



**HOCHSCHILD**  
BEYOND MINING

# Notice of Annual General Meeting

**Hochschild Mining PLC**

Friday, 9th June 2023 at 9am

## **This document is important and requires your immediate attention**

If you are in any doubt about the contents of this document, you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising in connection with shares and other securities. If you have sold or otherwise transferred all of your shares in Hochschild Mining PLC, please send this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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**HOCHSCHILD**  
BEYOND MINING

### **Hochschild Mining PLC**

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# Letter from the Chairman

## Hochschild Mining PLC

(incorporated and registered in England and Wales No. 05777693)

Registered office:

17 Cavendish Square

London

W1G 0PH

28 April 2023

### Dear Shareholder

I am pleased to invite you to attend the seventeenth Annual General Meeting (the "AGM") of Hochschild Mining PLC (the "Company"), which will be held at 9am on Friday, 9th June 2023 at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ.

The business to be conducted at the meeting is set out in the Notice of AGM on pages 4 and 5 which is followed by some explanatory notes on each of the proposed resolutions.

Shareholders who wish to attend the AGM in person are requested to register their intention to attend by emailing [info@hocplc.com](mailto:info@hocplc.com) no later than 9am on Wednesday, 7th June 2023.

Voting at the AGM will be conducted by way of poll vote in keeping with the Company's usual practice. In addition, in compliance with the Listing Rules' requirements that apply to the Company, the resolutions seeking the election and re-election of the Company's independent Directors (Resolutions 3, 5, 7, 8 and 9) will only be passed if approved by both (i) a majority of all votes cast and (ii) a majority of the votes cast but excluding the votes attached to my shareholding.

Biographical details of the independent Directors are provided on pages 86 and 87 of the 2022 Annual Report and Accounts and further information with respect to each Director is provided in the explanatory notes from page 8 of this document.

The Directors regard the AGM as a valuable opportunity for shareholders to communicate with their Board and we welcome your participation and support. We are pleased this year that shareholders will be able to physically attend the AGM. In the event circumstances change before the time of the AGM, we will notify shareholders of any change to the arrangements through announcements via the London Stock Exchange and by publishing details on the Company website at [www.hochschildmining.com](http://www.hochschildmining.com) as early as is possible before the date of the meeting. **For the safety of others, members or proxies experiencing any of the symptoms connected with COVID-19 are requested not to attend the AGM. To mitigate the risk that members or proxies cannot attend the AGM because of COVID-19 or for whatever other reason, we would encourage all shareholders to appoint me as chairman as their proxy to exercise their votes in accordance with their instructions (please see below).**

Your Board considers that the proposals described in this document are likely to promote the success of the Company for the benefit of shareholders as a whole and unanimously recommends shareholders to vote in favour of the resolutions proposed.

Those Directors who hold Ordinary Shares in the Company intend to vote their shares in favour of all of the resolutions.

I would encourage shareholders to exercise their right to vote on the business of the meeting by completing and submitting their proxy vote, by visiting [www.signalshares.com](http://www.signalshares.com) or through CREST.

I look forward to seeing you at the AGM.

With best wishes

**Eduardo Hochschild**

Chairman

# Notice of 2023 Annual General Meeting

Notice is hereby given that the seventeenth Annual General Meeting of Hochschild Mining PLC (the 'Company') will be held at 9am on Friday, 9th June 2023 at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ to consider the following resolutions of which Resolutions 1 to 12 will be proposed as ordinary resolutions and Resolutions 13 to 16 will be proposed as special resolutions.

## Ordinary resolutions

- 1 THAT, the audited accounts of the Company for the year ended 31 December 2022, together with the Directors' Report and the Auditors' Report thereon be received.
- 2 THAT, the Directors' Remuneration Report for the year ended 31 December 2022 be approved.
- 3 THAT, Jorge Born Jr be re-elected as a Director of the Company.
- 4 THAT, Ignacio Bustamante be re-elected as a Director of the Company.
- 5 THAT, Jill Gardiner be re-elected as a Director of the Company.
- 6 THAT, Eduardo Hochschild be re-elected as a Director of the Company.
- 7 THAT, Tracey Kerr be re-elected as a Director of the Company.
- 8 THAT, Michael Rawlinson be re-elected as a Director of the Company.
- 9 THAT, Mike Sylvestre be elected as a Director of the Company.
- 10 THAT, Ernst & Young LLP be re-appointed as auditors of the Company (the 'Auditors') until the conclusion of the next general meeting at which accounts are laid before the Company.
- 11 THAT, the Audit Committee of the Company be authorised to set the remuneration of the Auditors.
- 12 THAT, the Directors be and are hereby generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the '2006 Act') to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares:
  - 12.1 up to an aggregate nominal amount of £1,712,747; and
  - 12.2 comprising equity securities (as defined in Section 560(1) of the 2006 Act) up to a further aggregate nominal amount of £1,712,747 in connection with an offer by way of a rights issue,

