

## Further information regarding AIM Cancellation

Metal Tiger plc (AIM: MTR, ASX: MTR), the AIM and ASX listed investor in natural resource opportunities, is today writing to shareholders to provide further information in relation to the forthcoming cancellation of the admission of ordinary shares of the Company (the "Shares") to trading on AIM (the "AIM Cancellation"), the process for trading Shares on the Australian Securities Exchange (the "ASX") in the form of CHESS depositary interests following the AIM Cancellation, and the applicability of the UK Takeover Code following the AIM Cancellation.

A copy of the letter may be viewed on the Company's website at [www.metaltigerplc.com](http://www.metaltigerplc.com) and is also set out further below.

For further information on the Company, visit [www.metaltigerplc.com](http://www.metaltigerplc.com):

### Extract of letter:

Dear Shareholder

### AIM Cancellation - information for Shareholders

#### 1. Introduction

Further to the circular published by Metal Tiger plc (to be renamed Strata Investment Holdings plc) (the "**Company**") on 2 March 2023 (the "**Circular**") convening the general meeting of the Company to be held on 20 March 2023 (the "**General Meeting**"), I am writing to provide you with further information in relation to the forthcoming cancellation of the admission of ordinary shares of the Company (the "**Shares**") to trading on the AIM market ("**AIM**") of the London Stock Exchange (the "**AIM Cancellation**") and the process for trading your Shares on the Australian Securities Exchange (the "**ASX**") in the form of CHESS depositary interests ("**CDIs**") following the AIM Cancellation.

The board of directors of the Company (the "**Board**") appreciates you may have questions about the AIM Cancellation and what will happen afterwards. This letter is intended to answer some of those questions.

Capitalised terms used in this letter shall have the meanings given to them in Schedule 1 at the end of this letter.

#### 2. Why is the Company cancelling its admission to AIM?

Whilst admission to AIM has generally served the Company well to date the Board is of the opinion that while the Company remains admitted to trading on AIM, given the approval process required in advance of certain investments, it will not be possible to implement efficiently the more active trading strategy that is likely to be required in the future. The Board carefully explored the possibility of applying for admission of the Shares to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. However following discussions with the Company's professional advisers, it became clear that such a move is not viable at this time. As such, the Board has determined that it is in the best interests of the Company and Shareholders to proceed with the AIM Cancellation without applying for admission of the Shares to trading on any other market in the United Kingdom.



However, the Company will retain the admission of the Shares to listing and trading on the ASX. The Board believes that this will result in the Company having greater flexibility to manage its portfolio, either under its existing investing policy or under the new investing policy of the Company which will be considered for approval by Shareholders at the General Meeting (the **"New Investing Policy"**) and better position it to pursue and achieve its investment objectives in the future by being able to trade in a more efficient manner. Equally, should it be approved by Shareholders, the New Investing Policy will provide flexibility to pursue "Complementary Investments" (as described in paragraph 25 below).

### 3. When will the AIM Cancellation take place?

The AIM Cancellation will take place at 7.00 am on 31 March 2023. On this basis, the last day of trading of the Shares on AIM will be 30 March 2023.

### 4. Why aren't Shareholders being given a vote on the AIM Cancellation?

In accordance with the notes to AIM Rule 41, as the Company is maintaining the admission of the Shares to listing and trading on the ASX, being an AIM Designated Market, Shareholders' consent in a general meeting of the Company, which would otherwise be required pursuant to AIM Rule 41, is not required for the AIM Cancellation.

### 5. How will Shareholders be able to trade their Shares follow the AIM Cancellation?

Following the AIM Cancellation, the Shares will remain admitted to trading on the ASX, providing a formal market mechanism enabling Shareholders to trade in the Shares through CDIs, with each CDI representing one Share.

