

Completion of Investment in Sandfire Resources Limited

Metal Tiger plc (AIM: MTR, ASX: MTR), the AIM and ASX listed investor in natural resource opportunities, is pleased to announce that, further to the announcement on 27 September 2021, it has completed its entitlement rights investment in Sandfire Resources Limited ("Sandfire"). Metal Tiger has subscribed for and received 3,300,690 new fully paid ordinary Sandfire Shares ("Sandfire Shares") for a total cost of A\$17,823,726.

Metal Tiger has financed this partially via the sale of 1,051,990 Sandfire Shares at an average price of A\$5.22 per Sandfire Share, existing cash and by entering into a 12-month, A\$9,000,000 margin lending facility agreement with a nominee of SC Lowy, which is secured against 4,714,286 Sandfire Shares held under a tripartite sponsorship deed with an Australian broker (the "Margin Lending Facility").

Summary of key terms of Margin Lending Facility:

- 10% interest rate per annum (rising to 15% in the event of a default) from 4 October 2021, payable semi-annually (i.e. at 6 and 12 months thereafter).
- Ability to extend for a further year, for a small fee.
- Provides Metal Tiger with the ability to free up collateral under the Margin Lending Facility in the event that coverage exceeds 3.5 times the then outstanding loan amount plus accrued interest.
- Metal Tiger has flexibility to free up liquidity by selling the Sandfire Shares that are security for the Margin Lending Facility, over a period of 5 trading days, with an aggregate value of not less than A\$1,000,000 at the time the trade instructions are given, and provided the coverage exceeds the minimum-security cover maintenance levels on the outstanding loan amount plus accrued interest.
- Metal Tiger can apply the proceeds of any sale to either:
 - Pay and repay all amounts payable under the Margin Lending Facility in full; or
 - As a prepayment to the amount outstanding under the Margin Lending Facility, to the extent that following such prepayment, the collateral value is at least the multiple of the loan amount outstanding plus accrued interest that it was before the sale instructions were given; and
 - Any surplus after such application shall be released to Metal Tiger.
- Establishment fee of A\$300,000 and arranger fee of A\$50,000.
- The agreement is subject to security cover maintenance levels and margin levels that are deemed commercially acceptable and standard for a transaction of this nature.
- Metal Tiger maintains rights over all ordinary course of business dividends received from Sandfire.

Following completion of this investment Metal Tiger is currently interested in 8,462,057 Sandfire Shares representing approximately 2.4% of Sandfire's issued share capital (post institutional



raise). Of this holding, 2,842,667 Sandfire Shares are subject to an equity derivative financing arrangement with a global investment bank.

Michael McNeilly, Chief Executive Office of Metal Tiger, commented:

"The Margin Lending Facility allows Metal Tiger to maintain leverage to any potential upside in Sandfire over an extended period, with what the Board considers to be an appropriate level of risk, thanks to strong liquidity rights over collateralised shares. I would like to extend my gratitude to Adrian Bock, Chief Financial Officer of Metal Tiger, without whom securing the Margin Lending Facility would not have been possible. To conclude such a financing arrangement in such a short timeframe is a significant achievement."

This ASX release was authorised on behalf of the Metal Tiger Board by: David Michael McNeilly, Chief Executive Officer.

For more information about this announcement, please contact:

Michael McNeilly

Chief Executive Officer

info@metaltigerplc.com

