

***THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 108 OF THE COMPANIES (GUERNSEY) LAW, 2008 (AS AMENDED).***

This Document contains a proposal which, if implemented, will result in the cancellation of the admission to trading of the Shanta Shares on AIM, the market of that name operated by the London Stock Exchange.

If you are in any doubt as to the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

If you sell or have sold or otherwise transferred all of your Shanta Shares, please send this Document together with the accompanying documents (other than documents or forms personal to you) 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, such documents should not be forwarded, distributed or transmitted in or into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding of Shanta Shares, you should retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise been transferred Shanta Shares in certificated form, notwithstanding receipt of this Document from the transferor, you should contact Computershare Investor Services (Guernsey) Limited on the relevant telephone number set out below to obtain personalised Forms of Proxy.

The release, publication or distribution of this Document and any accompanying documents (in whole or in part) in or into or from jurisdictions other than the United Kingdom or Guernsey may be restricted by the laws of those jurisdictions and therefore any persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, Shanta, Bidco and ETC Holdings disclaim any responsibility or liability for the violation of such restrictions by such person.

Neither this Document nor any of the accompanying documents is intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.

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Recommended Cash Acquisition of

**SHANTA GOLD LIMITED**

by

**SATURN RESOURCES LTD**

(a newly formed company wholly-owned by ETC Holdings (Mauritius) Limited)

to be effected by means of a Scheme of Arrangement under Part VIII of the Companies (Guernsey) Law, 2008, as amended.

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**This Document (including all information incorporated into this Document by reference to another source) should be read as a whole and in conjunction with the Forms of Proxy. Your attention is drawn to PART I of this Document, which contains the unanimous recommendation of the Independent Shanta Directors that you vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting. A letter from Liberum explaining the Scheme appears in PART II of this Document and constitutes an explanatory statement in compliance with section 108 of the Companies Law.**

## **ACTION TO BE TAKEN**

Notices of the Court Meeting and the General Meeting, both of which will be held at the offices of Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG on 29 February 2024, are set out in PART X and PART XI of this Document. The Court Meeting will start at 1:00 p.m. on that date and the General Meeting will start at 1:15 p.m. or as soon thereafter as the Court Meeting concludes or is adjourned.

The action to be taken by Shanta Shareholders and Voting Scheme Shareholders is set out on pages 10 to 12 and at paragraph 19 of PART II of this Document.

Shanta Shareholders are asked to complete and return the enclosed Forms of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by Computershare not later than 48 hours before the relevant Meeting (excluding any part of such 48 hour period falling on a day that is not a working day or, in the case of any adjournment, not later than 48 hours (excluding any part that is not a working day) before the time fixed for the adjourned Meeting).

If the BLUE Form of Proxy for the Court Meeting is not lodged by 1:00 p.m. on 27 February 2024 in accordance with instructions printed thereon, it may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting.

In the case of the General Meeting, if the YELLOW Form of Proxy for the General Meeting is not lodged by 1:15 p.m. on 27 February 2024 in accordance with the instructions printed thereon (by post or transmission of a proxy appointment or voting instruction online, through CREST), it will be invalid. Shanta Shareholders who hold Shanta Shares in CREST may also appoint a proxy using CREST or online by following the instructions set out in the Forms of Proxy and on pages 11 to 12 of this Document.

The completion and return of a Form of Proxy will not prevent you from attending, speaking and voting in person at the Meetings or any adjournment(s) thereof if you so wish and are so entitled.

Further details regarding attending the Court Meeting and General Meeting and the appointment of a proxy for each relevant Meeting are set out on pages 10 to 12 of this Document.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Voting Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly encouraged to: (i) sign and return your Forms of Proxy by post; or (ii) transmit a proxy appointment and voting instruction through the CREST electronic proxy appointment service as soon as possible.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction online, through CREST) will not prevent you from attending, asking questions and voting (and/or, in the case of the Court Meeting, raising any objections) at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.

If you have any questions about this Document, the Court Meeting or the General Meeting, or are in any doubt as to how to complete the Forms of Proxy or to submit your proxies electronically, please contact Computershare, by calling the shareholder helpline on +44 370 707 4040. Lines are open between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (except public holidays in England and Wales). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Certain terms used in this Document are defined in PART IX of this Document. References to times in this Document are to London, United Kingdom time unless otherwise stated.

## IMPORTANT NOTICES

Liberum, which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser exclusively for Shanta and no one else in connection with the matters set out in this Document and will not be responsible to anyone other than Shanta for providing the protections afforded to clients of Liberum for providing advice in connection with any matter or arrangement referred to herein. Neither Liberum nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability, or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Liberum in connection with this Document, any statement contained herein, the Acquisition or otherwise. No representation or warranty, express or implied, is made by Liberum as to the contents of this Document.

Berenberg, which is authorised and regulated by the German Federal Financial Supervisory Authority (“**BaFin**”) and is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser exclusively for Bidco and ETC Holdings and no one else in connection with the matters set out in this Document and will not be responsible to anyone other than Bidco and ETC Holdings for providing the protections afforded to clients of Berenberg for providing advice in connection with any matter referred to herein. Neither Berenberg nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Berenberg in connection with this Document, any statement contained herein, the Acquisition or otherwise.

The statements contained in this Document are made as at the date of this Document, unless some other time is specified in relation to them, and neither the delivery of this Document nor the holding of the Court Meeting or the General Meeting or the filing of the Court Order shall give rise to any implication that there has been no change in the facts set forth in this Document since such date. Nothing in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of Shanta or Bidco except where otherwise stated.

This Document is not a prospectus or prospectus-equivalent document.

## OVERSEAS JURISDICTIONS

This Document has been prepared in accordance with, and for the purposes of complying with, Guernsey law, the Takeover Code, the Market Abuse Regulation and the AIM Rules, and information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom and Guernsey.

The release, publication or distribution of this Document in or into, and the availability of the Acquisition to persons who are residents, citizens or nationals of, jurisdictions other than the United Kingdom or Guernsey may be restricted by law and therefore any persons into whose possession this Document comes who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom or Guernsey should inform themselves about, and observe any applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom or Guernsey to vote their Shanta Shares with respect to the Scheme at the Court Meeting or the Resolution at the General Meeting, or to execute and deliver Forms of Proxy (or other proxy instructions) appointing another to vote at the Meetings on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of

this Document and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Acquisition is subject to Guernsey law and the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the FCA, the London Stock Exchange (including pursuant to the AIM Rules).

### **Notice to U.S. investors in Shanta**

The Acquisition relates to the shares of a company registered in Guernsey with a quotation on AIM and is proposed to be made by means of a scheme of arrangement provided for under Part VIII of the Companies Law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Acquisition will be subject to the disclosure requirements and practices applicable in Guernsey to schemes of arrangement which differ from the disclosure requirements of United States tender offers and proxy solicitation rules.

Neither the SEC, nor any securities commission of any state of the United States, has approved or disapproved any offer, or passed comment upon the adequacy or completeness of any of the information contained in this Document. Any representation to the contrary may be a criminal offence.

If, in the future, Bidco exercises the right, with the consent of the Panel (where necessary), and in accordance with the terms of the Co-Operation Agreement, to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Acquisition will be made in compliance with applicable United States laws and regulations, including Section 14(e) of the U.S. Exchange Act and Regulation 14E thereunder.

Financial information included in this Document has been or will be prepared in accordance with accounting standards applicable in the United Kingdom and Guernsey that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Acquisition by a U.S. Holder of Shanta Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each U.S. Holder of Shanta Shares is therefore urged to consult with independent legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

It may be difficult for U.S. Holders of Shanta Shares to enforce their rights and any claim arising out of the U.S. federal laws in connection with the Acquisition, since Bidco and Shanta are located in, and organised under the laws of, a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. Holders of Shanta Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act (to the extent applicable), Bidco, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shanta Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made, they would be made outside of the United States and would be in accordance with applicable law, including the U.S. Exchange Act and the Code. These purchases may occur either in the open market at prevailing prices or in private transactions

at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the regulatory news service of the London Stock Exchange and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Document (including information incorporated by reference into this Document), statements made regarding the Acquisition, and other information published by Bidco and/or Shanta, contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and not based on historical facts, but rather on current expectations and projections of the management of Bidco and/or Shanta about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this Document include statements with respect to the financial condition, results of operations and business of Shanta and certain plans and objectives of Bidco with respect thereto and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the fact that they do not relate only to historical or current facts and may use words such as “anticipate”, “target”, “expect”, “estimate”, “forecast”, “intend”, “plan”, “budget”, “scheduled”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could”, or other words of similar meaning. These statements are based on assumptions and assessments made by Shanta and/or Bidco in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve known and unknown risk and uncertainty and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such, because they relate to events and depend on circumstances that will occur in the future. Although Bidco and/or Shanta believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this Document. Neither Bidco nor Shanta assumes any obligation to update or correct the information contained in this Document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied in the forward-looking statements including, but not limited to: the enactment of legislation or regulation in the countries in which Bidco and Shanta operate that may impose costs or restrict activities; the re-negotiation of contracts or licences; the ability to obtain requisite regulatory approvals and the satisfaction of other Conditions on the proposed terms; changes in the local and global, political, economic, business and competitive environments and in market and regulatory forces, fluctuations in the spot and forward price of gold or certain other commodities (such as silver, diesel fuel, and electricity); the speculative nature of mineral exploitation and development; fluctuations in demand and pricing in the mineral exploration and mining industry; risks and hazards associated with the business of mineral exploration development and mining such as environmental hazards, industrial accidents, and gold bullion or gold losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks); fluctuations in the currency markets; changes in exchange controls; changes in government policy and taxation; industrial disputes; war and terrorism. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results and developments may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Shanta, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Document will actually occur. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements.

Other than in accordance with their legal or regulatory obligations, neither Bidco nor Shanta is under any obligation, and Bidco and Shanta expressly disclaim any intention or obligation, to update

or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## **IMPORTANT INFORMATION**

This Document does not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities or a solicitation of any vote or approval pursuant to this Document or otherwise in any jurisdiction in which such offer, invitation or solicitation is unlawful.

This Document and the accompanying documents have been prepared in connection with proposals in relation to a scheme of arrangement which will be subject to the applicable requirements of the Companies Law, the Court, and with the other applicable requirements of Guernsey law, the Takeover Code, the Panel, the London Stock Exchange and the FCA and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside the United Kingdom and Guernsey. Nothing in this Document or accompanying documents should be relied on for any other purpose.

The distribution of this Document in jurisdictions outside the United Kingdom and Guernsey may be restricted by the laws of those jurisdictions and therefore any persons into whose possession this Document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. All Shanta Shareholders or other persons (including nominees, trustees and custodians) who would otherwise intend to, or may have a contractual or legal obligation to, forward this Document and the accompanying Forms of Proxy to a jurisdiction outside the United Kingdom and Guernsey should refrain from doing so and seek appropriate professional advice before taking any action.

No person has been authorised to give any information or make any representations other than those contained in this Document and, if given or made, such information or representations must not be relied upon as having been authorised by Shanta, the Independent Shanta Directors, Bidco, the Bidco Directors, ETC Holdings, the ETC Holdings Directors, or by Liberum, Berenberg or any person involved in the Acquisition. Neither the delivery of this Document nor holding of the Meetings, the Scheme Court Hearing, or filing the Court Order shall, under any circumstances, create any implication that there has been no change in the affairs of the Shanta Group, Saturn Resources Ltd or ETC Resources (Mauritius) Limited since the date of this Document or that the information in, or incorporated into, this Document is correct as at time subsequent to its date.

The summary of the principal provisions of the Scheme contained in this Document is qualified in its entirety by reference to the Scheme itself, the full text of which is set out in PART IV of this Document. Each Shanta Shareholder is advised to read and consider carefully the text of the Scheme itself. This Document, and in particular, PART I and PART II of this Document have been prepared solely to assist Shanta Shareholders in respect of voting on the Scheme.

Shanta Shareholders should not construe the contents of this Document as legal, taxation or financial advice, and should consult with their own advisers as to the matters described in this Document.

If you are in any doubt as to the contents of this Document and what action you should take, you are recommended to seek your own personal financial, legal and tax advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser duly authorised under FSMA, if you are resident in the United Kingdom, or another appropriately authorised independent financial adviser, if you are in a territory outside the United Kingdom.

## **DISCLOSURE REQUIREMENTS UNDER THE TAKEOVER CODE**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Takeover Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the disclosure table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

## **PUBLICATION ON WEBSITE AND AVAILABILITY OF THIS DOCUMENT**

A copy of this Document shall be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Shanta and Bidco's websites at [www.shantagold.com](http://www.shantagold.com) and <https://etcholdings.net/>, respectively, by no later than 12:00 noon on the Business Day following the date of publication of this Document. For the avoidance of doubt, the content of these websites is not incorporated into and do not form part of this Document.

In accordance with Rule 30.3 of the Takeover Code, Shanta Shareholders may request a hard copy of this Document or information incorporated into this Document by reference to another source, free of charge, by calling Computershare during business hours at +44 370 707 4040, and stating your name and the address to which the hard copy should be sent. A hard copy of any such information will not be sent to you unless you so request it. You may also request that all future documents, announcements and information sent to you in relation to the Acquisition should be in hard copy form.

## **NO PROFIT FORECASTS, PROFIT ESTIMATES OR QUANTIFIED FINANCIAL BENEFITS STATEMENTS**

No statement in this Document is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Document should be interpreted to mean that earnings or earnings per share for Shanta for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Shanta.

## **ELECTRONIC COMMUNICATIONS**

Please be aware that addresses, electronic addresses and certain other information provided by Shanta Shareholders and other relevant persons for the receipt of communications from Shanta may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 to the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

## **ROUNDING**

Certain figures included in this Document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

## **SCHEME PROCESS**

In accordance with Section 5 of Appendix 7 of the Takeover Code, Shanta will announce through a Regulatory Information Service key events in the Scheme process including the outcomes of the Meetings and the Court Hearing.

Unless otherwise consented by the Panel and (if required) by the Court, any modification or revision to the Scheme will be made no later than the day which is 14 days prior to the Meetings (or any later date to which such Meetings are adjourned).

## **DEFINITIONS AND INTERPRETATION**

Definitions used in this Document are as defined in PART IX of this Document unless defined elsewhere herein or the context requires otherwise.

Unless otherwise stated, “subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking” shall have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of the Rule 2.7 Announcement.

All references to “GBP”, “pence”, “sterling” or “£” are to the lawful currency of the United Kingdom.

References to the singular include the plural and vice versa.

All times referred to are London times unless otherwise stated.

This Document is dated 25 January 2024.

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## ACTION TO BE TAKEN

For the reasons set out in this Document, the Independent Shanta Directors, who have been so advised by Liberum as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Independent Shanta Directors, Liberum has taken into account the commercial assessments of the Independent Shanta Directors. Liberum is providing independent financial advice to the Independent Shanta Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Independent Shanta Directors unanimously recommend that Voting Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Shanta Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as those Independent Shanta Directors who hold Shanta Shares have irrevocably undertaken to do in respect of their entire beneficial holdings (or those Shanta Shares over which they have control) of 18,895,073 Shanta Shares, and recommend that you take the action described below.

This section should be read in conjunction with the rest of this Document, and in particular, paragraph 19 of PART II of this Document and the notices of the Court Meeting and the General Meeting at the end of this Document.

### 1 Documents

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting to be held on 29 February 2024;
- a YELLOW Form of Proxy for use in respect of the General Meeting to be held on 29 February 2024; and
- a pre-paid envelope for use in the UK and Guernsey for the return of the BLUE Form of Proxy and the YELLOW Form of Proxy.

If you have not received all of these documents, please contact the shareholder helpline operated by Computershare, between 8:30 a.m. and 5:30 p.m. Monday to Friday (London time), (except public holidays in England and Wales) on +44 370 707 4040. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

### 2 Voting at the Court Meeting and the General Meeting

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY BY POST (OR TRANSMIT A PROXY APPOINTMENT AND VOTING INSTRUCTION ONLINE THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE) AS SOON AS POSSIBLE.**

The Scheme will require approval by the requisite majority of Voting Scheme Shareholders at a meeting convened pursuant to an order of the Court (the “**Court Meeting**”) to be held at the offices of Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG at 1:00 p.m. on 29 February 2024 and sanction of the Scheme by the Court. Implementation of the Scheme will also require approval of the Resolution relating to the Acquisition to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting at 1:15 p.m. on 29 February 2024 (or as soon thereafter as the Court Meeting concludes or is adjourned). Notices of the Court Meeting and the General Meeting are set out in PART X and PART XI of this Document, respectively.

If the Scheme becomes Effective, it will be binding on Shanta and all Scheme Shareholders including those who did not attend or vote (or procure a vote) at the Court Meeting and/or the General Meeting or those who voted (or procured a vote) against the Scheme at the Court Meeting and/or the Resolution at the General Meeting.

Voting Scheme Shareholders and Shanta Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using the methods (by post, or electronically through CREST) set out below.

Shanta Shareholders are entitled to appoint a proxy in respect of some or all of their Shanta Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Shanta Shareholders who wish to appoint more than one proxy in respect of their holding of Shanta Shares should contact Computershare for further Forms of Proxy or photocopy the Forms of Proxy as required.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction through CREST) will not prevent you from attending and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.

Voting Scheme Shareholders and Shanta Shareholders are required to submit or amend proxy appointments in respect of the relevant Meeting not later than 48 hours before the relevant Meeting (or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned Meeting and, in each case,) excluding any part of such 48-hour period falling on a day that is not a working day). In the case of the Court Meeting only, proxy appointments which have not been submitted by this time may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof).

**(a) Sending Forms of Proxy by post**

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them by post to Computershare Investor Services (Guernsey) Limited, c/o the Pavilions, Bridgwater Road, Bristol BS99 6ZY, so as to be received as soon as possible and in any event not later than the relevant times set out below:

BLUE Forms of Proxy for the Court Meeting	1:00 p.m. on 27 February 2024
YELLOW Forms of Proxy for the General Meeting	1:15 p.m. on 27 February 2024

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding any part of such 48 hours period falling on a day that is not a working day) before the time fixed for the adjourned Meeting.

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof).

If the YELLOW Form of Proxy for the General Meeting is not lodged by the relevant time, it will BE INVALID.

**(b) Electronic appointment of proxies through CREST**

If you hold Shanta Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in PART X and PART XI of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Computershare (ID: 3RA50) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting (as set out in paragraph (a) above) or any adjournment thereof. 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 Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

- In the case of the Court Meeting only, if the CREST proxy or instruction is not received by this time, the BLUE Form of Proxy may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof).
- In the case of the General Meeting only, if the CREST proxy or instruction is not received by this time, it will be invalid.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Shanta may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

### **3 Shareholder helpline**

If you have not received all of these documents, please contact the Shareholder helpline operated by Computershare, between 8.30 a.m. and 5.30 p.m. Monday to Friday (London time), (except public holidays in England and Wales) on +44 370 707 4040. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

This section should be read in conjunction with the rest of this Document.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable is based on Shanta's and Bidco's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Shanta Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

<b>Event</b>	<b>Expected time and/or date<sup>(1)</sup></b>
<b>Publication of this Document</b>	25 January 2024
<b>Latest time for lodging Forms of Proxy for the:</b>	
<b>Court Meeting (BLUE form)</b>	1:00 p.m. 27 February 2024 <sup>(2)</sup>
<b>General Meeting (YELLOW form)</b>	1:15 p.m. 27 February 2024 <sup>(3)</sup>
<b>Voting Record Time in respect of the Court Meeting and the General Meeting</b>	6:00 p.m. 27 February 2024 <sup>(4)</sup>
<b><u>Court Meeting</u></b>	1:00 p.m. 29 February 2024
<b><u>General Meeting</u></b>	1:15 p.m. 29 February 2024 <sup>(5)</sup>
<b>Scheme Court Hearing</b>	A date ("D") expected to be on or not later than 21 days following the satisfaction or (if applicable) waiver of the applicable Conditions set out in Part 1 of PART III (Conditions to the Scheme and the Acquisition) of this Document <sup>(6)</sup>
<b>Announcement in respect of the Scheme to be published on a Regulatory Information Service</b>	D <sup>(6)</sup>
<b>Last day for dealings in, and for the registration of transfer of, Shanta Shares and disablement of Shanta Shares in CREST</b>	D + 1 Business Day <sup>(6)</sup>
<b>Scheme Record Time</b>	6:00 p.m. on D + 1 Business Day <sup>(6)</sup>
<b>Suspension of dealings in Shanta Shares</b>	7:30 a.m. on D + 2 Business Days <sup>(6)</sup>
<b><u>Effective Date of the Scheme<sup>(7)</sup></u></b>	<b>D + 2 Business Days<sup>(6)</sup></b>
<b>Cancellation of admission to trading of Shanta Shares</b>	By 7:00 a.m. on D + 3 Business Days
<b>Latest date for despatch of cheques and crediting of CREST accounts and processing electronic transfers for cash consideration due under the Scheme by 14 days after the Effective Date processing electronic transfers for cash</b>	Within 14 days of the Effective Date
<b>Long Stop Date<sup>(8)</sup></b>	11:59 p.m. on 9 October 2024

(1) Dates and times are indicative only and are based on Bidco and Shanta's current expectations and may be subject to change (including, among other things, as a result of the regulatory timetable). Shanta will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on Shanta's website at [www.shantagold.com](http://www.shantagold.com) and Bidco's website at <https://etcholdings.net/>. Further updates and changes to these times will be notified in the same way.

(2) It is requested that the BLUE Form of Proxy for the Court Meeting be lodged not later than 48 hours prior to the time appointed for the Court Meeting or, if the Court Meeting is adjourned, 48 hours prior to the time fixed for any adjourned Court Meeting (excluding any part of such 48-hour period falling on a day that is not a working day). If the BLUE Form of Proxy for the Court Meeting is not lodged by 1:00 p.m. on 27 February 2024, it may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof).

(3) In order to be valid, the YELLOW Form of Proxy for the General Meeting must be lodged not later than 1:15 p.m. on 27 February 2024 or, if the General Meeting is adjourned, 48 hours prior to the time fixed for the adjourned General Meeting (excluding any part of such 48 hour period falling on a day that is not a working day).

(4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6:00 p.m. on the day which is two Business Days prior to the date of the adjourned Meeting.

- (5) To commence at 1:15 p.m. or as soon thereafter as the Court Meeting concludes or is adjourned.
- (6) The times and dates will depend on, among other things, the date(s) upon which (i) the Conditions are satisfied or (where applicable) waived (Conditions 1 and 2(c)(i) are not capable of being satisfied or waived before the Scheme Court Hearing), (ii) the Court sanctions the Scheme (which is in part dependent on Court availability at the relevant time), and (iii) the Court Order sanctioning the Scheme is delivered to the Guernsey Registry. If the expected date of the Scheme Court Hearing is changed, Shanta will give adequate notice of the changes by issuing an announcement through a Regulatory Information Service. Bidco expects that, subject to the satisfaction (or, where applicable, waiver) of the Conditions in PART III of this Document, the Acquisition will become Effective during H1 2024.
- (7) It is anticipated that each Shanta Shareholder holding Shanta Shares at the relevant record date will receive and retain an interim dividend of up to 0.15 pence per share intended to be declared by the Shanta Board and paid prior to the Effective Date.
- (8) This is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as may be agreed by Shanta and Bidco (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)).

## PART I

### LETTER FROM THE CHAIRMAN OF SHANTA

*Directors:*

Anthony Durrant  
Elodie Grant Goodey  
Eric Zurrin  
Keith Marshall  
Ketan Patel  
Matthieu Bos  
Michelle Jenkins

*Shanta Gold Limited*  
(Incorporated in Guernsey with registered number 43133)  
11 New Street,  
St Peter Port,  
Guernsey GY1 2PF

25 January 2024

*To: Shanta Shareholders*

Dear Shanta Shareholder,

#### **RECOMMENDED CASH ACQUISITION OF SHANTA GOLD LIMITED BY SATURN RESOURCES LTD**

##### **1 Introduction**

On 20 December 2023, the boards of directors of Shanta and Bidco, a wholly-owned subsidiary of ETC Holdings, announced that they had reached agreement on the terms of a recommended cash acquisition pursuant to which Bidco proposes to acquire the entire issued and to be issued share capital of Shanta not already owned by any member of the Bidco Group (the “**Acquisition**”). The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement under Part VIII of the Companies Law (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel and the terms of the Co-operation Agreement).

I am writing to you on behalf of the Independent Shanta Directors, to set out the background to the Acquisition and the reasons why the Independent Shanta Directors consider the terms of the Acquisition to be fair and reasonable and unanimously recommend that Voting Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Shanta Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as those Independent Shanta Directors who hold Shanta Shares have irrevocably undertaken to do in respect of those Shanta Shares (and in respect of which they control the voting rights), which amount in total to 18,895,073 Shanta Shares representing, in aggregate, approximately 1.80 per cent. of the issued ordinary share capital of Shanta as at the Latest Practicable Date). Further information relating to the irrevocable undertakings given by those Independent Shanta Directors who hold Shanta Shares is set out at paragraph 8 of this Part I below, and in paragraph 8.1 of PART VIII of this Document. I would also draw your attention to the letter from Liberum set out in PART II of this Document, which gives details about the Acquisition, and to the additional information set out in PART VIII of this Document.

The Court Meeting and the General Meeting are to be held at the offices of Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG on 29 February 2024 at 1:00 p.m. and 1:15 p.m. (or immediately following the conclusion of the Court Meeting), respectively. Notices of both the Court Meeting and the General Meeting are set out in Part X and Part XI respectively of this Document.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Voting Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly encouraged to: (i) sign and return your Forms of Proxy by post; or (ii) transmit a proxy appointment and voting instruction through the CREST electronic proxy appointment service as soon as possible.

Details of the actions you should take are set out in paragraph 19 of PART II of this Document. The recommendation of the Independent Shanta Directors is set out in paragraph 15 below.

## 2 Summary of the terms of the Acquisition

Under the terms of the Acquisition, which are subject to the Conditions and the full terms and conditions and any other terms set out in Part III of this Document, Scheme Shareholders will be entitled to receive:

### for each Scheme Share: 13.5 pence in cash

The Consideration of 13.5 pence per Scheme Share values the entire issued share capital of Shanta at approximately £141.95 million and represents a premium of approximately:

- 6.72 per cent. to the Closing Price of 12.65 pence per Shanta Share on 19 December 2023 (being the last Business Day prior to the commencement of the Offer Period);
- 23.28 per cent. to the volume-weighted average Closing Price of 10.95 pence per Shanta Share for the three-month period ended on the last Business Day before the commencement of the Offer Period;
- 32.63 per cent. to the volume-weighted average Closing Price of 10.18 pence per Shanta Share for the six-month period ended on the last Business Day prior to the commencement of the Offer Period; and
- 27.74 per cent. to the volume-weighted average Closing Price of 10.57 pence per Shanta Share for the twelve-month period ended on the last Business Day prior to the commencement of the Offer Period.

In addition, each Shanta Shareholder will be entitled to receive and retain an interim dividend of up to 0.15 pence per share (the “**Permitted Dividend**”). It is anticipated that the Permitted Dividend would be declared and have a record date before the Effective Date, and would be paid to those Shanta Shareholders who are on Shanta’s register of members on a date which is on or prior to the Effective Date. The Permitted Dividend shall be paid to Shanta Shareholders without a commensurate reduction in the Consideration payable under the Acquisition. Other than the Permitted Dividend, Bidco reserves the right to reduce the Consideration payable for each Scheme Share pursuant to the Acquisition by up to the amount per Scheme Share of any dividends or other distribution to Shanta Shareholders (whether payable in cash or otherwise) paid by Shanta prior to the Effective Date.

The Acquisition is expected to become Effective in H1 2024, subject to the satisfaction or (where applicable) waiver of the Conditions and further terms set out in PART III of this Document, including, amongst other things: (i) the receipt of regulatory approvals from the Tanzanian Fair Competition Commission, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in Kenya (without any authority having extended the period for review of the Acquisition), (ii) approval by the requisite majority of Voting Scheme Shareholders of the Scheme at the Court Meeting (iii) approval by the requisite majority of Shanta Shareholders of the Resolution to be proposed at the General Meeting and (iv) sanction of the Scheme by the Court.

