



CADENCE  
CAPITAL LIMITED

5th March 2021

## DeepGreen Metals Investment Update

Overnight DeepGreen Metals has announced its intention to list through a merger with Sustainable Opportunities Acquisition Corporation (NYSE Code: SOAC). The combined company will be renamed The Metals Company and is expected to begin trading under the NYSE ticker code TMC.

Cadence Capital Limited (ASX Code: CDM) invested in DeepGreen Metals several years ago. DeepGreen Metals was to list on the Canadian stock exchange at that time. This listing was delayed for several reasons, but has now been replaced with a much larger intended listing on New York Stock Exchange.

Our DeepGreen Metals investment, is approximately 2.8% of the portfolio, and is valued at the weighted average cost of the most recent purchases made in FY2020. The proposed listing is at a valuation substantially higher than our current valuation. The transaction reflects a pro forma equity value for The Metals Company (TMC) of approximately US\$2.9 billion and enterprise value of US\$2.4 billion. The recent raising of US\$ 330 million was done at a price of US\$10 per share. Our investment is currently valued at US\$1.38 per share. Upon listing this would equate to a substantial uplift in Pre and post tax NTA for CDM shares. This transaction is subject to shareholder and court approvals. Once the TMC shares are listed and trading freely we will value this investment at market price.

Prior to this announcement CDM shares have been trading at a discount to Pre and Post Tax NTA. Our weekly and monthly NTA announcements will not include the full value accretion of the DeepGreen transaction until the proposed TMC listing.

A summary of the proposed merger transaction is available on both the [DeepGreen Metals company website](#) or on the [SEC website](#) . We will keep CDM shareholders informed of the progress of this listing through ASX announcements and monthly newsletter announcements.

Wayne Davies  
Company Secretary  
Cadence Capital Limited