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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO 596/2014 (INCORPORATED INTO UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED BY VIRTUE OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

FOR IMMEDIATE RELEASE

20 December 2023

**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

**Summary**

- The boards of directors of Saturn Resources Ltd (“**Bidco**”), a wholly-owned subsidiary of ETC Holdings (Mauritius) Limited (“**ETC Holdings**”), and Shanta Gold Limited (“**Shanta**”), are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by Bidco of the entire issued and to be issued share capital of Shanta not already owned by any member of the Bidco Group (the “**Acquisition**”).
- Under the terms of the Acquisition, Shanta Shareholders (other than any member of the Bidco Group) will be entitled to receive:

**for each Shanta Share: 13.5 pence in cash**

- The Consideration of 13.5 pence per Shanta 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 (the “**Latest Practicable Date**”);
  - 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 Latest Practicable Date;
  - 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 Latest Practicable Date; 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 Latest Practicable Date.

- In addition, each Shanta Shareholder holding Shanta Shares at the relevant record date will be entitled to 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 (the “**Permitted Dividend**”).

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

- In addition to the irrevocable undertakings from Independent Shanta Directors noted below, Bidco has received an irrevocable undertaking from Shanta's largest shareholder to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution(s) 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 to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution(s) 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 Announcement, including the irrevocable undertakings from the Independent Shanta Directors noted below, 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(s) 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 Appendix 3 to this Announcement.

#### **Recommendation**

- 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 advice to the Independent Shanta Directors for the purposes of Rule 3 of the Takeover Code.

- Accordingly, the Independent Shanta Directors intend to 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(s) 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) as those Independent Shanta Directors who are interested in Shanta Shares have irrevocably undertaken to vote in favour (or procure to vote) in respect of their own beneficial holdings of 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 at the close of business on the Latest Practicable Date.
- 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.

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

#### *Bidco*

- Bidco is a company limited by shares, incorporated in November 2023, under the laws of Mauritius.

#### *The Bidco Group*

- Bidco is a wholly-owned subsidiary of ETC Holdings, an investing company with assets in a diverse range of industries, primarily through its controlling shareholding in ETC Group, 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 optimization, 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 (the "UBOs") are Mr Ketan Patel, Mr Birju Patel and Mr Mahesh Patel, whose biographies are set out later in this Announcement.

### **Acquisition Structure, Timetable and Conditions**

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between Shanta and the Scheme Shareholders under Part VIII of the Companies Law in Guernsey (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 Acquisition will be put to Shanta Shareholders at the Court Meeting and the General Meeting. The Court Meeting and the General Meeting are required to enable eligible Shanta Shareholders to consider, and if thought fit, to vote in favour of the Scheme and the Resolution(s) to facilitate the implementation of the Scheme. In order to become Effective, the Scheme must be approved by a majority in number of Voting Scheme Shareholders, present and voting (and entitled to vote) at the Court Meeting, whether in person or by proxy, representing 75 per cent. or more of the voting rights of the Voting Scheme Shareholders (or the relevant class or classes thereof). In addition, in order for the Scheme to become Effective, at the General Meeting, the Resolution(s) must be passed by Shanta Shareholders representing, whether in person or by proxy, at least 75 per cent. of the votes validly cast on the Resolution(s). The General Meeting will be held immediately after the Court Meeting.
- 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. The Shanta Shares owned or controlled by any Bidco Connected Individual (being, in aggregate, 363,448 Shanta Shares as at the close of business on the Latest Practicable Date) will constitute Scheme Shares. No member of the Bidco Group or any 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.
- The Acquisition will be subject to the Conditions and terms set out in Appendix 1 of this Announcement, 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 and sanction of the Scheme by the Court, (iii) approval by the requisite majority of Shanta Shareholders of the Resolution(s) to be proposed at the General Meeting, and (iv) to the full terms and conditions of the Acquisition which will be set out in the Scheme Document.
- It is expected that the Scheme Document containing further details of the Scheme and the Acquisition and the notices of the Meetings, together with the accompanying Forms of Proxy, will be published in January 2024 (unless the Panel agrees otherwise). An expected timetable of principal events will be included in the Scheme Document.
- 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 Appendix 1 and to all terms and conditions of the Acquisition which will be set out in the Scheme Document.

Commenting on today's Announcement, Ketan Patel, a director of Bidco and ETC Holdings, said:

*“As a shareholder in Shanta, we remain supportive of management and their strategy. However, we believe that Shanta’s share price may inhibit Shanta’s ability to deliver on its strategy and potential to maximise future shareholder returns. Furthermore, the lack of trading liquidity prevents ourselves and other institutional shareholders from being able to exit without risk of causing a detrimental impact on the share price. We believe that it would be beneficial for Shanta, its employees, and its other stakeholders to continue its growth and development as a private company. As part of ETC Holdings, Shanta will benefit from the experience and connections of ETC Holdings and ETG in East Africa and as a result, have additional support during the currently heightened levels of macro-instability.*

*Anticipating that current pressures on Shanta’s operating market are to persist for the near-term and given the significant technical, financial, regulatory and geopolitical risks, our objective is also to provide liquidity to shareholders to realise their investment for cash at an appropriate premium to the current market value.”*

Commenting on the Acquisition, Tony Durrant, Chairman of Shanta, said:

*“Shanta has successfully brought two mines into production since 2013 and has an exciting development project in West Kenya. Whilst the Independent Shanta Directors have confidence in Shanta’s ability to deliver on its business plan and to continue to deliver strong results and growth in the future, this is an all-cash offer at a premium to the current price when the gold price is close to an all-time high. As such it provides an exit opportunity in cash for all shareholders taking into account the current gold price as well as the operational and other risks inherent in the business.”*

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement and the Appendices. The Acquisition will be subject to the Conditions and certain other terms set out in Appendix 1 and to the full terms and conditions which will be set out in the Scheme Document. Appendix 2 contains the bases of calculation and sources of certain information contained within this Announcement. Details of the irrevocable undertakings and the letter of intent received by Bidco in connection with the Acquisition are set out in Appendix 3. Certain terms used in this Announcement are defined in Appendix 4.**

### **Shanta Presentation**

A presentation from the Independent Shanta Directors in relation to the Acquisition will be available on Shanta’s website at [www.shantagold.com](http://www.shantagold.com) in due course.