Further information about the Acquisition is provided in PART II of this Document.

## 3 Interests of Bidco, and associated persons, in Shanta Shares

The Shanta Shares owned or controlled by Export Holdings, a company associated with the UBOs, including Ketan Patel (being 44,488,248 Shanta Shares as at the close of business on the Latest Practicable Date) will not constitute Scheme Shares and will not be acquired by Bidco pursuant to the Acquisition. Upon the Acquisition becoming Effective, Export Holdings, or a company associated with Bidco, will continue to hold such Shanta Shares.

The Shanta Shares owned or controlled by the Bidco Connected Individuals (being, in aggregate, 363,448 Shanta Shares, as at the close of business on the Latest Practicable Date) will constitute Scheme Shares and will be acquired by Bidco pursuant to the Acquisition. The Bidco Connected Individuals have each consented to be bound by the Scheme, upon the Scheme becoming effective.

Export Holdings will not be permitted to vote the Shanta Shares owned or controlled by it at the Court Meeting, but will be permitted to vote such Shanta Shares at the General Meeting.

In addition, no Bidco Connected Individual will be permitted to vote the Shanta Shares owned or controlled by them at the Court Meeting but will be permitted to vote such Shanta Shares at the General Meeting.

#### 4 Bidco's Background to and reasons for the Acquisition

The UBOs were part of the original founding team of Shanta in 2001. Whilst there have been significant positive actions taken by executive management leading to Shanta's share price growth of over 175 per cent. in the past five years, ultimately the UBOs believe that it would be beneficial for Shanta and its employees and other stakeholders for Shanta to continue its growth and development as a private company for the following reasons:

##### *De-rating of gold sector valuations*

Over the last decade, the valuation of publicly listed gold companies has de-rated with industry research illustrating that UK listed African gold miners are now trading over 40 per cent. down on a P/NAV basis than five years ago. Bidco believes the impact on junior gold miners within that peer group is exacerbated by other factors such as lack of diversification, jurisdictional issues and poor liquidity.

##### *Lack of market recognition in the long-term prospects*

Notwithstanding the value-enhancing actions taken by Shanta's executive management and the Shanta Board, there is a lack of recognition by investors in Shanta's long-term prospects, including West Kenya Project upside and continued mine life extensions in Tanzania, which Bidco believes is symptomatic of the UK listed, African-focussed junior gold sector in particular.

Despite the potential for plant expansion and increased gold production at the Singida Gold Mine over the next few years as announced on 3 July 2023, mine life extension at the New Luika Gold Mine announced on 22 May 2023 and the upgrade to the West Kenya Project mineral resource estimate on 22 February 2023, Shanta's VWAPs have remained relatively flat over the last year as evidence below.

<b>Period<sup>(1)</sup></b>	<b>VWAP (pence per Shanta Share)</b>
3 month	10.95
6 month	10.18
9 month	10.51
12 month	10.57
<b>Average</b>	<b>10.55</b>

*(1) in each case, timeframes are for the period ended on the last Business Day prior to the commencement of the Offer Period, and by reference to the approximate averages of the Closing Prices of Shanta Shares for the relevant period.*

##### *Unfunded growth and future equity dilution*

Bidco believes that, whilst Shanta has undertaken significant efforts to create shareholder value by both diversifying its Tanzanian production base and developing the growth opportunity that lies in Shanta's West Kenya Project, the delivery of the significant external funding required to drive further shareholder value in the short to medium term is uncertain and could potentially be on terms that are not attractive to Shanta Shareholders.

The evident risks in developing new assets for both junior and major gold miners have, in Bidco's belief, a negative influence on the share price of Shanta. Bidco believes that Shanta's share price may not overcome inherent risks of mining operations in the development stage, including *inter alia*, social, governmental, technical and financing risks and hence believes that, coupled with Shanta's low levels of share trading liquidity that may prevent a full exit, the Consideration represents a return of value to Scheme Shareholders which they may not otherwise be able to achieve in the short to medium term.

Furthermore, Bidco believes that the potentially limited availability of funding available to Shanta (at an attractive cost of capital), may be detrimental to other stakeholders whom the Shanta Board may also take into account. Shanta has delivered a stable environment in the regions it operates in, providing positive outcomes for local communities and employees. With the support of ETG, Bidco believes Shanta's positive work can be built on to a larger scale than what may be possible by Shanta on a standalone basis. As part of Bidco Group, Shanta will benefit from the capital, experience and connections of the Bidco Group in East Africa and as a result, have additional support during the currently heightened levels of macro-instability.

In addition, should the Acquisition complete, Shanta would operate without the costs of maintaining a public listing, resulting in an increase in operating cashflows for reinvestment.

#### *Uncertain regulatory environment*

Bidco believes that uncertainty, since 2017, around the implementation of the legislated "16 per cent. Free Carried Interest" in Tanzania, and the outstanding legacy VAT receivable, overshadow the positive actions taken by the Shanta Board and management.

#### *Illiquid share trading*

Shanta's shares are illiquid. Bidco believes that institutional Shanta Shareholders most likely will not be able to exit their positions without disrupting the market equilibrium. Over the last 12 months, Shanta's average daily trading volume was approximately 4,514,826 million Shanta Shares, implying over eleven months for a full turn of Shanta's issued share capital. Furthermore, given the current levels of trading liquidity, Bidco believes that any sizeable selling demand in Shanta's Shares will have a significant detrimental effect in the Shanta share price.

Moreover, the average bid-ask spread for Shanta Shares over the last 12 months has been approximately 3.58 per cent., implying adverse trading conditions for both buyers and sellers of Shanta Shares, which Bidco believes increases the unattractiveness of Shanta as a publicly traded company.

## **5 Bidco's intentions for the Shanta business**

Your attention is drawn to the statement of Bidco's intentions for the Shanta business if the Scheme becomes Effective as set out in paragraph 8 of PART II of this Document.

## **6 Shanta's background to, and reasons for, the Recommendation**

Since Ketan Patel, who is a Shanta Director, is associated with and indirectly beneficially interested in Bidco:

- he is not deemed sufficiently independent to join with the remaining Shanta Directors in relation to them considering, and publicly expressing their views on, the Acquisition; and
- the Acquisition is also classified as a related party transaction for the purposes of the AIM Rules. The Independent Shanta Directors consider, having consulted with Liberum, Shanta's nominated adviser, that the terms of the Acquisition are fair and reasonable in so far as Shanta's Shareholders are concerned.

By way of background, Shanta has sought to create shareholder value by growing and diversifying its production base in Tanzania while simultaneously progressing and defining the significant future growth opportunity inherent within the West Kenya Project. In so doing, Shanta has delivered a stable and consistent production profile from the well-established New Luika Gold Mine while at the same time developing, financing, constructing and commissioning a second producing mine at Singida. The commencement of commercial scale operations at Singida in June 2023 de-risked Shanta's reliance on a single production asset while at the same time materially increasing Shanta's free cashflow generation and long-term balance sheet strength. Alongside this production growth in Tanzania, Shanta has also increased the resource base at its West Kenya Project which underpins the project's economic prospectivity and will be further defined by the on-going technical and environmental studies, providing confidence in the long-term prospects for the business.

The Independent Shanta Directors believe that Shanta's operations and plans provide a foundation for potential growth. Since the start of this year, overall operational performance has been in line with the Independent Shanta Directors' expectations. The Independent Shanta Directors remain

confident in Shanta's ability to succeed as an independent business, notwithstanding the technical, financial, permitting, social, commodity price, and geopolitical risks inherent in the development of any large scale, greenfield, mining project.

In considering the Acquisition, the Independent Shanta Directors have taken account of the current operations of the business, the long-term potential value of Shanta and the risks in achieving this value, the current strength in the gold price, the currently weak equity capital markets and the limited liquidity in small-cap UK listed securities. Against this backdrop, the Acquisition provides a liquidity opportunity for all Shanta Shareholders to realise their investment in Shanta in full, in cash and at a premium to the undisturbed share price.

The Consideration represents a premium of approximately:

- 6.72 per cent. to the Closing Price of 12.65 pence per Shanta Share on the last Business Day prior to the commencement of the Offer Period;
- 23.28 per cent. to the volume-weighted average Closing Price of 10.95 pence per Shanta Share for the three-month period ended on the last Business Day prior to the commencement of the Offer Period;
- 32.63 per cent. to the volume-weighted average Closing Price of 10.18 pence per Shanta Share for the six-month period ended on the last Business Day prior to the commencement of the Offer Period; and
- 27.74 per cent. to the volume-weighted average Closing Price of 10.57 pence per Shanta Share for the twelve-month period ended on the last Business Day prior to the commencement of the Offer Period).

In addition to the financial terms of the Acquisition, in its evaluation of Bidco as a suitable owner of Shanta from the perspective of all Shanta stakeholders, the Independent Shanta Directors have also given due consideration to Bidco's intentions set out in paragraph 5 of this PART I, including those regarding Shanta's ongoing strategy and operations and Bidco's recognition of the skills and expertise of Shanta's employees.

The Independent Shanta Directors are pleased to note that Bidco does not intend to effect any material changes to Shanta's ongoing strategy and operations or to make any material headcount reduction as a result of the Acquisition and Bidco's confirmation that following completion of the Acquisition, the existing contractual and statutory rights and terms and conditions of employment, including pension rights, of the management and employees of the Shanta Group will be fully safeguarded in accordance with applicable law. The Independent Shanta Directors are also pleased to note that Bidco views Shanta's senior management team and employees as a key attribute in driving future growth in the business and that Bidco has no intention to make any material change to the terms and conditions of employment of Shanta employees or, other than in relation to the Independent Shanta Directors, in the balance of the skills and functions of the employees and management of Shanta. In addition, the Independent Shanta Directors are pleased to note that Bidco intends to maintain Shanta's Tanzanian headquarters and does not expect the Acquisition to have a material impact on Shanta's operations or places of business.

Accordingly, the Independent Shanta Directors recommend unanimously that Voting Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Shanta Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

## **7 Shanta current trading and prospects**

On 22 January 2024, Shanta announced its Q4 2023 and FY 2023 production and operational update for the quarter and year ended 31 December 2023. A copy of this update is incorporated by reference into this document and available on the Shanta website at [www.shantagold.com](http://www.shantagold.com). This update included the following update from Eric Zurrin, CEO of Shanta:

*"We are pleased to have surpassed our production guidance for the year – despite a moderate slowdown at New Luika – enabling us to benefit from a strong gold price environment with healthy returns to investors.*

*Our newest project to come onstream, Singida, has performed well in its first phase of commercial production and the new five-year plan shows potential for expansion but will require the necessary investment to deliver it.*

*It's exciting to see the hard work from the team come to life over the past few years, culminating in us reaching a milestone annual production target of 100,000 ounces. Our 2024 focus is to ensure long-term sustainable production meaning further investment into the assets through exploration. This work programme along with higher royalties and elevated normalised costs at Singida will mean a lift in AISC in 2024."*

## **8 Irrevocable undertakings and letter of intent**

To become effective, the Scheme requires, amongst other things, the approval of Voting Scheme Shareholders at the Court Meeting convened for 1:00 p.m. London time on 29 February 2024 and the passing of the Resolution to be proposed at the General Meeting convened for 1:15 p.m. London time on 29 February 2024 (or as soon thereafter as the Court Meeting has concluded or been adjourned). The Scheme also requires the sanction of the Court at the Court Hearing, in which case the Scheme will become effective upon delivery to the Guernsey Registry of a copy of the Court Order by Shanta.

The Independent Shanta Directors who are interested in Shanta Shares have irrevocably undertaken to vote in favour (or procure to vote) in respect of their (or their connected persons') 18,895,073 Shanta Shares, representing, in aggregate, approximately 1.88 per cent. of the Voting Scheme Shares, and approximately 1.80 per cent. of the existing issued capital of Shanta at the close of business on the Latest Practicable Date.

In addition to the irrevocable undertakings from Independent Shanta Directors referred to above, Bidco has received an irrevocable undertaking from Shanta's largest shareholder at the time to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the consent of the Panel and the terms of the Co-operation Agreement, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure the acceptance of the Takeover Offer) in respect of 87,306,112 Shanta Shares, representing approximately 8.67 per cent. of the Voting Scheme Shares, and approximately 8.30 per cent. of the existing issued share capital of Shanta at the close of business on the Latest Practicable Date.

Bidco has also received a letter of intent from the second-largest Shanta Shareholder at the time to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the consent of the Panel and the terms of the Co-operation Agreement, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure the acceptance of the Takeover Offer) in respect of 86,901,970 Shanta Shares, representing approximately 8.63 per cent. of the Voting Scheme Shares, and approximately 8.26 per cent. of the existing issued share capital of Shanta at the close of business on the Latest Practicable Date.

Accordingly, as at the date of this Document, Bidco has received irrevocable undertakings and a letter of intent to vote, or procure the voting, in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the consent of the Panel and the terms of the Co-operation Agreement, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure the acceptance of such Takeover Offer) in respect of a total of 193,103,155 Shanta Shares (representing approximately 19.18 per cent. of the Voting Scheme Shares and approximately 18.37 per cent. of the existing issued share capital of Shanta at the close of business on the Latest Practicable Date).

Full details of the irrevocable undertakings and the letter of intent received by Bidco are set out in paragraph 8 of PART VIII of this Document.

## **9 Information on the Bidco Group and its major shareholders**

### ***Bidco***

Bidco is a private company limited by shares, incorporated in November 2023 under the laws of Mauritius. It is a wholly-owned subsidiary of ETC Holdings. The directors of Bidco are Ketan Patel, Birju Patel, Hanjali Permalloo Le Roux and Akshata Adheen.

Under Mauritian law, a Mauritian-incorporated private company limited by shares is required to have one director who is ordinarily resident in Mauritius appointed to the board of directors. To satisfy this requirement, a director of Rogers Capital, the company providing corporate administrative

services to Bidco, was appointed to the board of directors (the “**Bidco Administrator Director**”). As at the date of the Rule 2.7 Announcement the Bidco Administrator Director was Kevin Bessoondyal who has since resigned and been replaced by Hanjali Permalloo Le Roux.

Bidco has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

### **The Bidco Group**

ETC Holdings is an investing company with assets in a diverse range of industries, primarily through its controlling shareholding in ETC Group, and trading as “ETG”.

ETG is a multi-billion USD-revenue global conglomerate with expertise across multiple industries, encompassing agricultural inputs, logistics, merchandising and processing of agricultural commodities, supply chain optimisation, digital transformation, metals and energy. ETG has operations in over 40 countries, employing in excess of 7,000 people and owning over 400 warehousing, processing and distribution centres.

The ultimate beneficial owners of Bidco are Ketan Patel, Birju Patel and Mahesh Patel whose biographies are as follows:

#### **Ketan Patel**

*Ketan is an experienced entrepreneur having held directorships and management responsibilities in a vast range of successful businesses across several industries including agriculture, logistics, mining, hospitality, technology, FMCG and financial services. Ketan is Co-CEO of ETG. He is responsible for financial oversight, trading strategy, acquisitions, banking and expansion of ETG. Ketan was born in Kenya and emigrated to the U.K. in the late 1970's, subsequently moving back to Tanzania to focus on expanding ETG.*

#### **Birju Patel**

*Birju is Co-CEO of ETG. Birju oversees ETG's global operations in addition to risk, compliance, Remco and Budgeting Committee responsibilities. Based in Johannesburg, Birju began his trading career in London with Louis Dreyfus and then moved across to South Africa to help build the Exchange Traded Commodities business adopting various arbitrage strategies across global exchanges including SAFEX, LSE, NYSE, CBOT, CME & LIFFE. Birju holds an LLB Honours in Law from the London School of Economics.*

#### **Mahesh Patel**

*Mahesh is the Founder and Chairman of ETG. As Executive Chairman, Mahesh takes responsibility for driving the overall vision and strategic goals for ETG. Mahesh is not only a successful businessman but also a lifelong philanthropist having spent his entire career directed at improving the lives of others, particularly small-holder African farmers. He has set up numerous charitable organisations including the ETG Farmers Foundation and the African International Technology for Societal Transformation. Mahesh was born in Kenya and currently resides in Tanzania.*

## **10 Cancellation of trading on AIM**

The last day of dealings in Shanta Shares on AIM is expected to be the Business Day immediately prior to the Effective Date.

Further details are set out in paragraph 14 of PART II of this Document.

## **11 Action to be taken by Shanta Shareholders**

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Voting Scheme Shareholders and Shanta Shareholders in respect of the Acquisition and the Scheme are set out in paragraph 10 of PART II of this Document.

Details relating to the cancellation of admission to trading of the Shanta Shares and settlement of the Consideration offered by Bidco are included in paragraphs 14 and 15 of PART II of this Document.

## **12 Overseas Shareholders**

Overseas Shareholders should refer to PART VII of this Document, which contains important information relevant to such holders. U.S. Shanta Shareholders should read the Notice to U.S. investors on pages 4 and 5.

## **13 United Kingdom and Guernsey taxation**

Your attention is drawn to PART VI and PART VII of this Document, which contain a summary of limited aspects of the UK and Guernsey tax treatment of the Scheme. These summaries relate only to the position of certain categories of Shanta Shareholders (as explained further in PART VI and PART VII of this Document), do not constitute tax advice and do not purport to be a complete analysis of all potential UK and Guernsey tax consequences of the Scheme.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Scheme on your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in any jurisdiction other than the United Kingdom and Guernsey.

## **14 Further information**

Please note that the information contained in this Document is not a substitute for reading the remainder of this Document.

Your attention is drawn to further information contained in PART II, PART III, PART IV and PART VIII of this Document which provides further details concerning the Scheme.

## **15 Recommendation of the Independent Shanta Directors**

The Independent Shanta Directors, who have been so advised by Liberum as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Independent Shanta Directors, Liberum has taken into account the commercial assessments of Independent Shanta Directors. Liberum is providing independent financial advice to the Independent Shanta Directors for the purposes of Rule 3.1 of the Takeover Code.

For the reasons set out above, the Independent Shanta Directors believe that the terms of the Acquisition (including the Scheme) are in the best interests of Shanta Shareholders as a whole and unanimously recommend that Voting Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Shanta Shareholders vote in favour of the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer) and those Independent Shanta Directors who hold shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling in aggregate 18,895,073 Shanta Shares, representing, in aggregate, approximately 1.88 per cent. of the Voting Scheme Shares, and approximately 1.80 per cent. of the existing issued share capital of Shanta as at the Latest Practicable Date.

Yours faithfully,

Anthony Durrant  
Chairman  
Shanta Gold Limited

**PART II**  
**EXPLANATORY STATEMENT**  
**(IN COMPLIANCE WITH SECTION 108 OF THE COMPANIES LAW)**

**LIBERUM**

Liberum Capital Limited  
25 Ropemaker Street,  
London EC2Y 9LY

25 January 2024

To: *Shanta Shareholders*

Dear Shanta Shareholder,

**RECOMMENDED CASH ACQUISITION OF SHANTA GOLD LIMITED BY SATURN RESOURCES LTD**

**1 Introduction**

On 20 December 2023, the boards of directors of Shanta and Bidco announced that they had agreed the terms of a recommended cash acquisition pursuant to which Bidco will acquire the entire issued and to be issued ordinary share capital of Shanta not already owned by any member of the Bidco Group. Bidco is a wholly-owned subsidiary of ETC Holdings.

The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement under Part VIII of the Companies Law (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel and the terms of the Co-operation Agreement). The Terms of the Scheme are set out in full in PART III of this Document.

The Scheme requires, among other things, the approval of the Voting Scheme Shareholders at the Court Meeting and the Shanta Shareholders at the General Meeting as well as the sanction of the Court.

Your attention is drawn to the letter set out in PART I of this Document, which forms part of this Explanatory Statement. The letter in PART I contains, among other things, (i) the Independent Shanta Directors' unanimous recommendation that Voting Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Shanta Shareholders vote in favour of the Resolution to be proposed at the General Meeting, and (ii) information on the background to, and reasons for giving the above recommendation.

The Independent Shanta Directors have been advised by Liberum in connection with the financial terms of the Acquisition. We have been authorised by the Independent Shanta Directors to write to you to explain the terms of the Acquisition and to provide you with other relevant information.

Please note that the dates and timings set out in this document are indicative only and may be subject to change. Statements made in this Document regarding: (i) the background to and reasons for the recommendation of the Independent Shanta Directors; (ii) business of Shanta; and/or (iii) the intentions or expectations of or concerning the Shanta Group reflect the views of the Independent Shanta Directors. Statements made in this Document regarding: (i) Bidco's reasons for the Acquisition; (ii) information concerning the business of Bidco and/or the Bidco Group; (iii) the financial effects of the Acquisition on Bidco and/or (iv) the intentions of or expectations of or concerning Bidco reflect the views of the Bidco Directors.

This PART II contains a summary of the terms of the Scheme, while the terms of the Scheme are set out in full in PART IV of this Document. For overseas Holders of Shanta Shares, your attention is drawn to PART VII, which forms part of this Explanatory Statement.

Shanta Shareholders should read the whole of this Document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting.

## 2 The Acquisition

Under the terms of the Acquisition, which are subject to the Conditions and any other terms set out in this Document, Scheme Shareholders will be entitled to receive:

### for each Scheme Share: 13.5 pence in cash

The Consideration of 13.5 pence per Scheme Share values the entire issued share capital of Shanta at approximately £141.95 million and represents a premium of approximately:

- 6.72 per cent. to the Closing Price of 12.65 pence per Shanta Share on 19 December 2023 (being the last Business Day prior to the commencement of the Offer Period);
- 23.28 per cent. to the volume-weighted average Closing Price of 10.95 pence per Shanta Share for the three-month period ended on the last Business Day prior to the commencement of the Offer Period;
- 32.63 per cent. to the volume-weighted average Closing Price of 10.18 pence per Shanta Share for the six-month period ended on the last Business Day prior to the commencement of the Offer Period; and
- 27.74 per cent. to the volume-weighted average Closing Price of 10.57 pence per Shanta Share for the twelve-month period ended on the last Business Day prior to the commencement of the Offer Period.

In addition, each Shanta Shareholder will be entitled to receive and retain the Permitted Dividend. It is anticipated that the Permitted Dividend would be declared and have a record date before the Effective Date, and would be paid to those Shanta Shareholders who are on Shanta's register of members on a date which is on or prior to the Effective Date. The Permitted Dividend shall be paid to Shanta Shareholders without a commensurate reduction in the Consideration payable under the Acquisition. Other than a Permitted Dividend, Bidco reserves the right to reduce the Consideration payable for each Scheme Share pursuant to the Acquisition by up to the amount per Scheme Share of any dividends or other distribution to shareholders (whether payable in cash or otherwise) paid by Shanta prior to the Effective Date.

The Acquisition is expected to become Effective in H1 2024, subject to the satisfaction or (where applicable) waiver of the Conditions and further terms set out in PART III of this Document, including, amongst other things: (i) the receipt of regulatory approvals from the Tanzanian Fair Competition Commission, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in Kenya (without any authority having extended the period for review of the Acquisition), (ii) approval by the requisite majority of Voting Scheme Shareholders of the Scheme at the Court Meeting, (iii) approval by the requisite majority of Shanta Shareholders of the Resolution to be proposed at the General Meeting and (iv) sanction of the Scheme by the Court.

## 3 Structure of the Scheme Proposals

The Scheme is an arrangement made between Shanta and the Scheme Shareholders under Part VIII of the Companies Law, which requires the approval of the Voting Scheme Shareholders and the sanction of the Court. The purpose of the Scheme is to provide for Bidco to become the legal and beneficial Holder of the entire issued and to be issued share capital of Shanta not already owned by any member of the Bidco Group.

In order to achieve this, it is proposed that all Scheme Shares will be transferred to Bidco, in consideration for which the Scheme Shareholders whose names appear on Shanta's register of members at the Scheme Record Time will be entitled (subject to certain terms and conditions) to receive the Consideration payable for each Shanta Share pursuant to the Scheme on the basis set out in this Document.

The Scheme is subject to the Conditions and to certain further terms referred to in PART III of this Document. To become Effective, the Scheme requires, amongst other things, the approval of the Voting Scheme Shareholders at the Court Meeting convened for 1:00p.m. London time on 29 February 2024. The Scheme must be approved by a majority in number of Voting Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting representing not less than 75 per cent. of the voting rights of such Voting Scheme Shareholders.

Implementation of the Scheme will also require the passing at the General Meeting (convened for 1:15 p.m. London time on 29 February 2024 or as soon thereafter as the Court Meeting has concluded or been adjourned) of the Resolution, which requires the approval of Shanta Shareholders representing at least 75 per cent. of the votes cast at the General Meeting (either in person or by proxy). More details are provided at paragraph 10 below.

Following the Meetings, the Scheme must be sanctioned by the Court and will only become Effective upon delivery to the Guernsey Registry of a copy of the Court Order for registration (which must occur within 7 days after the making of the Court Order in accordance with the Companies Law). Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted, or whether they voted in favour of, or against, the Scheme at the Court Meeting or whether they voted in favour of, or against, the Resolution at the General Meeting.

Shanta will not issue or register the transfer of any Shanta Shares after the Scheme Record Time until the Scheme has become Effective.

#### **4 Irrevocable Undertakings and Letter of Intent**

The Independent Shanta Directors who are interested in Shanta Shares have irrevocably undertaken to vote in favour (or procure to vote) in respect of their 18,895,073 Shanta Shares, or their connected persons' Shanta Shares, representing, in aggregate, approximately 1.88 per cent. of the Voting Scheme Shares, and approximately 1.80 per cent. of the existing issued capital of Shanta at the close of business on the Latest Practicable Date.

In addition to the irrevocable undertakings from Independent Shanta Directors referred to above, Bidco has received an irrevocable undertaking from Shanta's largest shareholder at the time to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the consent of the Panel and the terms of the Co-operation Agreement, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure the acceptance of the Takeover Offer) in respect of 87,306,112 Shanta Shares, representing approximately 8.67 per cent. of the Voting Scheme Shares, and approximately 8.30 per cent. of the existing issued share capital of Shanta at the close of business on the Latest Practicable Date.

Bidco has also received a letter of intent from the second-largest Shanta Shareholder at the time to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the consent of the Panel and the terms of the Co-operation Agreement, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure the acceptance of the Takeover Offer) in respect of 86,901,970 Shanta Shares, representing approximately 8.63 per cent. of the Voting Scheme Shares, and approximately 8.26 per cent. of the existing issued share capital of Shanta at the close of business on the Latest Practicable Date.

Accordingly, as at the date of this Document, Bidco has received irrevocable undertakings and a letter of intent to vote, or procure the voting, in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the consent of the Panel and the terms of the Co-operation Agreement, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure the acceptance of such Takeover Offer) in respect of a total of 193,103,155 Shanta Shares (representing approximately 19.18 per cent. of the Voting Scheme Shares and approximately 18.37 per cent. of the existing issued share capital of Shanta at the close of business on the Latest Practicable Date).

Full details of the irrevocable undertakings and the letter of intent received by Bidco are set out in paragraph 8 of PART VIII of this Document.

#### **5 Information relating to Shanta**

Shanta was established in 2001 and admitted to trading on AIM in 2005. Shanta is an East Africa-focused responsible gold producer, developer, and explorer. Shanta has an established operational track record, with defined ore resources on the New Luika and Singida projects in Tanzania, with reserves of 625 Koz grading 2.91 g/t, and exploration licenses covering approximately 800 km<sup>2</sup> in the country. Alongside New Luika and Singida, Shanta also owns the high-grade West Kenya

Project in Kenya and licenses with resources of 1.76 million ounces, including 1.14 million oz in the indicated category.

### ***New Luika Gold Mine***

Shanta's first producing asset was the New Luika Gold Mine (100% owned), which is in the Songwe District of Southwestern Tanzania approximately 700 km South-West of Dar Es Salaam. Production at New Luika commenced in 2012 and the current reserve life was extended in 2022 to H1 2028. New Luika has established a solid operational track record for converting inferred resources to reserves and extending the mine life accordingly. New Luika is an open pit and underground mining operation and employs approximately 1,040 employees and contractors of which approximately 99% are Tanzanians. New Luika has maintained its reputation as one of the safest gold mining operations of its peers.

