

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer, the contents of these Offer Documents, or what action you should take, you should seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or transferred all of your Cominco Shares, please forward these Offer Documents at once to the purchaser or transferee. However, these documents must not be distributed, forwarded or transmitted in or into any jurisdiction where to do so would constitute a violation of the laws of that jurisdiction. If you have sold or transferred any part of your holding of Cominco Shares, you should retain these documents and consult Roderick Smith at Cominco.

You should carefully read the whole of this Document and any documents appended to it. This Document should be read in conjunction with the accompanying Acceptance Form, the terms of which are deemed to form part of the Offer.

The release, publication or distribution of these Offer Documents in, into or from jurisdictions other than the United Kingdom and the availability of the Offer to Overseas Shareholders may be restricted by the laws of those jurisdictions and therefore persons into whose possession these Offer Documents come should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. These Offer Documents do not constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

All Share Offer by

Kropz Plc

(incorporated and registered in England and Wales, number 11143400)

to acquire all the issued and to be issued share capital of

Cominco Resources Limited

(incorporated and registered in British Virgin Islands, number 1416753)

The procedure for acceptance of the Offer is set out on page 11 of this Document and the accompanying Acceptance Form. To accept the Offer, you must complete, sign and return the accompanying Acceptance Form together with your original share certificate(s) as soon as possible and, in any event, so as to be received by post or (during normal business hours only) by hand addressed to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 1 p.m. (London time) on 5 November 2018 (to accept by First Close Date) or by 1 p.m. (London time) on 19 November 2018 (to accept by the Final Offer Date).

This Document does not constitute a prospectus or prospectus equivalent document in any jurisdiction.

Capitalised words and phrases used in this Document shall have the meaning given to them in the section entitled **Definitions**.

This Document is dated 1 November 2018.

ACTION TO BE TAKEN TO ACCEPT THE OFFER

To accept the Offer, you should complete the enclosed Acceptance Form in accordance with the instructions contained in Part C of Appendix 1 to this Document, and in accordance with the further instructions contained in the Acceptance Form.

If you have any queries please contact Link Asset Services on 0371 664 0321. 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. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

ALL REFERENCES TO TIME IN THIS DOCUMENT AND IN THE FORM OF ACCEPTANCE ARE TO LONDON UK TIME.

THE FIRST CLOSING DATE OF THE OFFER IS 5 NOVEMBER 2018
ACCEPTANCE OF THE OFFER BY THE FIRST CLOSE DATE SHOULD BE RECEIVED BY
NO LATER THAN 1:00 PM (LONDON UK TIME) ON 5 NOVEMBER 2018

FORWARD LOOKING STATEMENTS This document may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Kropz or Cominco and certain plans and objectives of Kropz with respect thereto. These forward-looking statements can be identified by the fact that they do not relate to historical or current facts. Forward-looking statements also often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could”, or other words of similar meaning. These statements are based on assumptions and assessments made by Kropz in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Kropz does not assume any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law. Forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this document. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business and competitive environments, market and regulatory forces, future exchange and interest rates, changes in tax rates, and future business combinations or dispositions.

Publication of the Admission Document

A copy of this document, the form of acceptance and the Admission Document will be available free of charge subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Kropz Plc’s transaction microsite at www.kropz.com/aim-admission, by no later than 12.00 noon (London time) on the Business Day following the P-Proof Meeting. The microsite can be accessed using Username: Project Fynbos; Password: T4H1nd@2R*n.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Offer	1 November 2018
Sending of this Document and the Form of Acceptance to Cominco Shareholders	1 November 2018
P-Proof Meeting	1 November 2018
First closing time and date of the Offer	1 p.m. on 5 November 2018
Earliest date on which the Offer is expected to become or be declared unconditional in all respects	5 November 2018
Admission of the Enlarged Share Capital to trading on AIM expected to become effective and dealings expected to commence in the Enlarged Share Capital on AIM	8 a.m. on 8 November 2018
CREST accounts expected to be credited in respect of First Offer Shares (where applicable)	8 November 2018
Date by which certificates in respect of First Offer Shares are expected to be despatched	22 November 2018
Final Closing Date	1 p.m. on 19 November 2018
Admission of the Further Offer Shares to trading on AIM expected to become effective	23 November 2018
CREST accounts expected to be credited in respect of Further Offer Shares to (where applicable)	23 November 2018
Date by which certificates in respect of Further Offer Shares to are expected to be despatched	7 December 2018
Long Stop Date	30 November 2018

Future dates are indicative only and are subject to change, in which event details of the new times and dates will be announced via Regulatory Information Service.

