

TO: Nova Resources B.V. ("**Bidco**")

and

KAZ Minerals PLC ("**KAZ Minerals**")

11 December 2020

Dear Sir/Madam

**Proposed acquisition of KAZ Minerals**

1. **OFFER**

In this undertaking (the "**Undertaking**"), the "**Acquisition**" means the acquisition by Bidco (a company formed and controlled by a consortium of investors consisting of Mr. Oleg Novachuk and Mr. Vladimir Kim (the "**Consortium**") of all the issued and to be issued ordinary share capital of KAZ Minerals not already owned or controlled by the Consortium, and originally proposed to be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**") between KAZ Minerals and the holders of its ordinary shares, on the terms and conditions set out in the press announcement made under Rule 2.7 of the Takeover Code released on 28 October 2020, and now proposed to be implemented by way of a takeover offer (as defined in section 974 of the Companies Act 2006) (the "**Offer**") on the terms and conditions set out in the press announcement released on 7 December 2020 in connection with the switch from the Scheme to the Offer (the "**Switch Announcement**").

Terms not otherwise defined shall have the same meaning as in the Switch Announcement.

2. **OWNERSHIP OF SHARES**

In consideration of Bidco agreeing (subject to paragraph 8 below) to proceed with the Acquisition, we hereby irrevocably and unconditionally undertake, represent and warrant to Bidco and KAZ Minerals that:

- 2.1 we are the beneficial owner of the number of ordinary shares of 20p each in the capital of KAZ Minerals ("**KAZ Minerals Shares**") specified in the Schedule (the "**Existing KAZ Minerals Shares**") and have full power and authority and the right (free from any legal or other restrictions), and will at all times continue to have all relevant power and authority and the right, to enter into this Undertaking, to perform the obligations in this Undertaking in accordance with its terms, to exercise (or procure the exercise of) all voting rights attaching to the Shares (as defined below) and otherwise to take all necessary actions (or procure that they are taken) to accept (or procure the acceptance of) the Offer in respect of, and to transfer the Shares (as defined below);
- 2.2 save as set out in the Schedule, we and our subsidiaries are not interested in any other securities of KAZ Minerals and we do not have any rights to subscribe, purchase or otherwise acquire any securities of KAZ Minerals.

3. **DEALINGS AND UNDERTAKINGS**

In consideration of Bidco agreeing (subject to paragraph 8 below) to proceed with the Acquisition, we hereby irrevocably and unconditionally undertake to Bidco and KAZ Minerals that, other than pursuant to the Acquisition, we shall not (and shall procure that the registered holder shall not) before this Undertaking lapses in accordance with paragraph 9 below:

- 3.1 sell, transfer, charge, encumber, create or grant any option or lien over or otherwise dispose of (or permit any such actions to occur in respect of) any interest in the Existing KAZ Minerals Shares or any other shares in KAZ Minerals issued or unconditionally allotted to, or otherwise acquired by, us or any further shares in the capital of KAZ Minerals in respect of which we become the registered holder or beneficial owner, before then ("**Further KAZ Minerals Shares**"), or any other shares or interests in shares attributable to or deriving from such shares (together, the "**Shares**"); or
- 3.2 accept, or give any undertaking (whether conditional or unconditional) to accept or otherwise agree to any offer, or approve any offer, made or proposed to be implemented by way of a contractual offer, scheme of arrangement or otherwise in respect of securities in KAZ Minerals by any person other than Bidco; or
- 3.3 purchase, acquire or otherwise deal or undertake any dealing in any Further KAZ Minerals Shares or other relevant securities of KAZ Minerals (or any interest therein) unless the Panel determines and confirms to you in writing that in respect of such acquisition or dealing, we are not acting in concert with you pursuant to Note 9 to the definition of "Acting in concert" set out in the Takeover Code; or
- 3.4 enter into any agreement or arrangement, incur any obligation or give any indication of intent (or permit such circumstances to occur):
  - 3.4.1 to do all or any of the acts referred to in paragraphs 3.1, 3.2, 3.2 or 3.3 above,
  - 3.4.2 in relation to, or operating by reference to, the Shares, which would or might restrict or impede the acceptance of the Offer by any person or our ability to comply with this Undertaking,

and for the avoidance of doubt, references in this paragraph 3.4 to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not legally binding or subject to any condition, or which is to take effect upon or following the Offer lapsing or being withdrawn, or upon or following this Undertaking ceasing to be binding, or upon or following any other event.

4. **UNDERTAKING TO ACCEPT THE OFFER**

- 4.1 In consideration of Bidco agreeing (subject to paragraph 8 below) to proceed with the Acquisition, we hereby irrevocably undertake to accept (or where appropriate procure the irrevocable acceptance of) the Offer in accordance with its terms in respect of the Shares.
- 4.2 Our acceptance in respect of the Shares shall be made by 1.00pm on the fifth Business Day after the formal offer document containing the Offer (the "**Offer Document**") is sent to KAZ Minerals shareholders (or by 1.00 p.m. on the date which is the third

Business Day after acquiring an interest in such Shares, if later) in accordance with the procedure for acceptance set out in the Offer Document.