### **Enquiries:**

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C/o Berenberg

#### **Berenberg (Financial Adviser to Bidco and ETC Holdings)**

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**Shanta**

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Eric Zurrin, Chief Executive Officer

Michal Devine, Chief Financial Officer

**Liberum (Sole Financial and Rule 3 Adviser, Nominated Adviser and Sole Broker to Shanta)**

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***Investment Banking***

Scott Mathieson, Kane Collings, Nikhil Varghese

***M&A***

Tim Medak, Mark Harrison, Matt Hogg

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Tel: +44 (0)20 3727 1426

Sara Powell, Nick Hennis

In connection with the Acquisition:

Addleshaw Goddard LLP is acting as legal adviser to Bidco and ETC Holdings on English law;

Mourant Ozannes (Guernsey) LLP is acting as legal adviser to Bidco and ETC Holdings on Guernsey law;

RBG Legal services Limited, trading as Memery Crystal, is acting as legal adviser to Shanta on English law; and

Carey Olsen (Guernsey) LLP is acting as legal adviser to Shanta on Guernsey law.

***Further information***

*This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Shanta in any jurisdiction in contravention of applicable law. The Acquisition will be made and implemented solely pursuant to the terms of the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*Shanta and Bidco will prepare the Scheme Document (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, the Offer Document) to be distributed to Shanta Shareholders. Shanta and Bidco urge Shanta Shareholders to read the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) when it becomes available because it will contain important information relating to the Acquisition.*

*This Announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

### **Disclaimers**

*Joh. Berenberg, Gossler & Co. KG, London Branch ("**Berenberg**"), which is authorised and regulated by the German Federal Financial Supervisory Authority ("**BaFin**") and is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Bidco and ETC Holdings and no one else in connection with the Acquisition and other matters set out in this Announcement and will not be responsible to anyone other than Bidco and ETC Holdings for providing the protections afforded to clients of Berenberg, or for providing advice in connection with the Acquisition or any matter referred to herein. Neither Berenberg nor any of its affiliates 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 Announcement, any statement contained herein or otherwise.*

*Liberum Capital Limited ("**Liberum**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Shanta and no one else in connection with the Transaction and will not be responsible to anyone other than Shanta for providing the protections afforded to clients of Liberum or for providing advice in relation to the Transaction or any other matters referred to in this Announcement. Neither Liberum nor any of its affiliates 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 Announcement, any statement contained herein or otherwise.*

### **Overseas jurisdictions**

*This Announcement 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 Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom and Guernsey.*

*The release, publication or distribution of this Announcement 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 who are subject to the laws*

of any jurisdiction other than the United Kingdom or Guernsey should inform themselves about, and observe any applicable requirements.

*The availability of the Acquisition to Shanta Shareholders who are not resident in and citizens of the United Kingdom or Guernsey may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizen. Persons who are not resident in the United Kingdom or Guernsey or who are subject to the laws and regulations of other jurisdictions should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. 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 Meetings, 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. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

*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 Announcement 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 will be 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) and the Registrar of Companies.*

#### **Notice to US 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 US Exchange Act of 1934, as amended. 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 Announcement 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 United States Securities and Exchange Commission, 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 Announcement. 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), 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 US Securities Exchange Act 1934 and Regulation 14E thereunder.*

*Financial information included in this Announcement and the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer 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 US 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 US holder of Shanta Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US 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 US holders of Shanta Shares to enforce their rights and any claim arising out of the US federal laws in connection with the Acquisition, since Bidco and Shanta are located in, and organised under the laws of, a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Shanta Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to the jurisdiction or judgment of a US court.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Securities Exchange Act of 1934, 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 US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the US Securities Exchange Act of 1934, each of Berenberg and Liberum will continue to act as an exempt principal trader in Shanta Shares on the London Stock Exchange. If such purchases or arrangements to purchase were to be made, they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Securities Exchange Act of 1934. 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 <https://www.londonstockexchange.com/>.

### **Cautionary Note Regarding Forward-Looking Statements**

*This Announcement (including information incorporated by reference into this Announcement), 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 Announcement 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 Announcement. Neither Bidco nor Shanta assumes any obligation to update or correct the information contained in this Announcement (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 their Announcement 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.*

### **Disclosure requirements of 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).*

*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.*

### **Shanta securities in issue**

*In accordance with Rule 2.9 of the Takeover Code, Shanta confirms that, as at the date of this Announcement, it has 1,051,467,684 ordinary shares of 0.01 pence each in issue and admitted to trading on AIM. Shanta holds no ordinary shares in treasury. The ISIN of the Shanta Shares is GB00B0CGR828.*

### **Publication on website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this Announcement and the documents required to be published under Rule 26 of the Takeover Code, will be made available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on ETC Holding's website at <https://etcholdings.net/> and Shanta's website at [www.shantagold.com](http://www.shantagold.com) by no later than 12 noon (London time) on the first business day following the publication of this Announcement.*

