywindy Industrial Estate, Caerphilly, Wales CF83 3HU;
<b>“CREST”</b>	the relevant system for paperless settlement of share transfers and the holding of shares in uncertificated form, which is administered by Euroclear UK & Ireland Limited;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001/3755), as amended from time to time;
<b>“Directors”</b> or <b>“Board”</b>	the board of directors of the Company, as at the date of this document, whose names are set out on page 9 of this document;
<b>“EAFs”</b>	electric arc furnaces;
<b>“Exclusivity Period”</b>	the three-month exclusivity period for completion of the Acquisition which expires in August 2022;
<b>“Existing Ordinary Shares”</b>	the 1,333,668,130 ordinary shares of 0.1 pence each in issue in the capital of the Company at the date of this document;

<b>“FCF”</b>	Ferrochrome Furnaces Pty Limited, a company incorporated in South Africa with registered number 2008/011257/07;
<b>“First Admission”</b>	the admission of the First Placing Shares and the Capitalisation Shares to trading on AIM having become effective in accordance with the AIM Rules;
<b>“First Placing”</b>	the placing of the First Placing Shares using the Company’s existing share allotment authorities which were granted at the Company’s annual general meeting held on 27 January 2022, as announced on 13 July 2022;
<b>“First Placing Shares”</b>	the 120,000,000 Ordinary Shares to be issued at the Placing Price pursuant to the First Placing;
<b>“Form of Proxy”</b>	the form of proxy for use by the Shareholders in connection with the General Meeting;
<b>“General Meeting” or “GM”</b>	the General Meeting of the Shareholders of the Company to be held at the office of Kuit Steinart Levy LLP, 7th Floor, Blackfriars House, The Parsonage, Manchester M3 2JA at 10.00 a.m. on 1 August 2022;
<b>“Glencore”</b>	Glencore International AG, a company incorporated in Switzerland;
<b>“Grosvenor”</b>	Grosvenor Resources Pty Limited, a company incorporated in South Africa with registered number 2021/575471/07;
<b>“Group”</b>	the Company together with its subsidiaries, both directly and indirectly owned;
<b>“JerseyCo”</b>	Oldrobs 25 Limited, being a subsidiary of the Company, incorporated in Jersey;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Notice”</b>	the notice of the General Meeting, which is set out at the end of this document;
<b>“Ordinary Shares”</b>	as the context requires, ordinary shares in the capital of the Company having a nominal value of 0.1 pence each;
<b>“Placing”</b>	the First Placing, the Second Placing and the Broker Option;
<b>“Placing Agreement”</b>	the placing agreement between (1) TPI and (2) the Company relating to the Placing dated 12 July 2022;
<b>“Placing Price”</b>	0.3 pence per Placing Share;
<b>“Placing Shares”</b>	the Ordinary Shares to be issued pursuant to the Placing;
<b>“Prospectus Rules”</b>	the prospectus rules of the Financial Conduct Authority made pursuant to section 73A of the Financial Services and Markets Act 2000 (as amended);
<b>“Registrars”</b>	Link Group;
<b>“Requisition Notice”</b>	the notice from Richard Jennings, a director of Align, for and on behalf of members who represent at least 5% of the total voting rights of all the members having a right to vote at general meetings, pursuant to sections 303 and 304 of the Act;

<b>“Resolutions”</b>	the resolutions to provide the Directors with the relevant authorities to, <i>inter alia</i> , issue and allot the Second Placing Shares and the Broker Option Shares, and Ordinary Shares pursuant to the Broker Warrants on a non-pre-emptive basis, which are set out in the Notice;
<b>“Second Admission”</b>	the admission of the Second Placing Shares and the Broker Option Shares to trading on AIM having become effective in accordance with the AIM Rules;
<b>“Second Placing”</b>	the conditional placing of the Second Placing Shares by TPI, as announced on 13 July 2022;
<b>“Second Placing Shares”</b>	the 1,213,333,333 Ordinary Shares to be issued at the Placing Price pursuant to the Second Placing;
<b>“Shareholder(s)”</b>	holder(s) of the Ordinary Shares;
<b>“Tayfin”</b>	Tayfin Forensic and Investigative Auditors;
<b>“TPI” or “Turner Pope”</b>	Turner Pope Investments (TPI) Ltd, the Company’s joint broker for the purposes of the Placing;
<b>“UKLA”</b>	the Financial Conduct Authority, in its capacity as the UK Listing Authority;
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“Uncertificated” or “in Uncertificated Form”</b>	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“VWAP”</b>	volume weighted average price;
<b>“Warrant Instrument”</b>	the warrant instrument created by way of a deed poll on 12 July 2022 creating warrants to subscribe for up to a maximum of 833,333,333 Ordinary Shares.