- 4.3 We undertake that Bidco will acquire the Shares pursuant to the Acquisition which provides for the transfer of the Shares to Bidco, free from any lien, charge, option, equity, encumbrance or other third party interest of any nature whatsoever and together with all rights of any nature attaching or accruing to them, including the right to all dividends or other distributions (if any) declared, made or paid on or after the date on which the Offer becomes, or is declared, unconditional in all respects.

5. **NO WITHDRAWAL OF ACCEPTANCE**

- 5.1 Even if the terms of the Offer give accepting shareholders the right to withdraw acceptances, we shall not withdraw acceptances in respect of the Shares, and we shall procure that any acceptances in respect of the Shares are not withdrawn.

6. **VOTING RIGHTS AND PREJUDICIAL ACTION**

In consideration of Bidco agreeing (subject to paragraph 8 below) to proceed with the Acquisition, we hereby irrevocably undertake that to the extent within our control:

- 6.1 we shall exercise (or procure the exercise of) the voting rights attached to the Shares on any resolution which would assist implementation of the Acquisition if it were passed or rejected at a general, class, or other meeting of KAZ Minerals shareholders (a "**Resolution**") only in accordance with Bidco's directions;
- 6.2 we shall requisition or join in the requisition of any general or class meeting of KAZ Minerals shareholders for the purpose of considering any such Resolution and require KAZ Minerals to give notice of such Resolution only in accordance with Bidco's directions;
- 6.3 we shall exercise (or procure the exercise of) the voting rights attached to the Shares against any resolution which (i) might prevent or delay implementation of the Acquisition; or (ii) purports to approve or give effect to (and we will not agree to be bound by) a proposal by a person other than Bidco, to acquire (or have issued to it) and KAZ Minerals Shares (whether by way of scheme of arrangement or otherwise) or any assets of KAZ Minerals;
- 6.4 for the purposes of this paragraph 6, we shall execute (or procure the execution of) any form of proxy required by Bidco appointing any person nominated by Bidco to attend and vote at the relevant meeting (or any adjournment thereof);
- 6.5 we shall not make any offer to acquire the whole or any part of the issued share capital of KAZ Minerals nor permit any company in which we directly or indirectly, have any interest to make such an offer; and
- 6.6 except to the extent required under the Takeover Code, we shall not take any action or make any statement which may reasonably be expected to have the effect of delaying, disrupting or otherwise causing the Offer not to become or be declared unconditional in all respects at the earliest practicable time or at all, or which is or may reasonably be expected to be prejudicial to the success of the Acquisition.

7. **CONSENTS**

We agree to:

- 7.1 promptly inform you of all information you may reasonably require relating to us or the Shares for the preparation of any documentation relating to the Acquisition in order to comply with the requirements of the Takeover Code, the Panel, the Court or of any other applicable law or regulation. We will notify you in writing of any material change in the accuracy or import of any such information previously provided by us as soon as reasonably practicable upon our becoming aware of any such change and consent to the public disclosure of such information;
- 7.2 the issue of any announcement required to be published by you under Rule 2.10 of the Takeover Code with the references to us and the registered holder of any of the Shares in which we have (or will have as the case may be) a beneficial interest and to particulars of this Undertaking;
- 7.3 particulars of this Undertaking and references to us and the registered holder of any of the Shares in which we have (or will have as the case may be) a beneficial interest being set out in any other announcement or document issued in connection with the Acquisition and in the Offer Document; and
- 7.4 this Undertaking being available for inspection until the end of the offer (and any related competition reference period) in accordance with Rule 26.2 of the Takeover Code.

8. **ANNOUNCING AND MAKING THE OFFER**

We acknowledge that, for the avoidance of doubt, nothing in this Undertaking shall oblige Bidco to proceed with the Offer or the Acquisition.

9. **LAPSE OF UNDERTAKING**

- 9.1 All of our obligations pursuant to this Undertaking will lapse and cease to have effect on the earlier of the following occurrences:
  - 9.1.1 a third party announces through a Regulatory Information Service, prior to the date on which we accept the Offer, a firm intention to make a general offer in accordance with the Takeover Code (which is not subject to any pre-conditions) to acquire (howsoever to be implemented) the entire issued and to be issued share capital of KAZ Minerals (a "**Third Party Offer**") and such Third Party Offer is declared wholly unconditional or, if implemented by way of a scheme of arrangement, becomes effective; or
  - 9.1.2 the Offer lapses or is withdrawn in accordance with its terms and Bidco publicly confirms that it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a Scheme or otherwise).
- 9.2 If the obligations in this Undertaking lapse, we shall have no claim against Bidco or KAZ Minerals and neither Bidco nor KAZ Minerals shall have any claim against us other than in respect of any prior breach of any of the terms of this Undertaking.