*Neither the contents of ETC Holding's website, nor those of Shanta's website, nor those of any other website accessible from hyperlinks on either ETC Holding's or Shanta's websites, are incorporated into or form part of this Announcement.*

### **No profit forecasts, profit estimates or quantified benefits statements**

*No statement in this Announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Announcement 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.*

### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, Shanta Shareholders may request a hard copy of this Announcement by contacting Shanta's registrars, Computershare Investor Services (Guernsey) Limited ("**Computershare**"), by: (i) submitting a request in writing to 13 Castle Street, St. Helier, Jersey JE1 1ES; or (ii) calling +44 370 707 4040. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Phone lines are open between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding public holidays in England and Wales). Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.*

*For persons who receive a copy of this Announcement in electronic form, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### **Information relating to Shanta Shareholders**

*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 Announcement 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.*

### **General**

*Bidco reserves the right to elect, with the consent of the Panel (where necessary), and subject to the terms and conditions 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 any member of the Bidco Group as an alternative to the Scheme. In such an event, a Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme.*

*If the Acquisition is effected by way of Takeover Offer, and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of section 337 and Part XVIII of the Companies Law so as to acquire compulsorily the remaining Shanta Shares in respect of which the Takeover Offer has not been accepted.*

*No person should construe the contents of this Announcement as legal, financial or tax advice. If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly 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.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO 596/2014 (INCORPORATED INTO UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED BY VIRTUE OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.**

**FOR IMMEDIATE RELEASE**

**20 December 2023**

**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**

**1. Introduction**

The boards of directors of Saturn Resources Ltd ("**Bidco**"), a wholly-owned subsidiary of ETC Holdings (Mauritius) Limited ("**ETC Holdings**"), and Shanta Gold Limited ("**Shanta**"), are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by Bidco of the entire issued and to be issued share capital of Shanta not already owned by any member of the Bidco Group (the "**Acquisition**").

**2. The Acquisition**

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part VIII of the Companies Law.

Under the terms of the Acquisition, which will be subject to the Conditions and other terms set out in this Announcement and to the full terms and conditions which will be set out in the Scheme Document, Shanta Shareholders (other than any member of the Bidco Group) will be entitled to receive:

**for each Shanta Share: 13.5 pence in cash**

The Consideration of 13.5 pence per Shanta 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 (the “**Latest Practicable Date**”);
- 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 Latest Practicable Date;
- 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 Latest Practicable Date; 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 Latest Practicable Date.

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 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 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 Appendix 1 to this Announcement 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 and sanction of the Scheme by the Court, (iii) approval by the requisite majority of Shanta Shareholders of the Resolution(s) to be proposed at the General Meeting, and (iv) to the full terms and conditions of the Acquisition which will be set out in the Scheme 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.

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, 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% 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 upside and continued mine life extensions in Tanzania, which Bidco believes is symptomatic of the UK listed, Africa-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 evidenced below.

<b><i>Period*</i></b>	<b><i>VWAP (pence per Shanta Share)</i></b>
<i>3 months</i>	<i>10.95</i>
<i>6 months</i>	<i>10.18</i>
<i>9 months</i>	<i>10.51</i>
<i>12 months</i>	<i>10.57</i>
<b><i>Average</i></b>	<b><i>10.55</i></b>

*\* in each case, timeframes are for the period ended on the Latest Practicable Date and by reference to the approximate averages of the Closing Prices of Shanta Shares for the relevant periods.*

##### *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 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 uncertainty, since 2017, around the implementation of the legislated "16% 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. Shanta's background to, and reasons for, the Recommendation**

As Ketan Patel represents the interests of Bidco in relation to the Acquisition, for the purpose of considering the Acquisition, the Shanta Board constituted a committee comprising the Independent Shanta Directors.

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 related, 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 Latest Practicable Date;
- 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 Latest Practicable Date;
- 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 Latest Practicable Date; 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 Latest Practicable Date.

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 regarding Shanta's ongoing strategy and operations and Bidco's recognition of the skills and expertise of Shanta's employees.

Accordingly, the Independent Shanta Directors intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Shanta Shareholders vote in favour of the Resolution(s) at the General Meeting.

## **6. 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 the Independent Shanta Directors and is providing independent advice to the Independent Shanta Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Independent Shanta Directors intend to 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(s) 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) as those Independent Shanta Directors who are interested in Shanta Shares have irrevocably undertaken to vote in favour (or procure to vote) in respect of their own beneficial holdings of 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. 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 the Shanta Shareholders are concerned.

## **7. Irrevocable undertakings and letter of intent**

In addition to the irrevocable undertakings from Independent Shanta Directors referred to above, Bidco has received an irrevocable undertaking from Shanta's largest shareholder to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution(s) 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 to vote in favour (or procure the voting in favour, as applicable) of the Scheme at the Court Meeting and the Resolution(s) 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 Announcement, 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(s) 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 Appendix 3 to this Announcement.

## **8. 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 licences 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 centers have been identified on the West Kenya Project Shanta Gold Licences: 1. Kakamega Potential Mining Centre (Isulu-Bushiangala is the main resource-stage target) and 2. 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.

### **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, Kevin Bessoondyal and Akshata Adheen. 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 Mr Ketan Patel, Mr Birju Patel and Mr 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. 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 Shanta 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 potential ongoing roles within Shanta. There is no intention, however, that Bidco would, prior to completion of the Acquisition, negotiate or discuss with the Independent Shanta Directors the precise 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 Shanta Group holding structure including its 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 16 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 16 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 10 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

## **11. Financing of the Acquisition**

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 will be set out in the Scheme Document.