The Exchange rate used in throughout this document is GBP £1.00:ZAR 19.9



## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Charles Giles Clarke – <i>Chairman</i> Martin Wentworth Eales – <i>Chief Executive Officer</i> John Nicholas Harrison – <i>Non Executive Director</i> Peter John Cox – <i>Technical Director</i>
<b>Company Secretary</b>	Brian James
<b>Registered Office</b>	Unit D De Clare House Sir Alfred Owen Way Pontygwindy Industrial Estate Caerphilly Wales CF83 3HU
<b>Nominated Adviser and Joint Broker</b>	finnCap Ltd 1 Bartholomew Close London EC1A 7BL
<b>Joint Broker</b>	Turner Pope Investments (TPI) Limited 8 Frederick's Place London EC2R 8AB
<b>Solicitors to the Company</b>	Kuit Steinart Levy LLP 3 St Mary's Parsonage Manchester M3 2RD
<b>Auditors</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b>Registrar</b>	Link Group 10th Floor, Central Square 29 Wellington Street Leeds LS1 4DL
<b>Website</b>	<a href="http://www.ironveld.com">www.ironveld.com</a>

**PART I**

**LETTER FROM THE CHAIRMAN**

# **IRONVELD PLC**

*(incorporated and registered in England and Wales under the Companies Act 1985 with registered number 04095614)*

*Directors:*

Giles Clarke – *Chairman*  
Martin Eales – *Chief Executive Officer*  
Nicholas Harrison – *Non Executive Director*  
Peter Cox – *Technical Director*

*Registered Office:*

Unit D  
De Clare House  
Sir Alfred Owen Way  
Pontywindy Industrial Estate  
Caerphilly  
Wales CF83 3HU

15 July 2022

*To the Shareholders and, for information only, to holders of options/warrants*

Dear Shareholder,

**PLACING OF 1,379,999,999 ORDINARY SHARES  
AT A PRICE OF 0.30 PENCE PER SHARE  
TO RAISE £4.14 MILLION**

**NOTICE OF GENERAL MEETING**

## **1. Introduction**

The Company announced on 13 July 2022 the First Placing of 120,000,000 Ordinary Shares at the Placing Price, using existing authorities granted by shareholders, to raise approximately £0.36 million and the conditional Second Placing and Broker Option to raise approximately £4.14 million before expenses through the issue of up to 1,379,999,999 Ordinary Shares at the Placing Price.

The Placing Price is at a discount of approximately 23 per cent. to the closing mid-market price of 0.39p as at 12 July 2022, being the last trading day prior to the announcement of the Placing.

The purpose of this document is to provide you with details of the Second Placing, to explain the background to and the reasons for the Placing and why the Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

The Second Placing is conditional, *inter alia*, on the passing of the Resolutions by Shareholders at the General Meeting, notice of which is set out at the end of this document. If the Resolutions are passed or if only Resolution 1 is passed, admission of the Second Placing Shares to trading on AIM is expected to occur at 8.00 a.m. on 2 August 2022.

## **2. Background to the Placing, the Acquisition and Grosvenor transactions**

Details of the Acquisition were announced by the Company on 24 May 2022. The Directors believe that the Acquisition will facilitate the Company's development into a producer of speciality metals more rapidly than would be possible if constructing a new smelter.

Ironveld has agreed with the Business Rescue Practitioners, Tayfin, to acquire the share capital of FCF for a nominal fee and to purchase outstanding debt from the sole creditor on the following terms:

- ZAR 15 million (approximately £0.75 million) payable to the sole creditor upon completion; and

- ZAR 100 million (approximately £5.0 million) paid to the sole creditor over 10 years calculated as a percentage of profits from the smelter, capped at 13.5 per cent per annum.