such authorities to apply in substitution for all previous authorities and to expire

at the end of the next Annual General Meeting of the Company or on 30 June 2024, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

For the purposes of this Resolution 'rights issue' means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

## Special resolutions

- 13 THAT, subject to the passing of Resolution 12 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the 2006 Act) wholly for cash:
  - 13.1 pursuant to the authority given by paragraph 12.1 of Resolution 12 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act in each case:
    - (i) in connection with a pre-emptive offer; and
    - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £256,938; and
  - 13.2 pursuant to the authority given by paragraph 12.2 of Resolution 12 above in connection with a rights issue, as if Section 561(1) of the 2006 Act did not apply to any such allotment,

such authorities to expire at the end of the next Annual General Meeting of the Company or at the close of business on 30 June 2024, whichever is earlier but so that the Company may, before such expiry, make offers, and enter into agreements during this period which would, or might, require

equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

For the purposes of this Resolution:

- (i) 'rights issue' has the same meaning as in Resolution 12 above;
- (ii) 'pre-emptive offer' means an offer of equity securities open for acceptance for a period fixed by the Directors to (a) holders (other than the Company) on the register on a record date fixed by the Directors of Ordinary Shares in proportion to their respective holdings and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
- (iii) references to an allotment of equity securities shall include a sale of treasury shares; and
- (iv) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

- 14 THAT, subject to the passing of Resolution 12 above and in addition to any authority granted under Resolution 13 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the 2006 Act) wholly for cash pursuant to the authority given by Resolution 12 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act as if Section 561(1) of the 2006 Act did not apply to any such allotment, such authority to be:

14.1 limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £256,938; and

14.2 used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which

the Board of Directors of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next Annual General Meeting of the Company or at the close of business on 30 June 2024, whichever is the earlier, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

- 15 THAT, the Company be and is hereby generally and unconditionally authorised for the purpose of Section 701 of the 2006 Act to make one or more market purchases (as defined in Section 693 of that Act) of Ordinary Shares of £0.01 each in the capital of the Company provided that:
- 15.1 the maximum aggregate number of Ordinary Shares authorised to be purchased is 51,387,556 (representing an amount equal to 10 per cent of the Company's issued ordinary share capital as at 24 April 2023);
- 15.2 the minimum price which may be paid for an Ordinary Share is £0.01 per Ordinary Share;
- 15.3 the maximum price which may be paid for an Ordinary Share is an amount equal to the higher of (i) an amount equal to 5 per cent above the average closing price of such Ordinary Shares for the five business days on the London Stock Exchange prior to the date of purchase; and (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by the Regulatory Technical Standards as referred to in article 5(6) of the Market Abuse Regulation (as it forms part of UK law); and
- 15.4 this authority shall expire at the conclusion of the Annual General Meeting of the Company held in 2024 or, if earlier, 30 June 2024 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and

which might be executed wholly or partly after such expiry) unless such authority is renewed prior to such time.

- 16 THAT, a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By Order of the Board

**R D Bhasin**

Company Secretary  
28 April 2023

Hochschild Mining PLC  
Registered Office:  
17 Cavendish Square  
London  
W1G 0PH

Company No: 05777693

## Notes to the Notice of AGM

- 1 A member is entitled to appoint another person as his or her proxy to exercise all or any of his rights to attend and to speak and vote on his or her behalf at the AGM. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.
- 2 The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("2006 Act") ("Nominated Persons"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
- 3 A member can appoint a proxy (the "Proxy Vote"):
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions;
  - by requesting a hard copy form of proxy directly from the registrars, Link Group, by calling (+44 (0)) 371 664 0300 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales); or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 5 below.