## **12. 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. In addition, Bidco has agreed to provide Shanta with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document.

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(s) 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 pm on the business day before the Court Hearing confirming either: (i) the satisfaction or waiver of all Conditions (other than the condition referred to in paragraph 2(c)(i) of Part 1 of Appendix 1 to this Announcement); or (ii) that it intends to invoke one or more Conditions (if permitted to do so by the Panel).

### **13. Scheme process**

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between Shanta and the Scheme Shareholders under Part VIII of the Companies Law. Bidco reserves the right, however, to implement the Acquisition by way of Takeover Offer, subject to the consent of the Panel and the terms of the Co-operation Agreement.

The purpose of the Scheme is to provide for Bidco to become the owners of the entirety of the issued and to be issued share capital of Shanta not already held by any member of the Bidco Group. Under the Scheme, the Acquisition is to be achieved by the transfer of the Scheme Shares held by Scheme Shareholders to Bidco in consideration for which Scheme Shareholders will receive the Consideration on the basis set out in paragraph 2 of this Announcement. The process involves, amongst other things, an application by Shanta to the Court to sanction the Scheme.

The Acquisition will be subject to the Conditions and further terms and conditions referred to in Appendix 1 to this Announcement and to be set out in the Scheme Document. Subject, amongst other things, to the satisfaction (or, where applicable, waiver) of the Conditions, the Scheme will only become Effective if, amongst other things, the following events occur on or before the Long Stop Date (or such later date as Bidco and Shanta may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of the Voting Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more of the voting rights of such Scheme Shareholders;
- the Resolution(s) is (or are, as applicable) passed by the requisite majority of Shanta Shareholders at the General Meeting (either in person or by proxy);
- certain regulatory approvals as described in Appendix 1 (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) are obtained (or waived, as applicable); and

- following the Meetings, the Scheme is sanctioned by the Court (with or without modification, and, if with modification, on terms agreed by Bidco and Shanta). The Scheme will only become Effective if the Court Order is granted, in which case the Scheme will become Effective upon delivery to the Registrar of Companies of a copy of the Court Order by Shanta.

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. Export Holdings will not, therefore, 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.

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 will not 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.

The Scheme will lapse and the Acquisition will not complete if, amongst other things:

- the Court Meeting, the General Meeting or the Court Hearing are not held by the 22<sup>nd</sup> day after the expected date of such Meetings or hearing (as applicable) as set out in the Scheme Document (or such later date as may be agreed between Bidco and Shanta, with the consent of the Panel and as the Court may approve, if such approval is required), provided that the deadlines referred to above, in relation to the timings of Meetings and Court Hearing, may be waived by Bidco; or
- the Scheme does not become Effective by the Long Stop Date (or such later date as may be agreed between Bidco and Shanta, with the consent of the Panel and as the Court may approve, if such approval is required).

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Meetings (and if they attended and voted, whether or not they voted in favour). The Consideration payable under the Acquisition will be despatched by Bidco to Scheme Shareholders no later than 14 days after the Effective Date. In addition, from the Effective Date, share certificates in respect of the Shanta Shares will cease to be valid and entitlements to Shanta Shares held within the CREST system will be cancelled.

The Resolution(s) to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any Shanta Shares issued after the Scheme Record Time (other than to Bidco and/or its nominees) to be automatically transferred to Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). These provisions of the Articles (as amended) will avoid any person (other than a member of the Bidco Group) holding Shanta Shares after the Effective Date.

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting and the expected timetable for the implementation of the Scheme, and will specify the action to be taken by Shanta Shareholders. The Scheme Document, together with accompanying Forms of Proxy, is expected to be published and sent to Shanta Shareholders in January 2024 (unless the Panel agrees otherwise). The Acquisition will lapse if the Scheme does not become Effective by the Long Stop Date (or such later date as Bidco and Shanta may agree, with the consent of the Panel and as the Court may approve, if such approval is required).

Subject to, amongst other things, the satisfaction (or, where applicable, waiver) of the Conditions, it is expected that the Acquisition will become Effective in H1 2024.

The Scheme will be governed by Guernsey law and will be subject to the jurisdiction of the Court and will be subject to the applicable requirements of the Takeover Code, the Panel, the FCA, the London Stock Exchange (including pursuant to the AIM Rules) and the Registrar of Companies.

#### **14. Dividends**

The Permitted Dividend shall be paid to Shanta Shareholders holding Shanta Shares at the relevant record date without a commensurate reduction in the Consideration payable to them 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 shareholders (whether payable in cash or otherwise) paid by Shanta prior to the Effective Date.

#### **15. Disclosure of interests**

Except for the irrevocable undertakings referred to in paragraphs 6 and 7 above, and the interests of Export Holdings and each Bidco Connected Individual in the Shanta Shares, as referred to in paragraph 3, as at the date of this Announcement, neither Bidco, nor any member of the Bidco Group, nor any of their respective directors, nor, so far as Bidco is aware, any person acting in concert (within the meaning of the Takeover Code) with Bidco:

- has any interest in, or right to subscribe for, any relevant securities of Shanta; nor
- has any short position in respect of any relevant securities of Shanta, including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of relevant securities of Shanta; nor
- has borrowed or lent any relevant securities of Shanta or entered into any financial collateral arrangements relating to relevant securities of Shanta; nor
- is party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code in relation to relevant securities of Shanta.

An "interest in" securities for these purposes arises, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a

person will be treated as having an 'interest' by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to securities.

