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Kenmare Resources plc
(“Kenmare” or “the Company” or “the Group”)

16 November 2021

Proposed Tender Offer to purchase up to 13.5% of the Company’s issued ordinary shares

Publication of Circular and Notice of EGM

Kenmare Resources plc (LSE:KMR, ISE:KMR), one of the leading global producers of titanium minerals and zircon, which operates the Moma Titanium Minerals Mine (the “**Mine**” or “**Moma**”) in northern Mozambique, today announces the launch of a proposed tender offer (the “**Tender Offer**”) to purchase up to 13.5% of the Company’s issued ordinary shares (“**Ordinary Shares**”).

The Tender Offer executes on the Company’s stated intention to increase shareholder returns after the successful completion of its major capital projects and is supported by strong operational performance of Kenmare and its subsidiaries (the “**Group**”) and commodity market strength in 2021.

Highlights

- The Company proposes to return up to £61.8 million (approximately US\$82.7 million) to Eligible Shareholders by way of a Tender Offer at £4.17 per Ordinary Share (being the average of the closing prices per Ordinary Share as derived from the London Stock Exchange Daily Official List for the 10 Business Days up to and including 12 November 2021, the latest practicable date before publication of the Tender Offer circular to Shareholders).
- The Tender Offer is for up to 13.5% of the Company’s issued share capital. Under the Tender Offer, each Shareholder is entitled to have up to 13.5% of its shareholding purchased by the Company at the Tender Price.
- The Tender Offer is to be funded from the Company’s existing and available cash resources and borrowings under the Group’s borrowing facilities and remains open until 1.00 p.m. on 9 December 2021.
- Eligible Shareholders will be able to decide whether to tender none, some or all of their Ordinary Shares within the overall limits of the Tender Offer.
- The Tender Offer will provide Eligible Shareholders with an opportunity to sell part or all of their Ordinary Shares and to receive their respective share of the cash which the Company is seeking to return.
- Directors who are beneficially interested in Ordinary Shares have indicated that they will not tender Ordinary Shares pursuant to the Tender Offer.
- The Tender Offer will provide Eligible Shareholders holding 500 Ordinary Shares or fewer in certificated form an opportunity to sell their entire shareholding in the Company without the dealing costs or commissions that might otherwise make such sale uneconomic (subject to there being capacity to purchase those Ordinary Shares in accordance with the terms of the Tender Offer; if there is insufficient capacity to

Directors: Steven McTiernan (Chairman), Peter Bacchus, Michael Carvill, Elaine Dorward-King, Clever Fonseca, Graham Martin, Tony McCluskey, Sameer Oundhakar, Deirdre Somers. **Secretary:** Chelita Healy

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purchase all of such Ordinary Shares, as many tenders as possible from such Eligible Shareholders will be accepted in full).

Background to and reasons for the Tender Offer

In October 2018, the Company announced a dividend policy to return a minimum of 20% of profit after tax to shareholders. In 2021, the Company is generating stronger free cash flow, providing an opportunity to deliver increased shareholder returns. The Company announced in March 2021 that it was targeting an increased dividend pay-out for 2021 of 25% of profit after tax.

The Tender Offer executes on the Company's stated intention to increase shareholder returns after the successful completion of its major capital projects and is supported by strong operational performance of the Group and commodity market strength in 2021. In its financial results for the six-month period ended 30 June 2021, the Group reported profit after tax of US\$48.0 million in H1 2021 (H1 2020: US\$12.7 million).

Having regard to the Group's ongoing earnings and cash flow generation, the Board (with the exception of Mr. Sameer Oundhakar, who, as the representative on the Board of the Company's largest shareholder, absented himself from deliberations relating to the proposed Tender Offer) unanimously determined that a return of capital is in the best interests of the Company and its Shareholders as a whole. The Board believes that a return of capital in the amount proposed represents an effective use of shareholder funds and that the continued strength of the Group's balance sheet, and its cashflow generation after the return of those funds, will be sufficient to pursue the Group's strategic objectives.

EGM

The Tender Offer is subject to shareholder approval. A circular (the "**Circular**") containing a notice of an extraordinary general meeting to be held at the Company's offices at 4th Floor, Styne House, Hatch Street Upper, Dublin, D02 DY27, Ireland at 11:00 a.m. on Thursday, 9 December 2021 (the "**EGM**") and details of the resolution (the "**Resolution**") to be proposed at the EGM will be posted today on the Investors section of the Company's website and will be mailed to Eligible Shareholders. This Circular has been submitted to the UK Financial Conduct Authority via the Nation Storage Mechanism (the "**NSM**") and will be available for inspection on the NSM's website at www.morningstar.co.uk/uk/nsm.