10. **OFFER OR SCHEME OF ARRANGEMENT**

10.1 We note that Bidco reserves the right to implement the Acquisition by way of a Scheme. In the event that it is so implemented, we confirm and agree that this Undertaking shall continue to be binding *mutatis mutandis* in respect of the Shares and all references to the Offer shall, where the context permits, be read as references to the Scheme (or to both the Scheme and the Offer, as appropriate). Notwithstanding the generality of the foregoing, references in this Undertaking:

10.1.1 to accepting the Offer shall be read as references to:

- (a) voting in favour of the Scheme; or
- (b) completing, executing and returning or procuring such action (and not, except in accordance with the express written instructions of Bidco, revoking or amending) all relevant forms of proxy which shall accompany the Scheme Document (as defined below) (in accordance with the instructions printed on such forms of proxy, as soon as possible and in any event within five business days after publication of the Scheme Document), in which we shall give instructions for the proxy to vote,

in favour of the resolutions to be proposed at a class, general or court meeting (or any adjournment thereof) to implement the Scheme;

10.1.2 to the Offer becoming or being declared unconditional in all respects shall be read as references to the Scheme becoming effective, and references to the closing or lapsing of the Offer shall be read as references to the Scheme lapsing or being withdrawn; or

10.1.3 to the Offer Document shall be read as references to the formal circular setting out the terms and conditions of the Scheme (the "**Scheme Document**").

10.2 We further undertake not to (and shall procure that the registered holder does not) revoke or amend any form of proxy submitted in accordance with paragraph 10.1.1(b) either in writing or by attendance at any class, general or court meeting of KAZ Minerals to be convened and held in connection with the Scheme (or any adjournment thereof) or otherwise.

10.3 We further undertake, if so required by Bidco, to execute (or procure the execution of) all such other documents or do (or procure the doing of) such other acts as may be necessary or desirable for the purpose of giving Bidco the full benefit of our Undertaking.

11. **OTHER**

11.1 Any time, date or period referred to in this Undertaking may be extended by mutual agreement but as regards any time, date and period originally fixed or as extended, time shall be of the essence.

11.2 In the event that the Offer is modified or amended pursuant to the requirements of, or, if required, with the approval of, the Panel, if required, we confirm and agree that

(except where such modification or amendment would materially adversely affect our rights or interests as a KAZ Minerals shareholder) this Undertaking shall continue to be binding *mutatis mutandis* in respect of the Shares.

- 11.3 We agree that damages would not be an adequate remedy for breach of this Undertaking and, accordingly, Bidco shall be entitled to the remedies of specific performance, injunction or other equitable remedies.
- 11.4 The ejusdem generis principle of construction shall not apply to this Undertaking. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following or preceding those terms.
- 11.5 In this Undertaking, references to:
- 11.5.1 "**Acquisition**" shall include any new, increased, renewed or revised acquisition proposals made by or on behalf of Bidco howsoever implemented;
  - 11.5.2 "**business day**", "**dealing**" and "**offer period**" shall be interpreted in accordance with the Takeover Code as from time to time amended and interpreted by the Panel;
  - 11.5.3 being "**interested in**" or having "**interests in**" shares or securities shall be construed in accordance with the Takeover Code as from time to time amended and interpreted by the Panel and Part 22 of the Companies Act 2006;
  - 11.5.4 "**relevant securities**" shall be construed in accordance with the Takeover Code as from time to time amended and interpreted by the Panel; and
  - 11.5.5 "**Takeover Code**" means the City Code on Takeovers and Mergers as amended from time to time.

## 12. GOVERNING LAW AND JURISDICTION


This Undertaking and all non-contractual obligations arising from or in connection with this Undertaking are governed by and construed in accordance with English law. We submit to the exclusive jurisdiction of the English courts to settle any dispute arising from or connected with this Undertaking (a "**Dispute**") (including a dispute regarding the existence, validity or termination of this Undertaking or relating to any non-contractual or other obligation arising out of or in connection with this Undertaking or its formation). We agree that the English courts are the most appropriate and convenient courts to settle any Dispute and accordingly, will not argue to the contrary. We agree that the documents which start any proceedings relating to a Dispute ("**Proceedings**") and any other documents required to be served in relation to those Proceedings may be served on [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] on our behalf. These documents may be served in any manner allowed by law.

**SCHEDULE**

1	2	3
<b>No. of ordinary shares of 20p in KAZ Minerals</b>	<b>Exact name(s) of registered holder as appearing on the register of members#</b>	<b>Beneficial owner#</b>
669'129	Lynchwood Nominees Limited	Stansbury International Ltd.

# Where more than one, indicate number of shares attributable to each.

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Signed by  for and on behalf of **Stansbury International Ltd.**

Dated: 11 December 2020