The transaction is subject to contract and other standard conditions precedent, with parties agreeing the Exclusivity Period for completion which expires in August 2022.

FCF owns a mothballed smelter complex in Rustenburg, South Africa which is approximately 400 kilometres from Ironveld's Bushveld mining project. The complex consists of four 2.5 MW tilting EAFs and four converters with ladles, cranes and associated buildings and equipment. Ironveld, in conjunction with technical experts, has carried out comprehensive due diligence on FCF over the past eight months. This has included a detailed costing for the refurbishment of the facility and quotations for the necessary equipment and upgrades.

Following the Acquisition, Ironveld has a planned refurbishment programme of up to nine months at a cost of approximately ZAR 40 million (approximately £2.0 million) including contingencies, to bring three of the four EAFs into production on a phased basis. Processing can commence from the first furnace whilst the others are being brought back into production, thereby accelerating cash flow from sales, the first receipts of which Ironveld expects to secure within 12 months of the Acquisition.

Further upgrades to the plant totalling approximately ZAR 25 million (approximately £1.2 million) are planned in future when funding allows. The plans enable upgrading of the high purity iron product to higher value powder form.

Once three furnaces are fully operational, the complex will be capable of processing approximately 40,000 tonnes of Ironveld's magnetite ore per annum which, in turn, will provide the following approximate quantities of finished products per annum: 20,000 tonnes of high purity iron; 190 tonnes of vanadium in slag; and 3,800 tonnes of titanium in slag.

Ironveld has been advised by its insurance brokers and technical consultants to insure the facility for at least ZAR 600 million (approximately £30 million) following completion of the transaction.

The smelter complex is currently supplied with electricity from the national grid. Ironveld has however signed a letter of intent with Enernet Global Inc. to build, own, operate and maintain a hybrid power plant using renewable energy which should provide Ironveld with security of power supply on a Capex-free basis. The completion of the installation of the independent power supply by Enernet will be broadly in line with the Company's overall refurbishment timetable.

All necessary environmental and other operational permits are in place for the smelter complex to enable Ironveld to commence production.

Mining of ore can commence within six weeks of completion of the Acquisition and ore will be stockpiled at the smelter complex whilst the furnace refurbishment is taking place. Ironveld intends to use mining contractors on site to minimise capital expenditure and will also use community-based transportation companies to transport ore from the mine to the smelter complex.

On 13 July 2022 Ironveld announced, alongside the Placing, that it had secured a formal five year offtake contract with Glencore for all vanadium slag production commencing from the start of commercial production, linked to index based prices.

It is anticipated that, subject to, *inter alia*, the Resolutions being passed and signing of final contracts with Tayfin, the Acquisition will complete in late August 2022.

Further to the announcement of 24 May 2022, the Company is aware that Grosvenor is progressing its financing discussions with a South African institution to complete the investment transactions announced in October and December 2021. The Directors have taken the view that it makes commercial sense to use funds from the Placing to complete the Acquisition and refurbishment due to the possibility that Grosvenor may not secure its funding prior to the end of the Exclusivity Period. The Board remains open to discussing a future alternative investment transaction by Grosvenor when it secures its funding.

### **3. Response to alternative funding proposal**

On 29 June 2022, the Company announced that it had received the Requisition Notice from Richard Jennings, director of Align, pursuant to section 303 of the Act, requiring that Ironveld's Board convenes a general meeting of shareholders for the purposes of considering the following ordinary resolutions:

1. that Chairman, Giles Clarke, be removed as a Director of the Company; and
2. that CEO, Martin Eales, be removed as a Director of the Company.

The Board has communicated its view to Shareholders concerning the resolutions in a separate circular also published today, but has set out below various reasons why it believes that the Placing is in the best interests of the Company.

*Certainty of Timing* – On 24 May 2022 Ironveld announced the agreed terms of the Acquisition and that it had agreed the Exclusivity Period in which to complete the Acquisition with Tayfin and the sole creditor. In this announcement Ironveld explained that if it could not be sure that the investment by Grosvenor in the Company would be completed in line with the Exclusivity Period it would seek alternative funding routes to finance the Acquisition and refurbishment of the FCF smelter. Following discussions with the Company's Joint Broker, TPI, and the favourable response of investors immediately following the announcement of the Acquisition, Ironveld commenced with a bookbuild for the Placing on 24 June 2022 to ensure that all necessary funds would be obtained within the Exclusivity Period, rather than risk the timing associated with waiting for Grosvenor's funding process to complete.