### ***Singida Gold Mine***

Shanta commenced construction of Singida in late 2020, which became its second operating mine in Tanzania when it commenced production in Q1 2023, transforming Shanta into a +100,000 oz/pa producer with a diversified resource base. Singida's mining licenses were successfully extended for an additional period of 10 years in January 2022. Singida is in the Ikungi district, Singida region of Central Tanzania. Seven open pits are planned to be mined as per the current Life of Mine Plan, which extends to the end of 2029, based on existing reserves.

### ***West Kenya Project***

The West Kenya Project hosts 1.755 million oz of gold graded at 5.55 grams per tonne (g/t), making it an attractive exploration and development project. The West Kenya Project covers approximately 580 km<sup>2</sup> of the highly prospective Lake Victoria greenstone gold field. Presently, two potential mining centres have been identified on the West Kenya Project Shanta Gold Licences: Kakamega Potential Mining Centre (Isulu-Bushiangala is the main resource-stage target) and Ramula Potential Mining Centre (Ramula is a new resource-stage target).

### ***Asset valuations***

The Independent Shanta Directors note that the various asset valuations published by Shanta in the 12 months before the commencement of the Offer Period were provided for illustrative purposes only, based on historic figures, and in the Independent Shanta Directors' view, are neither valid nor relevant in the context of the Acquisition or otherwise. The Independent Shanta Directors therefore disclaim those valuations, all of which should be discounted by Shanta Shareholders when considering the Acquisition or otherwise. It has been agreed with the Panel that these valuations are not relevant for the purposes of Rule 29 of the Takeover Code.

## **6 Information on the Bidco Group and its major shareholders**

### ***Bidco***

Bidco is a private company limited by shares, incorporated in November 2023 under the laws of Mauritius. It is a wholly-owned subsidiary of ETC Holdings. The directors of Bidco are Ketan Patel, Birju Patel, Hanjali Permollo Le Roux and Akshata Adheen.

Under Mauritian law, a Mauritian-incorporated private company limited by shares is required to have one director who is ordinarily resident in Mauritius appointed to the board of directors. To satisfy this requirement, a director of Rogers Capital was appointed to the board of directors (the "**Bidco Administrator Director**"). As at the date of the Rule 2.7 Announcement the Bidco Administrator Director was Kevin Bessoondyal who has since resigned and been replaced by Hanjali Permollo Le Roux.

Bidco has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

### ***The Bidco Group***

ETC Holdings is an investing company incorporated under the laws of Mauritius with assets in a diverse range of industries, primarily through its controlling shareholding in ETC Group, and trading as "ETG".

The directors of ETC Holdings are Ketan Patel, Birju Patel, Mahesh Patel, Hanjali Permalloo Le Roux and Akshata Adheen. ETC Holdings as a Mauritian incorporated company is required to have one director who is ordinarily resident in Mauritius appointed to the board of directors. This position is held by a director of Rogers Capital., Hanjali Permalloo Le Roux (the “**ETC Holdings Administrator Director**”). ETG is a multi-billion USD-revenue global conglomerate with expertise across multiple industries, encompassing agricultural inputs, logistics, merchandising and processing of agricultural commodities, supply chain optimisation, digital transformation, metals and energy. ETG has operations in over 40 countries, employing in excess of 7,000 people and owning over 400 warehousing, processing and distribution centres.

The ultimate beneficial owners of Bidco are Ketan Patel, Birju Patel and Mahesh Patel whose biographies are as follows:

#### **Ketan Patel**

*Ketan is an experienced entrepreneur having held directorships and management responsibilities in a vast range of successful businesses across several industries including agriculture, logistics, mining, hospitality, technology, FMCG and financial services. Ketan is Co-CEO of ETG. He is responsible for financial oversight, trading strategy, acquisitions, banking and expansion of ETG. Ketan was born in Kenya and emigrated to the U.K. in the late 1970's, subsequently moving back to Tanzania to focus on expanding ETG.*

#### **Birju Patel**

*Birju is Co-CEO of ETG. Birju oversees ETG's global operations in addition to risk, compliance, Remco and Budgeting Committee responsibilities. Based in Johannesburg, Birju began his trading career in London with Louis Dreyfus and then moved across to South Africa to help build the Exchange Traded Commodities business, adopting various arbitrage strategies across global exchanges including SAFEX, LSE, NYSE, CBOT, CME & LIFFE. Birju holds an LLB Honours in Law from the London School of Economics.*

#### **Mahesh Patel**

*Mahesh is the Founder and Chairman of ETG. As Executive Chairman, Mahesh takes responsibility for driving the overall vision and strategic goals for ETG. Mahesh is not only a successful businessman but also a lifelong philanthropist, having spent his entire career directed at improving the lives of others, particularly small-holder African farmers. He has set up numerous charitable organisations, including the ETG Farmers Foundation and the African International Technology for Societal Transformation. Mahesh was born in Kenya and currently resides in Tanzania.*

## **7 Shanta Directors and the Effect of the Scheme on their Interests**

The names of the Shanta Directors and the details of their interests in Shanta Shares are set out in paragraphs 2 and 3 of PART VIII of this Document, which forms part of this Explanatory Statement. Shanta Shares held by the Shanta Directors as at the Scheme Record Time will be subject to the Scheme.

As at the close of business on the Latest Practicable Date, the Independent Shanta Directors beneficially hold, in aggregate, 18,895,073 Shares, amounting to 1.80 per cent. of the issued share capital of the Company.

The Independent Shanta Directors who are interested in Shanta Shares have irrevocably undertaken to vote in favour (or procure to vote) in respect of their Shanta Shares, or their connected persons' Shanta Shares, representing, in aggregate, approximately 1.88 per cent. of the Voting Scheme Shares, and approximately 1.80 per cent. of the existing issued capital of Shanta at the close of business on the Latest Practicable Date.

Details of irrevocable undertakings given by the Independent Shanta Directors who hold Shanta Shares, including details of the circumstances in which they will cease to be binding, are set out in paragraph 8 of PART VIII of this Document. Particulars of the letters of appointment of the Shanta Directors and the Chief Executive Officer are set out in paragraph 5 of PART VIII of this Document.

For the purposes of section 108(2) of the Companies Law, save as disclosed in this Document, the effect of the Scheme on such interests of the Shanta Directors does not differ from its effect on the like interests of any other Holder of Scheme Shares.

No debentures have been issued in respect of Shanta and there are therefore no trustees of any deed securing the issuance of any debentures in respect of Shanta and no explanation is required to be given for the purposes of section 108(3) of the Companies Law.

## **8 Bidco's intentions for the Shanta business**

### ***Strategy, employees, management and directors***

Bidco does not intend to effect any material changes to Shanta's ongoing strategy and operations. Bidco continues to be fully supportive of Shanta's senior management team and also recognises the skills and expertise of its employees. Bidco views Shanta's senior management team and employees as a key attribute in driving future growth in the business. Bidco does not intend to implement any material headcount reduction as a result of the Acquisition and confirms that, following completion of the Acquisition, the existing contractual and statutory rights and terms and conditions of employment, including pension obligations, of the management and employees of the Shanta Group will be fully safeguarded in accordance with applicable law. Bidco has no intention to make any material change to the terms and conditions of employment of Shanta employees or, other than in relation to the Independent Shanta Directors as described below, in the balance of the skills and functions of the employees and management of Shanta.

Bidco intends that some or all of the Independent Shanta Directors may stay on with the Shanta business (on the Board or otherwise) following completion of the Acquisition. Bidco holds the significant, and valued, skills, talent and experience of the Independent Shanta Directors in high regard and, following completion, Bidco will undertake a review of the Shanta Board taking *inter alia* these factors into account to assess their ongoing roles within Shanta. There is no intention, however, that Bidco would, prior to completion of the Acquisition, conduct any such negotiations or discussions with the Independent Shanta Directors regarding the terms on which such directors may be willing to remain with the business following Completion.

### ***Employment and pension rights***

Bidco intends to safeguard the existing employment rights of the management and employees of Shanta, including in relation to pensions, in accordance with applicable law and does not envisage any material change in the conditions of employment or pension rights of the management and employees of Shanta.

### ***Management incentives***

Bidco has not entered into and has not had discussions on proposals to enter into, incentivisation arrangements with any member of Shanta's management or with any Shanta employee, nor will it enter into any such discussions prior to completion of the Acquisition. Following completion of the Acquisition, Bidco intends to put in place incentivisation arrangements for managers and employees of Shanta.

### ***Locations of business, headquarters, fixed assets and research and development***

Bidco does not envisage a redeployment of Shanta's fixed asset base. Following completion of the Acquisition, Bidco may identify areas of the Shanta Group where asset development that could be prioritised however, based on Bidco's knowledge of Shanta and diligence performed to date, Bidco does not expect the Acquisition to have a material impact on the operations or places of business of Shanta.

Following completion of the Acquisition, Bidco intends to maintain Shanta's Tanzanian headquarters. Bidco will, with the assistance of its tax and legal advisors, conduct a review in respect of the overall Group holding structure including the various Guernsey holding companies.

Shanta does not currently have a research and development function and Bidco therefore has no plans to make any changes in this regard.

### ***Trading facilities***

Shanta Shares are currently traded on AIM. As set out in paragraph 14 below, it is intended that a request will be made to the London Stock Exchange to cancel trading in Shanta Shares on AIM, subject to the Acquisition becoming Effective, such cancellation to take effect from shortly after the

Effective Date. As stated in paragraph 14 below, dealings in Shanta Shares will be suspended prior to the Effective Date and, thereafter, there will be no trading facilities in relation to Shanta Shares.

As a result of the cancellation of trading in Shanta Shares on AIM, Bidco expects to achieve savings from Shanta in no longer having to comply with its ongoing public company reporting obligations and the associated listing and advisory costs.

### **No “post-offer undertakings”**

No statements in this paragraph 8 are “post-offer undertakings” for the purposes of Rule 19.5 of the Takeover Code.

## **9 Financial effects of the Acquisition on Bidco**

Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the Shanta Group on the Effective Date.

## **10 Description of the Scheme and the Meetings**

### **The Scheme**

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement between Shanta and the Scheme Shareholders who are on the register of members of Shanta at the Scheme Record Time, under Part VIII of the Companies Law. This procedure requires, amongst other things, approval by the Voting Scheme Shareholders at the Court Meeting and Shanta Shareholders at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in PART IV of this Document.

The purpose of the Scheme is to provide for Bidco to become the Holder of the entire issued and to be issued share capital of Shanta not already owned by any member of the Bidco Group. This is to be achieved by transferring the Scheme Shares held by Scheme Shareholders as at the Scheme Record Time to Bidco, in consideration for which Bidco will pay the Consideration to the Scheme Shareholders (as at the Scheme Record Time) on the basis set out in paragraph 2 of this PART II. Any Shanta Shares held by or on behalf of the Bidco Group are excluded from the Scheme and, following the Effective Date, will continue to be held by Export Holdings or a company associated with Bidco.

### **Shanta Meetings**

The Scheme will require the approval of the Voting Scheme Shareholders at the Court Meeting and Shanta Shareholders at the separate General Meeting, both of which will be held on 29 February 2024 at the offices of Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG. The Court Meeting is being held with the permission of the Court to seek the approval of Scheme Shareholders for the Scheme. The General Meeting is being convened to seek the approval of Shanta Shareholders to enable the Shanta Directors to implement the Scheme and to amend the Articles of Incorporation as described below.

Notices of both the Court Meeting and the General Meeting are set out in PART X and PART XI respectively of this Document. Entitlement to attend and vote at these Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Shanta at the Voting Record Time.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Resolution at the General Meeting.

Any Shanta Shares which Bidco or any member of the Bidco Group may acquire prior to the Court Meeting or the General Meeting (and any Shanta Shares which any member of the Bidco Group (or its nominees) holds at the date of the Court Meeting or General Meeting) are not Scheme Shares and therefore no member of the Bidco Group (or its nominees) is entitled to vote at the Court Meeting in respect of the Shanta Shares held or acquired by it.

## **Court Meeting**

The Court Meeting has been convened by order of the Court for 1:00 p.m. on 29 February 2024 for Voting Scheme Shareholders on the register of members of Shanta as at the Voting Record Time to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Voting Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a simple majority in number of those Voting Scheme Shareholders present and voting (and entitled to vote) in person or by proxy, representing 75 per cent. or more of the voting rights of such Voting Scheme Shareholders. Voting Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Voting Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings, you are therefore strongly encouraged to: (i) sign and return your Forms of Proxy by post; or (ii) transmit a proxy appointment and voting instruction through the CREST electronic proxy appointment service as soon as possible.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction through CREST) will not prevent you from attending, asking questions and voting (and/or, in the case of the Court Meeting, raising any objections) at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.

If the BLUE Form of Proxy for the Court Meeting is not lodged by 1:00 p.m. on 27 February 2024, it may be presented in person to the Computershare representative who will be present at the Court Meeting, at any time prior to the commencement of the Court Meeting (or any adjournment thereof).

In the case of the General Meeting, if the YELLOW Form of Proxy for the General Meeting is not lodged by 1:15 p.m. on 27 February 2024 (by post or transmission of a proxy appointment or voting instruction through CREST), it will be invalid.

## **General Meeting**

In addition, the General Meeting has been convened for the same date (to be held immediately following the Court Meeting) to consider and, if thought fit, pass the Resolution to:

- (i) authorise the Shanta Directors to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (ii) amend the Articles of Incorporation in the manner described below.

Voting at the General Meeting will be by poll and each Shanta Shareholder present in person or by proxy will be entitled to one vote for each Shanta Share held as at the Voting Record Time. The approval required for the Resolution to be passed is at least 75 per cent. of the votes cast on such resolution (in person or by proxy).

Shanta will announce the details of the votes at each Meeting as required under the Takeover Code through a Regulatory Information Service as soon as practicable after the conclusion of the Meetings and, in any event, by no later than 8.00 a.m. on the Business Day following the Meetings.

## **Scheme Court Hearing**

Under the Companies Law, the Scheme requires the sanction of the Court. The Scheme Court Hearing to sanction the Scheme is currently expected to be held, following the Meetings, in H1 2024 on a date which will be announced by Shanta via a Regulatory Information Service and, in any event, prior to the Long Stop Date.

## **The Scheme shall lapse if:**

- (A) the Court Meeting and the General Meeting are not held on or before the 22<sup>nd</sup> day after the expected date of such Meetings (or such later date (if any) as Bidco and Shanta may agree, with the consent of the Panel (and that the Court may allow, if required));

(B) the Scheme Court Hearing is not held on or before the 22<sup>nd</sup> day after the expected date of such hearing (or such later date (if any) as Bidco and Shanta may agree, with the consent of the Panel (and that the Court may allow, if required)); or

(C) the Scheme does not become Effective by the Long Stop Date,

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Scheme Court Hearing as set out above may be waived by Bidco, and the deadline for the Scheme to become Effective may be extended by agreement between Bidco and Shanta (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)).

Once details of the Scheme Court Hearing are confirmed, these will be communicated to Scheme Shareholders, including through Shanta's website, [www.shantagold.com](http://www.shantagold.com) and by announcement through a Regulatory Information Service.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon delivery to the Guernsey Registry of a copy of the Court Order by Shanta. This is presently expected to occur two Business Days (and in any event within seven days) after the date of the Scheme Court Hearing.

Shanta and/or Bidco will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Resolution at the General Meeting.

If the Scheme does not become Effective by the Long Stop Date or such later date, if any, as may be agreed in writing by Bidco and Shanta (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)), the Scheme will never become Effective.

#### **Amendments to the Articles of Incorporation**

It is proposed, in the Resolution, to amend Shanta's Articles of Incorporation so that any Shanta Shares issued or transferred out of treasury to any person other than Bidco or its nominee(s) at or after the Scheme Record Time will be automatically transferred to Bidco (and, where applicable, for consideration to be paid to the transferee or the original recipient of the Shanta Shares so transferred or issued) on the same terms as under the Scheme (other than terms as to timing and formalities). This will avoid any person (other than Bidco or its nominee(s)) holding Shanta Shares after the Scheme becomes Effective.

The Resolution is set out in the notice of General Meeting in PART XI of this Document and seeks the approval of Shanta Shareholders for such amendments.

#### **Entitlement to vote at the Meetings**

Each Shanta Shareholder or Voting Scheme Shareholder (as the case may be) who is entered in Shanta's register of members at the Voting Record Time (expected to be 6:00 p.m. on 27 February 2024) will be entitled to attend and vote (in person or by proxy) on all resolutions to be put to the General Meeting and Court Meeting respectively. If either Meeting is adjourned, only those Shanta Shareholders or Voting Scheme Shareholders (as the case may be) on the register of members at 6:00 p.m. on the day which is two Business Days before the adjourned Meeting will be entitled to attend (in person or by proxy). Each eligible Shanta Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of them. A proxy need not be a Shanta Shareholder.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction online, through CREST) will not prevent you from attending and voting in person at the Court Meeting or the General Meeting if you are entitled to and wish to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (in person or by proxy), please call Computershare between 8:30 a.m. and 5:30 p.m. Monday to Friday (London time), (except public holidays in England and Wales) on +44 370 707 4040. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot

provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Further information on the actions to be taken is set out in paragraph 19 of this PART II.

### **Modifications to the Scheme**

The Scheme contains a provision for Shanta and Bidco jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders (or any class thereof) should be held in those circumstances for the purpose of approving any such modification, addition or condition.

### **11 Conditions to the Acquisition**

The Acquisition and, accordingly, the Scheme is subject to a number of conditions set out in full in PART III of this Document, including (among others):

- (A) approval of the Scheme at the Court Meeting by a majority in number of the Voting Scheme Shareholders present and voting (and entitled to vote), in person or by proxy, representing 75 per cent. or more of the voting rights held by those Voting Scheme Shareholders;
- (B) approval of the Resolution necessary to implement the Scheme proposed at the General Meeting by Shanta Shareholders representing at least 75 per cent. of the votes cast at the General Meeting (in person or by proxy);
- (C) the obtainment (or waiver, as applicable) of certain regulatory approvals (that is, approvals from the Tanzanian Fair Competition Commission, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in Kenya); and
- (D) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms agreed by Shanta and Bidco).

### **Other matters relevant to the Conditions**

The Scheme will require approval by Voting Scheme Shareholders at the Court Meeting and Shanta Shareholders at the General Meeting and the sanction of the Court at the Scheme Court Hearing. The Meetings and the nature of the approvals required to be given at them are described in more detail in paragraph 10 of this PART II. All Voting Scheme Shareholders are entitled to attend the Scheme Court Hearing in person or through representation to support or oppose the sanctioning of the Scheme.

The Scheme can become Effective only if all Conditions to the Scheme, including shareholder approvals, specific regulatory approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become Effective upon a copy of the Court Order being delivered to the Guernsey Registry. This is presently expected to occur two Business Days (and in any event within seven days) after the date of the Scheme Court Hearing and is expected to occur in H1 2024. Unless the Scheme becomes Effective by the Long Stop Date or such later date, if any, as may be agreed in writing by Bidco and Shanta (with the Panel's consent and as the Court may approve (if such approval(s) are required)) the Scheme will not become Effective and the Acquisition will not proceed.

If any of Conditions 2(a) to 2(c) (inclusive) set out in PART III of this Document is not capable of being satisfied by the date specified therein, Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and in any event by no later than 8.00 a.m. (London time) on the Business Day following the date so specified, stating whether Bidco has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Shanta (with the Panel's consent and as the Court may approve (if such consent(s) or approval(s) is/are required)), specified a new date by which that Condition must be satisfied.

## **12 Implementation by Takeover Offer**

Bidco has reserved the right to elect (with the consent of the Panel and subject to and in accordance with the terms of the Co-operation Agreement) to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of Shanta not already held by Bidco as an alternative to the Scheme, in which case additional documents will be required to be sent to Shanta Shareholders. In such event, the Takeover Offer will be implemented on substantially the same terms (subject to appropriate amendments), so far as applicable and subject to and in accordance with the terms of the Co-operation Agreement, as those which would apply to the Scheme, subject to appropriate amendments, including the inclusion of an acceptance condition set at 90 per cent. of the Shanta Shares (or such other lower percentage as Bidco may, subject to the rules of the Takeover Code and the terms of the Co-operation Agreement and with the consent of the Panel, decide). In the event that the Acquisition is implemented by way of a Takeover Offer, the acceptance condition shall not be capable of being satisfied until all of the other conditions to the Takeover Offer have either been satisfied or (if capable of waiver) waived.

If the Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to: (i) make a request to the London Stock Exchange to cancel trading in Shanta Shares on AIM; and (ii) exercise its rights, if available, to apply the provisions of Part XVIII of the Companies Law to acquire compulsorily the remaining Shanta Shares in respect of which the Takeover Offer has not been accepted.

## **13 Permitted offer-related arrangements**

### ***Confidentiality Agreement***

On 29 June 2023, ETC Holdings and Shanta entered into the Confidentiality Agreement in connection with the Acquisition, pursuant to which, amongst other things, the parties gave certain undertakings to: (i) subject to certain exceptions, keep information relating to the Acquisition and each other party confidential and not to disclose it, subject to certain exceptions, to third parties; and (ii) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of two years from the date of the agreement and Completion.

### ***Co-operation Agreement***

On 20 December 2023, Bidco and Shanta entered into the Co-operation Agreement in relation to the Acquisition. Pursuant to the Co-operation Agreement: (i) Bidco has agreed to use all reasonable endeavours to satisfy, or procure the satisfaction of, the Conditions relating to receipt of regulatory and antitrust clearances as soon as is reasonably practicable and in any event, so as to enable the Effective Date to occur by the Long Stop Date; and (ii) the parties have agreed to certain provisions if the Acquisition should switch to a Takeover Offer.

The Co-operation Agreement shall terminate, amongst other things: (i) upon written notice served by either party where: (a) the Independent Shanta Directors recommend a competing proposal or a competing proposal becomes effective or is declared unconditional; and/or (b) if the recommendation of the Acquisition by the Independent Shanta Directors changes; (ii) upon written notice served by Bidco to Shanta where, prior to the Long Stop Date, a Condition which is either not capable of being waived or, where capable of being waived Bidco has confirmed that it will not waive said Condition, becomes incapable of satisfaction by the Long Stop Date in circumstances where invocation of the relevant Condition is permitted by the Panel; (iii) the Acquisition is withdrawn, terminates or lapses in accordance with its terms; (iv) the Scheme and/or Resolution are not approved at the Meetings; or (v) if the parties agree in writing.

Pursuant to the terms of the Co-operation Agreement, Bidco undertakes that it will deliver a notice in writing by 11:59 p.m. on the business day before the Court Hearing confirming either: (i) the satisfaction or waiver of all Conditions (other than the conditions referred to in paragraph 2(c) of PART III of this Document); or (ii) that it intends to invoke one or more Conditions (if permitted to do so by the Panel).

## **14 Cancellation of admission of Shanta Shares**

The last day of dealings in, and registration of transfers of, Shanta Shares on the London Stock Exchange is expected to be the Business Day immediately following the Scheme Court Hearing and no transfers shall be registered after 6:00 p.m. on that date, following which Shanta Shares will be suspended from AIM from 7:30 a.m. on the next Business Day thereafter.

It is intended that, prior to the Effective Date, applications will be made to the London Stock Exchange for Shanta Shares to cease to be admitted to trading on AIM, with effect on or shortly following the Effective Date.

On the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled, and share certificates in respect of Scheme Shares held in certificated form will cease to be valid documents of title and should be destroyed or, at the request of Shanta, delivered up to Shanta, or to any person appointed by Shanta to receive the same.

## **15 Settlement**

Subject to the Acquisition becoming Effective (and except as provided in PART VII of this Document in relation to certain overseas Shanta Shareholders), settlement of the consideration to which any Scheme Shareholder on the register of members as at the Scheme Record Time is entitled under the Scheme will be effected in the following manner:

### **(A) Shanta Shares held in uncertificated form (that is, in CREST)**

Where, at the Scheme Record Time, a Scheme Shareholder holds Shanta Shares in uncertificated form, the Consideration to which such Scheme Shareholder is entitled under the terms of the Scheme will be transferred to such person through CREST by Bidco instructing or procuring the instruction of Euroclear to create an assured payment obligation in favour of the appropriate CREST account through which the Scheme Shareholder holds such uncertificated Shanta Shares in respect of the Consideration due to them not later than the 14<sup>th</sup> day following the Effective Date.

As from the Scheme Record Time, each holding of Shanta Shares credited to any stock account in CREST will be disabled and all Shanta Shares will be removed from CREST in due course.

Subject to the terms of the Scheme, Bidco reserves the right to pay all, or any part of, the Consideration referred to above to all or any Scheme Shareholder(s) who hold Shanta Shares in uncertificated form in the manner referred to in paragraph (B) below if, for any reason it wishes to do so.

### **(B) Shanta Shares held in certificated form**

Where, at the Scheme Record Time, a Scheme Shareholder holds Shanta Shares in certificated form, settlement of the Consideration due under the Scheme in respect of the Scheme Shares will be despatched:

- (i) by first class post (or international standard post, if overseas), by cheque drawn on a branch of a UK clearing bank; or
- (ii) by such other method as may be approved by the Panel.

All such cash payments will be made in sterling and drawn on a United Kingdom clearing bank. Payments made by cheque will be payable to the Scheme Shareholder(s) concerned and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under the Scheme to pay the monies represented thereby. Bidco shall despatch or procure the despatch of cheques within 14 days of the Effective Date to the person entitled thereto at the address as appearing in the register of members of Shanta at the Scheme Record Time or in accordance with any special standing instructions regarding communications (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to the joint Holder whose name stands first in the register of members of the Company in respect of such holding at the Scheme Record Time or to make such cheques payable to all joint holders). None of Shanta, Bidco, any nominee(s) of Shanta or Bidco, or any of their respective agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent at the risk of the person or persons entitled thereto.

If any Scheme Shareholders have not encashed their cheques within six months of the Effective Date, Bidco and Shanta shall procure that the Consideration due to such Scheme Shareholders under this Scheme shall be held on trust for such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to the Company in a form which the Company determines evidences their entitlement to such Consideration at any time during the period of 12 years from the Effective Date, and Bidco undertakes that neither it nor its nominee(s) will seek, require or accept repayment of the monies so held on trust for the purposes detailed above prior to the first Business Day after the twelfth anniversary of the Effective Date or otherwise with the permission of the Court.

### **(C) General**

All documents and remittances sent to Shanta Shareholders will be sent at the risk of the person(s) entitled thereto.

On the Effective Date each certificate representing a holding of Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Shanta, delivered up to Shanta, or to any person appointed by Shanta to receive the same.

In accordance with the Scheme, as from the Effective Date, Shanta shall procure that each holding of Scheme Shares credited to any stock account in CREST shall be disabled. With effect from, or as soon as practicable after, the Effective Date, Shanta shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of Holders of Scheme Shares in uncertificated form. Following cancellation of the entitlements to Scheme Shares of Holders of Scheme Shares in uncertificated form, Shanta shall procure (if necessary) that such entitlements to Scheme Shares are dematerialised.

Subject to the completion of the relevant forms of transfer or other instruments or instructions of transfer as may be required in accordance with the Scheme, Shanta shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

The Registrar shall have the power to withhold any Consideration payable to any Scheme Shareholder where either the Company and/or the Registrar believe that there is a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Consideration to the Scheme Shareholder. Further details of such trust arrangement are set out in paragraph 3 of Part IV of this Document.

Except with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco might otherwise be, or claim to be, entitled against such Shanta Shareholder.

All mandates and other instructions given to Shanta by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

### **16 United Kingdom and Guernsey taxation**

Your attention is drawn to PART VI A and PART VI B of this Document, which contain a summary of limited aspects of the UK and Guernsey tax treatment of the Scheme. These summaries relate only to the position of certain categories of Shanta Shareholders (as explained further in PART VI and PART VII of this Document), do not constitute tax advice and do not purport to be a complete analysis of all potential UK and Guernsey tax consequences of the Scheme.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Scheme on your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in a jurisdiction other than the United Kingdom or Guernsey.

