

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt about the action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or transferred all your ordinary shares in Regency Mines plc, you should pass this document and all other enclosures to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

### **NOTICE OF GENERAL MEETING**

Your attention is drawn to the letter from the Chairman of the Company, which is set out on pages 3 to 8 of this document, which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting ("GM") referred to below. The Notice of the GM of the Company, to be held at Regency Mines Plc, We Work, 71-91 Aldwych House, London WC2B 4HN on 23 December 2019 at 12 noon, is set out at the end of this document. Proxy votes should be submitted as early as possible and in any event by no later than 12 noon on 20 December 2019 (or, in the case of an adjournment, no later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting). This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company in any jurisdiction in which such offer or instruction would be unlawful nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefor. The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons, into whose possession this document and/or any accompanying documents comes, should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

### **FORWARD-LOOKING STATEMENTS**

This document includes "forward-looking statements", which includes all statements other than statements of historical fact, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements, contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

### EXPECTED TIMETABLE

Publication and posting of this document to shareholders	06 December 2019
Latest time and date for receipt of forms of proxy	12:00 on 20 December 2019
General Meeting	12:00 on 23 December 2019
Record Date for Consolidation	15:00 on 23 December 2019
Completion of Consolidation	24 December 2019
Admission of Transaction Shares to Trading on AIM	24 December 2019

### TRANSACTION STATISTICS

Conversion ratio of existing Ordinary Shares to New Ordinary Shares	100 to 1
Number of Existing Ordinary Shares at 5 December 2019	1,516,894,159
Expected Number of New Ordinary Shares to be in Issue following Admission	8,687,335,144
Expected Number of New Ordinary Shares to be in Issue following Consolidation	86,873,352
Nominal share value following Consolidation	£0.0001
Existing Ordinary Share ISIN	GB00BYVT4J08
Existing Ordinary Share SEDOL	BYVT4J0
Proposed New Ordinary Share ISIN	GB00BKM69866
Proposed New Ordinary Share SEDOL	BKM6986

Directors:

Nigel Burton (Non-Executive Chairman)  
Scott Kaintz (Chief Executive Officer)  
Ewen Ainsworth (Non-Executive Director)

Dear Shareholder

5 December 2019

## **Board Changes, Fundraising, Debt Restructuring and Reduction and Share Consolidation**

### **1. Introduction**

The Company announced on 5 December that it had conditionally raised £831,000 before expenses by way of a placing (the "Placing"). It simultaneously announced a corporate restructuring, including Board changes, a proposed placing, share consolidation and restructuring of the Company's balance sheet. The Company also announces that C4 Energy Limited, a UK incorporated private company, part controlled by the newly appointed Chairman, has secured an option to acquire its remaining debt.

Of the funds raised pursuant to the Placing and shares issued pursuant to the Restructuring, the issuance of 5,590,440,983 of the new shares are conditional, inter alia, on the approval of Shareholders of the Resolutions at the General Meeting to provide authority to the Directors to issue and allot further new Ordinary Shares on a non-pre-emptive basis, further details of which are set out below.

The purpose of this letter is to explain the background to and reasons for the placing, restructuring and share consolidation and to seek Shareholder approval of the Resolutions to enable the Directors to complete these initiatives. The Notice of General Meeting is set out at the end of this document.

### **2. Background**

Over recent months the Company has been in discussions with various stakeholders regarding the outstanding levels of corporate debt, most of which relates to the Company's previous investments in Mining Equity Trust ("MET"), in the USA. Given the deterioration of the MET business over the past six months, the view of the Board and key stakeholders is that debt levels of the Company need to be reduced in order to give the Company the balance sheet it requires to continue to progress its battery metals and distributed energy generation and storage assets.

The revised Regency strategy, as announced on 24 July 2019, focused on three core areas: battery metals to include the Mambare nickel-cobalt asset and the Dempster Vanadium project, and distributed energy production and storage across the UK, through Allied Energy Services. This revised core forms a balanced portfolio of near-term cash generation and blue-sky exploration all leveraged directly or indirectly to the battery and energy storage revolution.

The Company has further agreed to appoint James Parsons as Executive Chairman, and it is expected that James will assist in driving forward the business through a blend of organic development and potential acquisitions.

