

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 2018 ANNUAL GENERAL MEETING

Your attention is drawn to the letter from the CEO 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 2018 annual general meeting of the Company, described further below.

Notice of the 2018 annual general meeting of the Company, to be held at 4.00 p.m. local time on 16 November 2018 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* as soon as possible and in any event not later than 4.00 p.m. local time on 14 November 2018.

Completion of a Proxy Form 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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Enclosures:

Proxy Form

Note:

All documents listed above, together with the audited annual financial statements for the Company made up to 31 December 2017 and the proposed new Articles of Incorporation of the Company to be adopted pursuant to resolution 4, as set out in the Notice, are available for inspection on the Company's website <http://www.ferro-alloy.com> and will be available for inspection at the annual general meeting.

LETTER FROM THE CEO

Ferro-Alloy Resources Limited

(a company incorporated in Guernsey with registration number 63449)

Directors:

Nicholas Bridgen (CEO)
Andrey Kuznetsov
Christopher Thomas
James Turian

Registered Office

Noble House
Les Baissieres
St Peter Port
Guernsey
GY1 2UE

31 October 2018

Dear Shareholder,

2018 Annual General Meeting of the Company

1. Notice of the AGM

I am pleased to be writing to you with details of the 2018 annual general meeting of the Company which we are holding at St Pierre Park Hotel, Rohais, St Peter Port, Guernsey, GY1 1FD on 16 November 2018 at 4.00p.m. (the "**AGM**"). The formal notice of the AGM is set out on pages 5 to 7 of this document (the "**Notice**").

2. Proposed shareholder resolutions

A number of resolutions are being proposed in relation to the ordinary administrative business of the Company and, in addition, certain matters of special business which are being proposed by the Company. 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 the resolutions to be proposed at the AGM.

Ordinary Business - Resolutions 1 to 3

These resolutions deal with: the Company's annual report and accounts for the financial period ended 31 December 2017 (resolution 1) and the appointment and remuneration of the Company's auditors (resolutions 2 and 3).

Special Business – Resolutions 4 and 5

In anticipation of Admission, the Company proposes resolution 4 as a special resolution to adopt Articles of Incorporation for the Company which are in compliance with the UKLA Listing Rules subject to, and with effect from, Admission ("**Admission Articles**"). Copies of the proposed new Articles of Incorporation are available from the Investor section of the Company's website (<http://www.ferro-alloy.com>) and will be tabled at the AGM for 30 minutes ahead of the commencement of the AGM.

As the Admission Articles contain restrictions on the issue of Relevant Securities (as defined in the Admission Articles) by the Board without shareholder approval, and require further Equity Securities (as defined in the Admission Articles) to be issued for cash consideration on a pre-emptive basis, the Company proposes resolution 5 as a special resolution to authorise the directors to issue further ordinary shares free of the rights of pre-emption.

3. Action to be taken

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Whether or not you intend to attend the AGM, you should ensure that your Proxy Form (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 Proxy Form must be received by Computershare Investor Services (Guernsey) Limited as soon as possible and in any event not later than 4.00 pm on 14 November 2018.

Completion and return of the Proxy Form 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

A handwritten signature in blue ink, appearing to read 'Nicholas Bridgen', is written over a faint circular stamp.

Nicholas Bridgen
CEO

Ferro-Alloy Resources Limited
Notice of Annual General Meeting

Notice is given that the 2018 annual general meeting of the Company will be held at St Pierre Park Hotel, Rohais, St Peter Port, Guernsey, GY1 1FD on 16 November 2018 at 4.00 p.m. to transact the business set out below. Resolutions 1 to 3 (inclusive) will be proposed as ordinary resolutions and resolutions 4 and 5 will be proposed as special resolutions.

For the purposes of the below resolutions, "**Admission**" shall mean the date of the admission of the entire share capital of the Company to the Official List of the UK Listing Authority (by way of a standard listing under Chapter 14 of the Listing Rules published by the UK Listing Authority under section 73A of the Financial Services & Markets Act 2000 (an Act of Parliament) as amended from time to time) and to trading on the Main Market of the London Stock Exchange plc.

ORDINARY BUSINESS

Ordinary Resolutions:

- 1 To receive the audited accounts and the auditors' and directors' reports for the year ended 31 December 2017.
- 2 To re-appoint KPMG Audit LLC as auditors of the Company.
- 3 To authorise the directors to determine the remuneration of the auditors of the Company from time to time.

SPECIAL BUSINESS

Special Resolutions:

- 4 That the draft Articles of Incorporation of the Company, a copy of which was tabled at the 2018 annual general meeting of the Company and initialled by the chairman thereof for identification purposes ("**Admission Articles**"), shall be adopted as the Articles of Incorporation of the Company in substitution for, and in replacement of, the existing Articles of Incorporation of the Company subject to and with effect from Admission.
- 5 That, subject to and with effect from Admission, the directors be and are generally and unconditionally authorised pursuant to Article 20 of the Admission Articles to exercise all the powers of the Company to allot Relevant Securities (as defined in the Admission Articles):
 - (a) in respect of up to 35 million ordinary shares; and
 - (b) in respect of up to a further 10 million ordinary shares in connection with an offer by way of rights 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 holders of Ordinary Shares 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 any other matter;

as if the rights of pre-emption set out in Article 21 of the Admission Articles did not apply, such authorities to expire on the date occurring 18 months from the date of Admission 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 Relevant Securities to be allotted or issued after such expiry.

By Order of the Board
31 October 2018

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 14 November 2018 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 4.00 pm on 14 November 2018.