Upon the AIM Cancellation, Shareholders who currently hold their Shares via the UK register will automatically have their holdings switched to the Australian register where they will be held as CDIs. The main difference between holding CDIs and Shares is that CDI Holders hold the beneficial ownership in the Shares instead of legal title. CHESS Depositary Nominees Pty Limited (ACN 071 346 506) (the **"CHESS Depositary"** or **"CDN"**), a subsidiary of ASX, will hold the legal title to the underlying Shares. The former Shareholders, who will become CDI Holders, will be issued Holding Statements with a Securityholder Reference Number, which represent Shares held on their behalf. Using the Securityholder Reference Number, the CDIs will then be able to be traded on the ASX via a licensed ASX broker.

### 6. What is CHESS and what are CDIs?

The Company already participates in ASX's CHESS system and complies with the ASX Listing Rules and ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form as CDIs.

Pursuant to the ASX Settlement Operating Rule 13.4.1, CDI Holders receive all of the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on ASX. CDIs are held in uncertified form and settled/transferred through CHESS. No certificates are issued to CDI Holders.

The Shares underlying the CDIs will be registered in the name of the CHESS Depositary and will be held on behalf of and for the benefit of the CDI Holder. All Shares underlying the CDIs will continue to rank equally with other Shares.

## **7. Who is the CHESS Depositary and what do they do?**

The Company has appointed CDN, and an approved general participant of ASX Settlement, to act as the CHESS Depositary.

The CHESS Depositary holds legal title to the Shares on behalf of CDI Holders. The CHESS Depositary may not dispose of any of the Shares unless authorised by the ASX Settlement Operating Rules, and is not able to create any interest that is inconsistent with the beneficial title held by the CDI Holders. CDN receives no fees for acting as the CHESS Depositary for the CDIs.

## **8. What registers will be maintained recording Shareholders' interests?**

The Company will maintain a certificated principal register of Shares in the United Kingdom, and in Australia an uncertificated issuer sponsored sub-register of CDIs and an uncertificated CHESS sub-register of CDIs.

The Company's uncertificated issuer sponsored sub-register of CDIs and uncertificated CHESS sub-register of CDIs is maintained by the Company's Australian registrar, Link Market Services. The register of Shares is the register of the legal title, and will reflect legal ownership by the CHESS Depositary of the Shares underlying the CDIs. The two uncertificated sub-registers of CDIs combined will make up the register of beneficial title of the Shares underlying the CDIs.

## **9. How is local and international trading in CDIs effected?**

CDI Holders who wish to trade their CDIs will be transferring the beneficial interest in the Shares rather than the legal title. The transfer will be settled electronically by delivery of the relevant CDI holdings through CHESS. In other respects, trading in CDIs is similar to trading in other CHESS approved securities, such as shares in an Australian company.

## **10. Can CDI Holders convert from a CDI holding to a direct holding of Shares?**

Yes this is possible. If CDI Holders wish to convert their holdings to Shares, they can do so by contacting the Company's Australian registrar, Link Market Services. However, following the AIM Cancellation, the Shares will no longer be tradeable in electronic form on a stock exchange and therefore it may be more difficult for Shareholders to realise their investment without converting their holdings back to CDIs.

UK stamp duty may also be payable on transfers of Shares (whilst in the form of Shares rather than CDIs) and on the re-conversion of Shares back to CDIs. See paragraph 21 below for more detail on the tax implications of the AIM Cancellation.

## **11. What are the voting rights of a CDI Holder?**

If CDI Holders wish to attend and vote at the Company's general meetings, they are able to do so. Under the ASX Listing Rules and the ASX Settlement Operating Rules, any CDI Holder must be allowed to attend meetings of the Shareholders unless relevant United Kingdom laws at the time of the meeting prevent CDI Holders from attending those meetings.

CDI Holders are available to vote at the Company's general meetings by:

- (i) instructing the CHESS Depositary, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI Holders with the notice of meeting and this must be completed and returned to the Company's Australian registrar, Link Market Services prior to the meeting; or

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- (ii) informing the Company that they wish to nominate themselves or another person to be appointed as the CHESS Depositary's proxy with respect to their Shares underlying the CDIs for the purposes of attending and voting at the general meeting; or

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- (iii) converting their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI Holder wishes to sell their investment on ASX it would be necessary to convert the Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See paragraph 10 above for further information regarding the conversion process.