DEFINITIONS

The following definitions apply throughout this Document and the accompanying Acceptance Form, unless the context requires otherwise:

Acceptance Condition	the condition as to acceptances set out in paragraphs 1.1 of Part A of Appendix 1 to this Document.
Acceptance Form	the acceptance form for use by holders of Cominco Shares in connection with the Offer and accompanying this Document.
Acquisition	the proposed acquisition of Cominco by Kropz by way of the Offer.
Admission	the admission of the Enlarged Share Capital to AIM as evidenced by the London Stock Exchange issuing a dealing notice in accordance with rule 6 of the AIM Rules.
Admission Condition	the condition as to Admission set out in paragraph 1.7 of Part A of Appendix 1 to this Document.
Admission Document	the placing proof of the admission document to be published by Kropz by no later than 12.00 noon (London time) on the Business Day following the P-Proof Meeting, pursuant to the AIM Rules in connection with the Placing and Admission, a copy of which is available at www.kropz.com/aim-admission . Username: Project Fynbos; Password: T4H1nd@2R*n.
AIM	the AIM market of the London Stock Exchange.
Business Day	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business.
BVI Registrar	R&H Secretaries (BVI) Ltd of Woodbourne Hall of PO Box 3162, Road Town, Tortola VG 1110, British Virgin Island.
Cominco	Cominco Resources Limited, a company registered in British Virgin Islands whose BVI company number is 1416753.
Cominco Articles	the memorandum and articles of association of Cominco, as amended from time to time.
Cominco Board	the directors of Cominco on the date of this Document.
Cominco Group	Cominco and its subsidiary undertakings (as defined in the Companies Act), and Cominco Group Company means any one of them.
Cominco S.A.	Cominco S.A, company number RCCM CG/PNR/11 B 2044, of 1st Floor, Obambi Building, Rond-Point d'Avoum, BP 282, Pointe-Noire, Republic of Congo.
Cominco Shares	ordinary shares of no par value in the capital of Cominco.
Cominco Shareholders	the registered holders of Cominco Shares from time to time.
Companies Act	the UK Companies Act 2006, as amended.
Completion	completion of the Offer, being the time at which the Offer has become unconditional in all respects.
Cominco Completion Meeting	a meeting of the Cominco Board to be held prior to Admission at which the following shall take place: <ol style="list-style-type: none">i. a resolution to approve and register the transfer of the Cominco Shares for which valid acceptances have been received by First Closing Date and the Irrevocable Instruction be approved and delivered to the BVI Registrar;ii. such directors and secretary (if any) as Kropz may previously notify to Cominco shall resign from their offices with Cominco with effect from Admission; and

- iii. such individuals (if any) as Kropz may previously notify to the Cominco shall be appointed as directors and as secretary of Cominco with effect from Admission.

Conditions	the conditions as set out in Part A of Appendix 1.
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the holding and transfer of title to shares in uncertificated form.
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended.
Elandsfontein Phosphate Project	the Elandsfontein phosphate project, further details of which are set out in paragraph 3 of Part I of this Document.
Enlarged Group	Kropz and its subsidiaries undertakings (as defined in the Companies Act) including the Cominco Group following completion of the Acquisition.
Enlarged Share Capital	the ordinary share capital of Kropz in issue on Admission.
Final Closing Date	1 p.m. on 19 November 2018.
First Closing Date	1 p.m. on 5 November 2018.
First Offer Shares	those Offer Shares to be issued and allotted to Cominco Shareholders for whom valid acceptances have been received by First Closing Date.
Further Offer Shares	those Offer Shares to be issued and allotted to Cominco Shareholders for whom valid acceptances have been received after the First Closing Date but by Final Closing Date.
FSMA	Financial Services and Markets Act 2000 (as amended).
Grant Thornton	Grant Thornton UK LLP of 30 Finsbury Square, London EC2P 2YU, the Company's nominated adviser;
H&P	H & P (Advisory) Limited of 2 Park Street, London W1K 2HX, joint broker to Kropz.
Irrevocable Undertakings	the irrevocable undertakings given by certain Cominco Shareholders to accept or procure the acceptance of the Offer in respect of their Cominco Shares, details of which are set out in Appendix 2.
Irrevocable Instruction	the delivery by Cominco to the BVI Registrar on the Business Day immediately prior to Admission (and by no later than 1 p.m. on that day) of an irrevocable instruction in the agreed form to update Cominco's register of members to reflect valid acceptances received prior to the First Closing Date, such updated Cominco register of members to be held in escrow and released automatically on Admission.
Joint Brokers	Mirabaud and H & P.
Key Completion Documents	(i) the Irrevocable Instruction; (ii) the minutes of the Cominco Completion Meeting;
Kropz	Kropz Plc, a company registered in England and Wales whose registered number is 11143400.
Kropz International	Kropz International S.a.r.l., registered in Luxembourg with company number B191463.
Kropz Shares	the ordinary shares of 0.1 pence each in the capital of Kropz.
Longstop Date	a date being no later than 30 November 2018.
Mining Exploitation Convention	the mining exploitation convention between Cominco, Cominco S.A. and the Republic of Congo government dated 10 July 2018.
Minimum Raise Condition	the condition as to minimum raise as set out in paragraph 1.6 of Part A of Appendix 1 to this Document.