*Certainty of Funding* – The Placing is the most appropriate method to raise a sufficient quantum of funding to cover the Acquisition, refurbishment, and the Company's working capital requirements until the forecast sales revenues from finished products will be received. No other funding route available to the Company, at the time the Placing was undertaken (including offers of funding from Mr Jennings), provided sufficient funds to meet the Company's requirements.

*Appropriate mix of equity and debt* – The terms of the Acquisition include the purchase of ZAR 100 million (approximately £5.0 million) of debt from the sole creditor to FCF. Importantly this is only secured on the smelter itself. Given the market capitalisation of Ironveld the Board considers it imprudent to enter into materially more debt than this amount at the present time. Other offers of funding to the Company (including those from Mr Jennings) included high proportions of debt with onerous terms that would have to be repaid at the end of their term either in cash or shares at the prevailing price – which could be lower than today – and typically with the requirement to also award extremely high levels of warrants with no fixed floor price.

*Pricing* – The Company's last fundraising was conducted at 0.30p per share in November 2020 when there was no obvious route to production and development, that the Placing and Acquisition now provides. The Placing Price of 0.30p is therefore in line with the Company's previous fundraising transaction – but on this occasion centred on completing a transformative acquisition. Without the actions of Mr Jennings, whereby his general meeting requisition and the existence of the Placing had to be announced on 29 June 2022, the Board strongly believes that the Placing would have been completed at a significantly higher price given the 'undisturbed' mid-market price for the Company's shares on 28 June 2022 was 0.70p.

*Equitable for shareholders* – Via the Broker Option, qualifying shareholders were able to obtain shares at the Placing Price and to share the benefits of the Acquisition and the Board was delighted to observe such a strong participation from Shareholders with 50 per cent. of the Broker Option subscribed for.

### **4. Details of the Placing**

The Placing has been supported by a range of new and existing institutional investors, family offices and other investors, and was conducted by TPI acting as sole broker for the Company.

In total, 1,379,999,999 Ordinary Shares are proposed to be allotted and issued pursuant to the Placing (including Broker Option), at a Placing Price of 0.30p per share to raise gross proceeds of £4.14 million. The Placing Shares, excluding the First Placing Shares (as detailed below) and the Capitalisation Shares, have been conditionally placed by TPI acting as agent and broker of the Company, pursuant to a Placing Agreement, as detailed below.

The Company currently has limited Shareholder authority to issue new Ordinary Shares for cash on a non-pre-emptive basis. Accordingly, the Placing is being conducted in two tranches as set out below:

1. *First Placing Shares*

A total of approximately £360,000, representing the issue of 120,000,000 Shares at the Placing Price, has been raised using the Company's existing share allotment authorities which were granted at the Company's annual general meeting held on 27 January 2022. Application has been made for the First Placing Shares to be admitted to trading on AIM and it is expected that their admission (together with the Capitalisation Shares) to AIM will take place on or around 18 July 2022. The issue of the First Placing Shares is conditional, *inter alia*, on First Admission and the Placing Agreement becoming unconditional in respect of the First Placing Shares and not being terminated in accordance with its terms prior to First Admission. The issue of the First Placing Shares is not conditional on the Second Placing completing.

2. *Second Placing Shares*

The Second Placing to raise approximately £3.64 million (before expenses) and representing the issue of 1,213,333,333 Placing Shares at the Placing Price, is conditional upon, *inter alia*, the passing of Resolutions at the General Meeting to provide the relevant authorities to the Directors to issue and allot further new Ordinary Shares, whereby such authorities will be utilised by the Directors to enable completion of the Second Placing (amongst other things, as detailed below). The issue of the Second Placing Shares and the Broker Option Shares are to be effected by way of a cash box placing.

Conditional on the passing of the First Resolution application will be made for the Second Placing Shares to be admitted to trading on AIM and it is expected that their admission to AIM will take place on or around 2 August 2022.

In addition to the passing of the requisite Resolution(s), the Second Placing is conditional, *inter alia*, on Second Admission and the Placing Agreement becoming unconditional in respect of the Second Placing Shares and not being terminated in accordance with its terms prior to Second Admission. The First Placing is not conditional on the Second Placing completing.