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As CDI Holders do not appear on the Company's share register managed by Link Asset Services as the legal owner of the Shares, they will not be entitled to vote at Shareholder meetings unless one of the above steps is undertaken. As each CDI represents one Share, a CDI Holder will be entitled to one vote for every CDI they hold.

CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI Holders by the Company. Since the CHESS Depositary is the legal owner of the applicable Shares and the CDI Holders are not themselves the legal owners of their applicable Shares, CDI Holders may not directly enforce their rights under the Company's articles of association.

## **12. What dividend and other distribution entitlements do CDI Holders have?**

Despite legal title to the Shares being vested in the CHESS Depositary, ASX Settlement Operating Rules provide that CDI Holders are to receive all direct economic benefits and other entitlements in relation to the underlying Shares, which include dividends and other entitlements which attach to the underlying Shares. These rights exist only under ASX Settlement Operating Rules (which have the force of law by virtue of the the Australian Corporations Act 2001 (Cth)), rather than under the UK Companies Act.

If the Company declares dividends, it expects to declare any dividends in pounds sterling as that is its main functional currency. As such, an investor whose principle currency is not pounds sterling will be exposed to foreign currency exchange rate risk.

The Board intends to maintain its existing policy, which is to deliver Shareholder returns principally through capital growth rather than income distribution via dividends.

## **13. What corporate action entitlement (such as rights issues and bonus issues) do CDI Holders have?**



CDI Holders receive all direct economic benefits and other entitlements in relation to the underlying Shares. These include entitlements to participate in rights issues, bonus issues and capital reductions. These rights exist only under ASX Settlement Operating Rules, rather than under the UK Companies Act.

#### **14. What rights do CDI Holders have in the event of a takeover?**

If a takeover bid or similar transaction is made in relation to the Shares of which the CHES Depositary is the registered Shareholder, under ASX Settlement Operating Rules, the CHES Depositary must not accept the offer made under the takeover bid except to the extent that acceptance is authorised by the relevant CDI Holder. The CHES Depositary must ensure that the offeror processes the takeover acceptance of a CDI Holder if such CDI Holder instructs the CHES Depositary to do so.

These rights exist only under ASX Settlement Operating Rules, rather than under the UK Companies Act.

#### **15. What notices and announcement will CDI Holders receive?**

CDI Holders will receive all notices and company announcements (such as annual reports) that Shareholders are entitled to receive from the Company. These rights exist under ASX Settlement Operating Rules and the Company's articles of association, rather than under the UK Companies Act.

#### **16. What rights do CDI Holders have on liquidation or winding up?**

In the event of the Company's liquidation, dissolution or winding up, a CDI Holder will be entitled to the same economic benefit on their CDIs as Shareholders. These rights exist only under ASX Settlement Operating Rules, rather than under the UK Companies Act.

#### **17. Will CDI Holders incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares?**

A CDI Holder will not incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares.

#### **18. Can Shareholders convert their holdings to CDIs before the AIM Cancellation?**

Yes, Shareholders may voluntarily convert their holdings into CDIs in advance of the AIM Cancellation. This can be done by completing a Register Removal Request (London to Australia) form, which is available on the Company's website at [www.metaltigerplc.com](http://www.metaltigerplc.com), and submitting such form to the Company's UK registrar, Link Asset Services in accordance with the instructions on the form. Once the form has been received and verified by Link Asset Services, CDIs will be issued to the registered details on the form within 72 hours.

#### **19. Where can Shareholders find further information about transferring CDIs?**

If a CDI Holder's CDIs are held on the CHES sub-register, they may contact their sponsoring participant (usually a broker). If CDIs are held on the issuer sponsored sub-register, they may contact Link Market Services.