#### **16. Cancellation of admission to trading on AIM**

Prior to the Scheme becoming Effective, it is intended that an application will be made to the London Stock Exchange to, subject to the Acquisition becoming Effective, cancel trading in Shanta Shares on AIM, with effect from shortly following the Effective Date.

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 prior to the Effective Date and no transfers will be registered after 6.00 p.m. (London time) on that date.

On the Effective Date, Shanta will become a subsidiary of Bidco and share certificates in respect of Shanta Shares will cease to be valid and should be destroyed. In addition, entitlements held within the CREST system to the Shanta Shares will be cancelled on the Effective Date.

Upon the Scheme becoming Effective, Bidco will acquire the Shanta Shares fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto including the right to receive and retain all dividends and distributions declared, made or paid by reference to a record date after the Effective Date.

#### **17. Consents**

Berenberg and Liberum have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and content in which they appear.

#### **18. Documents available for inspection**

Copies of this Announcement and the following documents will, by no later than 12 noon on the business day following the date of this Announcement, be published on ETC Holdings' website at <https://etcholdings.net/> and Shanta's website at [www.shantagold.com](http://www.shantagold.com) until the end of the Offer Period:

- this Announcement;
- the irrevocable undertakings and letter of intent referred to in paragraphs 6 and 7 above and further described in Appendix 3 to this Announcement;
- the documents relating to the financing of the Acquisition referred to in paragraph 11 above;
- the Confidentiality Agreement;
- the Co-operation Agreement; and

- the consent letters referred to in paragraph 17 above.

The contents of ETC Holding's website and Shanta's website are not incorporated into and do not form part of this Announcement.

## **19. General**

Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms and conditions 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 any member of the Bidco Group as an alternative to the Scheme. In such an event a Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme.

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) request that the London Stock Exchange cancels trading in Shanta Shares on AIM; and (ii) exercise its rights (to the extent such rights are available) to apply the provisions of section 337 and Part XVIII of the Companies Law to acquire compulsorily the remaining Shanta Shares (other than the Excluded Shares) in respect of which the Takeover Offer has not been accepted.

The Acquisition will be subject to the Conditions and other terms set out in Appendix 1 and to the full terms and conditions which will be set out in the Scheme Document. The formal Scheme Document containing further information about the Acquisition and notices of the Meetings, together with the accompanying Forms of Proxy, are expected to be published and sent to Shanta Shareholders in January 2024 (unless the Panel agrees otherwise).

Appendix 2 contains the bases of calculation and sources of certain information contained in this Announcement. Details of the irrevocable undertakings and letter of intent received by Bidco in connection with the Acquisition are set out in Appendix 3 to this Announcement. Certain terms used in this Announcement are defined in Appendix 4.

## **20. Shanta Presentation**

A presentation from the Independent Shanta Directors in relation to the Acquisition will be available on Shanta's website at [www.shantagold.com](http://www.shantagold.com) in due course.

### **Enquiries:**

#### **Bidco and ETC Holdings**

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**Shanta**

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Eric Zurrin, Chief Executive Officer

Michal Devine, Chief Financial Officer

**Liberum (Sole Financial and Rule 3 Adviser, Nominated Adviser and Sole Broker to Shanta)**

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***Investment Banking***

Scott Mathieson, Kane Collings, Nikhil Varghese

***M&A***

Tim Medak, Mark Harrison, Matt Hogg

**FTI Consulting (Public Relation Adviser to Shanta)**

Tel: +44 (0)20 3727 1426

Sara Powell, Nick Hennis

In connection with the Acquisition:

Addleshaw Goddard LLP is acting as legal adviser to Bidco and ETC Holdings on English law;

Mourant Ozannes (Guernsey) LLP is acting as legal adviser to Bidco and ETC Holdings on Guernsey law;

RBG Legal services Limited, trading as Memery Crystal, is acting as legal adviser to Shanta on English law; and

Carey Olsen (Guernsey) LLP is acting as legal adviser to Shanta on Guernsey law.

***Further information***

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Shanta in any jurisdiction in contravention of applicable law. The Acquisition will be made and implemented solely pursuant to the terms of the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*Shanta and Bidco will prepare the Scheme Document (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, the Offer Document) to be distributed to Shanta Shareholders. Shanta and Bidco urge Shanta Shareholders to read the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) when it becomes available because it will contain important information relating to the Acquisition.*

*This Announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

### **Disclaimers**

*Joh. Berenberg, Gossler & Co. KG, London Branch (“**Berenberg**”), which is authorised and regulated by the German Federal Financial Supervisory Authority (“**BaFin**”) and is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Bidco and ETC Holdings and no one else in connection with the Acquisition and other matters set out in this Announcement and will not be responsible to anyone other than Bidco and ETC Holdings for providing the protections afforded to clients of Berenberg, or for providing advice in connection with the Acquisition or any matter referred to herein. Neither Berenberg nor any of its affiliates 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 Announcement, any statement contained herein or otherwise.*

*Liberum Capital Limited (“**Liberum**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Shanta and no one else in connection with the Transaction and will not be responsible to anyone other than Shanta for providing the protections afforded to clients of Liberum or for providing advice in relation to the Transaction or any other matters referred to in this Announcement. Neither Liberum nor any of its affiliates 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 Announcement, any statement contained herein or otherwise.*

### **Overseas jurisdictions**

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

*The release, publication or distribution of this Announcement 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 who are subject to the laws*

of any jurisdiction other than the United Kingdom or Guernsey should inform themselves about, and observe, any applicable requirements.

