

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO FERRO-ALLOY RESOURCES LIMITED ON WHICH YOU ARE BEING ASKED TO VOTE.

If you are in any doubt about the contents of this document you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, legal adviser, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or transferred all of your ordinary shares in Ferro-Alloy Resources Limited, please send this document and the accompanying Proxy Form to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

FERRO-ALLOY RESOURCES LIMITED

(a company incorporated in Guernsey with registration number 63449)

(the "Company")

NOTICE OF 2019 ANNUAL GENERAL MEETING

Your attention is drawn to the letter from the Chief Executive Officer of the Company set out on pages 3 to 4 of this document, which contains the recommendation of the directors that you vote in favour of the shareholder resolutions to be proposed at the 2019 annual general meeting of the Company, described further below.

Notice of the 2019 annual general meeting of the Company, to be held at 6:00 p.m. local time on 22 November 2019 at St. Pierre Park Hotel, Rohais, St. Peter Port, Guernsey, GY1 1FD is set out at the end of this document. Your attention is also drawn to the section entitled "Action to be taken" on page 4 of this document.

Shareholders are requested to return a Proxy Form by post, by courier or by hand to *Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY*, so as to be received as soon as possible and in any event not later than 6 p.m. local time on 20 November 2019.

Completion of a Form of Proxy does not preclude a shareholder from subsequently attending and voting at the annual general meeting in person if he/she so wishes.

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The Annual Report for the Company for the financial year ended 31 December 2018 are available on the Company's website (www.ferro-alloy.com) under the "Financial Reports" tab of the "Investors" section and can be accessed by downloading a PDF copy.

A copy of the Consolidated Financial Statements for the period ended 31 December 2018 will be available for inspection at the annual general meeting.

LETTER FROM THE CHIEF EXECUTIVE OFFICER

Ferro-Alloy Resources Limited

(a company incorporated in Guernsey with registration number 63449)

Directors:

Nicholas Bridgen (Chief Executive Officer)
Andrey Kuznetsov
Christopher Thomas
James Turian

Registered Office

Noble House
Les Baissieres
St Peter Port
Guernsey
GY1 2UE

25 October 2019

Dear Shareholder,

2019 Annual General Meeting of the Company

1. Notice of the AGM

I am pleased to be writing to you with details of the 2019 annual general meeting of the Company which we are holding at 6:00 p.m. local time on 22 November 2019 at St. Pierre Park Hotel, Rohais, St. Peter Port, Guernsey, GY1 1FD (the "**AGM**"). The formal notice of the AGM is set out on pages 5 to 6 of this document (the "**Notice**").

2. Proposed shareholder resolutions

A number of resolutions are being proposed by the directors at the AGM. Full details of the proposed resolutions are set out in the Notice, but I thought it might be helpful for me to write a few words on those resolutions.

Resolutions 1 to 10

Resolutions 1 to 10 deal with: the Company's Annual Report for the financial period ended 31 December 2018 (resolution 1); the re-election of directors (resolutions 2 to 5); the re-appointment and remuneration of the Company's auditor (resolutions 6 and 7); the granting of authority for the Company to acquire its own shares by way of market purchases (resolution 8); and the granting of authority to the directors to allot shares in the capital of the Company, in certain circumstances disapplying shareholders' rights of pre-emption (resolutions 9 and 10).

With regard to resolutions 2 to 5, in accordance with the UK Corporate Governance Code, all of the directors of the Company will stand for re-election. Biographical information for the directors is shown on pages 8 to 9 of the Annual Report for the Company for the period ended 31 December 2018.

Resolutions 11 and 12

Resolutions 11 and 12 deal with the directors' remuneration. Article 90 of the Articles provides a limit of £100,000 for the aggregate annual service fees of the directors in any financial year. The intention of this article 90 is to place a limit the aggregate annual service fees of non-executive directors of the Company, however, article 90 does not specify that the limit applies only to non-executive directors.

The executive directors of the Company are entitled to additional remuneration pursuant to article 91 of the Articles, which applies to the additional services which the executive directors (as employees of the Company) provide outside of their ordinary duties as directors. However, for the avoidance of any confusion as to what amounts are taken into consideration when calculating the

aggregate service fees for the limit provided in article 90 of the Articles: resolution 11 proposes an ordinary resolution to authorise a £100,000 aggregate limit for the non-executive directors service fees and a \$400,000 limit for executive directors service fees, being the aggregate salary payable to the executive directors as detailed in the prospectus for the Company dated 22 March 2019; and resolution 12 proposes a special resolution to ratify the directors' service fees paid for the financial year ending 31 December 2018 as set out in the Annual Report for the Company for the financial year ended 31 December 2018.

3. Action to be taken

Whether or not you intend to attend the AGM, you should ensure that your Form of Proxy (and any relevant supporting documents) are returned to Computershare Investor Services (Guernsey) Limited, by post, courier or delivery by hand to *The Pavilions, Bridgwater Road, Bristol BS99 6ZY*. The Form of Proxy must be received by Computershare Investor Services (Guernsey) Limited as soon as possible and in any event not later than 6:00 p.m. on 20 November 2019.