The Company intends to use the net proceeds of the Placing to further develop these projects and to provide working capital for the business.

### 3. Details of the Placing

Regency has proposed to raise £831,000 by way of a placing of 3,021,818,173 new ordinary shares of 0.01 pence each in the Company at a price of 0.0275p per share ("the Placing" and the "Placing Shares"). These subscriptions are conditional on approval at the General Meeting.

Alongside the Placing, an additional 530,030,036 shares (the "Subscription Shares"), representing obligations of £145,758.26, have been issued to Red Rock Resources Plc ("Red Rock Resources") in full extinguishment of outstanding obligations.

### 4. Details of the Restructuring

#### **Promissory Notes and New Loan Notes:**

The holders of the Promissory Note (the "Promissory Note"), first announced on 6 June 2018, and most recently updated on 22 July 2019, have agreed to extinguish the entire remaining balance, owed under the Promissory Note, through a subscription for new Loan Notes and a share conversion.

The partial conversion of the Promissory Note (the "Promissory Conversion Shares") will result in the issuance of 2,596,363,636 new ordinary shares of the Company, and the investors have agreed to lock up the Promissory Conversion Shares, 100% of the total for three months, 70% of the total shares for three further months, and a residual balance of 40% of the Promissory Conversion Shares for a further six-month period.

At the same time the approximate residual balance of £286,756 of the Promissory Notes will be retired, and YA PN II Ltd and Riverfort Global Capital Ltd will subscribe for new two-year loan notes payable on 23 December 2021, bearing 8% interest per annum with no conversion rights (the "New Loan Notes").

#### **Convertible Loan Notes:**

Of the outstanding Convertible Loan Notes ("Convertible Loan Notes"), first announced on 14 January 2019, holders of £281,113 of these notes have agreed to convert these obligations into 1,022,229,140 new ordinary shares of the Company at a price of 0.0275p per share (the "Convertible Conversion Shares") (the "Convertible Conversion"). The terms of 88,015,874 warrants, originally issued to the Convertible Loan Note holders, will be varied, and the new terms of these warrants allow exercise into new ordinary shares of the Company at a price of 0.055p for a period of 36 months.

YA PN II Ltd and Riverfort Global Capital Ltd, existing holders of £442,516 of Convertible Loan Notes, have agreed to extinguish the balance of these notes and to subscribe for an equivalent amount of New Loan Notes, as more fully described above.

A small residual balance of Convertible Loan Notes, representing £30,000 of principal, will remain payable by the Company in May 2020 on the existing convertible loan note terms, and the Warrants associated with this note will remain in place under the existing terms as announced on 14 January 2019.

### 5. Summary of the Transaction

Together the issue of the Placing Shares, Subscription Shares, the Promissory Conversion, the New Loan Notes and the Convertible Conversion constitute the Transaction ("Transaction") and all of the shares issued in the Transaction shall constitute the Transaction Shares ("Transaction Shares").

The issuance of the Transaction Shares consisting of 3,021,818,173 Placing Shares, 530,030,036 Subscription Shares, 2,596,363,636 Promissory Conversion Shares and 1,022,229,140 Convertible Conversion Shares, is conditional upon, inter alia, the passing of resolutions to be put to shareholders of the Company at a General Meeting of the Company to be held on 23 December 2019 ("the GM") to provide authority to the Directors to issue and allot the required shares on a non-pre-emptive basis. A circular, containing a notice of the GM, will be posted to shareholders.

Conditional on the passing of the resolutions at the GM, application will be made for the Transaction Shares to be admitted to trading on AIM and it is expected that their admission to AIM will take place on or around 24 December 2019.

The Transaction Shares as a whole would, if the required resolutions are approved at the GM, result in the issuance of 7,170,440,985 Ordinary Shares, representing, in aggregate, 82.54% of the newly enlarged share capital of the Company. The Transaction Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares of the Company.

## **6. Share Consolidation**

Following the Transaction, the Company will have 8,687,335,144 number of Ordinary Shares in issue, each with a nominal value of £0.0001. The Directors consider that it is in the best interests of the Company's long-term development, as a publicly quoted company, to have a smaller number of shares in issue and a higher share price.