The availability of the Acquisition to Shanta Shareholders who are not resident in and citizens of the United Kingdom or Guernsey may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizen. Persons who are not resident in the United Kingdom or Guernsey or who are subject to the laws and regulations of other jurisdictions should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. 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 Meetings, 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. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

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 Announcement 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 will be 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) and the Registrar of Companies.

#### **Notice to US 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 US Exchange Act of 1934, as amended. 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 offer and proxy solicitation rules.*

*This Announcement 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 United States Securities and Exchange Commission, 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 Announcement. 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), 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 US Securities Exchange Act 1934 and Regulation 14E thereunder.*

*Financial information included in this Announcement and the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) has been or will have been prepared in accordance with accounting standards applicable in Guernsey and the United Kingdom that may not be comparable to financial information of US 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 US holder of Shanta Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US 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 US holders of Shanta Shares to enforce their rights and any claim arising out of the US federal laws in connection with the Acquisition, since Bidco and Shanta are located in, and organised under the laws of, a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Shanta Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to the jurisdiction or judgment of a US court.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Securities Exchange Act of 1934, 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 US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the US Securities Exchange Act of 1934, each of Berenberg and Liberum will continue to act as an exempt principal trader in Shanta Shares on the London Stock Exchange. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Securities Exchange Act of 1934. 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 Announcement (including information incorporated by reference into this Announcement), 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 Announcement 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 Announcement. Neither Bidco nor Shanta assumes any obligation to update or correct the information contained in this Announcement (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 their Announcement 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.*

### **Disclosure requirements of 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, 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).*

*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.*

### **Shanta securities in issue**

*In accordance with Rule 2.9 of the Takeover Code, Shanta confirms that, as at the date of this Announcement, it has 1,051,467,684 ordinary shares of 0.01 pence each in issue and admitted to trading on AIM. Shanta holds no ordinary shares in treasury. The ISIN of the Shanta Shares is GB00B0CGR828.*

### **Publication on website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this Announcement and the documents required to be published under Rule 26 of the Takeover Code, will be made available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on ETC Holding's website at <https://etcholdings.net/> and Shanta's website at [www.shantagold.com](http://www.shantagold.com) by no later than 12 noon (London time) on the first business day following the date of this Announcement.*

*Neither the contents of ETC Holding's website, nor those of Shanta's website, nor those of any other website accessible from hyperlinks on either ETC Holding's or Shanta's websites, are incorporated into or form part of this Announcement.*

### **No profit forecasts, profit estimates or quantified benefits statements**

*No statement in this Announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Announcement 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.*

### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, Shanta Shareholders may request a hard copy of this Announcement by contacting Shanta's registrars, Computershare Investor Services (Guernsey) Limited ("**Computershare**"), by: (i) submitting a request in writing to 13 Castle Street, St. Helier, Jersey JE1 1ES; or (ii) calling +44 370 707 4040. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Phone lines are open between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding public holidays in England and Wales). Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.*

*For persons who receive a copy of this Announcement in electronic form, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### **Information relating to Shanta Shareholders**

*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 Announcement 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.*

### **General**

*Bidco reserves the right to elect, with the consent of the Panel (where necessary), and subject to the terms and conditions 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 any member of the Bidco Group as an alternative to the Scheme. In such an event a Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme.*

*If the Acquisition is effected by way of Takeover Offer, and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of section 337 and Part XVIII of the Companies Law so as to acquire compulsorily the remaining Shanta Shares in respect of which the Takeover Offer has not been accepted.*

*No person should construe the contents of this Announcement as legal, financial or tax advice. If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly 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.*

## APPENDIX 1

### Conditions and Certain Further Terms of the Acquisition

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

##### Long Stop Date

- 1 The Acquisition will be 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 will be conditional upon:

(a)

- (i) approval of the Scheme at the Court Meeting (and at any separate class meeting which may be required by the Court) by a majority in number of the Voting Scheme Shareholders (or the relevant class or classes thereof, if applicable) present and voting, either in person or by proxy, representing 75 per cent. or more of the voting rights of such Voting Scheme Shareholders (or the relevant class or classes thereof, if applicable); and
- (ii) such Court Meeting (and any such separate class meeting) being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting to be set out in the Scheme 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 to be set out in the Scheme 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; 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 to be set out in the Scheme Document in due course

(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 Registrar of Companies of a copy of the Court Order by Shanta.

### **General Acquisition Conditions**

In addition, subject as stated in Part 2 below and to the requirements of the Panel, the Acquisition will be 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;
- (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's 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 Announcement 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 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 of this Appendix, and any deadlines set out in Condition 2 of Part 1 of this Appendix 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 of this Appendix.
- 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 Announcement 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 Announcement or in the Scheme 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 will be 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 and to the full terms and Conditions to be set out in the Scheme Document in due course. The Acquisition will be subject to Guernsey law and the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the FCA, the Panel, the London Stock Exchange (including pursuant to the AIM Rules) and the Registrar of Companies.

## APPENDIX 2

### BASES AND SOURCES

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

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 19 December 2023 (being the Latest Practicable Date before this Announcement); and
  - assuming no Shanta Shares will be issued, on or after the date of this Announcement.
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 1 above.
3. The premium calculations to the price per Shanta Share used in this Announcement 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 12.65 pence per Shanta Share, derived from Bloomberg;
  - the three month volume-weighted average Closing Price of 10.95 pence per Shanta Share as at the Latest Practicable Date, derived from Bloomberg;
  - the six month volume-weighted average Closing Price of 10.18 pence per Shanta Share as at the Latest Practicable Date, derived from Bloomberg; and
  - the twelve month volume-weighted average Closing Price of 10.57 pence per Shanta Share as at the Latest Practicable Date, derived from Bloomberg.
4. The nine month volume-weighted average Closing Price of 10.51 pence per Shanta Share as at the Latest Practicable Date is derived from Bloomberg.
5. Shanta's volume-weighted average share price figures over the last 12 months are taken from Bloomberg.
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 19 December 2023.