In order for a proxy appointment to be valid a form of proxy must be completed. In each case, the form of proxy and any power of attorney or other authority under which it is signed (or a duly certified copy of any such authority) must be received by Link Group at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 9am on 7 June 2023, or if the AGM is adjourned, not less than 48 hours before the time of the holding of such adjourned AGM.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 9am on 7 June 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Completion and return of a Proxy Vote does not prevent a member from subsequently attending the AGM and voting in person.
- 4 Pursuant to regulation 41(1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755), the Company specifies that only those shareholders registered on the register of members of the Company at close of business on 7 June 2023 shall be entitled to attend and vote at the AGM in respect of the number of Ordinary Shares registered in their name at that time. Changes to the register of members after close of business on 7 June 2023 shall be disregarded in determining the rights of any person to attend and vote at the AGM.
- 5 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message must, in order to be valid, (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him or her by other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 6 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- 7 Copies of (i) the Letters of Appointment between the Company and its Non-Executive Directors; and (ii) the service contract of the Chief Executive Officer will be available for inspection at the registered office of the Company during usual business

hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the AGM and also on the date and at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof.

- 8 Members should note that, under Section 527 of the 2006 Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on its website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company who ceases to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the 2006 Act. Where the Company is required to place a statement on its website under Section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on its website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required to publish on its website under Section 527 of the 2006 Act.
- 9 The total number of issued Ordinary Shares in the Company on 24 April 2023, which is the latest practicable date before the publication of this document, is 513,875,563 carrying one vote each on a poll. Therefore, the total number of votes exercisable as at 24 April 2023 is 513,875,563.
- 10 Members may not use any electronic address provided in this notice (or in any related documents including the Chairman's letter) to communicate with the Company for any purposes other than those expressly stated.
- 11 A copy of this notice, and other information required by Section 311A of the 2006 Act, can be found at [www.hochschildmining.com](http://www.hochschildmining.com).
- 12 Each of the resolutions will be voted on by poll and not by show of hands.

A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. The results of the poll will be published on the Company's website and notified to the Financial Conduct Authority once the votes have been counted and verified.

- 13 Shareholders who wish to attend the AGM in person are requested to register their intention to attend by emailing [info@hocplc.com](mailto:info@hocplc.com) no later than 9am on 7 June 2023.
- 14 COVID-19:
  - (i) Information relating to any changes to the arrangements for the AGM as a result of COVID-19, including any changes made in response to government advice on travel and social distancing, will be communicated to shareholders through announcements made via the London Stock Exchange and through the Company's website at [www.hochschildmining.com](http://www.hochschildmining.com) before the AGM.
  - (ii) For the safety of others, members or proxies experiencing any of the symptoms connected with COVID-19 are requested not to attend the AGM. To mitigate the risk that members or proxies cannot attend the AGM because of COVID-19 or for whatever other reason, shareholders are encouraged to appoint the chairman as their proxy to exercise their votes in accordance with their instructions.

# Explanatory Notes on Resolutions

## Resolution 1

### Annual Report and Accounts

The first item of business is the receipt, by shareholders, of the 2022 accounts together with the Directors' Report and the Auditor's Report. The accounts are prepared in accordance with UK adopted International Accounting Standards.

## Resolution 2

### Directors' Remuneration Report

The Directors' Remuneration Report comprises:

- a statement by Michael Rawlinson, as the Chair of the Company's Remuneration Committee;
- the annual report on remuneration, which sets out payments made in respect of the financial year ended 31 December 2022; and
- in an appendix, the Directors' Remuneration policy as approved by shareholders at the 2021 AGM.

As there are no changes envisaged to the Directors' Remuneration policy approved at the 2021 AGM, it is not being put to shareholder vote at this AGM. The statement by the Chair of the Company's Remuneration Committee and the annual report on remuneration (the 'Relevant Sections of the 2022 Directors' Remuneration Report') are, in keeping with prior years, being put to an annual advisory shareholder vote by ordinary resolution.

The Directors' Remuneration Report is set out in full in the 2022 Annual Report on pages 112 to 131.

Resolution 2 is the ordinary resolution to approve the Relevant Sections of the 2022 Directors' Remuneration Report and is an advisory resolution and does not affect the future remuneration paid to any Director.