The Placing Shares (including the Broker Option Shares) will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares of the Company, including the right to receive all dividends or other distributions made, paid, or declared in respect of such shares after the date of issue of the relevant Placing Shares.

### **Broker Option**

To deal with additional demand under the Placing, the Company granted the Broker Option to TPI to enable it to fulfil requests to participate in the Placing received during the period of two trading days following the release of the Placing announcement, from existing shareholders who are qualifying investors.

The Broker Option was exercised for an amount of £0.5 million, equating to 166,666,666 new Ordinary Shares.

The First Placing, Second Placing and Broker Option combined will result in the issue, in aggregate, of 1,499,999,999 new Ordinary Shares, representing approximately 51.8 per cent of the Company's issued ordinary share capital as enlarged by the Placing and the Capitalisation Shares.

### **Warrants**

The Company is proposing to issue TPI with 375,000,000 Broker Warrants which are exercisable at the Placing Price for a period of three years from the date of the General Meeting.

The issue of the Broker Warrants is conditional on the passing of the Resolutions. None of the Broker Warrants will be admitted to trading on AIM or any other stock exchange.

Each Broker Warrant entitles the holder to subscribe for one Ordinary Share. In the event that the Placing is completed but relevant resolutions necessary for the issue of Ordinary Shares pursuant to the Broker Warrants are not passed at the General Meeting, each Broker Warrant will entitle the holder to subscribe for

two Ordinary Shares and the Company has agreed to propose the necessary resolutions to issue and allot Ordinary Shares pursuant to the Broker Warrants at the Company's next Annual General Meeting.

### **Placing Agreement**

Under the terms of a Placing Agreement between the Company and TPI, TPI will receive a corporate finance fee from the Company, commission relating to the Placing Shares (including the Broker Option Shares) conditional on First Admission and Second Admission. The Company will give customary warranties and undertakings to TPI in relation, *inter alia*, to its business and the performance of its duties. In addition, the Company has agreed to indemnify TPI in relation to certain liabilities that it may incur in undertaking the Placing.

The issue of the Second Placing Shares and Broker Option Shares are to be effected by way of a cash box placing. The Company and TPI have agreed to procure subscribers for Ordinary Shares in JerseyCo. The funds received from placees taking up Second Placing Shares and relevant existing Shareholders taking up Broker Option Shares, will be paid into an account with Jarvis, TPI's custodian, to facilitate this.

In accordance with the Placing Agreement and a subscription and transfer agreement entered into between (1) the Company, (2) JerseyCo and (3) TPI, (i) TPI will procure to have the net proceeds of the Second Placing and Broker Option applied in such account to enable TPI's custodian, Jarvis, to subscribe for redeemable preference shares in JerseyCo, and (ii) the Company will allot and issue the Second Placing Shares and Broker Option Shares on a non-pre-emptive basis to those persons entitled to them (pending transfer of legal title to them through CREST) in consideration for the transfer to the Company by Jarvis of the redeemable preference shares which it holds in JerseyCo.

Accordingly, instead of receiving cash as consideration for the issue of the Second Placing Shares and Broker Option Shares, the Company will, conditional on the passing of the First Resolution(s) and Second Admission and following the conclusion of the Second Placing and Broker Option, own all of the issued share capital of JerseyCo, whose only asset will be its cash reserves, which will represent an amount approximately equal to the net proceeds of the Second Placing and Broker Option. The Company will then be able to access those funds by redeeming the redeemable preference shares it holds in JerseyCo, or alternatively, during an interim period before redemption, by procuring that JerseyCo lends the amount to the Company.

By taking up or purchasing Second Placing Shares under the Second Placing or Broker Option Shares under the Broker Option and submitting valid payment in respect thereof, a placee or relevant existing Shareholder (as applicable) instructs TPI to instruct Jarvis to hold such payment and: (i) to the extent of a successful application under the Second Placing or Broker Option (as applicable), to apply such payment solely for Jarvis to subscribe for redeemable preference shares in JerseyCo; and (ii) to the extent of an unsuccessful application under the Second Placing or Broker Option (as applicable), to return the relevant payment without interest to the applicant.