7. The 12 month average daily trading volume of Shanta Shares is taken from Bloomberg.
8. The average bid-ask spread for Shanta Shares over the last 12 months is taken from Bloomberg.
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).
10. Certain figures included in this Announcement have been subject to rounding adjustments.

## APPENDIX 3

### DETAILS OF IRREVOCABLE UNDERTAKINGS AND LETTER OF INTENT

#### *Irrevocable Undertakings*

##### *From Independent Shanta Directors*

The following Independent Shanta Directors have each given an irrevocable undertaking to vote (or procure the voting, as applicable) in favour of the Scheme at the Court Meeting and the Resolution(s) 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 their beneficial holdings of Shanta Shares:

<b>Name</b>	<b>Number of Shanta Shares in respect of which undertaking is given</b>	<b>Percentage of Shanta's issued share capital at the Latest Practicable Date</b>	<b>Percentage of Voting Scheme Shares at the Latest Practicable Date</b>
Eric Zurrin	13,750,544	1.31%	1.37%
Anthony Durrant	4,171,998	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>

The irrevocable undertakings from the Independent Shanta Directors listed above will cease to be binding, inter alia:

- if 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);
- if 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;



- 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;
- if 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
- 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
- if Bidco announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition.

*From other Shanta Shareholders*

In addition to the Independent Shanta Directors, the following shareholder, Shanta's largest, has given an irrevocable undertaking to vote (or procure the voting, as applicable) in favour of the Scheme at the Court Meeting and the Resolution(s) 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:

<b>Name</b>	<b>Number of Shanta Shares in respect of which undertaking is given</b>	<b>Percentage of Shanta's issued share capital at the Latest Practicable Date</b>	<b>Percentage of 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, inter alia:

- if the Scheme Document or Offer Document (as applicable) is not sent to Shanta Shareholders within the permitted period under the 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);

- if 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;
- 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;
- if Bidco announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition;
- 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
- 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).

***Letter of intent***

The following shareholder, Shanta's second largest, has indicated its intent to vote (or procure the voting, as applicable) in favour of the Scheme at the Court Meeting and the Resolution(s) 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:

<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 Voting Scheme Shares at the Latest Practicable Date</b>
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Lombard Odier Asset Management (Europe) Limited	86,901,970	8.26	8.63
<b>Total</b>	86,901,970	8.26	8.63

Copies of these irrevocable undertakings and the letter of intent will be made available promptly and by no later than 12 noon (London time) on the Business Day following this Announcement, on ETC Holding's website, at <https://etcholdings.net/>, and on Shanta's website, at [www.shantagold.com](http://www.shantagold.com), subject to certain restrictions relating to persons resident in Restricted Jurisdictions, until the end of the Offer Period.

## APPENDIX 4

### DEFINITIONS

<b>“Acquisition”</b>	the proposed acquisition of the entire issued and to be issued share capital of Shanta by Bidco (which shall not include those shares already held by a 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 the 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 issued by the London Stock Exchange from time to time
<b>“Announcement”</b>	this announcement and its Appendices
<b>“Appendix”</b>	any appendix to this Announcement
<b>“Articles”</b>	the articles of incorporation of Shanta from time to time
<b>“associated undertaking”</b>	has the meaning given in the UK Companies Act 2006
<b>“Authorisations”</b>	regulatory authorisations, orders, determinations, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, exemptions or approvals
<b>“Berenberg”</b>	Joh. Berenberg, Gossler & Co. KG, London Branch, financial adviser to Bidco
<b>“Bidco”</b>	Saturn Resources Ltd, a private limited company, incorporated in Mauritius with registered number 202512 and whose registered office is at No.5 President John Kennedy Street, Rogers House, Port Louis, Mauritius
<b>“Bidco Connected Individuals”</b>	Mr Ketan Patel as beneficial owner of 256,251 Shanta Shares and Mr Badal Patel as holder, or beneficial owner of 107,197 Shanta Shares
<b>“Bidco Group”</b>	(i) Bidco, (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, public or 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>“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>“Companies Law”</b>	the Companies (Guernsey) Law, 2008 (as amended, from time to time)
<b>“Completion”</b>	completion of the Acquisition
<b>“Computershare”</b>	Shanta’s registrars, Computershare Investor Services (Guernsey) Limited
<b>“Conditions”</b>	the conditions to which the Acquisition is subject, as set out in Appendix 1 to this Announcement and to be set out in the Scheme Document
<b>“Confidentiality Agreement”</b>	the confidentiality agreement entered into between Bidco and Shanta in relation to the Acquisition dated 29 June 2023, a summary of which is set out in paragraph 12 of this Announcement
<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 entered into between Bidco and Shanta dated 20 December 2023, a summary of which is set out in paragraph 12 of this Announcement
<b>“Court”</b>	the Royal Court of Guernsey
<b>“Court Hearing”</b>	the hearing of the Court to sanction the Scheme under Part VIII of the Companies Law
<b>“Court Meeting”</b>	the meeting or meetings of 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 will be set out in the Scheme Document
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme
<b>“CREST”</b>	the CREST system (as defined in the CREST Regulations)
<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>“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>	(a) disclosed in Shanta’s annual report and audited financial statements for the financial year ended 30 March 2023;  (b) disclosed in Shanta’s interim results for the six months ended 30 June 2023 (which are unaudited);