As set out in the Notice of General Meeting Circular, shareholders will be asked to consider, and if thought fit, pass resolutions which will have the following effect: that every 100 ordinary shares of £0.0001 on the Record Date are consolidated into one new ordinary share of £0.0001 each (the "Consolidation").

As the expected issued share capital of the Company is not even divisible by 100 without leaving a fraction of a share following the reorganisation, it is intended to conditionally issue and allot, subject to approval of the reorganisation by shareholders at the General Meeting, 56 new Ordinary Shares on the Record Date at the nominal value rounded up to the nearest 0.01 pence. The issued share capital of the Company as at the Record Date will therefore be 8,687,335,200 Ordinary Shares.

Assuming completion of the Transaction and the Consolidation following the General Meeting, the Company will have a total of 86,873,352 ordinary shares of £0.0001 in issue together with the additional deferred shares as set out in the Notice of General Meeting.

## **7. Related Party Transactions**

Red Rock Resources, subscriber of the Subscription Shares, has in common with Regency an Executive Director, Scott Kaintz, and a previous Director within the last twelve months, Andrew Bell.

Riverfort Global Capital Limited and YA II PN Ltd, the participants in the Promissory Conversion, jointly held 19.93% in the past twelve months, and as such are deemed substantial shareholders during the last twelve months.

For the purposes of the Transaction, the Subscription by Red Rock Resources and the Promissory Conversion by Riverfort Global Capital Limited and YA II PN Ltd, constitute related party transactions as defined in Rule 13 of the AIM Rules for Companies.

Nigel Burton and Ewen Ainsworth, each a Director of the Company, who are independent of the Transaction, having consulted with the Company's nominated advisor, Beaumont Cornish Ltd, considers the terms of the Subscription Shares, Directors' Dealings and the Promissory Conversion to be fair and reasonable insofar as the Company's shareholders are concerned.

## **8. General Meeting**

The Company is convening the General Meeting to seek authority from Shareholders to issue and allot the Transaction Shares and to provide additional headroom should the Company need to issue further Ordinary Shares in the future. It is further asking for approval to conduct the Share Consolidation.

Set out at the end of this document is the notice convening the GM to be held at 12 noon on 23 December 2019 at Regency Mines Plc, We Work, 71-91 Aldwych House, London, WC2B 4HN at which the Resolutions will be proposed.

The Resolutions to be proposed at the GM are as follows:

## Ordinary resolutions

1. That in addition to all existing and unexercised authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 (the "Act") to exercise all or any of the powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) up to a maximum nominal amount of £750,000 provided that this authority shall, unless previously revoked or varied by the Company in General Meeting, expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of this Resolution, unless renewed or extended prior to such time except that the Directors of the Company may before the expiry of such period make an offer or agreement, which would or might require relevant securities to be allotted after the expiry of such period and the Directors of the Company may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
2. That, subject to the passing of resolutions 1, 2 and 5, with effect from 23:58 hours on the date of the passing of this resolution each of the existing issued ordinary shares of £0.0001 each in the capital of the Company ("Existing Ordinary Shares") be subdivided into one B deferred share of £0.000099 each ("B Deferred Shares") and one new ordinary share of £0.000001 each.
3. That, subject to the passing of resolutions 1, 2 and 5, with effect from 23:59 hours on the date of passing of the resolution:
  - a) every one hundred ordinary shares of £0.000001 each in the capital of the Company be and are hereby consolidated into one new ordinary share of £0.0001 each ("New Ordinary Shares") provided that where a holder of ordinary shares of £0.000001 each shall have a fractional entitlement to a New Ordinary Share of £0.0001 each such fractional entitlements shall be aggregated and may be sold in the market and the net proceeds of sale retained for the benefit of the Company; and
  - b) the New Ordinary Shares will have the same rights and be subject to the same restrictions as the Existing Ordinary Shares in the Company's Articles of Association ("Articles") and the B Deferred Shares will have the rights and be subject to the restrictions attached to B Deferred Shares as set out in the Articles.