TPI also has the right to terminate the Placing Agreement in certain circumstances prior to First Admission and Second Admission, in particular, in the event that there has been, *inter alia*, a material breach of any of the warranties. No part of the Placing is being underwritten.

### **5. Use of Proceeds**

As detailed above, the Company will initially apply approximately £750,000 (ZAR 15 million) of the net proceeds of the Placing to the sole creditor of FCF to complete the Acquisition.

Following the Acquisition, Ironveld has a planned refurbishment programme of up to nine months at a cost of approximately ZAR 40 (approximately £2.0 million) including contingencies, to bring three of the four EAFs into production on a phased basis. Processing can commence from the first furnace whilst the others are being brought back into production, thereby accelerating cash flow from sales, the first receipts of which Ironveld expects to secure within 12 months of the Acquisition.

The balance of the Placing proceeds will provide working capital to the Company prior to first sales revenues being received from finished products.

## 6. Capitalisation Shares, Related Party Option and Directors' Subscription in the Placing

Giles Clarke, Nick Harrison and Martin Eales have agreed to subscribe for £100,000 between them for Placing Shares in the Placing. In addition to the Placing, £350,590 of debt and gross accrued fees owed to Directors is being capitalised ("Capitalisation Shares"). Of the Capitalisation Shares 56,066,590 are being issued at the Placing Price and 3,394,135 are being issued at 0.86p given that, as announced on 27 November 2020, a proportion of Martin Eales's salary accrual is converting at the applicable VWAP during the period such salary was deferred.

Giles Clarke, Nick Harrison, and Martin Eales have also agreed to subscribe a total of £100,000 cash in the Placing, divided equally between them.

The resultant holdings of the relevant Directors are included in the table below:

<i>Director</i>	<i>Existing Holding</i>	<i>Per cent.</i>	<i>Capitalisation Shares</i>	<i>Placing Shares</i>	<i>Revised Holding</i>	<i>Percentage of Enlarged Issued Share Capital**</i>
G Clarke*	29,749,281	2.23	16,360,777	11,111,110	57,221,168	2.10
N Harrison*	22,415,208	1.61	15,036,443	11,111,110	48,562,761	1.78
M Eales	Nil	Nil	28,063,505	11,111,113	39,174,618	1.44

\*G Clarke and N Harrison's interests in 10,062,470 shares above are through their shareholding in Westleigh Investments Holdings Limited.

\*\*Prior to exercise of Broker Option

Each of Giles Clarke, Nick Harrison, and Martin Eales is a related party of the Company for the purposes of the AIM Rules by virtue of their status as Directors of the Company. Peter Cox, being the independent Director for this purpose, considers, having consulted with the Company's nominated adviser, finnCap, that the terms of such conversion is fair and reasonable insofar as the Company's shareholders are concerned.

The Capitalisation Shares are being issued out of authorities granted to the Directors at the Company's last annual general meeting.

## 7. Shareholder Approval

For the Placing (excluding the First Placing) to proceed, Shareholder approval pursuant to the First Resolution is required to give the Directors the authority to allot the Second Placing Shares and the Broker Option Shares. The Resolutions also give the Directors authority to allot Ordinary Shares pursuant to the Broker Warrants and, in accordance with standard AIM practice, to provide a five per cent. general allotment authority on a non pre-emptive basis.

In order to obtain the necessary Shareholder approvals, a General Meeting of the Company is to be held at which the Resolutions will be proposed. Further information regarding the General Meeting is set out in paragraph 8 below.

**The Directors believe that the Placing is the most appropriate way to provide the capital necessary to meet the Company's future requirements and complete the Acquisition. Should the Placing in its entirety not proceed for any reason, the Company would need to find alternative funding and risk failure of the Acquisition. The Directors urge Shareholders to vote in favour of the Resolutions set out in the Notice.**

## 8. General Meeting

A notice convening the General Meeting to be held at the offices of Kuit Steinart Levy LLP, 7th Floor, Blackfriars House, The Parsonage, Manchester M3 2JA at 10.00 a.m. on 1 August 2022 is set out at the end of this document.