The Company plans to conduct the EGM in accordance with the Irish Government's COVID-19 related public health measures and public health advice. Shareholders should expect the EGM to take place under constrained circumstances and are strongly recommended to vote by proxy. The Company will ensure that all legal requirements of the meeting, in accordance with its Articles of Association, are satisfied with the minimum necessary quorum of three Shareholders and physical distancing measures will be in place. The Company reserves the right to refuse entry to the meeting where reasonably necessary to comply with the COVID-19 related public health measures and advice. The Company will continue to closely monitor the developing situation around COVID-19 as well as any further advice from the Irish Government. If it becomes necessary to amend the arrangements for the EGM, as much notice as possible will be given to Shareholders via RIS announcement.

To facilitate shareholder communication, the EGM will be broadcast by conference call. The conference call will commence at 11.00 a.m. on Thursday, 9 December 2021. Shareholders will be able to access the call using the numbers below:

Ireland (Local):	+353 1 53 695 84
United Kingdom (Local):	+44 (0)20 3936 2999
United States of America (Local):	+1 646 664 1960

The access code is: 865447. Please dial-in 5-10 minutes prior to the start time using the applicable phone number above.

Shareholders should be aware that attendance on the conference call will not constitute attendance at the meeting and so Shareholders who attend the call and who wish to vote should submit their proxies in advance, so as to reach the Registrar by 11.00 a.m. on Tuesday, 7 December 2021.

Irrevocable undertaking

African Acquisition S.à r.l. (“AAS”), an investment vehicle of the Oman Investment Authority (“OIA”, formerly the State General Reserve Fund of the Sultanate of Oman), which holds approximately 29.10% of the issued ordinary share capital of the Company has entered into an irrevocable undertaking in connection with the Tender Offer. Under the irrevocable undertaking, AAS has committed to offer to sell in the Tender Offer 3,546,811 Ordinary Shares, being the minimum number of Ordinary Shares as will, following completion of the Tender Offer, result in the aggregate number of Ordinary Shares held by AAS representing 29.9% (less than 30%) of the then total issued Ordinary Shares, thereby ensuring that no requirement to make a mandatory offer under Rule 37 of the Irish Takeover Rules will arise for AAS or OIA.

AAS has reserved the right to tender in the Tender Offer more Ordinary Shares than it has undertaken to tender under this irrevocable undertaking.

The Company has also received an irrevocable undertaking from AAS to vote in favour of the Resolution to be proposed at the EGM in respect of the 31,928,480 Ordinary Shares owned by it, representing in aggregate 29.1% of the issued Ordinary Shares as at the Latest Practicable Date.

The Tender Offer

The Tender Offer is to be effected by Peel Hunt LLP (“Peel Hunt”) (acting as principal and not as agent, nominee or trustee) purchasing Ordinary Shares from Eligible Shareholders at the Tender Price by means of on-market purchases. Peel Hunt, in turn, has the right to require the Company to purchase from it, and can be required by the Company to sell to it, such Ordinary Shares at the Tender Price under a Repurchase Agreement by way of an on-market transaction. All of these transactions will be carried out on the London Stock Exchange's Main Market. All of the Shares purchased by the Company pursuant to the Repurchase Agreement will be cancelled and will not rank for any future dividends.

Each Eligible Shareholder will be entitled to sell up to 13.5% of the Ordinary Shares registered in its name on the Record Date under the Tender Offer, rounded down to the nearest whole number of Ordinary Shares (that being an Eligible Shareholder’s “**Basic Entitlement**”). Any resulting fractional entitlements of Eligible Shareholders will be aggregated and used to satisfy tenders in excess of Eligible Shareholders’ Basic Entitlements. Ordinary Shares validly tendered by Eligible Shareholders up to their respective Basic Entitlement will be accepted and repurchased in full. Tendering Shareholders may also be able to participate in the Tender Offer in excess of their Basic Entitlement to the extent that other Eligible Shareholders tender less than their respective Basic Entitlement, resulting Ordinary Shares in excess of the tendering Shareholders’ Basic Entitlement becoming available for sale (known as “**Excess Tender Offer Shares**”). Any Excess Tender Offer Shares will be purchased from tendering Shareholders *pro rata* to the amount in excess of each eligible shareholder’s Basic Entitlement so tendered (save that tenders from Eligible Shareholders who hold no more than 500 Ordinary Shares in certificated form will be accepted in full subject to there being capacity to purchase those Ordinary Shares in accordance with the terms of the Tender Offer; if there is insufficient capacity to purchase all of such Ordinary Shares, as many tenders as possible from such Eligible Shareholders will be accepted in full).