## Special resolutions

4. That in addition to all existing and unexercised authorities and subject to the passing of resolution 1, the Directors of the Company be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by resolution 2 as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by the Resolution, unless previously revoked or varied by special resolution of the Company in general meeting, shall be limited:
  - a) to the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders, where the equity securities, respectively attributable to the interest of all such shareholders, are proportionate (as nearly as may be) to the respective numbers of the ordinary shares held by them, subject only to such exclusions or other arrangements as the Directors of the Company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory;
  - b) the grant of a right to subscribe for, or to convert any equity securities into ordinary shares otherwise than under sub-paragraph (a) above, up to a maximum aggregate nominal amount of £50,000; and
  - c) to the allotment (otherwise than pursuant to sub-paragraphs (a) and (b) above) of equity securities up to an aggregate nominal amount of £700,000 in respect of any other issues for cash consideration,and shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 15 months from the date of the passing of this Resolution save that the Company may before such expiry make an offer or agreement, which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
5. That subject to the passing of resolutions 2 and 3, the Articles be amended as follows:
  - a) by inserting the following definition at article 1:

*"B Deferred Shares: the B deferred shares in the capital of the Company with the rights set out in Article 14".*

b) by inserting the following as article 14:

*"14 The rights and restrictions attached to the B Deferred Shares shall be as follows:*

*14.1 As regards income, the holders of the B Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.*

*14.2 As regards capital on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption on purchase by the Company of any of its shares), the holders of the B Deferred Shares shall be entitled to receive the amount paid up on their shares after there shall have been distributed (in case or in specie) to the holders of the Ordinary Shares the amount of £100,000,000 in respect of each Ordinary Share held by them respectively. For this purpose, distributions in currency other than sterling shall be treated as converted into sterling, and the value for any distribution in specie shall be ascertained in sterling, in each case in such manner as the Directors of the Company in general meeting may approve. The B Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.*

*14.3 As regards voting, the holders of B Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any General Meeting of the Company or to vote (either personal or by proxy) on any resolution to be proposed thereat.*

*14.4 The rights attached to the B Deferred Shares shall not be deemed to be varied or abrogated by the creation of issue of any new shares ranking in priority to or pari passu with or subsequent to such shares. In addition, neither the passing by the Company of any resolution for the cancellation of the B Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court, nor the obtaining by the Company, nor the making by the Court of any order, confirming any such reduction of capital, nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the B Deferred Shares, and accordingly the B Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction on the part of the holders of the B Deferred Shares.*

*14.5 Notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the B Deferred Shares for an aggregate consideration of £1.*

*14.6 The Company shall have irrevocable authority to appoint any person to execute, on behalf of the holders of the B Deferred Shares, a transfer/cancellation of the B Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the holders of the B Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate(s) if any, for such shares.*

*14.7 The Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this Article, cancel such shares by way of reduction of capital for no consideration.*

*14.8 Notwithstanding any other provision of these Articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the B Deferred Shares."*

c) Subsequent number of the Articles to be sequentially amended.

## **9. Action to be Taken**

A form of proxy will be included with this letter. Submission of a proxy vote will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof. Proxy votes should be submitted as early as possible and in any event by no later than 12 noon on 20 December 2019 (or, in the case of an adjournment, no later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting). Shareholders are reminded that, if their Ordinary Shares are held in the name of a nominee, only that nominee or its duly appointed proxy can be counted in the quorum at the General Meeting.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your broker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser, immediately.

## 10. Importance of Vote

If the Company were unable to proceed with the Transaction, the Board is not confident that the Company would have a reasonable prospect of being able to refinance its outstanding Promissory Note and Convertible Loan Note obligations nor to raise additional equity capital as required to operate as a going concern.

Consequently, it is likely that in such circumstances the Board would conclude that the Company would need to cease trading. The date on which the Directors may conclude that the Company and other members of the Group should cease to trade will depend on, among other things, the Company's trading position at any time and the Company's prospect of discharging its liabilities successfully and continuing to operate as a going concern.

The consequences of a cessation of trading, whether as a result of any of the circumstances described above or otherwise, would be likely to include administration or other insolvency processes. Accordingly, the Board stresses that it is essential that Shareholders vote in favour of the Resolutions at the General Meeting in order to enable the Transaction to proceed.

## 11. Recommendation

The Directors consider that the Transaction is in the best interests of the Company and its Shareholders as a whole and will be transformative to the Company's prospects of developing further its existing interests in battery metals and distributed energy generation and storage. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the GM.