## **9. Action to be taken by Shareholders**

Whether or not you intend to be present at the meeting you are requested to complete a proxy vote either online at [www.signalshares.com](http://www.signalshares.com), by CREST as set out in the notes below, or in hard copy by requesting a proxy form from Link Group on the contact details set out in the notes of the notice of meeting. Hard copy proxy forms and any proxy votes should be completed, signed and returned to the Registrars, Link Group PXS L, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible but in any event so as to arrive not later than 10.00 a.m. on 28 July 2022. The completion and return of a proxy vote will not preclude you from attending the General Meeting and voting in person should you subsequently wish to do so.

## **10. Recommendation**

The Directors consider that the Placing will promote the success of the Company for the benefit of its members as a whole. Accordingly, the Directors unanimously recommend and strongly urge Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings representing approximately 5.32 per cent. of the Existing Ordinary Shares in issue as at the last practicable date before publication of this Document.

Yours faithfully,

**Giles Clarke**

*Chairman*



## NOTICE OF GENERAL MEETING

# IRONVELD PLC

*(incorporated and registered in England and Wales with registered number 04095614)*

NOTICE IS HEREBY GIVEN that a general meeting (“**Meeting**”) of the Company will be held at the offices of Kuit Steinart Levy LLP, 7th Floor, Blackfriars House, The Parsonage, Manchester M3 2JA at 10.00 a.m. on 1 August 2022 for the purpose of considering and, if thought fit, passing the following resolutions with Resolution 1 being proposed as an ordinary resolution and Resolution 2 being proposed as a special resolution:

### Ordinary Resolution

1. **THAT** in accordance with section 551 of the Companies Act 2006 (the **Act**) the Directors be generally and unconditionally authorised to allot equity securities (as defined in section 560(1) of the Act):
  - 1.1. up to an aggregate nominal value of £1,213,333.33 pursuant to the issue of the Second Placing Shares (as defined in the circular to shareholders of the Company dated 15 July 2022 (**2022 Circular**)); and
  - 1.2. up to an aggregate nominal value of £166,666.67 pursuant to the issue of the Broker Option Shares (as defined in the 2022 Circular); and
  - 1.3. up to an aggregate nominal value of £375,000 to enable the issue of Ordinary Shares pursuant to the Broker Warrants (each as defined in the 2022 Circular); and
  - 1.4. in any other case, up to an aggregate nominal value of £150,000,

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date falling 15 months from the passing of this Resolution or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this Resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot equity securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

### Special Resolution

2. **THAT**, subject to the passing of Resolution 1, the Directors be given the general power to allot equity securities (as defined by section 560 (1) of the Act) for cash, pursuant to the authority conferred by Resolution 1 or by way of a sale of treasury shares, as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:
  - 2.1. the allotment of equity securities up to an aggregate nominal value of £375,000 to enable the issue of Ordinary Shares pursuant to the Broker Warrants; and
  - 2.2. in any other case, the allotment of equity securities up to an aggregate nominal amount of £150,000.

The power granted by this Resolution will expire 15 months from the date this Resolution is passed or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this Resolution has expired.

By order of the Board

Brian James  
Company Secretary

*Registered Office*  
Unit D  
De Clare House  
Sir Alfred Owen Way  
Pontygwindy Industrial Estate  
Caerphilly  
Wales CF83 3HU

DATE: 15 July 2022

#### **Notes**

##### **Entitlement to attend and vote**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only those members registered on the Company's register of members at close of business on 28 July 2022; or, if this Meeting is adjourned, at close of business on the day two days (excluding any part of a day that is not a working day) prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.

##### **Appointment of proxies**

2. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting. You can only appoint a proxy using the procedures set out and referred to in these notes. To appoint a proxy or to give or amend an instruction to a previously appointed proxy your proxy appointment must be received by 10.00 a.m. on 28 July 2022 or, if this Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) prior to the adjourned meeting.
3. You may appoint a proxy, and vote, either:
  - 3.1 by visiting [www.signalshares.com](http://www.signalshares.com), and following the instructions; or
  - 3.2 by requesting a hard copy form of proxy directly from the registrars, Link Group, by telephone on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 to 17.30 Monday to Friday excluding public holidays in England and Wales; or
  - 3.3 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in Note 4 below.
4. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system (Link ID: RA10), the CREST message must be received by the issuer's agent by 10.00 a.m. on 28 July 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. The Company or its Registrars may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

