



FERRO-ALLOY RESOURCES LIMITED

Noble House, Les Baissieres,

St Peter Port, Guernsey, GY1 2UE

4 March 2019

Dear Shareholder,

I write to recommend your acceptance of the proposed written resolution of shareholders that is set out below as a written resolution.

The purpose of the resolution is to authorize the Directors to cancel the shares that were originally created in order to provide a stock of shares for issue to subscribers on the Kazakhstan Stock Exchange. These shares were issued but were not paid up and remained in the ownership of the Company to be available for future subscription (the Nil Paid Shares). The Directors are planning to offer some of these Nil Paid Shares for subscription on the Kazakhstan Stock Exchange. Subject to the passing of this resolution, any Nil Paid Shares that remain after the closing of the offer will be cancelled.

The directors have already stated their intention to approve the resolution and vote accordingly, as have certain other major shareholders, so that in total more than the required 50% of shareholders have already signaled their intention to approve.

Yours faithfully

Nicholas Bridgen

CEO

FERRO-ALLOY RESOURCES LIMITED

("Company")

Registered No. 63449

WRITTEN RESOLUTION

Pursuant to section 175(2)(b) of The Companies (Guernsey) Law,
2008
(as amended) ("Law")

Circulation Date: 4 February 2019

Background:

- A. Pursuant to a resolution of the Directors passed on 1 May 2017, 150,000 ordinary shares were issued as nil paid ("**Nil-Paid Shares**") to Vidacos Nominees Limited ("Vidacos"), held on bare trust for the Company, and placed in the Crest account of the Kazakhstan Central Depository for the purpose of allowing ordinary shares in the capital of the Company ("**Ordinary Shares**") to be taken up by investors located in Kazakhstan via the Kazakhstan Stock Exchange ("**KASE**").
- B. Since their issue, 11,214 Nil-Paid Shares have been taken up and fully paid, and the subscription proceeds have been added to the share capital of the Company.
- C. On 12 July 2018, shareholders approved a resolution which had the effect of subdividing each Ordinary Share into 200 new Ordinary Shares of no par value, which increased the number of remaining Nil-Paid Shares which had not been taken up to 27,757,200.
- D. The Company is planning to make a further offer of Nil-Paid Shares for sale on KASE to investors located in Kazakhstan ("**KASE Offer**") contemporaneously with an offer to place new Ordinary Shares on, and apply for the entire issued ordinary share capital of the Company to be admitted to trading on, the Main Market of the London Stock Exchange plc ("**Admission**").
- E. It is proposed that, subject to and with effect from the date of Admission, any remaining Nil-Paid Shares: i) which have not been taken up and fully paid up as of the date of Admission; or ii) in respect of which no investor has entered into an agreement with the Company to take up Nil-Paid Shares prior to or upon Admission pursuant to the KASE Offer ("**Remaining Nil-Paid Shares**"), if any, be cancelled.
- F. Both the exiting articles of incorporation of the Company ("**Existing Articles**") and the articles of incorporation of the Company which will be adopted subject to and with effect from Admission pursuant to a special resolution of the Company passed at the annual general meeting of the Company held on 16 November 2018 ("**Admission Articles**"), permit the Company to cancel any Remaining Nil-Paid Shares by ordinary resolution.
- G. For this purpose, it is proposed to pass the ordinary resolution set out below ("**Resolution**") by way of this written resolution.

Resolution:

Ordinary Resolution

That, pursuant to article 3.1 of the Existing Articles, article 49 of the Admission Articles and section 287(1)(c) of The Companies (Guernsey) Law,

2008 (as amended), subject to and with effect from Admission, all Remaining Nil-Paid Shares in existence (if any) as of the date of Admission be and are cancelled.

This written resolution may be executed in any number of counterparts. All the counterparts shall together constitute a single instrument.

Notes:

1. If you consent to the passing of the Resolution, then please signify your agreement to the Resolution by signing and dating your copy (on the date of signing) and returning to the Company a PDF copy to info@ferro-alloy.com as soon as possible, with the original signed copy to be returned to the Company at Noble House, Les Baissieres, St Peter Port, Guernsey, GY1 2UE to be kept with the Company books.
2. If you do not consent to the passing of the Resolution then no action is required to be taken by you. In the event the Resolution is passed by shareholders of the Company holding a majority of the Ordinary Shares, the Company will notify you.
3. The Resolution will lapse if not passed within 28 days of the Circulation Date.
4. Each shareholder has one vote per Ordinary Share. If you do not wish to cast all of your votes for the Resolution, then please provide the number of Ordinary Shares which you intend to vote in the space provided below. Unless otherwise indicated, by signing this written resolution you will be deemed to have voted all of the Ordinary Shares held by you.

I/We, the undersigned, being a shareholder of the Company as of the Circulation Date, irrevocably consent to the passing of the Resolution.

..... [Signature(s)]

_____ [insert shareholder]

Date: _____ 2019

If not all Ordinary Shares held by you are being voted in respect of the Resolution, please insert the number of Ordinary Shares being voted by you:

Resolution: _____ Ordinary Shares