## Resolutions 3 to 9

### Annual election of Directors

In line with the recommendation of the UK Corporate Governance Code, with the exception of Eileen Kamerick and Nicolas Hochschild who will be retiring at the conclusion of the AGM, each other Board member submits himself or herself for re-election (or, in the case of Mike Sylvestre, election) by shareholders.

Full biographical details of the Directors can be found on pages 86 and 87 of the 2022 Annual Report. As set out more fully in the Corporate Governance report from page 91 of the 2022 Annual Report, the Directors' performance was considered as part of the annual evaluation process which concluded that each Board member makes a valued and effective contribution. This assessment was carried out in relation to the fulfilment of each Director's duty to act in the long-term

interest of the Company, on behalf of its members, while also having due regard to other stakeholders.

Under the Listing Rules, Eduardo Hochschild (through his control of the shareholding of Pelham Investment Corporation) is classed as a 'controlling shareholder' of the Company.

This means that the independent non-executive directors of the Company must be elected or re-elected by a majority of the votes cast by the 'independent shareholders' of the Company' as well as by a majority of the votes cast by all the shareholders. The 'independent shareholders' of the Company means all the shareholders of the Company other than Eduardo Hochschild and entities he controls.

Therefore, the resolutions for the election and re-election of the independent non-executive directors (Resolutions 3, 5, 7, 8 and 9) will be taken on a poll and the votes cast by the independent shareholders and by all the shareholders will be calculated separately. Such resolutions will be passed only if a majority of the votes cast by the independent shareholders are in favour, in addition to a majority of the votes cast by all the shareholders being in favour.

Under the Listing Rules, if a resolution to elect or re-elect an independent non-executive director is not approved by a majority vote of both the shareholders as a whole and the independent shareholders, a further resolution may be put forward to be approved by the shareholders as a whole at a meeting which must be held more than 90 days after the date of the first vote but within 120 days of the first vote.

Accordingly, if any of Resolutions 3, 5, 7, 8 and 9 is not approved by a majority vote of the Company's independent shareholders at the AGM, the relevant Director(s) will be treated as having been re-elected only for the period from the date of the AGM until the earlier of (i) the close of any general meeting of the Company, convened for a date more than 90 days after the AGM but within 120 days of the AGM, to propose a further resolution to re-elect him or her, (ii) the date which is 120 days after the AGM and (iii) the date of any announcement by the Board that it does not intend to hold a second vote. In the event that the Director's re-election is approved by a majority vote of all shareholders at a second meeting, the Director will then be re-elected until the next AGM.

The following information is provided in compliance with Listing Rule 13.8.17R (1) in relation to the Company's independent Directors who are seeking re-election at the AGM.

For the purposes of this section, a "Relevant Party" means each of Hochschild Mining PLC, the Directors of Hochschild Mining PLC, any controlling shareholder of Hochschild Mining PLC and any associate of a controlling shareholder of Hochschild Mining PLC (the italicised terms having the same meanings given to them in the Listing Rules of the Financial Conduct Authority).

## Jorge Born Jr

### JB1. Details of any existing or previous relationship, transaction or arrangement with a Relevant Party

Mr Born has served on the Board since the Company's listing in 2006.

### JB2. Reasons why Director is considered to be effective

Mr Born has extensive experience gained from a number of senior executive positions both internationally and in his native Argentina. The Board benefits from Mr Born's experience in general and in particular his insight with regards to managing the Group's exposure to geopolitical risk and developing the Latin American growth strategy in general. In keeping with the Company's usual approach, the board evaluation process undertaken in 2022 sought the opinion of Board members on the performance of fellow Directors which concluded that Mr Born continues to make a significant and valued contribution to the Board.

### JB3. How the Director is considered to be independent

Taking all relevant factors into consideration, including as described in JB1 above and Mr Born's objective approach and contribution to Board discussions, the Directors concluded that Mr Born is independent of character and judgement, and that there are no relationships or circumstances which are likely to affect, or could appear to affect, his judgement.

### JB4. Process of Selection

Mr Born was appointed in preparation for the Company's listing in 2006 following the shortlisting of candidates by the Chairman with support from the Company's professional advisers.

## Jill Gardiner

### JG1. Details of any existing or previous relationship, transaction or arrangement with a Relevant Party

None.