## **17 Overseas holders**

Overseas Shareholders should refer to PART VII of this Document which contains important information relevant to such Overseas Shareholders. U.S. Shanta Shareholders should read the Notice to U.S. investors on page 4.

## **18 Further information**

The terms of the Scheme are set out in full in PART IV of this Document. Further information regarding Shanta and Bidco is set out in PART VIII of this Document. Documents published and available for inspection are listed in paragraph 17 of PART VIII of this Document.

## **19 Action to be taken**

### **Sending Forms of Proxy by post**

Shanta Shareholders will receive a BLUE Form of Proxy for the Court Meeting and a YELLOW Form of Proxy for the General Meeting. Whether or not you intend to attend these Meetings, please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them to Computershare by post to Computershare Investor Services (Guernsey) Limited, c/o the Pavilions, Bridgwater Road, Bristol BS99 6ZY, during business hours, so as to be received as soon as possible and in any event not later than the relevant times set out below:

- BLUE Forms of Proxy for the Court Meeting are to be submitted by 27 February 2024 1:00 p.m.; and
- YELLOW Forms of Proxy for the General Meeting are to be submitted by 1:15 p.m. on 27 February 2024.

Or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding any part of such 48 hours period falling on a day that is not a working day) before the time fixed for the adjourned Meeting.

### **What if I miss the deadline mentioned above?**

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be presented in person to the Computershare representative who will be present at the Court Meeting, at any time prior to the commencement of the Court Meeting (or any adjournment thereof).

However, if the YELLOW Form of Proxy for the General Meeting is not lodged by the relevant time, it will be invalid.

### **Electronic appointment of proxies through CREST**

If you hold Shanta Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in PART X and PART XI of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Computershare (ID: 3RA50) not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. 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 Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

**What if I miss the deadline mentioned above?**

- In the case of the Court Meeting only, if the CREST proxy or instruction is not received by this time, the BLUE Form of Proxy may be presented in person to the Computershare representative who will be present at the Court Meeting, at any time prior to the commencement of the Court Meeting (or any adjournment thereof).
- In the case of the General Meeting only, if the CREST proxy or instruction is not received by this time, it will be invalid.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Shanta may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the CREST Regulations.

**Attendance at the Meetings**

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Voting Scheme Shareholders. Whether or not you intend to attend and/or vote at the Meetings (in person or by proxy), you are therefore strongly encouraged to: (i) sign and return your Forms of Proxy by post; or (ii) transmit a proxy appointment and voting instruction online through the CREST electronic proxy appointment service as soon as possible.

The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction through CREST) will not prevent you from attending, asking questions and voting (and/or, in the case of the Court Meeting, raising any objections) at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.

**Shareholder helpline**

If you have any questions about this Document, the Court Meeting, the General Meeting or how to complete the Forms of Proxy or to submit your proxies electronically, please call Computershare on +44 370 707 4040. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday (London time), (except public holidays in England and Wales). Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

Yours faithfully,

Tim Medak

For and on behalf of

**Liberum Capital Limited**

## PART III

### CONDITIONS AND CERTAIN FURTHER TERMS OF THE ACQUISITION

#### Part 1 – Conditions to the Scheme and the Acquisition

##### Long Stop Date

- 1 **The Acquisition is conditional upon the Scheme becoming unconditional and being Effective, subject to the provisions of the Takeover Code, by no later than 11:59 p.m. on the Long Stop Date.**

##### Scheme approval

#### 2 **The Scheme is conditional upon:**

- (a)
  - (i) approval of the Scheme at the Court Meeting by a majority in number of the Voting Scheme Shareholders who are on the register of members of Shanta at the Voting Record Time and who are present and voting, either in person or by proxy, representing 75 per cent. or more of the voting rights of such Voting Scheme Shareholders; and
  - (ii) such Court Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting set out in this Document in due course or such later date (if any) as Bidco and Shanta may, with the consent of the Panel, agree and, if required, the Court may allow;
- (b)
  - (i) each resolution set out in the notice of the General Meeting (and any other resolution required or necessary to implement the Scheme) being duly passed by the requisite majority (or majorities, if applicable) at the General Meeting; and
  - (ii) the General Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the General Meeting set out in this Document or such later date (if any) as Bidco and Shanta may, with the consent of the Panel, agree and, if required, the Court may allow; and
- (c)
  - (i) the sanction of the Scheme by the Court (without modification or with modification on terms acceptable to Bidco and Shanta); and
  - (ii) the Court Hearing being held on or before the 22<sup>nd</sup> day after the expected date of the Court Hearing set out in this Document (or such later date, if any, as Bidco and Shanta may agree with the consent of the Panel and, if required, the Court may allow).

Should the Scheme be sanctioned by the Court, the Scheme will become Effective upon delivery to the Guernsey Registry of a copy of the Court Order by Shanta.

##### General Acquisition Conditions

In addition, subject as stated in Part 2 – Certain further Terms of the Acquisition below and to the requirements of the Panel, the Acquisition is conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless such Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

##### Specific regulatory approvals

#### 3 **(a) the Fair Competition Commission of Tanzania having either:**

- (i) provided a determination to Bidco by the end of the initial 14 working day period (“**Preliminary Review**”) that no investigation for the purposes of the Fair Competition Act 2003 and the Competition Rules 2018 (together, the “**Tanzanian Competition Laws**”) is required in respect of the Acquisition (“**Investigation**”); or
- (ii) after the Preliminary Review, determined that an Investigation is required (i.e., equivalent to a Phase 1 review) and approved the Acquisition for the purposes of the Competition Laws, in terms and in a form reasonably satisfactory to Bidco or on unconditional terms following the completion of the initial 90-day review period for the Investigation, without the Commission having extended the review period; or

- (iii) after the Preliminary Review, determined that an Investigation is required and approved the Acquisition for the purposes of the Competition Laws, in terms and in a form reasonably satisfactory to Bidco or on unconditional terms following the completion of the Investigation, having extended the period for review by up to 30 days (i.e., a further review period); and
- (b) the Competition Authority of Kenya having either:
  - (i) notified Bidco that the Acquisition is not a 'merger' for the purposes of the Competition Act No. 12 of 2010 (as amended from time to time) ("**Competition Act 2010**") and the rules issued thereunder (together, the "**Kenyan Competition Laws**"); or
  - (ii) approved the Acquisition in terms and in a form reasonably satisfactory to Bidco or on unconditional terms under the Kenyan Competition Laws without the Competition Authority of Kenya:
    - (A) having given notice that a hearing conference is necessary pursuant to section 45 of the Competition Act 2010; and
    - (B) without having extended the period for review of the Acquisition pursuant to section 44(2) of the Competition Act 2010; or
  - (iii) approved the Acquisition in terms and in a form reasonably satisfactory to Bidco or on unconditional terms under the Kenyan Competition Laws where:
    - (A) The Competition Authority of Kenya has given notice that a hearing conference is necessary pursuant to section 45 of the Competition Act 2010 and/or extended the period for review of the Acquisition pursuant to section 44(2) of the Competition Act; and
    - (B) Bidco has waived condition 3(b)(ii); and
- (c) the:
  - (i) Tanzanian Mining Commission having, for the purposes of Section 127 of the Mining Act Cap 123 R.E 2019 of The United Republic of Tanzania, approved the change of control of the mineral rights holder in connection with the Acquisition, in respect of the Mining Interests in Tanzania; and
  - (ii) Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in The Republic of Kenya having, for the purposes of Section 51(6) of the Mining Act 2016 of The Republic of Kenya approved the change of ownership or control of the mineral rights holder in connection with the Acquisition, in respect of the Mining Interests in Kenya,

and that any such clearances, determinations and/or approvals in this Condition 3 once granted or made shall remain in force and have not been revoked;

#### **Shanta mining interests**

- 4** other than in respect of the Fair Competition Commission of Tanzania, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in The Republic of Kenya to which Conditions 3(a), (3b), 3(c)(i) and 3(c)(ii) respectively shall apply, the interests or rights of Shanta or any member of the Wider Shanta Group (the "**Holder**") in, or any material Authorisations, relating to the Mining Interests not having been terminated, cancelled, suspended, revoked or materially restricted or modified, and the Holder or any member of the Wider Bidco Group, not being subject to any requirement to sell, transfer, relinquish, divest or otherwise dispose of any of such Mining Interests (or any material part of, or interests or rights in, such Mining Interests), and no other steps having been taken by any Third Party or any members of the Wider Shanta Group that impose or might reasonably be expected to impose any material limitation on, or result or might reasonably be expected to result in a material delay in, the ability of any member of the Wider Bidco Group directly or indirectly to acquire, hold or exercise all, or a material portion, of the rights or interests held by the Holder in respect of the Mining Interests, and no notice or communication having been received from any Third Party of, or of an

intention to implement, any of the matters referred to above in this Condition 4, and in any such case where such adverse action, step, development or determination has not been withdrawn, cancelled, reversed or successfully appealed, in any such case, to an extent, or in a manner which is, or which would reasonably likely be, material in the context of the Mining Interests taken as a whole and/or in the context of the Acquisition;

### **Third Party clearances**

- 5** other than in respect of the Fair Competition Commission of Tanzania, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in The Republic of Kenya to which Conditions 3(a), (3b), 3(c)(i) and 3(c)(ii) respectively shall apply, the waiver (or non-exercise within any applicable time limits) by any Third Party of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Shanta Group taken as a whole) arising as a result of or in connection with the Acquisition including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control or management of, Shanta by Bidco or any member of the Wider Bidco Group;
- 6** other than in respect of the Fair Competition Commission of Tanzania, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in The Republic of Kenya to which Conditions 3(a), (3b), 3(c)(i) and 3(c)(ii) respectively shall apply, no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having required any action to be taken, or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision or order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order or having taken any other action or step which would or might reasonably be expected to:

  - (a) make the Scheme or the Acquisition or, in each case, its implementation or the acquisition or proposed acquisition by Bidco or any member of the Wider Bidco Group of any shares or other securities in, or control or management of Shanta void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict, delay or otherwise interfere with the same, or impose additional conditions or obligations with respect to the Scheme or the Acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Acquisition or the acquisition of control or management of Shanta or the Wider Shanta Group by Bidco or any member of the Wider Bidco Group;
  - (b) impose any material limitations on, or result in a material delay in, the ability of any member of the Wider Bidco Group to acquire or to hold or to exercise effectively, directly or indirectly, any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Wider Shanta Group or of the Wider Bidco Group;
  - (c) require, prevent or materially delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Bidco Group of any shares or other securities in Shanta;
  - (d) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Bidco Group or any member of the Wider Shanta Group of all or any portion of their respective businesses, assets or property or impose any material limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Bidco Group or the Wider Shanta Group in either case taken as a whole;
  - (e) except pursuant to Part XVIII of the Companies Law and in connection with the Acquisition, require any member of the Wider Bidco Group or of the Wider Shanta Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) or interest in any member of the Wider Shanta Group or the Wider Bidco Group owned by any third party;

- (f) impose any material limitation on the ability of any member of the Wider Bidco Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the Wider Bidco Group taken as a whole or in the context of the Acquisition;
- (g) result in any member of the Wider Shanta Group or the Wider Bidco Group ceasing to be able to carry on business under any name under which it presently does so; or
- (h) otherwise adversely affect the assets, business, profits, or prospects of any member of the Wider Bidco Group or of the Wider Shanta Group to an extent which is material in the context of the Wider Bidco Group or the Wider Shanta Group in either case taken as a whole,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Scheme or the Acquisition, or the acquisition or proposed acquisition of any Shanta Shares having expired, lapsed or been terminated;

- 7 other than in respect of the Fair Competition Commission of Tanzania, the Competition Authority of Kenya, the Tanzanian Mining Commission and the Cabinet Secretary for Mining, Blue Economy and Maritime Affairs in The Republic of Kenya to which Conditions 3(a), (3b), 3(c)(i) and 3(c)(ii) respectively shall apply, all necessary filings or applications having been made in connection with the Acquisition and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the acquisition by any member of the Wider Bidco Group of any shares or other securities in, or control of, Shanta and all Authorisations reasonably deemed necessary or appropriate by Bidco or any member of the Wider Bidco Group for or in respect of the Acquisition including without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, Shanta or any member of the Wider Shanta Group by any member of the Wider Bidco Group having been obtained in terms and in a form satisfactory to Bidco, acting reasonably, from all appropriate Third Parties or persons with whom any member of the Wider Shanta Group has entered into contractual arrangements and all such material Authorisations necessary or appropriate to carry on the business of any member of the Wider Shanta Group which is material in the context of the Bidco Group or the Shanta Group as a whole or of the financing of the Acquisition remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

**Certain matters arising as a result of any arrangement, agreement, etc.**

- 8 except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Shanta Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject or any circumstance which, as a consequence of the Acquisition or the proposed acquisition of any shares or other securities (or equivalent) in Shanta or because of a change in the control or management of Shanta or otherwise, would or might reasonably be expected to result in any of the following, in each case to an extent or in a manner which is material and adverse in the context of the Wider Shanta Group, or the Wider Bidco Group, in either case taken as a whole:
- (a) any monies borrowed by or any other indebtedness or liabilities, actual or contingent, of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (b) the creation, save in the ordinary course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member;

- (c) any such arrangement, agreement, lease, licence, franchise, permit or other instrument of any such member thereunder being terminated or adversely modified or the rights, liabilities, obligations or interests of any member of the Wider Shanta Group being terminated or adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (d) any such member ceasing to be able to carry on business under any name under which it presently does so;
- (e) the value of, or the financial or trading position or prospects of, any such member being prejudiced or adversely affected; or
- (f) the creation or acceleration of any liability (actual or contingent) by any such member of the Wider Shanta Group, (including any material tax liability or any obligation to obtain or acquire any material Authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition,

and, save as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit or other instrument to which any member of the Wider Shanta Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in Conditions 8(a) to (f), which in each case is material in the context of the Wider Shanta Group, or the Wider Bidco Group, in either case taken as a whole;

#### **Certain events occurring since 30 March 2023**

**9** except as Disclosed, no member of the Wider Shanta Group having since 30 March 2023:

- (a) issued or agreed to issue or authorised or proposed the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Shanta Shares out of treasury (except, where relevant, as between Shanta and wholly owned subsidiaries of Shanta or between the wholly-owned subsidiaries of Shanta);
- (b) recommended, declared, paid or made any bonus issue, dividend or other distribution to Shanta Shareholders (whether payable in cash or otherwise), other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of Shanta to Shanta or any of its wholly-owned subsidiaries;
- (c) other than pursuant to the Acquisition (and except for transactions between the Wider Shanta Group and its wholly-owned subsidiaries and transactions in the ordinary course of business) implemented, authorised or proposed or announced its intention to implement, authorise or propose any merger, demerger, amalgamation, scheme, commitment or offer or other transaction or arrangement otherwise than in the ordinary course of business and in any case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;
- (d) except for transactions between the Wider Shanta Group and its wholly-owned subsidiaries and except for transactions in the ordinary course of business, disposed of or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so, in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;
- (e) except for transactions between the Wider Shanta Group and its wholly-owned subsidiaries, issued, authorised or proposed, the issue of or made any change in or to the terms of any debentures or, save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
- (f) other than in the ordinary course of business, entered into or varied or authorised, proposed or announced its intention, to enter into or vary any contract, transaction or

commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude or which involves or would reasonably be expected to involve an obligation of such a nature or magnitude which is material in the context of the Wider Shanta Group taken as a whole;

- (g) entered into or varied in a material way the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, service agreement or arrangement, with any senior executive of any member of the Wider Shanta Group;
- (h) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit constituting a material change relating to the employment or termination of employment of a material category of persons employed by the Wider Shanta Group or which constitutes a material change to the terms or conditions of employment of any senior employee of the Wider Shanta Group, in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole, save as agreed by the Panel (if required) and by Bidco;
- (i) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (a) above, made any other change to any part of its share capital, in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;
- (j) except in the ordinary course of business, waived, compromised or settled any claim, which is material in the context of the Wider Shanta Group taken as a whole;
- (k) save as envisaged in accordance with the terms of the Scheme or otherwise in connection with the Acquisition, made any material alteration to its memorandum or articles of incorporation/association or other incorporation documents;
- (l) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any change to:
  - (i) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Shanta Group for its directors, employees or their dependants;
  - (ii) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - (iii) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (iv) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made,

in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;

- (m) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (n) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any steps or corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up, dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;

- (o) except for transactions between the Wider Shanta Group and its wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital, in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;
- (p) except with the consent of Bidco, taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Shanta Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or
- (q) other than in the ordinary course of business, entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 9;

**No adverse change, litigation, regulatory enquiry or similar**

**10** except as Disclosed, since 30 March 2023 there having been:

- (a) no adverse change and no circumstance having arisen which would or might reasonably be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Shanta Group which, in any such case, is material in the context of the Wider Shanta Group taken as a whole;
- (b) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Shanta Group or to which any member of the Wider Shanta Group is or may become a party (whether as claimant, defendant or otherwise), which in each case has had or might reasonably be expected to have a material adverse effect on the Wider Shanta Group taken as a whole or in the context of the Acquisition;
- (c) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Shanta Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Shanta Group, which in each case has had or would reasonably be expected to have a material adverse effect in the context of the Wider Shanta Group taken as a whole;
- (d) no contingent or other liability of any member of the Wider Shanta Group having arisen or become apparent to Bidco or increased which in each case has had or would reasonably be expected to have a material adverse effect on the Wider Shanta Group taken as a whole or in the context of the Acquisition;
- (e) no steps having been taken which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Shanta Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which in each case has had, or might reasonably be expected to have a material adverse effect on the Wider Shanta Group taken as a whole; and
- (f) no member of the Wider Shanta Group having conducted its business in breach of any applicable laws and regulations, and which is material in the context of the Wider Shanta Group as a whole or material in the context of the Acquisition;

**No discovery of certain matters**

**11** except as Disclosed, Bidco not having discovered that:

- (a) any financial, business or other information concerning the Wider Shanta Group publicly announced or disclosed at any time by or on behalf of any member of the Wider Shanta Group is materially misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the date of this Document by disclosure publicly or

otherwise to Bidco or its professional advisers, in each case, to the extent which is material in the context of the Wider Shanta Group taken as a whole;

- (b) any member of the Wider Shanta Group or any partnership, company or other entity in which any member of the Wider Shanta Group has a significant economic interest and which is not a subsidiary undertaking of Shanta, is subject to any liability, contingent or otherwise, which is, in each case, to the extent material in the context of the Wider Shanta Group taken as a whole;
- (c) any information which affects the import of any information Disclosed and which is material in the context of the Wider Shanta Group taken as a whole;
- (d) any past or present member of the Wider Shanta Group has failed to comply with all applicable legislation or regulation of any jurisdiction relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Shanta Group, in each case to an extent which is material in the context of the Wider Shanta Group taken as a whole;
- (e) there has been a disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider Shanta Group, in each case to an extent which is material in the context of the Wider Shanta Group taken as a whole;
- (f) there is or is reasonably likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Shanta Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, regulation, notice, circular or order of any Third Party and which is material in the context of the Wider Shanta Group taken as a whole or material in the context of the Acquisition; or
- (g) circumstances exist (whether as a result of making the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider Shanta Group would be likely to be required to institute), an environmental audit or take any other steps which would in any such case be reasonably likely to result in any actual or contingent material liability to improve or install new plant or equipment or to carry out changes in the processes currently carried out to make good, repair, reinstate or clean up any land or other asset now or previously owned, occupied or made use of by any past or present member of the Wider Shanta Group (or on its behalf) or by any person for which a member of the Wider Shanta Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, which is material in the context of the Wider Shanta Group taken as a whole or material in the context of the Acquisition;

## **Anti-corruption, sanctions, criminal property and money laundering**

**12** except as Disclosed, Bidco not having discovered that:

- (a) (i) any past or present member, director, officer or employee of the Wider Shanta Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or (ii) any person that performs or has performed services for or on behalf of the Wider Shanta Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks;
- (b) any asset of any member of the Wider Shanta Group constitutes criminal property as defined by section 340(3) of the UK Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider Shanta Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering;
- (c) any past or present member, director, officer or employee of the Wider Shanta Group, or any other person for whom any such person may be liable or responsible, has engaged in any conduct which would violate applicable economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which US, United Kingdom or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by applicable US, United Kingdom or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or His Majesty's Treasury or Revenue & Customs (in the UK); or (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable blocking law;
- (d) any past or present member, director, officer or employee of the Wider Shanta Group, or any other person for whom any such person may be liable or responsible: (i) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations; (ii) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the US Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the US Department of State; (iii) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or (iv) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
- (e) a member of the Wider Shanta Group has engaged in any transaction which would cause Bidco, upon the completion of the Acquisition of Shanta, to be in breach of any applicable law or regulation, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control or His Majesty's Treasury or Revenue & Customs (in the UK), or any other relevant government authority.

## **Part 2 – Certain further Terms of the Acquisition**

- 1** Conditions 2(a)(i), 2(b)(i) and 3 to 12 (inclusive) of Part 1 – Conditions to the Scheme and the Acquisition above must each be fulfilled, determined by Bidco to be or to remain satisfied or (if capable of waiver) be waived by Bidco prior to the commencement of the Court Hearing, failing which the Scheme will lapse.
- 2** Notwithstanding the paragraph above, subject to the requirements of the Panel and the Takeover Code, Bidco reserves the right in its sole discretion to waive:
  - (a) the deadline set out in Condition 1 of Part 1 – Conditions to the Scheme and the Acquisition of this PART III, and any deadlines set out in Condition 2 of Part 1 – Conditions to the Scheme and the Acquisition of this PART III for the timing of the Court Meeting, the General Meeting and the Court Hearing to sanction the Scheme. If any such deadline is not met, Bidco will make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Shanta to extend the deadline in relation to the relevant Condition. In all other respects, Conditions 1 and 2 cannot be waived; and
  - (b) in whole or in part, all or any of the above Conditions 3 to 12 (inclusive) of Part 1 – Conditions to the Scheme and the Acquisition of this PART III.
- 3** If Bidco is required by the Panel to make an offer for Shanta Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
- 4** Under Rule 13.5(a) of the Takeover Code and subject to paragraph 6 below, Bidco may only invoke a Condition that is subject to Rule 13.5(a) of the Takeover Code so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
- 5** Any condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Bidco.
- 6** Conditions 2(a)(i), 2(b)(i) and 2(c)(i) and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Takeover Code.
- 7** Subject to paragraph 3(g) of Appendix 7 to the Takeover Code, Bidco will be under no obligation to waive (if capable of waiver) or to treat as fulfilled any of the Conditions by a date earlier than the latest date specified above for the fulfilment or waiver of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
- 8** Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.
- 9** The Shanta Shares to be acquired under the Acquisition will be acquired by Bidco fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them as at the Effective Date, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid after the Effective Date.
- 10** Subject to the terms of the Scheme, if, on or after the date of this Document and before the Effective Date, any dividend, or other distribution to Shanta Shareholders (whether payable in cash or otherwise) (other than the Permitted Dividend) is declared, made or paid by Shanta or becomes payable in respect of the Shanta Shares, Bidco reserves the right to reduce the Consideration payable under the terms of the Acquisition by an amount up to the amount of any such dividend or other distribution to Shanta Shareholders (whether payable in cash or otherwise) in which case: (a) any reference in this Document to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so

reduced; and (b) the relevant eligible Shanta Shareholders will be entitled to receive and retain such dividend or other distribution to Shanta Shareholders (whether payable in cash or otherwise).

To the extent that any such dividend or other distribution to Shanta Shareholders (whether payable in cash or otherwise) announced, declared, made or paid by Shanta is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend or other distribution to Shanta Shareholders (whether payable in cash or otherwise) and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition will not be subject to change in accordance with this paragraph. Any exercise by Bidco of its rights referred to in this paragraph 10 shall be the subject of an announcement and the consent of the Panel and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

- 11** Bidco reserves the right to elect (with the consent of the Panel and subject to the terms of the Co-operation Agreement) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such lesser percentage, being more than 50 per cent., as Bidco may, subject to the terms of the Co-operation Agreement, decide) of the shares to which such offer relates, so far as applicable, as those which would apply to the Scheme.
- 12** The availability of the Acquisition to persons not resident in the United Kingdom or Guernsey may be affected by the laws of the relevant jurisdictions. Persons who are subject to the laws of any jurisdiction other than the United Kingdom and Guernsey and/or are not resident in the United Kingdom or Guernsey should inform themselves about and observe any applicable requirements.
- 13** The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws of that jurisdiction and will not be capable of acceptance by such use, means, instrumentality or facility from within any Restricted Jurisdiction.
- 14** The Scheme is governed by Guernsey law and is subject to the jurisdiction of the Court and to the Conditions and further terms set out in this Part 2 – Certain further Terms of the Acquisition. The Acquisition is subject to Guernsey law, and the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the FCA, the Panel and the London Stock Exchange (including pursuant to the AIM Rules).