Completion and return of the Form of Proxy will not affect a shareholder's right to attend, speak and vote at the AGM.

4. Recommendations

The directors believe that all of the proposed resolutions contained in the Notice are likely to promote the success of the Company for the benefit of its shareholders as a whole. Accordingly, the directors unanimously recommend that shareholders vote in favour of all the resolutions being proposed at the AGM, as the directors themselves intend to do in respect of their combined shareholdings of 139,341,974 ordinary shares, representing 45.6 per cent. of the entire issued share capital of the Company.

Yours sincerely

Nicholas Bridgen
Chief Executive Officer

Ferro-Alloy Resources Limited
Notice of Annual General Meeting

Notice is given that the 2019 Annual General Meeting of the Company will be held at 6:00 p.m. local time on 22 November 2019 at St. Pierre Park Hotel, Rohais, St. Peter Port, Guernsey, GY1 1FD to transact the business set out below. Resolutions 1 to 9 (inclusive) and resolution 11 below will be proposed as ordinary resolutions and resolutions 10 and 12 will be proposed as a special resolutions.

ORDINARY BUSINESS

Ordinary Resolutions

- 1 To receive the Company's Annual Report containing the audited accounts and the auditors' and directors' reports for the year ended 31 December 2018.
- 2 To re-elect Nicholas Bridgen as a director.
- 3 To re-elect Andrey Kuznetsov as a director.
- 4 To re-elect Christopher Thomas as a director.
- 5 To re-elect James Turian as a director.
- 6 To re-appoint BDO LLP as auditors.
- 7 To authorise the directors to determine the auditors' remuneration.
- 8 That the Company is generally and unconditionally authorised to make market purchases of ordinary shares in the capital of the Company on such terms and in such manner (and with respect to those shares, cancel them or hold them as treasury shares) as the directors shall determine provided that:
 - (a) the maximum number of ordinary shares hereby authorised to be purchased is limited to such number of ordinary shares as represents 10% of the issued share capital of the Company on a fully diluted basis as of the date this resolution is passed;
 - (b) there shall be no minimum price; and
 - (c) the maximum price, exclusive of associated expenses, which may be paid for an ordinary share shall not be more than an amount equal to 120 per cent. of the average of the middle market quotations for an ordinary share derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such ordinary share is contracted to be purchased,such authorities to apply in substitution for all previous authorities and to expire on the date occurring 18 months from the date of the passing of this resolution or, if earlier, on the conclusion of the Company's next annual general meeting but, in each case, so that the Company may make any offer or agreement before such expiry to purchase ordinary shares under this authority which will or may be completed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such offer or agreement.
- 9 That the directors are generally and unconditionally authorised pursuant to Article 20 of the articles of incorporation of the Company (**Articles**) to exercise all the powers of the Company to allot Relevant Securities (as defined in the Articles) and to grant rights to subscribe for or to convert any security into such Relevant Securities (Allotment Rights):

- (a) in respect of up to a maximum aggregate amount of 70 million ordinary shares;
- (b) up to a further 30 million in connection with an offer by way of rights issue or other pre-emptive offer or issue to the holders of ordinary shares on the register of members at such record date(s) as the directors may determine, where the Relevant Securities attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective number of ordinary shares held or deemed to be held by them on any such record date(s), subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter,

such authorities to apply in substitution for all previous authorities and to expire on the date occurring 18 months from the date of the passing of this resolution or, if earlier, on the conclusion of the Company's next annual general meeting but, in each case, so that the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry.

Special Resolution

- 10 That the directors are generally and unconditionally authorised pursuant to Article 21.8 of the Articles to allot Equity Securities (as defined in the Articles) for cash pursuant to the authority conferred on them by resolution 9, above, as if Article 21.1 did not apply, and such authority shall expire when the authority conferred on the directors by resolution 9, above, expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require Equity Securities to be allotted as if Article 21.1 did not apply after such expiry.

Special Business

Ordinary Resolution

- 11 That, for the purposes of article 90 of the Articles, the maximum aggregate service fees for the directors of the Company for this financial year and future financial years shall be: a) in respect of non-executive directors of the Company, £100,000; and b) in respect of the executive directors of the Company, \$400,000 or such other amounts as the Remuneration Committee of the board of directors of the Company may approve from time to time.

Special Resolution

- 12 That the payment of the director service fees as set out in the Annual Report for the Company for the financial year ended 31 December 2018 be and is ratified and confirmed.

By Order of the Board
25 October 2019

NOTES:

- 1 A member who is entitled to attend and vote at the meeting is entitled to appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting.
- 2 A member must be registered as the holder of ordinary shares by close of business on 20 November 2019 in order to be entitled to attend and vote at the meeting as a member in respect of those shares.
- 3 Forms for the appointment of a proxy in respect of the meeting have been provided to members with this notice of meeting. To be valid, a proxy appointment form must be completed in accordance with the instructions that accompany it and then delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to *Computershare Investor Services (Guernsey) Limited c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY* so as to be received by 6 p.m. (local time) on 20 November 2019.