(c) fairly disclosed, prior to the date of this Announcement, by, or on behalf of, Shanta to Bidco or ETC Holdings (or their respective officers, employees, agents or 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;

(d) disclosed in this Announcement; or

(e) disclosed in any other announcement by Shanta prior to the date of this Announcement (by delivery of an announcement to a Regulatory Information Service)

**“Effective”**

either:

(a) if the Acquisition is implemented by way of Scheme, the Scheme having become effective in accordance with its terms; or

(b) 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

**“Effective Date”**

the date on which the Acquisition becomes Effective

**“ETC Group”**

ETC Group, a company incorporated in Mauritius with registered number 095264 and whose registered office is at c/o Rogers Capital Corporate Services Limited, 3rd Floor, Rogers House, No. 5 President John Kennedy Street, Port Louis, Mauritius

**“ETC Holdings”**

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, 3rd Floor, Rogers House, No. 5 President John Kennedy Street, Port Louis, Mauritius, and being the sole shareholder of Bidco

**“ETG”**

Export Trading Group, the trading name of ETC Group and its businesses

**“Excluded Shares”**

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 the Scheme Record Time

**“Export Holdings”**

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 associated with the UBOs
<b>“FCA”</b>	the Financial Conduct Authority in the UK
<b>“Forms of Proxy”</b>	the forms of proxy for use in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
<b>“FSMA” or “Financial Services and Markets Act 2000”</b>	the UK Financial Markets and Services Act 2000, as amended from time to time
<b>“General Meeting”</b>	the general meeting of Shanta Shareholders to be convened to consider and, if thought fit, approve the Resolution(s) (with or without amendment) including any adjournment, postponement or reconvening thereof
<b>“group undertaking”</b>	has the meaning given in the UK Companies Act 2006
<b>“Guernsey”</b>	the island of Guernsey
<b>“Independent Shanta Directors”</b>	the Shanta Directors, other than Mr Ketan Patel
<b>“ISIN”</b>	International Securities Identification Number
<b>“Latest Practicable Date”</b>	19 December 2023
<b>“Liberum”</b>	Liberum Capital Limited, Sole Financial and Rule 3 Adviser, Nominated Adviser and Sole Broker to Shanta
<b>“Licences”</b>	the mining licences, primary mining licences and prospecting licences, and any renewals thereof, pending or granted, to any member of the Shanta Group
<b>“LIFFE”</b>	London International Financial Futures and Operations Exchange
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<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 is 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 the date of this Announcement
<b>“Opening Position Disclosure”</b>	has the meaning given in Rule 8 of the Takeover Code
<b>“Overseas Shareholders”</b>	Scheme Shareholders or nationals who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom or Guernsey
<b>"P/NAV"</b>	price to net asset value ratio
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers
<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 of Companies”</b>	the registrar of companies in Guernsey
<b>“Regulatory Information Service”</b>	a “primary information provider” which has been approved by the FCA as such to disseminate regulated information
<b>“Resolution(s)”</b>	the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including, amongst other things, to make certain amendments to the Articles
<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>“SAFEX”</b>	South African Futures Exchange
<b>“Scheme”</b>	the proposed scheme of arrangement under Part VIII of the Companies Law 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 Document”</b>	the document to be dispatched to Shanta Shareholders setting out, amongst other things, the details of the Acquisition, the full terms and conditions of the Scheme, an explanatory statement



	in compliance with Part VIII of the Companies Law and containing notices convening the Meetings
<b>“Scheme Record Time”</b>	the time and date specified as such in the Scheme Document, by reference to which the entitlements of Scheme Shareholders under the Scheme will be determined, expected to be 6.00 p.m. on the Business Day immediately before the Effective Date, or such other time as Bidco and Shanta may agree
<b>“Scheme Shareholder”</b>	a holder of Scheme Shares
<b>“Scheme Shares”</b>	all Shanta Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document;</li> <li>(b) (if any) issued after the date of the Scheme Document 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 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>“Shanta”</b>	Shanta Gold Limited, a company incorporated in Guernsey with registered number 43133 and whose registered office is at 1 New Street, St Peter Port, Guernsey, GY1 2PF
<b>“Shanta Board”</b>	the board of directors of Shanta
<b>“Shanta Directors”</b>	the directors of Shanta as at the date of this Announcement
<b>“Shanta Group”</b>	Shanta and its group undertakings from time to time
<b>“Shanta Shareholders”</b>	the holders of Shanta Shares
<b>“Shanta Shares”</b>	the ordinary shares of 0.01 pence each in the capital of Shanta
<b>“Singida Gold Mine”</b>	the Singida Gold Mine in the Ikungi district, Singida region of Central Tanzania
<b>“subsidiary”</b>	has the meaning given in the UK Companies Act 2006
<b>“subsidiary undertaking”</b>	has the meaning given in the UK Companies Act 2006
<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 UK Companies Act 2006) of such undertaking

<b>“Takeover Code”</b>	the UK City Code on Takeovers and Mergers
<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>“UBOs”</b>	the ultimate beneficial owners of Bidco: Mr Ketankumar (Ketan) Patel, Mr Birju Patel and Mr Maheshkumar (Mahesh) Patel
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“US” 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>“USD”</b>	the United States dollar, being the official currency of the US
<b>“Voting Record Time”</b>	the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
<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)
<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 (aggregating their interests) have a Substantial Interest)

All times referred to are London time unless otherwise stated.

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

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.