Mirabaud	Mirabaud Securities Limited of 5th Floor, 11 Bressenden Place, London SW1E 5DH, joint broker to Kropz.
Offer	the offer made by Kropz to acquire all the Cominco Shares on the terms and subject to the conditions set out in this Document and the Acceptance Form.
Offer Documents	this document and the accompanying Acceptance Form.
Offer Shares	the new Kropz Shares to be allotted and issued by Kropz to the Cominco Shareholders as consideration for their acceptance of the Offer.
Overseas Shareholders	Cominco Shareholders whose registered addresses are outside the UK or who are citizens or residents of countries other than the UK.
Placing	the conditional placing of the Placing Shares by Mirabaud and H&P, at the Placing Prices.
Placing Agreement	the conditional agreement dated on or around the date hereof between Kropz (1), the directors of Kropz as at Admission (2), Grant Thornton (3); H&P (4) and Mirabaud (5), relating to the Placing.
Placing Condition	the condition as to the Placing Agreement becoming unconditional as set out in paragraph 1.5 of Part A of Appendix 1 to this Document.
Placing Shares	the new Kropz Shares to be allotted and issued by Kropz pursuant to the Placing.
Placing Price	the placing price to be determined at the P-Proof Meeting.
P-Proof Meeting	the meeting of the board of Kropz scheduled on 1 November 2018 (or such later date as agreed by Kropz).
Port Agreement	means the heads of agreement between Cominco S.A. and Port Authority of Pointe-Noire dated on or around the date of this Document.
Receiving Agent	Link Asset Services a trading name of Link Market Services Limited of The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
Republic of Congo	the Republic of the Congo.
Restricted Jurisdiction	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Cominco Shareholders in that jurisdiction.
Subscription	the conditional subscription at the Placing Price.
Subscription Shares	the new Kropz Shares to be allotted and issued by Kropz at the Placing Price pursuant to the Subscription.
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland.
United States	the United States of America, its territory and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction.

Part 1

Letter from Kropz Plc



FEED THE WORLD

(incorporated and registered in England and Wales, number 11143400)

Registered Office:

Suite 4f Easistore Building,
North Farm Estate,
Tunbridge Wells,
United Kingdom,
TN2 3EY

1 November 2018

To Cominco Shareholders

Dear Shareholders

ALL SHARE OFFER BY KROPZ PLC FOR THE ISSUED AND TO BE ISSUED SHARE CAPITAL OF COMINCO RESOURCES LIMITED

1. INTRODUCTION

Following discussions between the boards of Kropz and Cominco, Kropz is pleased to announce the terms of an all share offer to be made to Cominco Shareholders by Kropz for the entire share capital of Cominco.

This Offer Document and the Acceptance Form contain the formal terms and conditions of the Offer for your Cominco Shares.

Assuming the Offer is successful and the Acceptance Condition is satisfied, Kropz intends to apply for Admission of the Enlarged Share Capital to trading on AIM which is expected to become effective at 8.00 a.m. 8 November 2018.

Kropz intends to raise up to US\$40 million via the Placing and Subscription through the proposed issue of the Placing Shares and the Subscription Shares at the Placing Price to be determined at the P-Proof Meeting. On the basis that the gross proceeds of the Placing and Subscription will be up to US\$40 million, the gross proceeds will be used as follows:

Elandsfontein final development capital		US\$16 million
Project development and operating costs:		US\$12 million
— Kropz	US\$1.0 million	
— Elandsfontein	US\$5.7 million	
— Hinda	US\$4.0 million	
— Aflao	US\$1.3 million	
Elandsfontein debt reduction (creditors)		US\$8 million
IPO Costs		US\$4 million

Cominco Shareholders should note that once they have accepted the Offer, they will be irrevocably bound to sell their Cominco Shares to Kropz under the Offer and cannot sell their shares to any other person unless the Conditions are not satisfied.

2. TERMS OF THE OFFER

2.1 SUMMARY OF THE OFFER

Kropz hereby offers to acquire, subject to the Conditions and further terms set out or referred to in Appendix I (Conditions and further terms of the Offer) to this Document and the Acceptance Form, all issued Cominco Shares on the following basis

for each Cominco Share: ● Offer Shares

The number of Offer Shares for each Cominco Share will be determined at the P-Proof Meeting and Kropz shall notify the Cominco Shareholders as soon as possible thereafter. The Offer values the whole of the issued share capital of Cominco at approximately US\$40 million and each Cominco Share at approximately US\$0.8517.