The transfer of CDIs may be effected by a proper transfer (defined as a Proper ASTC Transfer in the ASX Listing Rules). Upon receipt of a proper transfer and subject to ASX Listing Rules and ASX Settlement Operating Rules, the Company will approve registration of a transferee named in the transfer as a CDI Holder. The transferor will be deemed to remain the holder of such CDIs until a proper transfer has been effected or the name of the transferee is entered in the CHES sub-register or the issuer sponsored sub-register (as applicable) as the CDI Holder.

The Company may suspend the registration of transfers of CDIs at the times and for the periods they determine, but only as permitted by ASX Settlement Operating Rules.

## **20. Can the Company force a sale of CDIs?**

Subject to certain restrictions and procedures, the Company may, after giving written notice to a CDI Holder, sell a CDI Holder's CDIs if the CDI Holder holds less than a non-marketable parcel (a parcel of securities that is less than a marketable parcel within the meaning of the ASX Operating Rules Procedures).

## **21. What are the tax implications of the AIM Cancellation?**

The Company is incorporated in the United Kingdom and will continue to be taxed as such. The Directors do not expect the Company to be taxed in Australia as a public company as a result of the AIM Cancellation.

No stamp duty will be payable in Australia upon the sale or the entry into of an agreement for sale of CDIs following the AIM Cancellation.

As, upon AIM Cancellation, the Shares will automatically transfer to the CHES Depositary in order that they can continue to be traded in the form of CDIs, it is noted that a 1.5 per cent stamp duty reserve tax ("SDRT") liability is expected to arise, although the Company is continuing to investigate the application of this with its professional advisers. If applicable, the liability is expected to be calculated by reference to the number of Shares which are transferred to the CHES Depositary (being the number of Shares not represented by CDIs at the time of the AIM Cancellation) and the closing price on the last day of trading of the Shares on AIM. This liability would be payable in the first instance by the CHES Depositary, however the Company is expected to be required to indemnify the CHES Depositary for any such liability. Accordingly this would be a cost to the Company and there will be no direct cost to be borne by Shareholders. The Board believes that the long term benefits and cost savings of moving to a sole listing on the ASX outweigh this initial upfront cost, as well as the other costs the Company has incurred and will incur in connection with the AIM Cancellation.

Whilst investments in companies admitted to AIM would usually qualify for business property relief from any inheritance tax liability on the death of a Shareholder, because the Company's primary business, during the period in which its Shares have been admitted to AIM, has been mainly to make and hold investments and to deal in securities, stocks and shares, an investment in the Shares should not have been expected to qualify for business property relief and, therefore, would likely have been chargeable to inheritance tax in the UK. UK domiciled investors who will hold CDIs, rather than Shares admitted to AIM, following the AIM Cancellation would also likely be charged to inheritance tax on such CDIs. The AIM Cancellation is unlikely, therefore, to impact the inheritance tax implications of an investment by a UK domiciled investor.



The transfer of the Shares previously admitted to AIM to the CHESS Depositary prior to the issue of CDIs in respect of such Shares should not amount to a chargeable disposal by an investor for UK capital gains tax purposes on the basis that the investor should, under Australian law, continue to hold a beneficial interest in the Shares through such investor's holding of CDIs.

## **22. Will this impact the regulatory status of the Company?**

The Company is a closed-ended investment fund incorporated as a public company limited by shares in England and Wales on 6 April 2001 pursuant to the UK Companies Act. The Company was entered into the register of small registered UK AIFMs on 18 November 2022 and will continue to be regulated as such by the Financial Conduct Authority.

Following the AIM Cancellation, the Company will no longer be subject to the rules applying to AIM quoted companies such as the AIM Rules, the UK Disclosure Guidance and Transparency Rules and UK Market Abuse Regulation. However the Company will continue to be subject to the ASX Listing Rules which impose many similar obligations on the Company, such as requirements to publish inside information and regular financial information through annual reports.