## PART IV

### THE SCHEME OF ARRANGEMENT

IN THE ROYAL COURT OF GUERNSEY  
(ORDINARY DIVISION)

IN THE MATTER OF SHANTA GOLD LIMITED

and

IN THE MATTER OF THE COMPANIES (GUERNSEY) LAW, 2008, (AS AMENDED)

SCHEME OF ARRANGEMENT

(under Part VIII of the Companies (Guernsey) Law, 2008, as amended)

between

SHANTA GOLD LIMITED

and

THE HOLDERS OF THE SCHEME SHARES

(as hereinafter defined)

#### PRELIMINARY

In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

<b>“Acquisition”</b>	the acquisition by Bidco of the entire issued, and to be issued, share capital of Shanta (other than Shanta Shares already owned by any member of the Bidco Group) to be effected by way of the Scheme or, where elected by Bidco (with the consent of the Panel and subject to the terms of the Co-Operation Agreement) by way of a Takeover Offer, and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“Bidco”</b>	Saturn Resources Ltd, a private limited company incorporated in Mauritius with company number 202512 and with its registered office address at No. 5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius;
<b>“Bidco Connected Individuals”</b>	Ketan Patel as beneficial owner of 256,251 Shanta Shares and Badal Patel as holder, or beneficial owner of 107,197 Shanta Shares;
<b>“Bidco Group”</b>	(i) Bidco and (ii) any of Bidco’s group undertakings from time to time, and (iii) Export Holdings;
<b>“Business Day”</b>	a day (other than a Saturday, Sunday or a public or bank holiday) on which banks are generally open for business in London, England, United Kingdom, Mauritius and Guernsey;
<b>“certificated form” or “in certificated form”</b>	a share or other security which is not in uncertificated form (that is, not in CREST);
<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Companies Law”</b>	the Companies (Guernsey) Law, 2008 (as amended, from time to time);

<b>“Conditions”</b>	the conditions to the Acquisition and to the implementation of this Scheme set out in PART III of the Document;
<b>“Consideration”</b>	the consideration of 13.5 pence in cash per Scheme Share payable by Bidco to Scheme Shareholders pursuant to the Acquisition;
<b>“Court”</b>	the Royal Court of Guernsey;
<b>“Court Meeting”</b>	the meeting of Voting Scheme Shareholders convened pursuant to an order of the Court pursuant to section 107 of the Companies Law for the purpose of considering and, if thought fit, approving this Scheme and any adjournment, postponement or reconvening thereof;
<b>“Court Order”</b>	the order of the Court sanctioning this Scheme under section 110 of the Companies Law;
<b>“CREST”</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
<b>“CREST Regulations”</b>	the Uncertificated Securities (Guernsey) Regulations 2009 (SI 2009 No.48), as amended from time to time;
<b>“Document”</b>	the circular to the Shanta Shareholders published by the Company on 25 January 2024 in connection with this Scheme;
<b>“Effective Date”</b>	the date on which this Scheme becomes effective in accordance with its terms;
<b>“ETC Holdings (Mauritius) Limited”</b>	ETC Holdings (Mauritius) Limited, incorporated in Mauritius with registered number 101674 and with its registered office address c/o Rogers Capital Corporate Services Limited, 3rd Floor, Rogers House, No. 5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius, and being the sole shareholder of Bidco;
<b>“Euroclear”</b>	Euroclear UK & International Limited;
<b>“Excluded Shares”</b>	any Shanta Shares (if any) which (i) are registered in the name of or beneficially owned by any member of the Bidco Group or any nominee of the foregoing, or (ii) held as treasury shares, in each case, at the Scheme Record Time;
<b>“Export Holdings”</b>	Export Holdings Limited, a company incorporated in Guernsey with registered number 57787 and whose registered office is at La Plaiderie House, La Plaiderie, St Peter Port, GY1 1WF Guernsey and which is associated with the UBOs;
<b>“General Meeting”</b>	the extraordinary general meeting of Shanta Shareholders, including any adjournment, postponement or reconvening thereof, for the purposes of considering and, if thought fit, approving the Resolution;
<b>“Guernsey Registry”</b>	the body authorised by the States of Guernsey to maintain various registers as required under Guernsey legislation and operating under the name Guernsey Registry;
<b>“Holder”</b>	a registered holder and includes any person(s) entitled by transmission;
<b>“Latest Practicable Date”</b>	close of business on 23 January 2024, being the latest practicable date before publication of the Document;
<b>“London Stock Exchange”</b>	the London Stock Exchange plc or its successor;
<b>“Meeting”</b>	the Court Meeting and/or the General Meeting, as the case may be;
<b>“Panel”</b>	the Panel on Takeovers and Mergers of the United Kingdom, or any successor to it;
<b>“Permitted Dividend”</b>	an interim dividend of up to 0.15 pence per share intended to be declared by the Shanta Board and paid prior to the Effective Date;
<b>“Registrar”</b>	Computershare Investor Services (Guernsey) Limited;

<b>“Resolution”</b>	the special resolution to be proposed at the General Meeting in connection with, among other things, the approval of the Scheme and the alteration of the Articles of Incorporation of Shanta by the adoption and inclusion of a new article under which any Shanta Shares issued or transferred after the Scheme Record Time (other than to Bidco and/or its nominees) shall be automatically transferred to Bidco (or as it may direct) (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Shanta Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities) and such other matters as may be necessary to implement the Scheme and the delisting of Shanta Shares;
<b>“Scheme”</b>	this scheme of arrangement under Part VIII of the Companies Law in its present form between Shanta and Scheme Shareholders to implement the Acquisition with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Shanta and Bidco;
<b>“Scheme Court Hearing”</b>	the hearing of the Court to sanction this Scheme pursuant to section 110 of the Companies Law and any adjournment, postponement or reconvening thereof;
<b>“Scheme Record Time”</b>	6:00 p.m. (London Time) on the Business Day immediately following the date of the Scheme Court Hearing, or such later time as Shanta and Bidco may agree.
<b>“Scheme Shareholders”</b>	Holders of Scheme Shares;
<b>“Scheme Shares”</b>	all Shanta Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of this Scheme;</li> <li>(b) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by this Scheme or shall by such time have agreed in writing to be bound by this Scheme,</li> </ul> <p>in each case (where the context requires), remaining in issue at the Scheme Record Time but excluding any Excluded Shares at any relevant date or time;</p>
<b>“Shanta” or “Company”</b>	Shanta Gold Limited, a company incorporated in Guernsey with registered number 43133 and with its registered office at 11 New Street, St Peter Port, Guernsey, GY1 2PF;
<b>“Shanta Shareholders”</b>	the Holders of Shanta Shares from time to time;
<b>“Shanta Shares”</b>	ordinary shares of 0.01 pence each in the capital of Shanta;
<b>“Subsidiary undertaking”</b>	has the meaning given in section 1162 of the Companies Act;
<b>“Takeover Code”</b>	the UK City Code on Takeovers and Mergers, as amended from time to time;
<b>“UBO”</b>	the ultimate beneficial owners of Bidco; Ketankumar (Ketan) Patel, Birju Patel and Mahesh Patel;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“uncertificated form” or “in uncertificated form”</b>	a share or other security recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“Voting Record Time”</b>	6:00 p.m. on the day which is two days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6:00 p.m. on the day which is two days before the date of such adjourned Meeting; and

**“Voting Scheme Shareholders”** the Holders of the Scheme Shares, other than the Bidco Connected Individuals or their nominees.

In this Scheme, all references to times of day are to London time and all references to Clauses are to the clauses of this Scheme.

- (A) As at the Latest Practicable Date, the issued share capital of the Company was approximately £141.95 million divided into 1,051,467,684 ordinary shares of 0.01 pence each, all of which are credited as fully paid up. The Company does not hold any treasury shares.
- (B) Bidco was incorporated on 9 November 2023 under the laws of Mauritius as a private company limited by shares for the purpose of carrying out the Acquisition.
- (C) As at the Latest Practicable Date, the Bidco Directors (and their related trusts and connected persons) held the following interests in, or rights to subscribe in respect of relevant Shanta securities:

Name	Number of Shanta Shares	Percentage of existing issued share capital	Nature of interest
Ketan Patel	256,251	0.02	Shanta Shares
Export Holdings Limited	44,488,248	4.23	Shanta Shares
Badal Patel	107,197	0.01	Shanta Shares
<b>Total</b>	<b>44,851,696</b>	<b>4.27</b>	

- (D) In respect of the above, Badal Patel and Ketan Patel, being the Bidco Connected Individuals, have agreed to be bound by the provisions of this Scheme, upon this Scheme becoming effective in accordance with its terms. Any Shanta Shares held by Export Holdings at the Scheme Record Time will be Excluded Shares for the purposes of the Scheme.
- (E) As at the Latest Practicable Date, other than as disclosed in (C) above, none of: (i) Bidco nor any member of the Bidco Group; nor (iii) as far as Bidco is aware, any person acting in concert (within the meaning of the Takeover Code) with Bidco, is the registered Holder of, or has any beneficial shareholding in, Shanta Shares.
- (F) Bidco has agreed, subject to the satisfaction or (where applicable) waiver of the Conditions (other than Condition 2(c)) set out in the Document, to appear by counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme in so far as it relates to Bidco and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.

## THE SCHEME

### 1 Transfer of Scheme Shares

- (a) Upon and with effect from the Effective Date, Bidco (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid, free from all liens, equities, charges, encumbrances and any other third party rights of any nature whatsoever, and together with all rights at the Effective Date or thereafter attached thereto, including voting rights and the right to receive and retain all dividends and other distributions (if any) announced, authorised, declared, made or paid in respect of the Scheme Shares by reference to a record date falling on or after the Effective Date.
- (b) For the purposes of such acquisition, the Scheme Shares shall be transferred from the Scheme Shareholders to Bidco (and/or its nominee(s)) and to give effect to such transfers any person may be appointed by Bidco as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Scheme Shareholder to execute and deliver as transferor a share transfer form in respect of such Scheme Shares and that share transfer form so executed shall be effective as if it had been executed by the Holder or Holders of the Scheme Shares thereby transferred. Scheme Shares held within CREST shall be removed from

CREST such that they shall be held in certificated form, and such Scheme Shares will then be transferred from the relevant Scheme Shareholders to Bidco by means of the share transfer form referred to in this Clause 1(b).

- (c) With effect from the Effective Date and pending the transfer of the Scheme Shares pursuant to subclause 1(a) and sub-clause 1(b) of this Scheme and the updating of the register of members of the Company to reflect such transfer, each Scheme Shareholder irrevocably:
- (i) appoints Bidco (and/or its nominee(s)) as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of the Company or of any class of its shareholders) attaching to its Scheme Shares;
  - (ii) appoints Bidco (and/or its nominee(s)) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and to do such things, as may in the opinion of Bidco and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general or separate class meeting of Shanta as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco and/or any one or more of its directors or agents to attend any general and separate class meetings of Shanta (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and
  - (iii) authorises Shanta and/or its agents to send to Bidco (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Shanta in respect of such Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form), such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares otherwise than in accordance with the directions of Bidco.

## **2 Consideration for the transfer of Scheme Shares**

- (a) In consideration for the transfer of the Scheme Shares to Bidco and/or its nominee(s) referred to in sub-clause 1(a) and sub-clause 1(b) of this PART IV, Bidco shall, subject as hereinafter provided, pay or procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing on the register of members of Shanta at the Scheme Record Time) for each Scheme Share: 13.5 pence in cash. If any dividend or distribution is announced, declared, made or paid in respect of a Scheme Share after the Latest Practicable Date and before the Effective Date other than the Permitted Dividend, Bidco shall be entitled to reduce the amount of Consideration payable in respect of each Scheme Share by the amount of all or part of any such dividend or distribution (calculated, for the avoidance of doubt, on a per Scheme Share basis).
- (b) If Bidco exercises the right referred to in sub-clause 2(a) of this PART IV to reduce the consideration payable for each Scheme Share by all or part of the amount of dividend and/or other distribution and/or other return of capital that has not been paid but is payable by reference to a record date prior to the Effective Date:
- (i) holders of Shanta Shares appearing on the register of members at the relevant record time as determined by the directors of the Company will be entitled to receive and retain that dividend (and/or other distribution and/or other return of capital) in respect of the Shanta Shares they held at such record time;
  - (ii) any reference in this Scheme and the Document to the Consideration payable under the Scheme shall be deemed a reference to the Consideration as so reduced; and

- (iii) the exercise of such rights shall not be regarded as constituting any revision or modification of the terms of this Scheme.
- (c) To the extent that any such dividend or distribution is announced, declared, made or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco (and/or its nominee(s)) to receive the dividend and/or distribution and to retain it; or (ii) cancelled, the Consideration payable under the terms of this Scheme will not be subject to change in accordance with Clause 2 of this Scheme.

### **3 Settlement and despatch of consideration**

- (a) As soon as practicable after the Effective Date, and in any event not more than 14 days after the Effective Date (unless the Panel agrees otherwise), Bidco shall:
  - (i) in the case of the Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure the despatch of, cheques for the sums payable to the Scheme Shareholder in accordance with Clause 2 of this Scheme. Bidco further reserves the right to make payment of the said consideration by any other method approved by the Panel;
  - (ii) in the case of the Scheme Shares which at the Scheme Record Time are in uncertificated form, instruct, or procure the instruction of, Euroclear to create an assured payment obligation in respect of the sums payable to the Scheme Shareholder in accordance with the CREST assured payment arrangements, provided that Bidco reserves the right to make payment of the said consideration by cheque as aforesaid in sub-clause 3(a)(i) of this Scheme if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this sub-clause 3(a)(ii); and
- (b) As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- (c) All deliveries of notices, cheques or statements of entitlement required to be made pursuant to this Scheme shall be effected by sending the same by first class post in pre-paid envelopes or by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Shanta at the Scheme Record Time or, in the case of joint holders, to the address of the Holder whose name stands first in such register in respect of the joint holding concerned at such time, and none of Shanta, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this sub-clause 3(c) which shall be sent at the risk of the person or persons entitled thereto.
- (d) All cheques shall be in pounds sterling and drawn on a United Kingdom clearing bank and shall be made payable to the Scheme Shareholder concerned (except that, in the case of joint holders, Bidco reserves the right to make such cheques payable to that one of the joint Holders whose name stands first in the register of members of the Company in respect of such holding at the Scheme Record Time), and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under this Scheme to pay the monies represented thereby. Bidco shall despatch or procure the despatch of cheques within 14 days of the Effective Date.
- (e) The Registrar shall have the power to withhold any Consideration payable to any Scheme Shareholder where either the Company and/or the Registrar believe that there is a verification issue with the information provided for that Scheme Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the Consideration to the Scheme Shareholder.
- (f) If any Scheme Shareholders have not encashed the cheques within six months of the Effective Date (or if any Consideration is withheld pursuant to sub-clause (e)), Bidco and the Company shall procure that the Consideration due to such Scheme Shareholders under this Scheme shall be held on trust for such Scheme Shareholders for a period of

12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to the Company in a form which the Company determines evidences their entitlement to such Consideration at any time during the period of 12 years from the Effective Date, and Bidco undertakes that neither it nor its nominee(s) will seek, require or accept repayment of the monies so held on trust for the purposes detailed above prior to the first Business Day after the twelfth anniversary of the Effective Date or otherwise with the permission of the Court.

- (g) In respect of payments made through CREST, Bidco shall instruct, or procure the instruction of, Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements within 14 days of the Effective Date. The instruction of Euroclear shall be a complete discharge of Bidco's obligation under this Scheme with reference to the payments made through CREST.
- (h) None of Shanta, Bidco, ETC Holdings or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this Clause 3, which shall be sent at the risk of the person or persons entitled thereto.
- (i) The preceding sub-clauses of this Clause 3 shall take effect subject to any prohibition or condition imposed by law.

#### **4 Cancellation of admission to trading on AIM and certificates in respect of Scheme Shares and cancellation of CREST entitlements**

- (a) On the Effective Date, Shanta will become a subsidiary of Bidco. Prior to the Effective Date, an application will be made to the London Stock Exchange for admission to trading on AIM of the Shanta Shares to be cancelled from or shortly after the Effective Date. The last day of dealings in Shanta Shares on AIM is expected to be the Business Day immediately prior to the Effective Date and no transfers shall be registered after close of business on that date.
- (b) With effect from, or as soon as a reasonably practicable after, the Effective Date:
  - (i) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every Holder of Scheme Shares shall be bound at the request of Shanta to deliver up the same to Shanta (or any person appointed by Shanta to receive such certificates), or, as it may direct, to destroy the same;
  - (ii) Shanta shall procure that Euroclear is instructed to cancel or transfer the entitlements to Scheme Shares of Holders of Scheme Shares in uncertificated form;
  - (iii) following cancellation of the entitlements to Scheme Shares of Holders of Scheme Shares in uncertificated form, Shanta shall procure (if necessary) that such entitlements to Scheme Shares are rematerialised; and
  - (iv) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with Clause 1 of this Scheme, Shanta shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

#### **5 Mandates**

All mandates and other instructions given to Shanta by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

#### **6 Operation of this Scheme**

This Scheme shall become effective as soon as a copy of the Court Order shall have been delivered to the Guernsey Registry.

Unless this Scheme has become effective on or before 9 October 2024, or such later date, if any, as may be agreed between Bidco and Shanta (with the Panel's consent and as the Court may approve (if such approval(s) is/are required)), this Scheme shall never become effective.

## **7 Modification**

Subject always to the Court's approval, Shanta and Bidco may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code. For the avoidance of doubt, no modification may be made to this Scheme once it has taken effect.

## **8 Governing law**

This Scheme is governed by Guernsey law and is subject to the exclusive jurisdiction of Court. Any dispute of any kind whatsoever arising directly or indirectly as a result of or in connection with the Scheme, irrespective of the cause of action, including whether based on contract or tort, shall be exclusively submitted to the Courts. The rules of the Takeover Code apply to this Scheme on the basis provided in the Takeover Code.

Dated 25 January 2024.

## PART V

### FINANCIAL AND RATINGS INFORMATION

#### **Part A: Financial information relating to Shanta**

The following sets out financial information in respect of Shanta as required by Rule 24.3 of the Takeover Code. The specified sections of the documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of Shanta for the financial year ended 31 December 2022 are set out on pages 45 to 82 (both inclusive) of the 2022 Shanta annual report available from Shanta's website at [https://www.shantagold.com/\\_resources/Shanta-Gold-AR-2022-Final.pdf?v=0.817](https://www.shantagold.com/_resources/Shanta-Gold-AR-2022-Final.pdf?v=0.817)
- the audited accounts of Shanta for the financial year ended 31 December 2021 are set out on pages 43 to 82 (both inclusive) of the 2021 Shanta annual report available from Shanta's website at [https://www.shantagold.com/\\_resources/Annual-Report-and-Accounts-2021.pdf?v=0.247](https://www.shantagold.com/_resources/Annual-Report-and-Accounts-2021.pdf?v=0.247); and
- the unaudited interim results of Shanta for the six month period ended 30 June 2023 available from Shanta's website at [https://www.shantagold.com/\\_resources/Interim results for the six months ended 30 June 2023.pdf](https://www.shantagold.com/_resources/Interim%20results%20for%20the%20six%20months%20ended%2030%20June%202023.pdf)

#### **Part B: Shanta ratings information**

There are no current ratings or outlooks publicly accorded to Shanta by any ratings agencies.

#### **Part C: Financial Information relating to Bidco**

Bidco was incorporated on 9 November 2023 for the purpose of carrying out the Acquisition and has not traded or paid any dividends since its date of incorporation. Accordingly, no financial information is available or has been published in respect of it. Bidco has no material assets or liabilities, in each case other than those described in this Document in connection with the Acquisition.

Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the Shanta Group on the Effective Date.

The following financial information, as required by Rule 24.3 of the Takeover Code, has been derived from the consolidated unaudited and unpublished management accounts of Bidco's ultimate parent, Export Marketing (BVI) Limited, for the period ended 30 September 2023:

- revenue of USD 7,366,564,000; and
- net assets of USD 950,523,280.

#### **Part D: Bidco ratings information**

As Bidco was incorporated on 9 November 2023 for the purpose of carrying out the Acquisition, there are no current ratings or outlooks publicly accorded to Bidco by ratings agencies.

#### **Part E: No incorporation of website information**

Save as expressly referred to herein, neither the content of Shanta, Bidco or ETC Holdings' websites, nor the content of any website accessible from hyperlinks on Shanta, Bidco or ETC Holdings' websites is incorporated into, or forms part of, this Document.

## **PART VI TAXATION**

### **PART A: UNITED KINGDOM TAXATION**

The comments set out below summarise certain limited aspects of the UK tax treatment of certain Shanta Shareholders under the Scheme, are intended only as a general guide and do not purport to be a complete analysis of all tax considerations relating to the Scheme. They are based on current UK legislation and current published HMRC practice (which may not be binding on HMRC), in each case as at the Latest Practicable Date, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain types of Shanta Shareholder such as charities, trustees, dealers in securities, persons who have or could be treated for tax purposes as having acquired their Shanta Shares by reason of their employment or as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to “UK Holders” are to Shanta Shareholders who are resident (and, in the case of individuals, domiciled) for tax purposes in, and only in, the United Kingdom (and to whom split-year treatment does not apply), who hold their Shanta Shares as an investment (other than under a self-invested personal pension plan or individual savings account) and who are the absolute beneficial owners of their Shanta Shares.

Overseas Holders of Shanta Shares are referred to in PART VII of this Document, which summarises certain UK tax consequences of the Scheme for such holders.

**IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION OR YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISOR IMMEDIATELY.**

#### **UK taxation of chargeable gains**

The transfer of Shanta Shares under the Scheme in return for cash should be treated as a disposal of the UK Holder’s Shanta Shares for the purposes of UK capital gains tax (“CGT”) or corporation tax on chargeable gains (as applicable) and therefore may, depending on the UK Holder’s particular circumstances (including the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK taxation on chargeable gains or, alternatively, an allowable capital loss.

#### **Individual Shanta Shareholders**

Subject to available reliefs or allowances, chargeable gains arising on a disposal of Shanta Shares by an individual UK Holder will be subject to CGT at the applicable rate for the tax year in which the disposal is treated as taking place (the United Kingdom tax year for individuals starts on 6 April of each year, ending on 5 April of the following calendar year), depending on the individual’s personal circumstances, including other taxable income and gains in the relevant tax year.

No indexation allowance will be available to an individual Shanta Shareholder in respect of any disposal of Shanta Shares. The CGT annual exemption may, however, be available to individual UK Holders to offset against chargeable gains realised on the disposal of their Shanta Shares.

#### **Corporate Shanta Shareholders**

Subject to available exemptions, reliefs or allowances, chargeable gains arising on a disposal of Shanta Shares by a UK Holder within the charge to UK corporation tax will be subject to UK corporation tax.

For UK Holders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their Shanta Shares), indexation allowance may be available where the Shanta Shares were acquired prior to 31 December 2017 in respect of the period of ownership of the Shanta Shares up to and including 31 December 2017 to reduce any chargeable

gain arising (but not to create or increase any allowable loss) on the transfer of their Shanta Shares under the Scheme in return for cash.

The substantial shareholding exemption may apply to exempt from corporation tax any gain arising to UK Holders within the charge to UK corporation tax where a number of conditions are satisfied, including that the corporate UK Holder (together with certain associated companies) is regarded for the purposes of this exemption as having held not less than 10 per cent. of the ordinary issued share capital of Shanta for a continuous period of at least 12 months beginning not more than six years prior to the date of disposal.

#### **UK stamp duty and stamp duty reserve tax (“SDRT”)**

No UK stamp duty or SDRT should generally be payable by Shanta Shareholders on the transfer of their Shanta Shares under the Scheme.

## **PART B: GUERNSEY TAXATION**

The following paragraphs, which are intended as a general guide only, and do not constitute tax advice, are based on current Guernsey tax legislation and the published practice of the Director of the Revenue Service in Guernsey, which is subject to change (possibly with retroactive effect). They summarise certain limited aspects of the anticipated Guernsey tax treatment of the Acquisition and they relate only to the position of Scheme Shareholders who are the absolute beneficial owners of their Scheme Shares, who hold their Scheme Shares as an investment and who are resident in Guernsey for taxation purposes. They do not apply to certain classes of Scheme Shareholders, such as dealers in securities, insurance companies, collective investment schemes and Scheme Shareholders who have, or are deemed to have, acquired their Scheme Shares by reason of, or in connection with, an office or employment. If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than Guernsey, you should consult an appropriate professional adviser immediately.

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, capital transfers, wealth, sales or turnover (unless the varying of investments and turning of such investments to account is a business or part of a business), nor are there any estate duties, save for registration fees and an *ad valorem* duty for a Guernsey grant of representation where the deceased dies leaving assets in Guernsey which require presentation of such a grant.

### **1 GUERNSEY RESIDENT SHAREHOLDERS**

#### **1.1 Taxation on capital gains**

Cash received by Scheme Shareholders under the Scheme will be considered as part of the disposal of Scheme Shares and will not be taxable in Guernsey.

#### **1.2 Guernsey Taxation on Income**

Shareholders who are resident in Guernsey may be subject to Guernsey income tax on any dividends paid by Shanta, depending on their own circumstances.

#### **1.3 Stamp Duty**

No stamp duty or similar duty or tax will be payable in Guernsey by Scheme Shareholders as a result of approving the Scheme.

### **2 NON-GUERNSEY RESIDENT SHAREHOLDERS**

Scheme Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of or in connection with the implementation of the Scheme, except where and to the extent that they have a permanent establishment in Guernsey to which the holding of Scheme Shares is attributable.

### **3 ANTI-AVOIDANCE**

Guernsey has a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of the transaction or series of transactions is the avoidance, reduction or deferral of a tax liability. On a discretionary basis, the Director of the Revenue Service in Guernsey will make such adjustments to the tax liability to counteract the effects of the avoidance, reduction or deferral of the tax liability.

### **4 U.S. FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)**

Guernsey has implemented FATCA following the entering into of an intergovernmental agreement with the United States regarding the implementation of FATCA (the “**U.S.-Guernsey IGA**”). Under FATCA and legislation enacted in Guernsey to implement the U.S.-Guernsey IGA, certain disclosure requirements are imposed in respect of certain Scheme Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations are also imposed. Where applicable, information that needs to be disclosed includes certain information about Scheme Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from Shanta, including resulting from any disposal of Scheme Shares pursuant to the Scheme. FATCA is implemented through Guernsey’s domestic legislation in accordance with local guidance that is published in draft form.

Under the U.S.-Guernsey IGA, securities that are “regularly traded” on an established securities market, such as AIM, are not considered financial accounts and are not subject to reporting. For these purposes, Scheme Shares are considered “regularly traded” if there is a meaningful volume of trading with respect to the Scheme Shares on an ongoing basis. Notwithstanding the foregoing, a Scheme Share is not considered to be “regularly traded” and is considered to be a financial account if the Scheme Shareholder is not a financial institution acting as an intermediary. However, it is expected that whilst a Scheme Share is held in uncertificated form within CREST, the Holder of that Scheme Share will likely be a financial institution acting as an intermediary. Scheme Shareholders that own their Scheme Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under FATCA.

### **5 ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT’S COMMON REPORTING STANDARD (“CRS”)**

Under the CRS and legislation enacted in Guernsey to implement the CRS, certain disclosure requirements are imposed in respect of certain Scheme Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Certain due diligence obligations are also imposed. Where applicable, information that needs to be disclosed includes certain information about Scheme Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from Shanta, including resulting from any disposal of Scheme Shares pursuant to the Scheme. The CRS is implemented through Guernsey’s domestic legislation in accordance with local guidance that is supplemented by guidance issued by the Organisation for Economic Cooperation and Development.

Under the CRS, there is currently no reporting exemption for securities that are “regularly traded” on an established securities market, although it is expected that whilst a Scheme Share is held in uncertificated form within CREST, the Holder of that Scheme Share will likely be a financial institution acting as an intermediary. Scheme Shareholders that own their Scheme Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under the CRS.

## PART VII

### ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

#### 1 General

This Document has been prepared in accordance with, and for the purposes of complying with, Guernsey law, the Takeover Code, the Market Abuse Regulation and the AIM Rules, and information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom and Guernsey.

The release, publication or distribution of this Document in or into, and the availability of the Acquisition to persons who are residents, citizens or nationals of, jurisdictions other than the United Kingdom or Guernsey may be restricted by law and therefore any persons into whose possession this Document comes who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom or Guernsey should inform themselves about, and observe any applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom or Guernsey to vote their Shanta Shares with respect to the Scheme at the Court Meeting or the Resolution at the General Meeting, or to execute and deliver Forms of Proxy (or other proxy instructions) appointing another to vote at the Meetings on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Document and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Acquisition is subject to Guernsey law and the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the FCA and the London Stock Exchange (including pursuant to the AIM Rules).

#### 2 U.S. Shanta Shareholders

##### Notice to U.S. investors in Shanta

The Acquisition relates to the shares of a company registered in Guernsey with a quotation on AIM and is proposed to be made by means of a scheme of arrangement provided for under Part VIII of the Companies Law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Acquisition will be subject to the disclosure requirements and practices applicable in Guernsey to schemes of arrangement which differ from the disclosure requirements of United States tender offers and proxy solicitation rules.

This Document does not constitute or form a part of any offer to sell or issue, or any solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities in the United States. Neither the SEC, nor any securities commission of any state of the United States, has approved or disapproved any offer, or passed comment upon the adequacy or completeness of any of the

information contained in this Document. Any representation to the contrary may be a criminal offence.

If, in the future, Bidco exercises the right, with the consent of the Panel (where necessary), and in accordance with the terms of the Co-operation Agreement, to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Acquisition will be made in compliance with applicable United States laws and regulations, including Section 14(e) of the U.S. Exchange Act and Regulation 14E thereunder.

Financial information included in this Document has been or will be prepared in accordance with accounting standards applicable in the United Kingdom and Guernsey that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Acquisition by a U.S. holder of Shanta Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Shanta Shareholder is therefore urged to consult with independent legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

It may be difficult for U.S. holders of Shanta Shares to enforce their rights and any claim arising out of the U.S. federal laws in connection with the Acquisition, since Bidco and Shanta are located in, and organised under the laws of, a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of Shanta Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act (to the extent applicable), Bidco, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shanta Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made, they would be made outside of the United States and would be in accordance with applicable law, including the U.S. Exchange Act and the Code. These purchases may occur either in the open market or at prevailing prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the regulatory news service of the London Stock Exchange and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

### **3 UK taxation of certain Overseas Shareholders**

Non-UK Holders should not be subject to UK taxation of chargeable gains in respect of the Scheme, however they may be subject to foreign taxation depending on their personal circumstances. No UK stamp duty or SDRT should generally be payable by non-UK Holders on the transfer of their Shanta Shares under the Scheme.

References above to “non-UK Holders” are to Shanta Shareholders who are not resident for tax purposes in the UK, have not within the past five years been resident for tax purposes in the UK and are not carrying on a trade (or profession or vocation) in the UK.