### JG2. Reasons why Director is considered to be effective

With over 20 years' experience gained in senior leadership roles at RBC Capital Markets, Ms Gardiner brings valuable capital markets and strategic experience in Canada dealing with companies operating in various sectors including mining. This is considered to be of



particular value to the Company given the prevalence of mining companies listed in Canada and the Group's growth strategy. Ms Gardiner has formerly held positions at an energy regulation board and as a university lecturer in corporate finance and human resource management. Ms Gardiner is currently Chair of Capital Power Corporation.

In keeping with the Company's usual approach, the board evaluation process undertaken in 2022 sought the opinion of Board members on the performance of fellow Directors which concluded that Ms Gardiner's knowledge and skills are valuable additions to the Board.

**JG3. How the Director is considered to be independent**

Taking all relevant factors into consideration, the Board has concluded that Ms Gardiner is independent of character and judgement, and that there are no relationships or circumstances which are likely to affect, or could appear to affect, her judgement.

**JG4. Process of Selection**

Ms Gardiner's appointment was the culmination of a search process overseen by a working group on behalf of the Nomination Committee with support from the Company's financial advisers.

**Tracey Kerr**

**TK1. Details of any existing or previous relationship, transaction or arrangement with a Relevant Party**

None.

**TK2. Reasons why Director is considered to be effective**

With extensive experience of working for international mining companies including as Group Head of Exploration, Head of Sustainable Development with prior responsibility for safety, operational risk management and sustainable development, Tracey brings a suite of skills of particular strategic relevance to the Company. Ms Kerr's skillset was specifically sought to support the Company's exploration efforts and its increasing focus on ESG-related initiatives.

In keeping with the Company's usual approach, the board evaluation process undertaken in 2022 sought the opinion of Board members on the performance of fellow Directors which concluded that Ms Kerr's insight into safety and exploration are of strategic importance to the Board.

**TK3. How the Director is considered to be independent**

Taking all relevant factors into consideration, the Board has concluded that Ms Kerr is independent of character and judgement, and that there are no relationships or circumstances which are likely to affect, or could appear to affect, her judgement.

**TK4. Process of Selection**

Ms Kerr's appointment was the culmination of a search process overseen by the Nomination Committee with support from an external search firm, London Search Associates, which compiled a longlist of candidates with the required skillset.

**Michael Rawlinson**

**MR1. Details of any existing or previous relationship, transaction or arrangement with a Relevant Party**

None.

**MR2. Reasons why Director is considered to be effective**

Mr Rawlinson brings expertise of the sector in light of his wide-ranging experience as a corporate financier and research analyst specialising in the mining sector. Mr Rawlinson has extensive capital markets experience having advised on the IPOs and following-on offerings for a number of companies including the Company's own IPO in 2006.

In addition, Mr Rawlinson serves as Chairman of Adriatic Metals Plc and as a Non-Executive Director of Capital Limited and Andrada Mining Limited.

In keeping with the Company's usual approach, the board evaluation process undertaken in 2022 sought the opinion of Board members on the performance of fellow Directors which concluded that Mr Rawlinson makes a significant and valued contribution to the Board.

**MR3. How the Director is considered to be independent**

Taking all relevant factors into consideration, the Board has concluded that Mr Rawlinson is independent of character and judgement, and that there are no relationships or circumstances which are likely to affect, or could appear to affect, his judgement.

**MR4. Process of Selection**

Having been known to the Company since its IPO in 2006, Mr Rawlinson was invited to join the Board in light of his breadth of experience and knowledge of the sector.

**Mike Sylvestre**

**MS1. Details of any existing or previous relationship, transaction or arrangement with a Relevant Party**

None.

**MS2. Reasons why Director is considered to be effective**

Mr Sylvestre brings expertise in relation to the management of mining operations and knowledge of the Canadian market, a key mining hub. Mr Sylvestre serves as a Non-Executive Director of TSX-listed Nickel Creek Platinum Corp. He is a member of the Professional Engineers of Ontario and a graduate of the Institute of Corporate Directors (ICD) in partnership with the Rotman School of Management

In keeping with the Company's usual approach, the board evaluation process undertaken in 2022 sought the opinion of Board members on the performance of their fellow Directors which concluded that Mr Sylvestre brings valuable operational insight to Board discussions.