As an ASX-listed company, the Company is subject to regular reporting and disclosure obligations under both the Australian Corporations Act and the ASX Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the CDIs.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office.

## **23. What are the implications of the AIM Cancellation with regards to the Takeover Code?**

Following the resignation of Mark Potter (as announced on 13 December 2022 and effective from 12 March 2023), the majority of the Company's Directors and senior management will be resident outside of the UK, Channel Islands or Isle of Man. Consequently, following the AIM Cancellation and on the basis of no further changes to the Board, the City Code on Takeovers and Mergers (the "**Code**") will no longer apply to the Company after the AIM Cancellation.

However in the event that, subsequent to the AIM Cancellation further Board changes result in the Company's place of central management and control being in the UK, Channel Islands or Isle of Man, the Company will once again become subject to the Code.

Further Information on the Code is set out in Schedules 2 and 3 at the end of this letter.

## **24. Will this impact the corporate governance of the Company?**



The Board will remain fully committed to a high standard of corporate governance based on practices which are proportional to the size, risks and operation of the Group's business.

Following the AIM Cancellation, the Board expects to continue to comply fully with the recommendations of the Quoted Companies Alliance Corporate Governance Code (the "**QCA Code**") in the short to medium term, save in respect of Principle 7 ("Evaluate board performance based on clear and relevant objectives, seeking continuous improvement"), noting that given the size and nature of the Group, the Board does not consider it appropriate to have a formal performance evaluation procedure in place, as described and recommended in Principle 7 of the QCA Code. The Board will closely monitor the situation as the Group grows. The Board will keep under review whether the QCA Code remains the most appropriate corporate governance code for the Company to follow in the longer term.

Where appropriate, the Board will also continue to comply with the further requirements of the ASX Corporate Governance Principles and Recommendations.

## **25. Will the AIM Cancellation impact the Company's investment strategy?**

As part of this process and to place the Group in a better position to meet its investment objectives in the future, the Company will, subject to Shareholder's approval, also implement the New Investing Policy, in place of the Company's existing investing policy. The New Investing Policy would come into effect simultaneously with, and subject to, the AIM Cancellation. Given the flexibility afforded by the New Investing Policy, it is unlikely that the implementation of the New Investing Policy will have any immediate impact on the Company's portfolio or require any divestments of the Company's assets.

Under the New Investing Policy, the Group will seek to achieve its investment objectives through a combination of "Core Investments" and "Complementary Investments". "Core Investments" would comprise investments in financial products issued by companies which are predominately admitted to trading on recognised stock exchanges including, but not limited to, the ASX, the Canadian Securities Exchange, the London Stock Exchange (including both AIM and the Main Market), the Stock Exchange of Hong Kong, the Johannesburg Stock Exchange, the New York Stock Exchange and the Toronto Stock Exchange (including the TSX Venture Exchange). "Complementary Investments" would comprise investments in complementary business verticals, with a focus on commercial businesses or funds with separate management teams with that support investment in and the funding of companies and/or projects within the mining sector, that will generate income for the Group.

The full form of the New Investing Policy is set out in Part 2 of the Circular.

In line with the Company's increased strategic focus on equity investments, the Board has also embarked on investments in appropriate portfolio and risk monitoring systems that would be expected from a fully-fledged expanding investment company. These investments incorporate front office order execution functionality and systems provided by an internationally authorised third party system provider, as well as an investment in a bespoke third party middle and back office monitoring platform.

## **26. When will the Company change its name?**

The Board also intends to change the name of the Company to Strata Investment Holdings plc shortly following the AIM Cancellation. The Company's website will be updated to reflect the





new name at the same time. The Company's ASX ticker code will also be changed from "MTR" to "STI" to reflect the new name.