## PART VIII

### ADDITIONAL INFORMATION ON SHANTA, BIDCO AND ETC HOLDINGS

#### 1 Responsibility

- 1.1 The Shanta Directors, whose names are set out in paragraph 2.1 below, each accept responsibility for the information contained in this Document (including expressions of opinion and all information in respect of the Shanta Group which has been incorporated by reference into this Document), except for that information for which the Bidco Responsible Persons and the ETC Holdings Responsible Persons accept responsibility for in accordance with paragraphs 1.2 and 1.3 below, and that information for which the Independent Shanta Directors accept responsibility for in accordance with paragraph 1.4 below. To the best of the knowledge and belief of the Shanta Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Bidco Responsible Persons each accept responsibility for the information contained in this Document (including expressions of opinion and all information in respect of Bidco which has been incorporated by reference into this Document) relating to Bidco, the Bidco Directors and their respective immediate families and related trusts of, and persons connected with each of the Bidco Directors, and the persons (other than the Shanta Directors) deemed to be acting in concert (as such term is defined in the Takeover Code) with Bidco. To the best of the knowledge and belief of the Bidco Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information. It has been agreed that, given the Bidco Administrator Director does not exercise any control over the strategy and/or direction of the company and exclusively provides administrative services to Bidco, the Bidco Administrator Director will not be included in the persons who will accept responsibility for the information contained in this Document.
- 1.3 The ETC Holdings Responsible Persons each accept responsibility for the information contained in this Document (including expressions of opinion and all information in respect of the Bidco Group which has been incorporated by reference into this Document) relating to the Bidco Group, ETG, the ETC Holdings Directors and their respective immediate families and related trusts of, and persons connected with, each of the ETC Holdings Responsible Persons. To the best of the knowledge and belief of the ETC Holdings Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information. It has been agreed that, given the ETC Holdings Administrator Director does not exercise any control over the strategy and/or direction of the company and exclusively provides administrative services to ETC Holdings, the ETC Holdings Administrator Director will not be included in the persons who accept responsibility for the information contained in this Document.
- 1.4 The Independent Shanta Directors, whose names are set out in paragraph 2.1 below, each accept responsibility for the recommendations and opinions of the Independent Shanta Directors relating to the Acquisition contained in this Document, and themselves and their respective immediate families and related trusts of, and persons connected with themselves. To the best of the knowledge and belief of the Independent Shanta Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document (including any expressions of opinion) for which they accept responsibility pursuant to this paragraph 1.4 is in accordance with the facts and does not omit anything likely to affect the import of such information.

## 2 Directors and Responsible Persons

2.1 The Shanta Directors and their respective positions are:

Anthony Durrant	Non-Executive Chairman
Elodie Grant Goodey	Non-Executive Director
Eric Zurrin	Chief Executive Officer, Director
Keith Marshall	Non-Executive Director
Ketan Patel	Non-Executive Director
Matthieu Bos	Non-Executive Director
Michelle Jenkins	Non-Executive Director

The Independent Shanta Directors and their respective positions are:

Anthony Durrant	Non-Executive Chairman
Elodie Grant Goodey	Non-Executive Director
Eric Zurrin	Chief Executive Officer, Director
Keith Marshall	Non-Executive Director
Matthieu Bos	Non-Executive Director
Michelle Jenkins	Non-Executive Director

The business address of Shanta and each of the Shanta Directors is 11 New Street, St Peter Port, Guernsey GY1 2PF.

2.2 The Bidco Directors and their respective positions are as follows:

Ketan Patel	Director
Birju Patel	Director
Akshata Adheen	Director
Hanjali Permallee Le Roux	Director

The business address of each Bidco Director is No.5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius.

2.3 The ETC Holdings Directors and their respective positions are as follows:

Ketan Patel	Director
Birju Patel	Director
Akshata Adheen	Director
Mahesh Patel	Director
Hanjali Permallee Le Roux	Director

The business address of each ETC Holdings Director is No.5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius.

## 3 Disclosure of interests and dealings

3.1 For the purposes of this paragraph 3 and paragraph 4 below:

- (a) **“acting in concert”** has the meaning given to it in the Takeover Code;
- (b) **“arrangement”** includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to securities which may be an inducement to deal or refrain from dealing;
- (c) **“connected person”** means in relation to a director of Shanta or Bidco includes: (a) such director's spouse or civil partner and children or step-children under the age of 18; (b) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (a) or (b) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and (d) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act, other persons (including, without limitation, bodies corporate) whose interests that director is taken as having by virtue of the operation of the companies;

- (d) “**dealing**” has the meaning given to it in the Takeover Code;
- (e) “**derivative**” has the meaning given to it in the Takeover Code;
- (f) “**Disclosure Period**” means the period beginning on 20 December 2022 (being the date that is 12 months before the start of the Offer Period) and ending on the Latest Practicable Date;
- (g) “**interest**” or “**interests**” in relevant securities has the meaning given to it in the Takeover Code;
- (h) “**Latest Practicable Date**” close of business on 23 January 2024, being the latest practicable date before publication of this Document;
- (i) “**Offer Period**” means the period starting on 20 December 2023 and ending on the Latest Practicable Date;
- (j) “**relevant Bidco securities**” mean relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of Bidco including equity share capital in Bidco (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- (k) “**relevant Shanta securities**” mean relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree) of Shanta including equity share capital of Shanta (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
- (l) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

### 3.2 Interests in relevant Shanta securities

- (a) As at the Latest Practicable Date, the Shanta Directors (and their related trusts and connected persons) held the following interests in, or rights to subscribe in respect of, relevant Shanta securities:

Shanta Director	Number of Shanta Shares	Percentage of existing issued share capital of Shanta	Nature of interest
Anthony Durrant	4,171,998	0.40	Shanta Shares
Eric Zurrin	13,750,544	1.31	Shanta Shares
Keith Marshall	972,531	0.09	Shanta Shares
Ketan Patel	44,851,696 <sup>(1)</sup>	4.27	Shanta Shares
Elodie Grant Goodey	0	0	N/A
Matthieu Bos	0	0	N/A
Michelle Jenkins	0	0	N/A
<b>Total</b>	<b>63,746,769</b>	<b>6.06</b>	

- (1) Comprising of 256,251 Shanta Shares held directly by Ketan Patel, 44,488,248 Shanta Shares held by Export Holdings (being a company controlled and owned by the UBOs, including Ketan Patel), and 107,197 Shanta Shares held by Badal Patel.

- (b) As at the Latest Practicable Date, Bidco and persons acting in concert with Bidco and the Bidco Directors (and their related trusts and connected persons) held the following interests in, or rights to subscribe in respect of, relevant Shanta securities:

Name	Number of Shanta Shares	Percentage of existing issued share capital of Shanta	Nature of interest
Ketan Patel	256,251	0.02	Shanta Shares
Export Holdings	44,488,248	4.23	Shanta Shares
Badal Patel <sup>(1)</sup>	107,197	0.01	Shanta Shares
<b>Total</b>	<b>44,851,696</b>	<b>4.27</b>	

(1) Badal Patel is chief financial officer of Bidco.

#### 4 Interests and Dealings – General

- 4.1 Save as disclosed in this Document (including in paragraph 3 above and paragraph 8 below), as at the Latest Practicable Date:
- (a) neither Shanta, nor any of the Independent Shanta Directors, held any interests in, or rights to subscribe for, or hold any short positions in relation to, any relevant Bidco securities or had dealt in any relevant Bidco securities since the start of the Offer Period;
  - (b) none of the Shanta Directors held any interests in, or rights to subscribe for, or hold any short positions in relation to, any relevant Shanta securities or has dealt in any relevant Shanta securities during the Offer Period;
  - (c) no other persons acting in concert with Shanta held any interests in, or rights to subscribe for, or holds any short positions in relation to any relevant Shanta securities or had dealt in any relevant Shanta securities during the Offer Period;
  - (d) neither Bidco, nor any person acting in concert with Bidco, has borrowed or lent any relevant Shanta securities (including for these purposes any financial or collateral arrangements of the kind referenced in Note 3 on Rule 4.6 of the Takeover Code) in the Disclosure Period, save for any borrowed shares which have been either on-lent or sold;
  - (e) Neither Shanta, nor any person acting in concert with Shanta, has borrowed or lent any relevant Shanta securities (including for these purposes any financial or collateral arrangements of the kind referenced in Note 3 on Rule 4.6 of the Takeover Code) in the Offer Period, save for any borrowed shares which have been either on-lent or sold; and
  - (f) neither Bidco, nor any of the Bidco Directors, nor any other person who is deemed to be acting in concert with Bidco had any interest in, right to subscribe for, or any short position in relation to, any relevant Shanta securities, nor have any such persons dealt in any relevant Shanta securities during the Disclosure Period.
- 4.2 Save as disclosed in this Document, no persons have given any irrevocable or other commitment to vote in favour of the Scheme or the Resolution to be proposed at the General Meeting.
- 4.3 As at the Latest Practicable Date, neither Shanta nor any person acting in concert with Shanta, has any arrangement (of the kind referred to in Note 11 on the definition of acting in concert under the Code) with any other person in relation to relevant Shanta securities, accordingly no such person had any interest in, right to subscribe for, or any short position in relation to, any relevant Shanta securities, nor have any such persons dealt in any relevant Shanta securities during the Offer Period.
- 4.4 As at the Latest Practicable Date, neither Bidco nor any person acting in concert with Bidco, has any arrangement (of the kind referred to in Note 11 on the definition of acting in concert under the Code) with any other person in relation to relevant Shanta securities, accordingly no such person had any interest in, right to subscribe for, or any short position in relation to,

any relevant Shanta securities, nor have any such persons dealt in any relevant Shanta securities during the Disclosure Period.

- 4.5 Save as disclosed in this Document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Shanta, Bidco or any person acting in concert with them and any of the Shanta Directors or the recent directors, shareholders or recent shareholders of Shanta, or any person interested or recently interested in shares of Shanta, having any connection with or dependence upon or which is conditional upon the Acquisition.
- 4.6 Save as disclosed in this Document, there is no agreement, arrangement or understanding whereby the beneficial ownership of any Shanta Shares to be acquired by Bidco pursuant to the Scheme will be transferred to any other person.

## **5 Directors' service agreements and letters of appointment**

### **5.1 Executive Director's service contracts**

Eric Zurrin is the only executive director of Shanta.

#### The original Executive Service Agreements

Eric Zurrin's appointment as Chief Executive Officer commenced on 3 August 2017 and he is engaged under an executive service agreement with Shanta dated 21 September 2017 (the "**Shanta Service Agreement**") and an executive service agreement with Shanta Mining Company Limited ("**SMCL**") dated 21 September 2017 (the "**Shanta Mining Service Agreement**", together with the Shanta Service Agreement, the "**Executive Service Agreements**" and each an "**Executive Service Agreement**"), under which his period of continuous employment commenced on 13 March 2017. Under each original Executive Service Agreement (before amendment) Mr Zurrin's base salary was \$145,000 and under each agreement a discretionary bonus might be payable to Mr Zurrin in Shanta shares with a value of the equivalent of up to 200% of the base salary (as amended from time to time) at such intervals and subject to such conditions as the Remuneration Committee of Shanta may in its absolute discretion determine. The shares would be priced using the average price at the end of each month following close of trading, calculated over the previous calendar year (or if shorter the period of Mr Zurrin's employment).

Mr Zurrin is entitled to private health insurance (as is his spouse/partner) and life assurance at twice his base salary and is covered by the Shanta Group's accident cover for death or injury due to a work related incident. He is entitled to the reimbursement of reasonable expenses which are wholly and necessarily incurred in the performance of his duties. He is entitled to 30 working days holiday in each calendar year.

Mr Zurrin's Executive Service Agreements are terminable by either party giving not less than three months' notice in writing. Each Executive Service Agreement is also terminable immediately by Shanta and SMCL (each an "**Employer**" and together the "**Employers**") in certain circumstances, including (but not limited to) repeated breach of its terms by Mr Zurrin and/or if he is guilty of gross misconduct. There are customary non-competition and non-solicitation post-termination provisions which are binding on Mr Zurrin for a period of 12 months from the termination of his Executive Service Agreements. The Employers reserve the right to terminate Mr Zurrin's appointment with immediate effect at any time by making a payment in lieu of notice equivalent to his basic salary that might have otherwise been due during the notice period.

Each Executive Service Agreement contains change of control provisions (triggered by a person or persons having the power to conduct the affairs of the Employer in accordance with such person's or persons' wishes) whereby if the Employer terminates the Appointment in accordance with the relevant Executive Service Agreement within one month of a change of control in the Employer, the Employer shall, subject to stipulated clauses in the Executive Service Agreement, pay the agreed sum of a minimum of 12 months' base salary plus a minimum bonus award of 100% of 12 months' base salary (the Remuneration Committee, at its discretion, can increase this bonus award up to 200%) within one month following termination. The agreed sum would also be payable in other circumstances including where if within the one-month period following a change of control there was a restructuring resulting in Mr Zurrin being offered a role which is not equivalent to his prior role (either in terms of status or remuneration package) in which circumstance he would be entitled to resign and to receive the agreed sum. If within six months of a change of control the new

controller of the Employer decided to terminate Mr Zurrin's employment, then 50% of the agreed sum would be payable to Mr Zurrin within one month of such termination.

On 7 February 2023 the aggregate base salary under the Executive Service Agreements was increased from £342,000 per annum to £366,000 per annum with effect from 1 January 2023. This is Mr Zurrin's current base salary and will not be increased during the remainder of his employment.

#### Resignation

On 23 April 2023 Mr Zurrin gave notice of resignation as an employee of each Employer and from all his directorships and other officer positions in the Shanta Group, in all cases and agreed to extend his notice period from three months to the end of September 2023 at the Company's request.

#### Variation Letter

On 23 April 2023 Mr Zurrin and the Employers agreed to vary the Executive Service Agreements by entering in to a variation letter (the "**Variation Letter**") which included automatic termination of the Executive Service Agreements on 30 September 2023; a new minimum cash bonus of 75% of base salary pro-rated by 9/12ths to account for length of service in 2023 ( the "**Minimum Bonus**") and a discretionary bonus above 75% awarded at discretion of the Company with approval of Remuneration Committee, again pro-rated by 9/12ths to account for length of service in 2023 payable in shares, taking the total bonus package potentially up to 160% of base salary (including the Minimum Bonus), broadly consistent with Mr Zurrin's original Executive Service Agreements. If a change of control occurred during the remainder of term the variations to the Executive Service Agreements set out in the Variation Letter would cease to have effect and all the then current terms and conditions relating to Mr Zurrin's Executive Service Agreements shall be deemed to apply. The Variation Letter also gave the Employers the ability to terminate the appointment at any time with immediate effect upon payment in lieu of notice of the base salary payable for the remainder of the term of the appointment, which payment would also include any sum payable under the bonus arrangements (but no other bonus or commission payments that might otherwise have become payable during the period for which the payment in lieu is made).

#### RIS Announcement

On 24 April 2023 Shanta issued an announcement informing the market that Mr Zurrin had resigned.

#### Settlement Agreement

On 30 September 2023 Mr Zurrin and Shanta (on behalf of itself and any relevant member of its group) entered into a settlement agreement (the "**Settlement Agreement**") which provided for an extension of Mr Zurrin's appointment as CEO and also new bonus arrangements and payments described below. Under the Settlement Agreement Mr Zurrin is entitled to be paid his salary and receive benefits due to him under the Executive Service Agreements (but where any benefit in the Executive Service Agreements is specifically referred to in the Settlement Agreement, that benefit will only be paid once, pursuant to the terms of the Settlement Agreement).

The Settlement Agreement stated that the CEO's employment will terminate on:

- (a) the later of:
    - (i) the Completion Termination Date (the completion date of the sale of Shanta); or
    - (ii) the Results Termination Date (the date on which the Company's fourth quarter 2023 results are published in January 2024); or if earlier
  - (b) the Earlier Termination Date (the expiry of one month's written notice from Mr Zurrin to the Company and SMCL); or in any event
  - (c) on the Long Stop Date 30 April 2024,
- such date being (the "**Termination Date.**")

The Settlement Agreement contained the following new bonus arrangements and payments to Mr Zurrin:

- (a) a payment in lieu of any days' accrued but untaken holiday as at the Termination Date, consistent with Mr Zurrin's original Executive Service Agreements;

- (b) as a bonus for 2023 Mr Zurrin is entitled to a maximum award of up to 160% of base salary (£585,600), broadly consistent with his original Executive Service Agreements in terms of quantum. This is comprised of a guaranteed minimum bonus in cash of 75% of base salary and up to 85% of base salary in Shanta shares at the Remuneration Committee's discretion;
- (c) as a bonus for 2024 Mr Zurrin is entitled to a payment based on an identical formula to the one set out above, pro-rated for completed months served at the Termination Date. The maximum award (assuming Mr Zurrin remained in employment up to the Long Stop Date (30 April 2024, originally)) would be of 160% of pro-rated base salary (£195,200) broadly consistent with his original Executive Service Agreements in terms of quantum, comprising a 75% guaranteed minimum in cash, and up to 85% of base salary in Shanta shares at the Remuneration Committee's discretion; and
- (d) in the event the CEO's employment terminates on the Completion Termination Date a guaranteed amount of £732,000 is payable (being the equivalent of 12 months' base salary plus a minimum bonus award of 100% of 12 months base salary (and the Remuneration Committee, at its discretion can increase the bonus element of this award up to 200% of base salary, consistent in terms of quantum with the possible sum payable in certain change of control scenarios under his original Executive Service Agreements.

The payment in (d) above would not be payable if Mr Zurrin's appointment ended on the Earlier Termination Date.

All payments will be paid less such deductions for Income Tax and employee's National Insurance Contributions as the relevant company is required to make and would be paid within 28 days of the latest of the Termination Date and the receipt of appropriate documentation by Shanta.

Under the Settlement Agreement Mr Zurrin agreed that the terms of the Settlement Agreement were in full and final settlement of all and any claims or rights of action that he might have against Shanta or any member of its group.

#### Deed of Variation

On 19 December 2023 Mr Zurrin and Shanta executed a deed of variation under the terms of which they agreed that all and any bonuses payable under the Settlement Agreement or the Executive Service Agreements would be paid in cash rather than in shares, that the discretionary 2023 bonus is now to be considered and set by the Remuneration Committee, and together with the minimum bonus, paid in January 2024 (rather than on the Termination Date (as defined above) and that the Long Stop Date in the Settlement Agreement is extended from 30 April 2024 to 31 December 2024.

## **5.2 Chairman and other non-executive Shanta Directors**

Each of the non-executive Shanta Directors has entered into a letter of appointment with the Company. The principal terms of these letters of appointment are as follows.

<b>Name of Director</b>	<b>Date appointed Director</b>	<b>Unexpired term</b>	<b>Fees (per annum) (GBP '000)</b>
Anthony Durrant	13 April 2013	Rolling (subject to re-election every three years)	£120,000 <sup>(1)</sup>
Elodie Grant Goodey	18 September 2023	Rolling (subject to re-election every three years)	£68,000 <sup>(2)</sup>
Keith Marshall	8 June 2017	Rolling (subject to re-election every three years)	£68,000 <sup>(3)</sup>
Ketan Patel	5 July 2005	Rolling (subject to re-election every three years)	£68,000 <sup>(3)</sup>
Matthieu Bos	5 May 2023	Rolling (subject to re-election every three years)	£68,000 <sup>(2)</sup>
Michelle Jenkins	12 May 2021	Rolling (subject to re-election every three years)	£68,000 <sup>(2)</sup>

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- (1) *The director's fees payable to Anthony Durrant were initially paid partly in cash and partly in shares in the Company. Since 2019, with Mr Durrant's agreement, Mr Durrant's fees have been paid exclusively in cash. This is the basis on which the Company continues and will continue to meet all of its fee obligations under the letter of appointment, with the agreement of Mr Durrant. The above reflects a conversion rate of 1 USD to 0.8 pounds sterling and presumes service as a chairperson of a board committee.*
  - (2) *The letters of appointment of Ms Goodey, Mr Bos and Ms Jenkins state that they will, respectively, be paid a director's fee of USD 75,000 per annum and an additional fee of USD 10,000 per annum for service as a chairperson of a board committee, if applicable. The above reflects a conversion rate of 1 USD to 0.8 pounds sterling and presumes service as a chairperson of a board committee.*
  - (3) *Mr Patel entered into a letter of appointment with the Company to act as a non-executive director on 5 July 2005, which took effect upon admission of Shanta's shares to trading on AIM. On 14 February 2017, Mr Patel entered into a new letter of appointment, the terms of which supersede the letter of appointment entered into on 5 July 2005. The letters of appointment of Mr Marshall and Mr Patel state that they will, respectively, be paid a director's fee of USD 65,000 per annum and an additional fee of USD 5,000 per annum for service on board committees. On 20 March 2020, the director's fees to be paid to Mr Marshall and Mr Patel were increased to USD 70,000 per annum and an additional fee of USD 15,000 per annum for service on board committees. The above reflects a conversion rate of 1 USD to 0.8 pounds sterling and presumes service as a chairperson of a board committee.*

The appointment of each non-executive Shanta Director is for an initial term of three years from the date of their appointment, subject to the Articles of Incorporation and termination provisions of their respective letters of appointment, and be terminable on six months' written notice by Mr Durrant or the Company and three months' written notice by each other non-executive Shanta Director or the Company. The non-executive Shanta Directors' appointments will terminate automatically (without compensation) on the date of their ceasing to be a director and they will only be entitled to such fees as may have accrued as at that date.

The non-executive Shanta Directors may be terminated with immediate effect if, among other reasons, (a) they are unable to perform their duties to the reasonable satisfaction of the Company's board; (b) they become bankrupt or make any arrangement or composition with their creditors generally (in any jurisdiction); (c) they become of unsound mind or incapable of carrying out their duties under the terms of their letter of appointment by reason of mental health, bodily incapacity, illness or accident; (d) they become disqualified or prohibited by law (in any jurisdiction) from being or acting as a director; (e) they resign in writing or offer to resign and the directors resolve to accept such offer; (f) they are convicted of any criminal offence other than an offence which in the reasonable opinion of the Board adversely affects neither the reputation of the Company nor their ability to fulfil their duties adequately; (g) they for more than six consecutive months have been absent without permission of the directors for meetings of directors held during that period and the directors resolve that their office be vacated; (h) they are made the subject of or cause the Company to be the subject of a penalty or reprimand imposed by any regulatory authority by which the Company is governed or to which its activities are subject; (i) they are in breach of any terms set out in their respective appointment letters which in the case of a breach capable of remedy is not remedied by them within five days of receipt by them of a notice from the Company specifying the breach and requiring its remedy; and (j) they retire, are removed from their position as director or their position as a director is vacated, pursuant to the Articles of Incorporation.

The Company maintains directors' and officers' liability insurance for the benefit of each non-executive Shanta Director. The Company indemnifies and agrees to keep indemnified each non-executive Shanta Director subject to the terms of the Articles of Incorporation, any applicable law and the terms of their respective letters of appointment from and against all claims or liabilities arising out of or in connection with their position as a director of the Company (other than in the case of liabilities arising from any wilful act, breach of trust, breach of duty, default or negligence on their part or unless prohibited by the Companies Law, the Articles of Incorporation or any other applicable law). The indemnity will continue until such time as any relevant limitation periods for bringing claims expires.

### **5.3 Other service agreements**

Save as disclosed above, there are no service contracts or letters of appointment, between any Shanta Director or proposed director of Shanta and any member of the Shanta Group and no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this Document.

## **6 Market quotations**

The following table shows the Closing Price for Shanta Shares as derived from the AIM Appendix to the Daily Official List for the first Business Day of each of the six months before the

date of this Document, for 19 December 2023 (being the last Business Day prior to the commencement of the Offer Period) and for the Latest Practicable Date:

<b>Date</b>	<b>Shanta Share price (pence)</b>
1 August 2023	10.10
1 September 2023	10.03
2 October 2023	10.05
1 November 2023	11.10
1 December 2023	12.25
19 December 2023	12.65
2 January 2024	12.95
<b>Latest Practicable Date</b>	<b>13.15</b>

## **7 Material contracts**

### **7.1 Shanta material contracts**

Save as disclosed below, and save for the Confidentiality Agreement and the Co-operation Agreement, each of which is summarised in paragraph 13 of PART II of this Document, no member of the Shanta Group has, during the period beginning 20 December 2021 (being two years prior to the commencement of the Offer Period) and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, and which are or may be material, have been entered into by members of the Shanta Group during the period beginning 20 December 2021 (being two years prior to the commencement of the Offer Period) and ending on the Latest Practicable Date.

#### **(a) Secured Term Facility Agreement with Standard Bank Tanzania Limited**

On 5 July 2022, SMCL (as borrower), Shanta (as guarantor) and Shanta Gold Holdings Limited (“**SGHL**”) (as guarantor) entered into a loan facility agreement with Stanbic Bank Tanzania Limited (as original lender, mandated lead arranger, account bank and original hedge counterparty) and The Standard Bank of South Africa Limited (as facility agent and security agent) for a principal amount of USD 20 million (the “**Secured Term Facility**”). The Secured Term Facility has a term of 4 years, including a one-year capital grace period, at an interest rate of 3 Month Term Secured Overnight Financing Rate + Credit Adjustment Spread + Margin of 5.5 per cent. The current interest rate is 11.08 per cent. Repayment is in 12 equal capital repayments quarterly from June 2023, with the final repayment in March 2026 and no early repayment penalties. SMCL shall apply all amounts borrowed by it under the Secured Term Facility solely for the purpose of financing capital expenditure for the New Luika Gold Mine and the Singida Gold Mine. Each of Shanta and SGHL has jointly and severally guaranteed SMCL’s performance of its obligations under the Secured Term Facility and indemnified Stanbic Bank Tanzania Limited and The Standard Bank of South Africa Limited either of them may incur as a result of SMCL not paying amounts due (but any amount payable under the indemnity will not exceed the amount payable if the amount claimed had been recoverable on the basis of a guarantee). SMCL and SGHL have also charged the shares they hold in SMCL together with all of their loans and claims against SMCL and other members of the Shanta Group loan as security.

#### **(b) Working Capital Facility with Stanbic Bank Tanzania Limited**

On 22 September 2021, SMCL entered into a revolving loan facility with Stanbic Bank Tanzania Limited to fund short-term working capital for USD 1 million (the “**Working Capital Facility**”). On 10 December 2021, SMCL increased the Working Capital Facility to USD 5 million from USD 1 million and on 13 January 2023, increased the Working Capital Facility to USD 10 million from USD 5 million. In December 2023, SMCL extended the term of the Working Capital Facility by one year. As of 31 December 2023, there have been no drawn downs on the Working Capital Facility. Each draw down is repayable after a maximum of 180 days and bears interest at 10% per annum. The Company has met any repayment obligations under this facility in full. The loan is secured by a corporate guarantee and

indemnity given by both the Company and SGHL and a debenture over the business assets of SMCL.

## 7.2 Bidco material contracts

### (a) Confidentiality Agreement

See paragraph 13 of Part II of this Document for further details on the Confidentiality Agreement.

### (b) Co-operation Agreement

See paragraph 13 of Part II of this Document for further details on the Co-operation Agreement.

### (c) Bridge Facility Agreement

On 19 December 2023, ETC Holdings and Bidco entered into an interim facilities agreement with The Standard Bank of South Africa Limited (acting through its Isle of Man branch) and Nedbank Limited (acting through its Corporate and Investment Banking Division) as arrangers (the “**Arrangers**”), The Standard Bank of South Africa (acting through its Isle of Man branch) and Nedbank Limited (acting through its London Branch) as original lenders (the “**Lenders**”), and The Standard Bank of South Africa (acting through its Corporate and Investment Banking Division) as agent (the “**Agent**”) and security agent (the “**Security Agent**”) (the “**Bridge Facility Agreement**”).

Under the terms of the Bridge Facility Agreement, the Lenders agreed to provide a term loan facility that will be available to be drawn by Bidco upon satisfaction of the conditions precedents set out in the Facilities Agreement.

Terms defined in the Bridge Facility Agreement shall have the same meaning in this paragraph 7.2(c) unless otherwise specified.