Yours faithfully

Nigel Burton

Chairman

Notice is hereby given that a General Meeting of Regency Mines plc ("the Company") will be held at Regency Mines Plc, WeWork, 71-91 Aldwych House, London WC2B 4HN on **23 December 2019** at 12 noon as set out in this document.

Whether or not you propose to attend the General Meeting, please complete and submit a Proxy Form or electronic proxy appointment in accordance with the notes to the Notice of the General Meeting. To be valid, the Proxy Form must be received by the Company's Registrar, Share Registrars Limited, The Courtyard, 17 West St, Farnham GU9 7DR, or by facsimile transmission to 01252 719 232, not later than 48 hours (excluding non-working days) before the time of the Meeting.



# Notice of General Meeting

Notice is hereby given that a General Meeting of Regency Mines plc ("the Company") will be held at Regency Mines Plc, WeWork, 71-91 Aldwych House, London WC2B 4HN on **23 December 2019** at 12 noon for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as an ordinary resolution in the case of resolutions 1, 2 and 3 and as a special resolution in the case of resolutions 4 and 5.

## Ordinary resolutions

1. That in addition to all existing and unexercised authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 (the "Act") to exercise all or any of the powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) up to a maximum nominal amount of £750,000 provided that this authority shall, unless previously revoked or varied by the Company in General Meeting, expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of this Resolution, unless renewed or extended prior to such time except that the Directors of the Company may before the expiry of such period make an offer or agreement, which would or might require relevant securities to be allotted after the expiry of such period and the Directors of the Company may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
2. That, subject to the passing of resolutions 1, 2 and 5, with effect from 23:58 hours on the date of the passing of this resolution each of the existing issued ordinary shares of £0.0001 each in the capital of the Company ("Existing Ordinary Shares") be subdivided into one B deferred share of £0.000099 each ("B Deferred Shares") and one new ordinary share of £0.000001 each.
3. That, subject to the passing of resolutions 1, 2 and 5, with effect from 23:59 hours on the date of passing of the resolution:
  - c) every one hundred ordinary shares of £0.000001 each in the capital of the Company be and are hereby consolidated into one new ordinary share of £0.0001 each ("New Ordinary Shares") provided that where a holder of ordinary shares of £0.000001 each shall have a fractional entitlement to a New Ordinary Share of £0.0001 each such fractional entitlements shall be aggregated and may be sold in the market and the net proceeds of sale retained for the benefit of the Company; and
  - d) the New Ordinary Shares will have the same rights and be subject to the same restrictions as the Existing Ordinary Shares in the Company's Articles of Association ("Articles") and the B Deferred Shares will have the rights and be subject to the restrictions attached to B Deferred Shares as set out in the Articles.

## Special resolutions

4. That in addition to all existing and unexercised authorities and subject to the passing of resolution 1, the Directors of the Company be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act), pursuant to the authority conferred upon them by resolution 2 as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by the Resolution, unless previously revoked or varied by special resolution of the Company in General Meeting, shall be limited:
  - d) to the allotment of equity securities, in connection with a rights issue in favour of ordinary shareholders, where the equity securities respectively attributable to the interest of all such shareholders are proportionate (as nearly as may be) to the respective numbers of the ordinary shares held by them, subject only to such exclusions or other arrangements as the Directors of the Company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory;
  - e) the grant of a right to subscribe for, or to convert any equity securities into ordinary shares otherwise than under sub-paragraph (a) above, up to a maximum aggregate nominal amount of £50,000; and

- f) to the allotment (otherwise than pursuant to sub-paragraphs (a) and (b) above) of equity securities up to an aggregate nominal amount of £700,000 in respect of any other issues for cash consideration,

and shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 15 months from the date of the passing of this Resolution, save that the Company may before such expiry make an offer or agreement, which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

5. That subject to the passing of resolutions 2 and 3, the Articles be amended as follows:

- d) by inserting the following definition at article 1:

*"B Deferred Shares: the B deferred shares in the capital of the Company with the rights set out in Article 14".*

- e) by inserting the following as article 14:

*"14 The rights and restrictions attached to the B Deferred Shares shall be as follows:*

*14.1 As regards income, the holders of the B Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.*