## 27. Where can further information be obtained?

For further information in relation to CDIs and the matters referred to above, please refer to the ASX website at [www2.asx.com.au/](http://www2.asx.com.au/) and the documents entitled:

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(i)	"Understanding	CHESS	Depository	Interests"	at:
	<a href="http://www.asx.com.au/documents/settlement/CHESS_Depository_Interests.pdf">www.asx.com.au/documents/settlement/CHESS_Depository_Interests.pdf</a>				
(ii)	"ASX	Guidance	Note	5"	at:
	<a href="http://www.asx.com.au/documents/rules/gn05_chess_depository_interests.pdf">www.asx.com.au/documents/rules/gn05_chess_depository_interests.pdf</a>				

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Shareholders may also contact the Company's registrar, Link Asset Services (telephone: 0371 664 0300).

The Board as always will be available to Shareholders who wish to discuss these matters directly (telephone: +44 (0)20 3287 5349).

Further information is also available on the Company's website at [www.metaltigerplc.com](http://www.metaltigerplc.com). Shareholders should note that the Company's website address will change when the Company changes its name shortly following the AIM Cancellation.

Shareholders who are in any doubt as to the actions they should take are also recommended to seek their own personal financial advice from a stockbroker, bank manager, solicitor, accountant or other independent professional financial adviser, authorised under the Financial Services and Markets Act 2000 (as amended) if they are resident in the United Kingdom or, if they are resident outside the United Kingdom, from another appropriately authorised and qualified independent professional financial adviser.

## 28. Conclusion

The Directors unanimously believe that the AIM Cancellation is in the best interests of the Company and its Shareholders. The Board believes that having a sole listing on the ASX will result in the Company having greater flexibility to manage its portfolio, implement the New Investing Policy and better position it to pursue and achieve its investment objectives in the future by being able to trade in a more efficient manner.

The Board thanks Shareholders for their continued support and looks forward to this exciting next stage of the Company's journey.

Yours faithfully,

**Charles Hall**

*Chair*



## SCHEDULE 1: DEFINITIONS

The following definitions apply throughout this letter, unless otherwise specified:

<b>AIM</b>	the AIM market of the London Stock Exchange
<b>AIM Cancellation</b>	the cancellation of admission of the Shares to trading on AIM, which will take place on 31 March 2023
<b>AIM Rules</b>	the AIM Rules for Companies published by the London Stock Exchange
<b>ASIC</b>	the Australian Securities and Investment Commission
<b>ASX</b>	the Australian Securities Exchange
<b>ASX Corporate Governance Principles and Recommendations</b>	the 4 <sup>th</sup> Edition Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council in February 2019
<b>ASX Listing Rules</b>	the listing rules made by the ASX
<b>ASX Operating Rules Procedures</b>	the Procedures relevant to the ASX Settlement Operating Rules updated as of 30 May 2022
<b>ASX Settlement</b>	ASX Settlement Pty Ltd
<b>ASX Settlement Operating Rules</b>	the rules of the ASX Settlement
<b>Australian Corporations Act</b>	the Australian Corporations Act 2001 (Cth)
<b>Board</b>	the board of Directors of the Company
<b>CDI</b>	a CHESS depositary interest
<b>CDI Holder(s)</b>	the holder of one or more CDIs
<b>CHESS</b>	the Clearing House Electronic Subregister System used by the ASX to record shareholdings and manage the settlement of share transactions



<b>CHESS Depositary or CDN</b>	CHESS Depositary Nominees Pty Ltd
<b>Circular</b>	the shareholder circular published by the Company on 2 March 2023
<b>Company</b>	Metal Tiger plc (to be renamed Strata Investment Holdings plc shortly following AIM Cancellation)
<b>Directors</b>	the directors of the Company from time to time
<b>General Meeting</b>	the general meeting of the Company to be held on 20 March 2023 at which the New Investing Policy is proposed to be approved
<b>London Stock Exchange</b>	the London Stock Exchange plc
<b>Main Market</b>	the main market for listed securities of the London Stock Exchange
<b>New Investing Policy</b>	the new investing policy of the Company set out in Part 2 of the Circular, which is proposed to be approved by Shareholders at the General Meeting and which, subject to Shareholder's approval, will come into effect simultaneously with the AIM Cancellation
<b>Panel</b>	the Panel on Takeovers and Mergers
<b>QCA Code</b>	the Quoted Companies Alliance Corporate Governance Code
<b>SDRT</b>	UK Stamp Duty Reserve Tax
<b>Shareholder(s)</b>	the holder of one or more Shares
<b>Shares</b>	the ordinary shares of 0.1 pence each in the Company
<b>UK Companies Act</b>	the UK Companies Act 2006

All references to times are to London times.