Pursuant to the terms of the Bridge Facility Agreement, the Lenders agree to make available a term loan facility in an aggregate amount of up to USD 150,000,000 (the “**Loan**”).

#### **Purpose**

The proceeds of the Loan are to be applied towards:

- i. the payment of all amounts payable pursuant to the Offer or Scheme (as applicable);
- ii. payment and/or reimbursement of the Acquisition Costs (other than periodic fees but, for the avoidance of doubt, including any fees due and payable on or prior to a Certain Funds Utilisation);
- iii. provided that the Scheme Effective Date has occurred or (as applicable) the Unconditional Date has occurred and the overall funding requirements of the Borrower are consistent with the Funds Flow Statement, payment of amounts (other than any premium) payable by the Borrower to any Foreign Exchange Hedge Counterparty in accordance with the Foreign Exchange Hedging; and
- iv. payment of all amounts payable in connection with the Existing Target Financing.

#### **Availability, Termination and Repayment**

The Loan is available to be drawn, subject to satisfaction of the conditions precedent set out in the Bridge Facility Agreement, from the 19 December 2023 to and including the date falling 11 months thereafter, being 19 November 2024.

The Facility Agreement will terminate on the earlier of:

- i. the date falling twelve (12) months after the date of the Facility Agreement, being 19 December 2024; or
- ii. the date falling six (6) months after the first Utilisation Date.

Bidco shall repay all Loans and all other amounts owing by it on termination of the Bridge Facility Agreement.

The Facility Agreement is subject to customary certain funds provisions in connection with the financing of the Offer or Scheme (as applicable).

**Interest rates and fees**

Interest is payable on each Loan, and such rate may decrease or increase depending on certain conditions, including Margin. The Margin ranges from 3.5% to 4.25%.

The Interest Period for each Loan or Unpaid Sum shall be one (1) month or any other period agreed between the Borrower, the Agent and all the Lenders in relation to the relevant Loan, provided that an Interest Period for a Loan does not extend beyond the Termination Date.

Certain fees are also payable under the terms of the Facility Agreement and ancillary documentation.

**Guarantees and security**

The Security Agent (on behalf of the secured parties under the Facility Agreement) received the benefit of:

- i. a Mauritian law governed share security agreement granted by Parent over the shares held by ETC Holdings in Bidco;
- ii. a Guernsey law governed security interest agreement granted by Export Holdings related to the custody account held by Export Holdings with Cannacord relating to all of the shares held by Export Holdings in Shanta; and
- iii. a Guernsey law governed security interest agreement granted by Export Holdings to be entered into once such shares are materialised and certificated.

ETC Holdings and Bidco have also provided a joint and several guarantee and indemnity in respect of each Obligors obligations under the Finance Documents.

**Refinancing**

Bidco's intention is to refinance ahead of the termination of the Bridge Facility Agreement.

**Representations, warranties, undertakings and events of default**

The Facility Agreement contains customary representations and warranties, indemnities and events of default, each with appropriate carve-outs and materiality thresholds, applicable to ETC Holdings and Bidco.

**8 Irrevocable undertakings and letter of intent**

**8.1 Irrevocable undertakings given by the Independent Shanta Directors**

The Independent Shanta Directors have given irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolution to be proposed to implement the Scheme at the General Meeting (and, if the Acquisition is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Bidco in accordance with the terms of the irrevocable undertakings) in respect of those Shanta Shares that they legally and/or beneficially hold and the voting rights of which they control:

<b>Independent Shanta Director</b>	<b>Total number of Shanta Shares</b>	<b>Percentage of Shanta's issued share capital at the Latest Practicable Date</b>	<b>Percentage of Shanta's Voting Scheme Shares at the Latest Practicable Date</b>
Anthony Durrant	4,171,998	1.31	1.37
Eric Zurrin	13,750,544	0.40	0.41
Keith Marshall	972,531	0.09	0.10
<b>Total</b>	<b>18,895,073</b>	<b>1.80</b>	<b>1.88</b>

These irrevocable undertakings from the Independent Shanta Directors will cease to be binding if:

- (a) the Scheme Document or Offer Document (as the case may be) has not been posted within the permitted period under the Takeover Code (or within such longer period as Bidco and Shanta, with the consent of the Panel determines), provided that if the Acquisition was initially being implemented by way of a Scheme, and Bidco elects to exercise its right to implement the Acquisition by way of a Takeover Offer or vice versa, such time period shall be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require);
- (b) the Acquisition is implemented by way of a Scheme and Bidco does not elect to implement the Acquisition by way of Takeover Offer, the Scheme or any resolution to be proposed is not approved by the requisite majority of the shareholders of Shanta at the General Meeting or the Court Meeting;
- (c) on the date on which the Acquisition (whether implemented by way of a Scheme or a Takeover Offer) is withdrawn or lapses in accordance with its terms, provided that this shall not apply where the Acquisition is withdrawn or lapses as a result of Bidco exercising its right, in accordance with the Takeover Code, to implement the Acquisition by way of a Takeover Offer rather than by way of a Scheme or vice versa;
- (d) the Scheme or the Takeover Offer (as applicable) has not become Effective, or become or been declared unconditional in all respects (as the case may be), on or from the earlier of (i) the Long Stop Date and (ii) the time and date on which the Acquisition is withdrawn, lapses or otherwise terminates in accordance with its terms (provided that the reason is not because Bidco has elected to proceed by way of a Takeover Offer rather than by way of a Scheme or vice versa); or
- (e) upon any competing offer for Shanta becoming or being declared unconditional in all respects (if implemented by way of a Takeover Offer) or otherwise becoming effective (if implemented by way of a Scheme); or
- (f) Bidco announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition.

## 8.2 Irrevocable undertakings given by Shanta Shareholders

In addition to the Independent Shanta Directors, the following Shanta Shareholder has given an irrevocable undertaking to vote or procure votes, in favour of the Scheme at the Court Meeting and the Resolution to be proposed to implement the Scheme at the General Meeting (and, if the Acquisition is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Bidco in accordance with the terms of the irrevocable undertakings) in respect of those Shanta Shares that it legally and/or beneficially hold and the voting rights of which it controls:

<b>Name</b>	<b>Total Number of Shanta Shares</b>	<b>Percentage of Shanta's issued share capital at the Latest Practicable Date</b>	<b>Percentage of Shanta's Voting Scheme Shares at the Latest Practicable Date</b>
Sustainable Capital Africa Alpha Fund	87,306,112	8.30	8.67
<b>Total</b>	<b>87,306,112</b>	<b>8.30</b>	<b>8.67</b>

The irrevocable undertaking from the Shanta Shareholder listed above will cease to be binding if:

- (a) the Scheme Document or Offer Document (as applicable) is not sent to Shanta Shareholders within the permitted period under the Takeover Code or as otherwise agreed with the Panel provided that if the Acquisition was initially being implemented by way of a Scheme, and

Bidco elects to exercise its right to implement the Acquisition by way of a Takeover Offer (with the consent of the Panel) or vice versa, the time period shall be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require);

- (b) the Acquisition is implemented by way of a Scheme and Bidco does not elect to implement the Acquisition by way of Takeover Offer, the Scheme or any resolution to be proposed is not approved by the requisite majority of the shareholders of Shanta at the General Meeting or the Court Meeting;
- (c) on and from the earlier of: (i) the Long Stop Date; and (ii) the time and date on which the Acquisition is withdrawn, lapses or otherwise terminates in accordance with its terms (provided that the reason is not because Bidco has elected to proceed by way of a Takeover Offer rather than a Scheme or vice versa) provided that the lapsing of the undertaking will not affect any accrued rights or liabilities in respect of non-performance of any obligation under the undertaking falling due for performance before such lapse;
- (d) Bidco announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition;
- (e) a person, other than Bidco, announces a firm intention to make an offer (in accordance with Rule 2.7 of the Code) (a **“Firm Third Party Offer”**), however structured, for the entire issued and to be issued share capital of Shanta (save for those shares in Shanta already owned by such third party or by any person acting in concert with it), and the consideration payable for each share in the capital of Shanta under such Firm Third Party Offer is at least 10 per cent. greater than the amount or value of consideration offered under the Acquisition) (a **“Superior Proposal”**). If any Superior Proposal includes non-cash consideration, such as shares or other securities, the amount or value of the consideration offered under the Superior Proposal for the purposes of this paragraph shall be as determined by the Shanta Board (acting reasonably), having taken advice from its financial adviser; or
- (f) upon any competing offer for Shanta becoming or being declared unconditional in all respects (if implemented by way of a Takeover Offer) or otherwise becoming effective (if implemented by way of a Scheme).

### 8.3 Letter of intent

The following shareholder has indicated its intent to vote (or procure the voting, as applicable) in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting, or to accept, or procure the acceptance of, the Takeover Offer if the Acquisition is implemented as a Takeover Offer, in respect of its interests in Shanta Shares held as of the date of the Rule 2.7 Announcement:

<b>Name</b>	<b>Number of Shanta Shares in respect of which letter of intent is given</b>	<b>Percentage of Shanta’s issued share capital at the Latest Practicable Date</b>	<b>Percentage of Shanta’s Voting Scheme Shares at the Latest Practicable Date</b>
Lombard Odier Asset Management (Europe) Limited	86,901,970	8.26	8.63
<b>Total</b>	<b>86,901,970</b>	<b>8.26</b>	<b>8.63</b>

## 9 Permitted offer-related arrangements

### 9.1 Confidentiality Agreement

See paragraph 13 of PART II of this Document for further details on the Confidentiality Agreement.

### 9.2 Co-operation Agreement

See paragraph 13 of PART II of this Document for further details on the Co-operation Agreement.

## 10 Acquisition-related fees and expenses

### 10.1 Fees and Expenses of Bidco

The aggregate fees and expenses expected to be incurred by Bidco in connection with the Acquisition (excluding any applicable VAT and other taxes) are expected to be approximately USD 5,000,000. The aggregate fees and expenses consist of the following categories:

<b>Category</b>	<b>Amount</b>
Financing arrangements	USD 2,200,000
Financial and corporate broking advice	USD 1,300,000
Legal advice	USD 1,400,000
Other professional services (including, for example, management consultants, actuaries and specialist valuers)	USD 100,000
<b>Total</b>	<b>USD 5,000,000</b>

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective.

(2) These services include services charged by reference to hourly or daily rates. The amounts included here reflect the services incurred up to the Latest Practicable Date and an estimate of the residual amount of time required until the Acquisition becomes Effective.

(3) An exchange rate of USD 1.265 to GBP 1 has been used in calculating Bidco's fees and expenses.

### 10.2 Shanta Fees and Expenses

The aggregate fees and expenses expected to be incurred by Shanta in connection with the Acquisition (excluding any applicable VAT and other taxes) are expected to be approximately GBP 2,670,000. The aggregate fees and expenses consist of the following categories:

<b>Category</b>	<b>Amount</b>
Financial and corporate broking advice	GBP 1,530,000
Legal advice	GBP 710,000
Public relations advice	GBP 60,000
Other costs and expenses <sup>(3)</sup>	GBP 360,000
<b>Total<sup>(1)(2)</sup></b>	<b>GBP 2,670,000</b>

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective. The total does not include disbursements.

(2) Certain of these services are provided by reference to hourly rates. Amounts included in the table above reflect the time incurred up to the Latest Practicable Date and an estimate of the further time required prior to the Effective Date.

(3) Amount includes costs of printing.

## 11 Financing arrangements relating to Bidco

The Consideration payable to Scheme Shareholders pursuant to the Acquisition will be financed partly by the existing cash resources available to the Bidco Group and partly by debt financing to be provided by The Standard Bank of South Africa Limited (acting through its Isle of Man branch) and Nedbank Limited (acting through its Nedbank Corporate and Investment Banking Division).

Berenberg, in its capacity as financial adviser to Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the Consideration payable by Bidco to Scheme Shareholders pursuant to the Acquisition.

Further information on the financing of the Acquisition and summaries of the financing agreements are included at paragraph 7.2 of Part VIII of this Document.

## 12 Persons acting in concert

In addition to the Bidco Directors (together with their connected persons and related trusts), and members of the Bidco Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Bidco are:

<b>Name</b>	<b>Registered Office</b>	<b>Relationship with Bidco</b>
Berenberg, Gossler & Co. KG, London Branch	60 Threadneedle Street, London, EC2R 8HP	Financial Adviser

In addition to the Independent Shanta Directors (together with their connected persons and related trusts) and members of the Shanta Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Shanta are:

<b>Name</b>	<b>Address/ Registered Office</b>	<b>Relationship with Shanta</b>
Liberum Capital Limited	25 Ropemaker Street, London EC2Y 9LY	Sole Financial and Rule 3 Adviser, Nominated Adviser and Sole Broker

## 13 No significant change

Save to the extent disclosed in this Document, there has been no significant change in the financial or trading position of Shanta since 30 June 2023, being the date to which the latest unaudited interim financial information of Shanta for the six months ended 30 June 2023 was prepared.

## 14 Consent

Each of Berenberg and Liberum has given and not withdrawn its written consent to the issue of this Document with the inclusion of references to its name in the form and context in which they are included.

## 15 Sources of information and bases of calculation

In this Document, unless otherwise stated or the context otherwise requires, the following bases and sources have been used.

- 15.1 Shanta's equity value has been calculated on the basis of Shanta's entire issued share capital, comprising 1,051,467,684 Shanta Shares in issue, as at the Latest Practicable Date, and assuming no Shanta Shares will be issued, on or after the date of this Document.
- 15.2 A value of approximately £141.95 million for the entire issued share capital of Shanta is based on the Consideration of 13.5 pence per Shanta Share, and Shanta's issued ordinary share capital of 1,051,467,684 Shanta Shares, as set out in paragraph 15.1 above.
- 15.3 The premium calculations to the price per Shanta Share used in this Document have been calculated based on the Consideration of 13.5 pence per Shanta Share, and by reference to:
  - the Closing Price on the Latest Practicable Date of 13.15 pence per Shanta Share, derived from Bloomberg;
  - the three-month volume-weighted average Closing Price of 10.95 pence per Shanta Share as at 19 December 2023, derived from Bloomberg;
  - the six-month volume-weighted average Closing Price of 10.18 pence per Shanta Share as at 19 December 2023, derived from Bloomberg; and
  - the twelve-month volume-weighted average Closing Price of 10.57 pence per Shanta Share as at 19 December 2023, derived from Bloomberg.
- 15.4 The nine-month volume-weighted average Closing Price of 10.51 pence per Shanta Share as at the last Business Day prior to the commencement of the Offer Period, derived from Bloomberg;

- 15.5 Shanta's volume weighted average share price figures are taken from Bloomberg.
- 15.6 Industry research illustrating the P/NAV percentage of UK quoted or listed African gold miners is taken from broker consensus estimates from Bloomberg and share prices as at 5 December 2023.
- 15.7 The 12-month average daily trading volume of Shanta Shares is taken from Bloomberg.
- 15.8 The average bid-ask spread for Shanta Shares over the last 12 months is taken from Bloomberg.
- 15.9 Unless otherwise stated, the financial information of Shanta is extracted (without material adjustment) from the annual report and audited accounts of the Shanta Group dated 30 March 2023 for the 12 months ended 31 December 2022 and Shanta's announcement dated 20 September 2023 of its interim results for the six months ended 30 June 2023 (which are unaudited).
- 15.10 Certain figures included in this Document have been subject to rounding adjustments.

## **16 Documents incorporated by reference**

- 16.1 Parts of other documents are incorporated by reference into, and form part of, this Document.
- 16.2 PART V of this Document sets out which sections of certain documents are incorporated by reference into, and form part of, this Document.
- 16.3 A person who has received this Document may request a hard copy of such documents incorporated by reference. A copy of any such documents or information incorporated by reference will not be sent to such persons unless requested, free of charge, by calling Computershare during business hours at +44 370 707 4040, and stating your name and the address to which the hard copy should be sent. A hard copy of any such information will not be sent to you unless you so request it. You may also request that all future documents, announcements and information sent to you in relation to the Acquisition should be in hard copy form.

## **17 Documents available for inspection**

Copies of the following documents will be available for viewing on Shanta's and Bidco's websites at [www.shantagold.com](http://www.shantagold.com) and <https://etcholdings.net/> respectively by no later than 12.00 p.m. on the Business Day following the date of publication of this Document (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions):

- (a) this Document;
- (b) the Forms of Proxy;
- (c) the memorandum and Articles of Incorporation of Shanta and the memorandum and articles of association of Bidco;
- (d) a draft of the Articles of Incorporation of Shanta as proposed to be amended at the General Meeting;
- (e) the financial information relating to Shanta referred to in Part A of PART V of this Document;
- (f) the written consents referred to in paragraph 14 above;
- (g) the Confidentiality Agreement;
- (h) the Co-operation Agreement;
- (i) copies of the irrevocable undertakings and letter of intent referred to in paragraph 8 above; and
- (j) copies of the documents relating to the financing of the Acquisition referred to in paragraph 7 of PART VIII of this Document.

## PART IX

### DEFINITIONS

<b>“Acquisition”</b>	the acquisition by Bidco of the entire issued, and to be issued, share capital of Shanta (other than the Shanta Shares already owned by any member of the Bidco Group) to be implemented by way of the Scheme or, should Bidco so elect (with the consent of the Panel and subject to the terms of the Co-operation Agreement) by way of a Takeover Offer, and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the Rules and Guidance notes for Companies listed on AIM published by the London Stock Exchange (as amended from time to time);
<b>“Articles of Incorporation”</b>	the articles of incorporation of Shanta from time to time;
<b>“associated undertaking”</b>	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations;
<b>“Authorisations”</b>	regulatory authorisations, orders, determinations, recognitions, grants, consents, clearances, confirmations, certificates, licenses, permissions exemptions or approvals, in each case of a Third Party;
<b>“Berenberg”</b>	Joh. Berenberg, Gossier & Co. KG, London Branch, financial adviser to Bidco;
<b>“Bidco”</b>	Saturn Resources Ltd, a company limited by shares, incorporated in Mauritius with registered number 202512 and whose registered office is at No. 5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius;
<b>“Bidco Administrator Director”</b>	Hanjali Permаллоo Le Roux;
<b>“Bidco Board”</b>	the Bidco Directors acting together as the board of directors of Bidco;
<b>“Bidco Connected Individuals”</b>	Ketan Patel as beneficial owner of 256,251 Shanta Shares and Badal Patel as holder, or beneficial owner of 107,197 Shanta Shares;
<b>“Bidco Directors”</b>	the directors of Bidco, whose names are set out in paragraph 2.2 of PART VIII of this Document;
<b>“Bidco Group”</b>	(i) Bidco, (ii) any of Bidco’s group undertakings from time to time, and (iii) Export Holdings;
<b>“Bidco Responsible Persons”</b>	the Bidco Directors other than the Bidco Administrator Director;
<b>“Business Day”</b>	a day (other than a Saturday, Sunday or a bank holiday) on which banks are generally open for business in London, England, United Kingdom, Mauritius and Guernsey;
<b>“CBOT”</b>	the Chicago Board of Trade;
<b>“certificated” or “in certificated form”</b>	a share or other security which is not in uncertificated form (that is, not in CREST);
<b>“CGT”</b>	UK capital gains tax;

<b>“Closing Price”</b>	the closing middle market quotation for a Shanta Share on the day to which such price relates, derived from the AIM Appendix to the Daily Official List of the London Stock Exchange;
<b>“CME”</b>	the Chicago Mercantile Exchange;
<b>“Combined Group”</b>	the enlarged group following completion of the Acquisition, comprising the Bidco Group and the Shanta Group;
<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Companies Law”</b>	the Companies (Guernsey) Law, 2008 (as amended, from time to time);
<b>“Completion”</b>	completion of the Acquisition;
<b>“Computershare”</b>	Computershare Investor Services (Guernsey) Limited;
<b>“Conditions”</b>	the conditions to which the Acquisition (including the Scheme) is subject, which are set out in PART III of this Document;
<b>“Confidentiality Agreement”</b>	the confidentiality agreement entered into between Bidco and Shanta in relation to the Acquisition, dated 29 June 2023 as described in paragraph 13 of PART II of this Document;
<b>“Consideration”</b>	the consideration of 13.5 pence in cash per Scheme Share payable by Bidco to Scheme Shareholders pursuant to the Acquisition;
<b>“Co-operation Agreement”</b>	the co-operation agreement between Bidco and Shanta dated 20 December 2023 as described in paragraph 13 of PART II of this Document;
<b>“Court”</b>	the Royal Court of Guernsey;
<b>“Court Meeting”</b>	the meeting of Voting Scheme Shareholders convened pursuant to an order of the Court pursuant to section 107 of the Companies Law for the purpose of considering and, if thought fit, approving the Scheme, and any adjournment, postponement or reconvening thereof, notice of which is contained in Part X of this Document;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 110 of the Companies Law;
<b>“CREST”</b>	the CREST system (as defined in the CREST Regulations);
<b>“CREST Manual”</b>	the CREST Manual published by Euroclear, as amended from time to time;
<b>“CREST Regulations”</b>	the Uncertificated Securities (Guernsey) Regulations, 2009, including (i) any enactment or subordinate legislation which amends or supersedes those regulations; and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange;
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer;
<b>“Disclosed”</b>	<ul style="list-style-type: none"> <li>(i) disclosed in Shanta’s annual report and audited financial statements for the financial year ended 30 March 2023;</li> <li>(ii) disclosed in Shanta’s interim results for the six months ended 30 June 2023 (which are unaudited);</li> <li>(iii) fairly disclosed prior to the date of the Rule 2.7 Announcement by, or on behalf of, Shanta to Bidco or ETC Holdings (or their respective officers, employees, agents or</li> </ul>

advisers in their capacity as such), including, but not limited to, all matters fairly disclosed in the written replies, correspondence, documentation and information provided in an electronic data room created by or on behalf of Shanta or sent to Bidco or ETC Holdings or any of their respective officers, employees, agents or advisers during the due diligence process and whether or not in response to any specific request for information made by any such person in respect of the Acquisition or via email or other form of correspondence;

- (iv) disclosed in the Rule 2.7 Announcement; or
- (v) disclosed in any other announcement by Shanta prior to the date of the Rule 2.7 Announcement (by delivery of an announcement to a Regulatory Information Service);

<b>“Disclosure Period”</b>	the period beginning on 20 December 2022 (being the date 12 months prior to the start of the offer period) and ending on the Latest Practicable Date;
<b>“Document”</b>	this Document dated 25 January 2024 addressed to Shanta Shareholders containing the Scheme and the Explanatory Statement;
<b>“Effective”</b>	either: <ul style="list-style-type: none"><li>(i) if the Acquisition is implemented by way of Scheme, the Scheme having become effective in accordance with its terms upon the delivery of a copy of the Court Order to the Guernsey Registry; or</li><li>(ii) if the Acquisition is implemented by way of Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;</li></ul>
<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective;
<b>“ETC Group”</b>	ETC Group, a company incorporated in Mauritius with registered number 095264 and whose registered office is at c/o Rogers Capital Corporate Services Limited, 3 <sup>rd</sup> Floor, Rogers House, No. 5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius;
<b>“ETC Holdings”</b>	ETC Holdings (Mauritius) Limited, a company incorporated in Mauritius with registered number 101674 and whose registered office is at c/o Rogers Capital Corporate Services Limited, 3 <sup>rd</sup> Floor, Rogers House, No. 5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius, and being the sole shareholder of Bidco;
<b>“ETC Holdings Administrator Director”</b>	Hanjali Permalloo Le Roux;
<b>“ETC Holdings Directors”</b>	the persons whose names are set out in paragraph 2.3 of PART VIII of this Document;
<b>“ETC Holdings Responsible Persons”</b>	the ETC Holdings Directors other than the ETC Holdings Administrator Director;
<b>“ETG”</b>	Export Trading Group, the trading name of ETC Group and its businesses;
<b>“Euroclear”</b>	Euroclear UK & International Limited;

<b>“Excluded Shares”</b>	any Shanta Shares (a) registered in the name of, or beneficially owned by any member of the Bidco Group; or (b) held by Shanta as treasury shares, at any relevant time;
<b>“Explanatory Statement”</b>	the explanatory statement (in compliance with section 108 of the Companies Law) relating to the Scheme, as set out in this Document;
<b>“Export Holdings”</b>	Export Holdings Limited, a company incorporated in Guernsey with registered number 57787 and whose registered office is at La Plaiderie House, La Plaiderie, St Peter Port, GY1 1WF Guernsey and which is associated with the UBOs;
<b>“FCA”</b>	the Financial Conduct Authority of the United Kingdom;
<b>“Forms of Proxy”</b>	either or both (as context demand) of the BLUE Form of Proxy in relation to the Court Meeting or the YELLOW Form of Proxy in relation to the General Meeting;
<b>“FSMA”</b>	the UK Financial Services and Markets Act 2000, as amended from time to time;
<b>“General Meeting”</b>	the extraordinary general meeting of Shanta Shareholders, convened by the notice set out in PART XI of this Document, including any adjournment, postponement or reconvening thereof, for the purposes of considering and, if thought fit, approving the Resolution;
<b>“Guernsey”</b>	the Island of Guernsey;
<b>“Guernsey Registry”</b>	the body authorised by the States of Guernsey to maintain various registers as required under Guernsey legislation and operating under the name Guernsey Registry;
<b>“HMRC”</b>	Her Majesty’s Revenue and Customs or its successor from time to time;
<b>“Holder”</b>	a registered holder and includes any person(s) entitled by transmission;
<b>“Independent Shanta Directors”</b>	the Shanta Directors, other than Ketan Patel, whose names are set out in paragraph 2.1 of PART VIII of this Document;
<b>“Latest Practicable Date”</b>	close of business on 23 January 2024, being the latest practicable date before publication of this Document;
<b>“Liberum”</b>	Liberum Capital Limited, Sole Financial and Rule 3 Adviser, Nominated Adviser and Sole Broker to Shanta;
<b>“LIFFE”</b>	London International Financial Futures and Options Exchange;
<b>“LSE” or “London Stock Exchange”</b>	the London Stock Exchange plc or its successor;
<b>“Long Stop Date”</b>	9 October 2024, or such later date as may be agreed between Bidco and Shanta (with the Panel’s consent and as the Court may approve (if such approval(s) is/are required));
<b>“MAR” or “Market Abuse Regulation”</b>	Regulation (EU) No. 596/2014 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended from time to time;
<b>“Meetings”</b>	the Court Meeting and the General Meeting;
<b>“Mining Interests”</b>	the mining exploration and/or exploitation rights of the Shanta Group including, without limitation: (a) (i) the New Luika gold mine in the Songwe district of Southwestern Tanzania, (ii) the Singida project in the Ikungi district, Singida region of Central Tanzania and (iii) the exploration properties (covering approximately

	990 km <sup>2</sup> ) in the Lupa Goldfield surrounding New Luika and in the Singida Greenstone belt (covering approximately 31 km <sup>2</sup> ), which extends across the mining licences of Singida, in each case as more particularly described in the Licences; and (b) the West Kenya Project within the Lake Victoria greenstone gold field in Kenya (including the Kakamega Potential Mining Centre and Ramula Potential Mining Centre) as more particularly described in the Licences;
<b>“New Luika Gold Mine”</b>	the New Luika Gold Mine in the Songwe district of Southwestern Tanzania;
<b>“NYSE”</b>	New York Stock Exchange;
<b>“Offer Document”</b>	should the Acquisition be implemented by means of the Takeover Offer, the document to be sent to Shanta Shareholders which will contain, amongst other things alia, the terms and conditions of the Takeover Offer;
<b>“Offer Period”</b>	the offer period (as defined in the Takeover Code) relating to Shanta, which commenced on 20 December 2023, and ending on the earlier of the date on which it is announced that the Scheme has become Effective and/or the date on which it is announced that the Scheme has lapsed or has been withdrawn (or such other date as the Takeover Code may provide or the Panel may decide);
<b>“Opening Position Disclosure”</b>	has the same meaning as in Rule 8 of the Takeover Code;
<b>“Overseas Shareholders”</b>	Scheme Shareholders or nationals who are resident in, or citizens of, jurisdictions outside the United Kingdom or Guernsey;
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers, or any successor to it;
<b>“Permitted Dividend”</b>	an interim dividend of up to 0.15 pence per share intended to be declared by the Shanta Board and paid prior to the Effective Date;
<b>“P/NAV”</b>	price to net asset value ratio;
<b>“Registrar” or “Receiving Agent”</b>	Computershare;
<b>“Regulatory Information Service”</b>	a “primary information provider” which has been approved by the FCA as such to disseminate regulated information;
<b>“Resolution”</b>	the special resolution to be proposed at the General Meeting in connection with, among other things, the approval of the Scheme and the alteration of the Articles of Incorporation of Shanta by the adoption and inclusion of a new article under which any Shanta Shares issued or transferred after the Scheme Record Time (other than to Bidco and/or its nominees) shall be automatically transferred to Bidco (or as it may direct) (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Shanta Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities) and such other matters as may be necessary to implement the Scheme and the delisting of Shanta Shares;
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Shanta Shareholders in that jurisdiction;
<b>“Rogers Capital”</b>	Rogers Capital Corporate Services Limited, a company providing corporate administrative services to Bidco and ETC Holdings and having its registered office at 3rd Floor, Rogers House, No. 5, President John Kennedy Street, Rogers House, Port Louis, 11302, Mauritius;