**MS3. How the Director is considered to be independent**

Taking all relevant factors into consideration, the Board has concluded that Mr Sylvestre is independent of character and judgement, and that there are no relationships or circumstances which are likely to affect, or could appear to affect, his judgement.

**MS4. Process of Selection**

Mr Sylvestre's appointment was the culmination of a search process overseen by the Nomination Committee with support from an external search firm, London Search Associates, which compiled a longlist of candidates with the required skillset.

## Explanatory Notes on Resolutions continued

### Resolution 10

#### Re-appointment of auditors

The Company is required, at each general meeting at which accounts are presented, to appoint auditors to hold office until the next such meeting.

Following a recommendation from the Audit Committee, the Board recommends to shareholders the re-appointment of Ernst & Young LLP to hold office until the next meeting at which accounts are laid.

### Resolution 11

#### Remuneration of the auditors

Resolution 11 seeks shareholder consent for the Company's Audit Committee to set the remuneration of the Auditors.

### Resolution 12

#### Authority to allot shares

The purpose of Resolution 12 is to renew the Directors' power to allot shares.

The authority in paragraph 12.1 will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £1,712,747 which is equivalent to approximately 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 24 April 2023.

The authority in paragraph 12.2 will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in connection with a rights issue up to a further nominal value of £1,712,747 which is equivalent to approximately 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 24 April 2023.

This is in line with corporate governance guidelines.

At 24 April 2023, the Company did not hold any shares in treasury.

There are no present plans to undertake a rights issue or to allot new shares. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place when considered appropriate. If the resolution is passed, the authority will expire on the earlier of 30 June 2024 and the end of the AGM in 2024.

### Resolutions 13 and 14

#### Disapplication of pre-emption rights

If the Directors wish to allot new shares or other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings (known as pre-emption rights).

#### Pre-emptive offers

The purpose of paragraphs 13.1(i) and 13.2 of Resolution 13 is to authorise Directors to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions.

The Board has no current intention of exercising the authority under paragraph 13.1 of Resolution 13 but considers the authority to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or pre-emptive rights issue having made appropriate exclusions or arrangements to address such difficulties.

#### Non-pre-emptive offers – general disapplication

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares for cash on a non-pre-emptive basis. The Pre-Emption Group's Statement of Principles was revised in November 2022 to allow companies to seek authority for an issue of shares for cash otherwise than in connection with a pre-emptive offer to include: (i) an authority of up to 10% of a company's issued share capital for use on an unrestricted basis; and (ii) an additional authority up to a further 10% of a company's issued share capital for use in connection with an acquisition or specified capital investment announced contemporaneously with the issue, or that has taken place in the 12-month period preceding the announcement of the issue. In both cases, an additional authority of up to 2% may be sought for the purposes of making a follow-on offer in certain circumstances.

Having considered the revised Pre-Emption Group's Statement, the Board has decided that, for the time being, it is in the best interests of shareholders to seek authority to issue shares for cash otherwise than in connection with a pre-emptive offer, of up to 5% of the Company's issued share capital on an unrestricted basis together with an additional 5% of the Company's issued share capital for use in connection with an acquisition or specified capital investment. This level of authority is in line with that sought by the Company in previous years. The Board confirms that it intends to give due consideration to the shareholder protections contained in Part 2B of the Pre-Emption Group's Statement of Principles.

In light of the above, the purpose of paragraph 13.1(ii) of Resolution 13 is to authorise Directors to allot new shares and other equity securities pursuant to the allotment authority given by paragraph 12.1 of Resolution 12, or sell treasury shares, for cash up to a nominal value of £256,938, without the shares first being offered to existing shareholders in proportion to their existing holdings. This amount is equivalent to 5 per cent of the total issued ordinary share capital of the Company as at 24 April 2023.

#### Non-pre-emptive offers – acquisitions and specified capital investments

The revised Pre-Emption Group's Statement of Principles continues to support the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash used only in connection with an acquisition or specified capital investment. The revised Pre-Emption Group's Statement of Principles defines "specified capital investment" as meaning one or more specific capital investment related uses for the proceeds of an issue of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return. As stated above, while the revised Pre-Emption Group's Statement of Principles allows such a disapplication in respect of up to an additional 10 per cent of issued ordinary share capital, the Board feels it is in the best interests of the Company, for the time being, to seek approval under the usual terms, being no more than an additional 5 per cent of issued ordinary share capital (exclusive of treasury shares).