## **SCHEDULE 2: THE CITY CODE ON TAKEOVERS AND MERGERS**

The Code applies to all offers for companies which have their registered office in the UK, the Channel Islands or the Isle of Man if any of their equity share capital or other transferable securities carrying voting rights are admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man.



The Code also applies to all offers for companies (both public and private) which have their registered office in the UK, the Channel Islands or the Isle of Man which are considered by the Panel to have their place of central management and control in the UK, the Channel Islands or the Isle of Man.

As a result, following the AIM Cancellation becoming effective, the Code will cease to apply to the Company and Shareholders will no longer be afforded the protections provided by the Code.

This includes the requirement for a mandatory cash offer to be made if either:

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- (i) a person acquires an interest in shares which, when taken together with the shares in which persons acting in concert with it are interested, increases the percentage of shares carrying voting rights in which it is interested to 30% or more; or
  - (ii) a person, together with persons acting in concert with it, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with it, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which it is interested.
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Brief details of the Panel, and of the protections afforded by the Code (which will cease to apply following the AIM Cancellation), are set out below.

### *The Code*

The Code is issued and administered by the Panel. The Code currently applies to the Company and, accordingly, its Shareholders are entitled to the protections afforded by the Code.

The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover, and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

### *The General Principles and Rules of the Code*

The Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. The General Principles apply to takeovers and all other matters with which the Code is concerned. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Code contains a series of Rules. Some of the Rules provide more detail on how the General Principles will be applied by the Panel and others



govern specific aspects of takeover procedure. Like the General Principles, the Rules are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

#### *Giving up the protection of the Code*

A summary of key points regarding the application of the Code to takeovers generally is set out in Schedule 3. You are encouraged to read this information carefully as it outlines certain important protections which will no longer apply to the Company following the AIM Cancellation.

### **SCHEDULE 3: KEY PROVISIONS OF THE CODE**

The following is a summary of key provisions of the Code which apply to transactions to which the Code applies. You should note that, following the AIM Cancellation, the following protections afforded by the Code will no longer apply to the Company.

#### *Equality of treatment*

General Principle 1 of the Code states that all holders of the securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16.1 requires that, except with the consent of the Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

#### *Information to shareholders*

General Principle 2 requires that the holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the takeover bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

#### *The opinion of the offeree board and independent advice*

The board of the offeree company is required by Rule 3.1 of the Code to obtain competent independent advice as to whether the financial terms of an offer are fair and reasonable and the substance of such advice must be made known to shareholders. Rule 25.2 requires the board of the offeree company to send to shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion. That opinion must include the board's views on: (i) the effects of implementation of the offer on all the company's interests, including, specifically, employment; and (ii) the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business.

The document sent to shareholders must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that, except in certain circumstances, information and opinions relating to an offer or a party to an offer must be made equally available to all offeree company shareholders and persons with information rights as nearly as possible at the same time and in the same manner.



*Option holders and holders of convertible securities or subscription rights*

Rule 15 of the Code provides that when an offer is made and the offeree company has convertible securities outstanding, the offeror must make an appropriate offer or proposal to the holders of those securities to ensure their interests are safeguarded. Rule 15 also applies in relation to holders of options and other subscription rights.

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**For further information on the Company, visit:** [www.metaltigerplc.com](http://www.metaltigerplc.com)

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

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Chief Executive Officer

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