*14.2 As regards capital on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption on purchase by the Company of any of its shares), the holders of the B Deferred Shares shall be entitled to receive the amount paid up on their shares after there shall have been distributed (in case or in specie) to the holders of the Ordinary Shares the amount of £100,000,000 in respect of each Ordinary Share held by them respectively. For this purpose, distributions in currency other than sterling shall be treated as converted into sterling, and the value for any distribution in specie shall be ascertained in sterling, in each case in such manner as the Directors of the Company in General Meeting may approve. The B Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.*

*14.3 As regards voting, the holders of B Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any General Meeting of the Company or to vote (either personal or by proxy) on any resolution to be proposed thereat.*

*14.4 The rights attached to the B Deferred Shares shall not be deemed to be varied or abrogated by the creation of issue of any new shares ranking in priority to or pari passu with or subsequent to such shares. In addition, neither the passing by the Company of any resolution for the cancellation of the B Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court, nor the obtaining by the Company, nor the making by the Court of any order confirming any such reduction of capital, nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the B Deferred Shares, and accordingly the B Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction on the part of the holders of the B Deferred Shares.*

*14.5 Notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the B Deferred Shares for an aggregate consideration of £1.*

*14.6 The Company shall have irrevocable authority to appoint any person to execute, on behalf of the holders of the B Deferred Shares, a transfer/cancellation of the B Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the holders of the B Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate(s) if any, for such shares.*

*14.7 The Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this Article, cancel such shares by way of reduction of capital for no consideration.*

*14.8 Notwithstanding any other provision of these Articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the B Deferred Shares."*

- f) Subsequent number of the Articles to be sequentially amended.

A form of proxy is provided.

This may be sent by facsimile transfer to 01252 719 232 or by mail using the reply paid card to:

The Company Secretary  
Regency Mines plc, c/o Share Registrars Limited  
The Courtyard  
17 West Street  
Farnham  
Surrey GU9 7DR

In either case, the signed proxy must be received no later than 48 hours (excluding non-business days) before the time of the meeting, or any adjournment thereof.

*Registered office:*

Salisbury House  
London Wall  
London EC2M 5PS

*By order of the Board*

**Stephen Ronaldson**

**Company Secretary**

5 December 2019

Registered in England and Wales Number: 5227458

# Notes to the Notice of General Meeting

## Notes to the Notice of General Meeting

### Entitlement to attend and vote

1. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001 and paragraph 18(c) of The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting. In calculating the period of 48 hours mentioned above, no account shall be taken of any part of a day that is not a working day.

### Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited on 01252 821 390.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter, which is put before the Meeting.

### Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or by facsimile transmission to 01252 719 232; and
- received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

In the case of a member, which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority, under which the proxy form is signed (or a duly certified copy of such power or authority), must be included with the proxy form.

### Appointment of proxy by joint members

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### Changing proxy instructions

8. To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 01252 821 390.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

## Notes to the Notice of General Meeting continued

### Termination of proxy appointments

9. In order to revoke a proxy instruction, you will need to inform the Company using one of the following methods:

By sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or by facsimile transmission to 01252 719 232. In the case of a member, which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority, under which the revocation notice is signed (or a duly certified copy of such power or authority), must be included with the revocation notice.

In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

### Issued shares and total voting rights

10. As at 5 December 2019, the Company's issued share capital comprised 1,516,894,159 ordinary shares of £0.0001 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5 December 2019 is 1,516,894,159.

### Communications with the Company

11. Except as provided above, members who have general queries about the Meeting should telephone Ms. Rasa Vaitkute on 020 7747 9960 or by email to [exploration@regency-mines.com](mailto:exploration@regency-mines.com). No other method of communication will be accepted. You may not use any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

### CREST

12. CREST members, who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, may do so for the General Meeting and any adjournment(s) thereof by using 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 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 Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [euroclear.com/CREST](http://euroclear.com/CREST)).

The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: 7RA36) by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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 a voting service provider(s), to procure that his or 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 CREST by any particular time. In this connection, 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.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

### Use of Authorization

13. The Board of Directors seeks this authorization and disapplication of pre-emption rights in order to have the necessary flexibility to issue new equity securities as required to meet the Company's current and future obligations to its lenders and to fund its operations. The Board requests these rights in order to operate the business effectively and intends to minimize the use of this authorization as it pursues its goals of shareholder value creation and realization.