The formal terms and conditions of the Tender Offer are set out in the Circular and the Tender Form. The results of the Tender Offer will be announced on 10 December 2021 and published on the Company’s website (www.kenmareresources.com).

Directors’ intentions

The Board considers the Tender Offer and the Resolution to be in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolution to be proposed at the EGM, as the Directors intend to do for their respective individual beneficial holdings of, in aggregate, 827,539 Ordinary Shares, representing approximately 0.75% of the issued Ordinary Share capital as at the Latest Practicable Date.

The Directors are making no recommendation in relation to participation in the Tender Offer itself. Whether or not Shareholders, Euroclear Participants or CDI Holders decide to tender their interests in Ordinary Shares will depend, amongst other things, on their own individual circumstances, including their own tax position. Shareholders, Euroclear Participants and CDI Holders are recommended to consult their duly authorised independent advisers in making their own decisions. Each of the Directors who holds Ordinary Shares has confirmed to the Board that he or

she will not participate in the Tender Offer.

Peel Hunt and Davy are acting as joint brokers to the Company in connection with the Tender Offer and the matters described in the Circular. Davy is acting as financial adviser to the Company.

Expected timetable

2021

Tender Offer opens.....	16 November
Latest time and date for receipt of Forms of Proxy for the EGM Extraordinary General Meeting	11.00 a.m. on 7 December 11.00 a.m. on 9 December
Latest time and date for Admitted Institutions to communicate tender instructions to Euroclear Bank	12.00 noon on 9 December
Latest time and date for receipt of Tender Forms from Eligible Shareholders and tender instructions from Euroclear Bank.....	1.00 p.m. on 9 December
Closing Date for the Tender Offer	1.00 p.m. on 9 December
Record Date for the Tender Offer.....	6.00 p.m. on 9 December
Announcement of results of the Tender Offer and expected date of debit of tendered Ordinary Shares.....	10 December
Euroclear Bank accounts credited with Tender Offer proceeds (Settlement Date)	by no later than 10 Business Days following the Closing Date
Despatch of cheques for Tender Offer proceeds for certificated Ordinary Shares.....	by no later than 10 Business Days following the Closing Date
Despatch of balance share certificates for unsold Ordinary Shares and share certificates for unsuccessful tenders (certificated holders only).....	by no later than 10 Business Days following the Closing Date

Information in connection with the Tender Offer is available on the Company's website (www.kenmareresources.com).

Capitalised terms used in this announcement (this "Announcement"), which have not been defined have the meanings given to them in the Circular, unless the context provides otherwise.

This Announcement does not constitute, or form part of, an offer or any solicitation of an offer, to purchase or repurchase securities in any jurisdiction or constitute a recommendation or advice in respect of any securities or other financial instruments or any other matter.

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Important Notice:

This Announcement contains inside information.

Forward-looking Statements

Certain statements contained in this Announcement are or may constitute “forward-looking statements”. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur, many of which are beyond the control of the Company and all of which are based on its current beliefs and expectations about future events. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Group and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this Announcement. Forward-looking statements are typically identified by the use of forward-looking terminology such as “believes”, “expects”, “may”, “will”, “would”, “should”, “intends”, “estimates”, “plans”, “assumes” or “anticipates” or the negative of such words or other variations on them or comparable terminology, or by discussions of strategy which involve risks and uncertainties.

About Kenmare

Kenmare Resources plc is one of the world’s largest producers of mineral sands products. Listed on the London Stock Exchange and the Euronext Dublin, Kenmare operates the Moma Titanium Minerals Mine in Mozambique. Moma’s production accounts for approximately 5% of global titanium feedstocks and the Company supplies to customers operating in more than 15 countries., Kenmare produces raw materials that are ultimately consumed in everyday “quality-of life” items such as paints, plastics and ceramic tiles.

Peel Hunt LLP, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority in the conduct of investment business, is acting exclusively for the Company and no-one else in connection with the Tender Offer and the matters described in this Announcement. Peel Hunt LLP will not regard any other person as its customer or be responsible to any other person for providing the protections to customers of Peel Hunt LLP nor for providing advice in relation to the transactions and arrangements described in this Announcement.

Davy, which is regulated in Ireland by the Central Bank, is acting exclusively for the Company and no-one else in connection with the Tender Offer and the matters described in this Announcement. Davy will not regard any other person as its customer or be responsible to any other person for providing the protections to customers of Davy nor for providing advice in relation to the transactions and arrangements described in this Announcement.