<b>“Rule 2.7 Announcement”</b>	the announcement made pursuant to the Takeover Code by Bidco on 20 December 2023 of its firm intention to make a cash offer for the Shanta Shares not already owned by any member of the Bidco Group;
<b>“SAFEX”</b>	South African Futures Exchange;
<b>“Scheme” or “Scheme of Arrangement”</b>	the proposed scheme of arrangement under Part VIII of the Companies Law between Shanta and Scheme Shareholders, as set out in PART IV of this Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Shanta and Bidco;
<b>“Scheme Court Hearing”</b>	the hearing of the Court to sanction the Scheme pursuant to section 110 of the Companies Law and any adjournment, postponement or reconvening thereof;
<b>“Scheme Record Time”</b>	6:00 p.m. on the Business Day immediately following the date on which the Court makes the Court Order or such other time as Shanta and Bidco may agree;
<b>“Scheme Shares”</b>	<p>the Shanta Shares:</p> <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and</li> <li>(iii) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,</li> </ul> <p>which in each case remain in issue at the Scheme Record Time but excluding any Excluded Shares;</p>
<b>“Scheme Shareholders”</b>	a holder of Scheme Shares at any relevant time;
<b>“SEC”</b>	the U.S. Securities and Exchange Commission;
<b>“Shanta” or “Company”</b>	Shanta Gold Limited, a company incorporated in Guernsey with registered number 43133 and whose registered office is at 11 New Street, St Peter Port, Guernsey GY1 2PF;
<b>“Shanta Board”</b>	the Shanta Directors acting together as the board of directors of Shanta;
<b>“Shanta Directors”</b>	the directors of Shanta, whose names are set out in paragraph 2.1 of PART VIII of this Document;
<b>“Shanta Group”</b>	Shanta and its group undertakings from time to time;
<b>“Shanta Shares”</b>	the ordinary shares of 0.01 pence each in the capital of Shanta;
<b>“Shanta Shareholders”</b>	the Holders of Shanta Shares at any relevant time;
<b>“Singida Gold Mine”</b>	the Singida Gold Mine in the Ikungi district, Singida region of Central Tanzania;
<b>“subsidiary”, “subsidiary undertaking” and “undertaking”</b>	shall be construed in accordance with the Companies Act;
<b>“Substantial Interest”</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
<b>“Takeover Code”</b>	The UK City Code on Takeovers and Mergers, as amended from time to time;

<b>“Takeover Offer”</b>	should the Acquisition be implemented by way of a takeover offer (which shall be an offer for purposes of section 337 of the Companies Law), the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of Shanta and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
<b>“Third Party”</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction;
<b>“treasury shares”</b>	any ordinary shares of Shanta held by Shanta as treasury shares;
<b>“UBO”</b>	the ultimate beneficial owners of Bidco: Ketankumar (Ketan) Patel, Birju Patel and Mahesh Patel;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“uncertificated” or “in uncertificated form”</b>	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“USD”</b>	the United States dollar, being the official currency of the US;
<b>“U.S.” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
<b>“U.S. Exchange Act”</b>	the U.S. Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder;
<b>“U.S. Securities Act”</b>	the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;
<b>“U.S. Shanta Shareholder”</b>	any Shanta Shareholder resident or located in the United States of America;
<b>“VWAP”</b>	volume weighted average price;
<b>“Voting Record Time”</b>	6:00 p.m. on the day which is two days prior to the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6:00 p.m. on the day which is two days before the date of such adjourned Meeting;
<b>“Voting Scheme Shareholders”</b>	the Holders of the Scheme Shares, other than the Bidco Connected Individuals or their nominees;
<b>“Voting Scheme Shares”</b>	the Scheme Shares other than those held by, or beneficially owned by, any Bidco Connected Individual;
<b>“West Kenya Project”</b>	the West Kenya Project within the Lake Victoria greenstone gold field in Kenya (including the Kakamega Potential Mining Centre and Ramula Potential Mining Centre);
<b>“Wider Bidco Group”</b>	Bidco and the subsidiaries and subsidiary undertakings of Bidco and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Bidco Group is interested or any undertaking in which Bidco and such undertakings (aggregating their interests) have a Substantial Interest); and
<b>“Wider Shanta Group”</b>	Shanta and the subsidiaries and subsidiary undertakings of Shanta and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Shanta Group is interested or any undertaking in which Shanta and such

undertakings in which (aggregating their interests) have a Substantial Interest).

Unless otherwise stated, “subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking” shall have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of the Rule 2.7 Announcement.

All references to “GBP”, “pence”, “sterling” or “£” are to the lawful currency of the United Kingdom.

References to the singular include the plural and vice versa.

All times referred to are London time unless otherwise stated.

**PART X**  
**NOTICE OF COURT MEETING**  
**IN THE ROYAL COURT OF GUERNSEY**  
**IN THE MATTER OF SHANTA GOLD LIMITED**

(a non-cellular company limited by shares incorporated in Guernsey with registration number 43133)

and

**IN THE MATTER OF PART VIII OF THE COMPANIES (GUERNSEY) LAW, 2008 (AS AMENDED)**

NOTICE IS HEREBY GIVEN that by an order dated 22 January 2024 made under section 107 of the Companies (Guernsey) Law, 2008 (as amended) (the “**Companies Law**”) in the above matter (the “**Order**”), the Royal Court of Guernsey (the “**Court**”) has directed a meeting (the “**Court Meeting**”) to be convened of the Voting Scheme Shareholders (as defined in the Scheme Document referred to below) for the purpose of considering and, if thought fit approving (with or without modification a scheme of arrangement (the “**Scheme of Arrangement**”) pursuant to Part VIII of the Companies Law proposed to be made between Shanta Gold Limited (the “**Company**”) and the Scheme Shareholders (as defined in the Scheme Document referred to below) and that such meeting will be held at the offices of Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG on 29 February 2024 at 1:00 p.m. London time at which place and time all Scheme Shareholders are requested to attend.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 108 of the Companies Law are incorporated in the Scheme Document of which this Notice forms part. Capitalised terms used but not defined in this Notice shall have the meaning given to them in the Scheme Document (unless otherwise stated).

At the Court Meeting, the following resolution will be proposed:

*“That the Scheme of Arrangement between the Company and the Scheme Shareholders, a print of which has been produced to this meeting and, for the purposes of identification signed by the Chairman hereof, in its original form or with or subject to any modification addition or condition approved or imposed by the Court, and agreed by the Company and Bidco, be approved.”*

Voting on the resolution to approve the Scheme of Arrangement will be by poll, which will be conducted as the Chairman of the Court Meeting or the Registrar may determine.

**Instructions for all Voting Scheme Shareholders**

**Voting Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend, speak and vote in their place. A BLUE Form of Proxy for use at the Court Meeting is enclosed with this Notice and is also available on the Company’s website at [www.shantagold.com](http://www.shantagold.com). Voting Scheme Shareholders who hold their shares in CREST may alternatively complete CREST proxy instructions in accordance with the procedures described in the CREST Manual, which can be viewed at [www.EuroClear.com/CREST](http://www.EuroClear.com/CREST).**

**Completion and return of the BLUE Form of Proxy or the appointment of a proxy through CREST will not prevent a Voting Scheme Shareholder from attending, speaking and voting at the Court Meeting, or any adjournment thereof, if that Voting Scheme Shareholder so wishes and is entitled to do so.**

Voting Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Voting Scheme Shares and may also appoint more than one proxy, PROVIDED THAT each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Voting Scheme Shareholders who wish to appoint more than one proxy in respect of their holding of Voting Scheme Shares should contact the Registrar for further Forms of Proxy. Alternatively, you may photocopy the BLUE Form of Proxy that has been sent to you.

It is requested that BLUE Forms of Proxy (and any power of attorney or other authority under which the same are signed) be lodged not later than 48 hours prior to the time appointed for the Court

Meeting or, if the Court Meeting is adjourned, 48 hours prior to the time fixed for any adjourned Court Meeting (excluding any part of such 48 hour period falling on a day that is not a working day). If the BLUE Form of Proxy for the Court Meeting is not lodged by 1:00 p.m. on 27 February 2024, it may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or the adjournment thereof).

In the case of joint holders of the Scheme Shares, the holder who has been elected to represent such joint holders will alone be entitled to vote, whether in person or by proxy. In the absence of any such election, the holder whose name stands first on the register of members of the Company (the “**Register**”) in respect of the joint holding will alone be entitled to vote.

As an alternative to appointing a proxy, any Voting Scheme Shareholder which is a corporation may vote by a corporate representative duly appointed in accordance with the Articles of Incorporation.

Entitlement to attend, speak and vote at the Court Meeting, or any adjournment thereof, and the number of votes which may be cast thereat will be determined by reference to the Register as at 6.00 p.m. (London time) on the day which is two days before the date of the Court Meeting or adjourned meeting (as the case may be). In each case, changes to the Register after such time will be disregarded for the purposes of determining entitlement to attend, speak and vote.

Voting at the Court Meeting will be conducted on a poll rather than a show of hands.

By the said Order, the Court has appointed Anthony Durrant or, failing him, any other Independent Shanta Director of the Company to act as Chairman of the Court Meeting and has directed the Chairman to report the result of the Court Meeting to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

**By Order of the Board of the Company**

Vistra Fund Services (Guernsey) Limited

*Company Secretary*

Dated: 25 January 2024

*Registered Office:*

11 New Street  
St Peter Port  
Guernsey GY1 2PF

## NOTES TO THE NOTICE OF COURT MEETING

1. The resolution in this Notice of the Court Meeting will be taken on a poll.
2. A Voting Scheme Shareholder entitled to attend and vote at the Court Meeting is entitled to appoint a proxy or proxies to attend and vote, instead of him/her, in respect of some or all of his/her Voting Scheme Shares. If a member appoints more than one proxy, each proxy must be entitled to exercise the rights attached to different Voting Scheme Shares. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a Voting Scheme Shareholder from attending and voting at the Court Meeting should he/she subsequently decide to do so. Any power of attorney or any other authority under which your Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with your Form of Proxy. A space has been included on the Form of Proxy to allow the Voting Scheme Shareholder to specify the number of Voting Scheme Shares in respect of which that proxy is appointed. The principles applied to multiple proxy voting instructions are detailed in paragraph 4 below.
3. A BLUE Form of Proxy is enclosed with this Notice. Instructions for use are shown on the BLUE Form of Proxy.
4. If you wish to appoint more than one proxy in respect of your shareholding, please contact the Registrar for further BLUE Forms of Proxy. Alternatively, you may photocopy the BLUE Form of Proxy that has been sent to you. You may appoint more than one proxy in relation to the Court Meeting, PROVIDED THAT each proxy is appointed to exercise the rights attaching to different Voting Scheme Shares held by you. The following principles will apply in relation to the appointment of multiple proxies (assuming each such appointment is valid):
  - (a) The Company will give effect to the intention of Voting Scheme Shareholders and include votes wherever and to the fullest extent possible.
  - (b) Where a proxy does not state the number of Voting Scheme Shares to which it applies (a “**blank proxy**”) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Voting Scheme Shares registered in the name of the appointing Voting Scheme Shareholder (the “**member’s entire holding**”). In the event of a conflict between a blank proxy and a Form of Proxy which does state the number of Voting Scheme Shares to which it applies (a “**specific proxy**”), the specific proxy shall be counted first regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting Forms of Proxy should be judged to be in respect of different Voting Scheme Shares) and the remaining Voting Scheme Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
  - (c) Where there is more than one proxy appointed and the total number of Voting Scheme Shares in respect of which proxies are appointed is no greater than the Voting Scheme Shareholder’s entire holding, it is assumed that proxies are appointed in relation to different Voting Scheme Shares, rather than that conflicting appointments have been made in relation to the same Voting Scheme Shares. That is, there is only assumed to be a conflict where the aggregate number of Voting Scheme Shares in respect of which proxies have been appointed exceeds the Voting Scheme Shareholder’s entire holding.
  - (d) When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last delivered or received.
  - (e) If conflicting proxies are delivered or received at the same time in respect of (or deemed to be in respect of) an entire holding and if the Company is unable to determine which was delivered or received last, none of them will be treated as valid.
  - (f) Where the aggregate number of Voting Scheme Shares in respect of which proxies are appointed exceeds a Voting Scheme Shareholder’s entire holding, all appointments will be rendered invalid.
  - (g) If a Voting Scheme Shareholder appoints a proxy or proxies and then decides to attend the Court Meeting in person and votes using their poll card (as applicable), then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member’s entire holding then all proxy votes will be disregarded. If, however, the Voting

Scheme Shareholder votes at the Court Meeting in respect of less than the Voting Scheme Shareholder's entire holding then, if the Voting Scheme Shareholder indicates on their poll card that all proxies are to be disregarded, that shall be the case; but if the Voting Scheme Shareholder does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the Voting Scheme Shareholder's entire holding.

- (h) In relation to the preceding paragraph, in the event that a Voting Scheme Shareholder does not specifically revoke proxies, it will not be possible for the Company to determine the intentions of the Voting Scheme Shareholder in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
  - (i) If you wish to revoke your proxy after you have delivered it, you may do this by: (a) attending the Court Meeting and voting in person if you were a Voting Scheme Shareholder at the Voting Record Time; (b) signing a BLUE Form of Proxy bearing a later date which is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Company's registered office at Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG, as soon as possible such that your written statement is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above.
5. To be valid, the BLUE Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of the Registrar at Computershare Investor Services (Guernsey) Limited, c/o the Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 48 hours prior to the time appointed for the Court Meeting or, if the Court Meeting is adjourned, 48 hours prior to the time fixed for any adjourned Court Meeting (excluding any part of such 48 hour period falling on a day that is not a working day). If the BLUE Form of Proxy for the Court Meeting is not lodged by 1:00 p.m. on 27 February 2024, it may be presented in person to the Computershare representative who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or the adjournment thereof).
  6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
  7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Registrar (whose CREST ID is 3RA50) by the specified latest time(s) for receipt of proxy appointments. 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 Application Host) from which the Company agent is able to retrieve the message by enquiry to CREST in the manner prescribed.
  8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations, 2009.
  9. Any corporation which is a Voting Scheme Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member PROVIDED THAT they do not do so in relation to the same Voting Scheme Shares. In the case of a Voting Scheme Shareholder which is a company, your Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised officer of the company or an attorney or other person duly authorised for the company.
  10. As at the Latest Practicable Date, the Company's issued share capital consisted of 1,051,467,684 Shares (of which 1,051,104,234 were Voting Scheme Shares) carrying one vote each. Therefore, as at 23 January 2024, the total voting rights in the Company were

1,051,467,684 and the total voting rights eligible to be exercised at the Court Meeting were 1,051,104,234.

11. Any Voting Scheme Shareholder attending the Court Meeting has the right to ask questions. The Company has to answer any questions raised by Voting Scheme Shareholders at the Court Meeting which relate to the business being dealt with at the Court Meeting unless:
  - (a) to do so would interfere unduly with the preparation for the Court Meeting or involve the disclosure of confidential information;
  - (b) the answer has already been given on a website in the form of an answer to a question;  
or
  - (c) it is undesirable in the interests of the Company or the good order of the Court Meeting to answer the question.

**PART XI**  
**NOTICE OF GENERAL MEETING**  
**SHANTA GOLD LIMITED**

(a non-cellular company limited by shares incorporated in Guernsey with registration number 43133)

Notice is hereby given that an extraordinary general meeting (the “**General Meeting**”) of Shanta Gold Limited (the “**Company**”) will be held at the offices of Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG on 29 February 2024 at 1:15 p.m. London time (or as soon thereafter as the Court Meeting (as defined in the Scheme Document referred to below) shall have been concluded or adjourned) for the purpose of considering and, if thought fit passing the following resolution as a special resolution. Capitalised terms in this Notice shall, unless defined herein, have the same meanings as defined in the Scheme Document of which this Notice forms part.

**SPECIAL RESOLUTION**

THAT for the purpose of giving effect to the scheme of arrangement dated 25 January 2024 (the “**Scheme**”) proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to the General Meeting and (for the purpose of identification only) signed by the chairman of the General Meeting, in its original form or with or subject to any modification addition, or condition agreed by the Company and Saturn Resources Ltd (“**Bidco**”) and approved or imposed by the Royal Court of Guernsey:

- (a) the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of incorporation of the Company be and are hereby amended by including the following new article as Article 42:

**42 Scheme of Arrangement**

42.1 In this Article 42, references to:

the “**Scheme**” are to the scheme of arrangement dated 25 January 2024 under Part VIII of the Companies Law, between the Company and the Scheme Shareholders (as defined in the Scheme) (in its original form or with or subject to any modification addition or condition approved or imposed by the Court and agreed by the Company and Bidco), as it may be modified or amended in accordance with its terms; and

“**Bidco**” means Saturn Resources Ltd.

save as defined in this Article 42, expressions defined in the Scheme shall have the same meanings in this Article 42.

42.2 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, and subject to the Scheme becoming Effective, if the Company issues or transfers out of treasury any ordinary shares (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco, any subsidiary of such parent undertaking or any nominee(s) of such persons) on or after the date of the adoption of this Article 42 and prior to the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such shares (other than Bidco or its nominee(s)) shall be bound by the Scheme accordingly.

42.3 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, the Company is prohibited from issuing or transferring out of treasury any shares between the Scheme Record Time and the Effective Date.

42.4 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting and subject to the Scheme becoming Effective, if the Company issues or transfers out of treasury any ordinary shares to any person (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco, any subsidiary of such parent undertaking or its nominee(s)) (a “**New Member**”) or any ordinary shares are registered in the name of a person (other than Bidco, any subsidiary of Bidco, any parent undertaking of Bidco, any subsidiary of such parent

undertaking or any nominee(s)) of such persons (a “**Rectification Member**”) as a result of a rectification order of the Royal Court of Guernsey at or after the Scheme Record Time, such ordinary shares (the “**Disposal Shares**”) shall be immediately transferred to Bidco (or to such person as Bidco may otherwise direct) (the “**Purchaser**”) free of all Encumbrances, who shall be obliged to acquire all of the Disposal Shares. The consideration payable by the Purchaser for each Disposal Share transferred to it (subject as hereinafter provided) will be equal to the Consideration per Scheme Share payable pursuant to the Scheme. For these purposes, “Encumbrances” means all liens, equities, charges, security interests, encumbrances, options, rights of pre-emption and any other third-party rights and interests of any nature whatsoever.

42.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the Scheme Record Time, the value of the consideration per share to be paid under paragraph 42.4 of this Article shall be adjusted by the Directors in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article to shares shall, following such adjustment, be construed accordingly.

42.6 To give effect to any transfer of Disposal Shares required by this Article 42, the Company may appoint any person as attorney (on the basis that any such appointment shall be irrevocable for a period of two months from the date upon which such New Member or the Rectification Member is issued or registered as the holder of the Disposal Shares for that New Member or the Rectification Member) or agent for the New Member or Rectification Member (or any subsequent holder or any nominee of such New Member or Rectification Member or any such subsequent holder) to transfer the Disposal Shares to the Purchaser and/or its nominee(s) and do all such other things and execute and deliver all such documents or deeds as may in the opinion of the attorney or agent be necessary or desirable to vest the Disposal Shares in the Purchaser or its nominee(s) and pending such vesting to exercise all such rights attaching to the Disposal Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member or Rectification Member (or any subsequent holder or any nominee of such New Member or Rectification Member or any such subsequent holder) shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member or Rectification Member (or any subsequent holder or any nominee of such New Member or Rectification Member or any such subsequent holder) in favour of the Purchaser and/or its nominee(s) and the Company may register the Purchaser and/or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member or the Rectification Member for the Disposal Shares. The Purchaser shall send a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder), or by an alternative method communicated by the Purchaser to the New Member, or the Rectification Member (or the relevant nominee) for the purchase price of each Disposal Share (as adjusted pursuant to paragraph 42.4 of this Article, if applicable) within 14 days of the date on which such Disposal Shares are issued to the New Member or registered in the name of the Rectification Member.

42.7 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, neither the Company nor the Directors shall register the transfer of any Scheme Shares between the Scheme Record Time and the Effective Date other than to the Purchaser pursuant to the Scheme.

42.8 Notwithstanding any other provision of these Articles or any resolution passed by the Company in any general meeting, the Directors may refuse to register the transfer of any shares other than as provided by this Article 42.

42.9 If the Scheme shall not have become Effective by the Long Stop Date of the Scheme, this Article 42 shall be of no effect.”

**By Order of the Board of the Company**

Vistra Fund Services (Guernsey) Limited

*Company Secretary*

*Registered Office:*

11 New St, Guernsey  
GY1 3EG, Guernsey

Dated 25 January 2024

## NOTES TO THE NOTICE OF GENERAL MEETING

1. The resolution in this Notice of the General Meeting will be taken on a poll.
2. A Shanta Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy or proxies to attend and vote, instead of him/her, in respect of some or all of his/her Shanta Shares. If a member appoints more than one proxy, each proxy must be entitled to exercise the rights attached to different Shanta Shares. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a Shanta Shareholder from attending and voting at the General Meeting should he/she subsequently decide to do so. Any power of attorney or any other authority under which your Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with your Form of Proxy. A space has been included on the Form of Proxy to allow the Shanta Shareholder to specify the number of Shanta Shares in respect of which that proxy is appointed. The principles applied to multiple proxy voting instructions are detailed in paragraph 4 below.
3. A YELLOW Form of Proxy is enclosed with this Notice. Instructions for use are shown on the YELLOW Form of Proxy.
4. If you wish to appoint more than one proxy in respect of your shareholding, please contact the Registrar for further YELLOW Forms of Proxy. Alternatively, you may photocopy the YELLOW Form of Proxy that has been sent to you. You may appoint more than one proxy in relation to the General Meeting, PROVIDED THAT each proxy is appointed to exercise the rights attaching to different Shanta Shares held by you. The following principles will apply in relation to the appointment of multiple proxies (assuming each such appointment is valid):
  - (a) The Company will give effect to the intention of Shanta Shareholders and include votes wherever and to the fullest extent possible.
  - (b) Where a proxy does not state the number of Shanta Shares to which it applies (a “**blank proxy**”) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Shanta Shares registered in the name of the appointing Shanta Shareholder (the “**member’s entire holding**”). In the event of a conflict between a blank proxy and a Form of Proxy which does state the number of Shanta Shares to which it applies (a “**specific proxy**”), the specific proxy shall be counted first regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting Forms of Proxy should be judged to be in respect of different Shanta Shares) and the remaining Shanta Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
  - (c) Where there is more than one proxy appointed and the total number of Shanta Shares in respect of which proxies are appointed is no greater than the Shanta Shareholder’s entire holding, it is assumed that proxies are appointed in relation to different Shanta Shares, rather than that conflicting appointments have been made in relation to the same Shanta Shares. That is, there is only assumed to be a conflict where the aggregate number of Shanta Shares in respect of which proxies have been appointed exceeds the Shanta Shareholder’s entire holding.
  - (d) When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last delivered or received.
  - (e) If conflicting proxies are delivered or received at the same time in respect of (or deemed to be in respect of) an entire holding and if the Company is unable to determine which was delivered or received last, none of them will be treated as valid.
  - (f) Where the aggregate number of Shanta Shares in respect of which proxies are appointed exceeds a Shanta Shareholder’s entire holding, all appointments will be rendered invalid.
  - (g) If a Shanta Shareholder appoints a proxy or proxies and then decides to attend the Court Meeting in person and votes using their poll card (as applicable), then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member’s entire holding then all proxy votes will be disregarded. If, however, the Shanta Shareholder votes at the General Meeting in respect of less than the Shanta Shareholder’s entire holding then, if the Shanta Shareholder indicates on their poll card that all proxies are to be disregarded, that shall be the case; but if the Shanta Shareholder does not

specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the Shanta Shareholder's entire holding.

- (h) In relation to the preceding paragraph, in the event that a Shanta Shareholder does not specifically revoke proxies, it will not be possible for the Company to determine the intentions of the Shanta Shareholder in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
  - (i) If you wish to revoke your proxy after you have delivered it, you may do this by: (a) attending the General Meeting and voting in person if you were a Shanta Shareholder at the Voting Record Time; (b) signing a YELLOW Form of Proxy bearing a later date which is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Company's registered office at Vistra Fund Services (Guernsey) Limited, 11 New Street, St Peter Port, Guernsey GY1 3EG, as soon as possible such that your written statement is received no later than the applicable deadline for delivery of the Forms of Proxy as noted above.
5. To be valid, the YELLOW Form of Proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of the Registrar at Computershare Investor Services (Guernsey) Limited, c/o the Pavilions, Bridgwater Road, Bristol BS99 6ZY not less than 48 hours (excluding any days which are not Business Days) before the time of holding the General Meeting or, as the case may be, the adjourned General Meeting. If the YELLOW Form of Proxy for use at the General Meeting is not lodged by 1:15 p.m. London time on 27 February 2024, it will be invalid. Completion and return of a YELLOW Form of Proxy will not prevent a member from attending and voting at the General Meeting, or any adjournment thereof, in person if he or she wishes to do so and is so entitled.
  6. Pursuant to Regulation 41 of the Uncertificated Securities (Guernsey) Regulations, 2009, the Company specifies that only those Shanta Shareholders on the register of members of the Company (the "**Register**") at 6.00 p.m. (London time) on the day which is two days before the General Meeting (or any adjournment thereof) shall be entitled to attend or vote at the General Meeting (or any adjournment thereof) in respect of the number of Shanta Shares registered in their name at that time. Changes to the Register after that time will be disregarded in determining the rights of any person to attend or vote at the General Meeting.
  7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
  8. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Registrar (whose CREST ID is 3RA50) by the specified latest time(s) for receipt of proxy appointments. 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 Application Host) from which the Company agent is able to retrieve the message by enquiry to CREST in the manner prescribed.
  9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations, 2009.
  10. In the case of joint holders of the Shanta Shares, the holder who has been elected to represent such joint holders will alone be entitled to vote, whether in person or by proxy. In the absence of any such election, the holder whose name stands first on the Register in respect of the joint holding will alone be entitled to vote.
  11. Any corporation which is a Shanta Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member PROVIDED

THAT they do not do so in relation to the same Shanta Shares. In the case of a Shanta Shareholder which is a company, your Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised officer of the company or an attorney or other person duly authorised for the company.

12. As at 23 January 2024 (being the latest practicable date prior to the date of this Notice), the Company's issued share capital consisted of 1,051,467,684 Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 23 January were 1,051,467,684.
13. Any Shanta Shareholder attending the General Meeting has the right to ask questions. The Company has to answer any questions raised by Shanta Shareholders at the General Meeting which relate to the business being dealt with at the General Meeting unless:
  - (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information;
  - (b) the answer has already been given on a website in the form of an answer to a question; or
  - (c) it is undesirable in the interests of the Company or the good order of the General Meeting to answer the question.