Accordingly, the purpose of Resolution 14 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 12, or sell treasury shares, for cash up to a further nominal amount of £256,938, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

This amount is equivalent to 5 per cent of the total issued ordinary share capital of the Company as at 24 April 2023. If the authorities given in Resolution 13. 1(ii) and/or Resolution 14 are used, the Company will publish details of its use in accordance with the revised Pre-Emption Group's Statement of Principles. Resolution 14 has been drafted in line with the template resolutions published by the Pre-Emption Group in May 2016.

The Board considers the authorities in Resolutions 13 and 14 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions. The Board has no immediate plans to make use of these authorities. If the resolutions are passed, the authorities will expire on the earlier of 30 June 2024 and the end of the AGM in 2024.

#### **Resolution 15** **Authority to buy shares**

Under Section 701 of the 2006 Act ("Section 701") the directors of a company may make market purchases of that company's shares if authorised to do so by shareholders. The Directors believe that granting such approval would be in the best interests of shareholders in allowing them the flexibility to react promptly to circumstances requiring market purchases.

Accordingly, Resolution 15, which will be proposed as a special resolution, will, if passed, give the Directors authority to make one or more market purchases of the Company's shares under Section 701. The authority contained in this resolution will be limited to 51,387,556 Ordinary Shares having an aggregate nominal value of £513,875.56 which represents 10 per cent of the issued ordinary share capital of the Company as at 24 April 2023. The upper and lower limits on the price which may be paid for those shares are set out in the resolution itself.

Pursuant to the 2006 Act, shares purchased under this authority may be held as treasury shares. The Company may purchase and hold shares as treasury shares up to a maximum amount equal to 15 per cent of the nominal value of the issued Ordinary Shares at that time, rather than cancelling them. Shares held in treasury do not carry voting rights and no dividends will be paid on any such shares. Shares held in treasury in this way can be sold for cash or cancelled, either immediately or at a point in the future, or be used for the purposes of an employee share scheme. This would allow the Company to manage its capital base more effectively.

The Board has no present intention of exercising this authority. Shares will only be repurchased if the Directors consider such purchases to be in the best interests of shareholders generally and that they can be expected to result in an increase in earnings per share. The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury).

This authority will expire on the earlier of 30 June 2024 and the Company's AGM in 2024.

#### **Resolution 16** **General meetings**

This resolution is proposed in the light of the implementation of the Shareholder Rights Directive in August 2009. The regulations implementing this Directive increased the notice period for general meetings of the Company to 21 days unless shareholders have approved the calling of meetings on 14 days' notice.

AGMs will continue to be held on at least 21 clear days' notice. This resolution seeks to renew the authority granted at last year's AGM.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

## Shareholder information

### Proxy voting

Shareholders are requested to complete and submit their Proxy Vote, whether or not they intend to attend the AGM.

If requesting a hard copy proxy form, please complete, sign and return the form as soon as possible in accordance with the instructions printed on it. The proxy form should be returned to Link Group as soon as possible, but in any event by no later than 9am on Wednesday 7th June 2023. Alternatively, you may submit your proxy online at [www.signalshares.com](http://www.signalshares.com). CREST members wishing to use the CREST electronic appointment service are referred to note 5 of the Notice of AGM on page 6.

Completion and return of the Proxy Vote will not prevent shareholders from attending in person and voting at the meeting should they subsequently decide to do so.

### Shareholder enquiries

The Company's share register is maintained by:

Link Group  
10th Floor  
Central Square  
29 Wellington Street  
Leeds LS1 4DL

Email: [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk)  
Telephone: (+44 (0)) 371 664 0300

(Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9am – 5:30pm, Monday to Friday excluding public holidays in England and Wales).

Enquiries relating to the administration of holdings of the Company's shares, such as change of address, change of ownership or dividend payments, should be directed to Link Group at the address and telephone number above.

Any queries from shareholders in Peru can also be addressed to:

José Augusto Palma,  
VP, Legal & Corporate Affairs  
Compañía Minera Ares SAC  
Calle La Colonia No.180 Urb. El Vivero  
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Telephone: +511 317 2000