Assuming the Offer is successful and all Cominco Shareholders accept the Offer, Cominco will become a majority-owned subsidiary of Kropz.

The Offer will remain open for acceptance, subject to the provisions of Appendix I and the terms of the Offer Document, until 1 p.m. on 19 November 2018.

The Offer will extend to all Cominco Shares unconditionally allotted or issued and fully paid on the date of the Offer and any Cominco Shares which are unconditionally allotted or issued and fully paid whilst the Offer remains open for acceptance or by such earlier date as Kropz may decide and not being earlier than the date on which the Offer becomes or is declared unconditional as to acceptances.

Fractions of Offer Shares will not be allotted or issued to accepting Cominco Shareholders. All fractional entitlements to Offer Shares will instead be aggregated and sold in the market as soon as practicable and the net proceeds of sale for any individual entitlements of less than £3.00 will be retained for the benefit of Kropz.

Kropz is a public limited company incorporated in England and Wales. Further information on Kropz is set out in paragraph 3 of this Part 1.

The Cominco Shares will be acquired by Kropz pursuant to the Offer fully paid with full title guarantee, free from all liens, charges, equities, encumbrances, options, rights of pre-emption and other third party rights and interests of any nature whatsoever, and together with all rights attaching or accruing to them as at the date of this letter, or subsequently attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after that date.

The Offer Shares will be issued fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and will rank in full for all dividends and other distributions, if any, declared, made or paid after the date of this Document and otherwise rank *pari passu* with the issued Kropz Shares.

The Offer is conditional upon:

- the Acceptance Condition being satisfied by the First Closing Date (or such later times and/or dates as Kropz decides, provided that such later time and/or date shall be not later than the Longstop Date); and
- the other Conditions set out in Part A of Appendix 1 (including the Minimum Raise Condition and the Admission Condition) being satisfied or waived (if capable of being waived) by no later than the Longstop Date.

2.2 IRREVOCABLE UNDERTAKINGS AND INDICATIONS OF INTENT

Certain Cominco Shareholders have irrevocably undertaken to accept the Offer in respect of their holdings of Cominco Shares. Altogether, irrevocable undertakings to accept the Offer have been received in respect of 69.70 per cent. of the Cominco Shares to which the Offer relates.

Further certain Cominco Shareholders have indicated their intention to accept the Offer in respect of their holdings of Cominco Shares. Altogether, indications of intent have been received in respect of 1.26 per cent. of the Cominco Shares to which the Offer relates (which together with the irrevocable undertakings totals 70.96 per cent. of the Cominco Shares to which the Offer relates).

Further details of the irrevocable undertakings and indications of intent received by Kropz are set out in Appendix 2 to this Document.

2.3 BACKGROUND AND REASONS FOR THE OFFER

Kropz's vision is to become a leading independent phosphate rock producer and to develop, over time, into an integrated, mine-to-market plant nutrient company focused on sub-Saharan Africa.

Following in depth discussions with Cominco and full due diligence, the Kropz directors believe that the Acquisition is in line with Kropz's corporate strategy and will provide significant medium and longer term upside potential.

Through the Acquisition, Kropz intends to create a leading independent, multi-asset, UK-quoted, sub-Saharan Africa based plant nutrient producer. This transaction will create a phosphate company boasting near term production from the existing Elandsfontein asset in South Africa, as well as considerable near-term scalability, with Cominco's Hinda Project hosting more than 675Mt in resources at a 10.0 per cent. P₂O₅ grade, further supplemented by Kropz's stake in the exploration target of Aflao.

The projects are all located in well-established mining jurisdictions, with good locations in proximity to operational export facilities, and available utilities and infrastructure. Kropz is targeting a phosphate resource in excess of one billion tonnes, with >3Mtpa phosphate rock production and >50-year cumulative life of mine within 3 years.

The Kropz directors believe that Kropz will benefit from synergies which are expected from the consolidation, including optimisation and flexibility in product sales to meet specific market requirements, increasing value as a non-integrated rock producer, and saving on input materials and equipment through strengthened relationships with key suppliers and economies of scale.

As a quoted entity, Kropz will have access to a wider pool of potential investors and a public profile, which may help with the continued development of the Hinda project, and could add considerable upside to Cominco Shareholders.

3. INFORMATION ON KROPZ

As at Admission, Kropz is an emerging plant nutrient producer with an advanced stage phosphate mining project in South Africa and exploration assets in West Africa. Kropz's vision is to become a leading independent phosphate rock producer and to develop into an integrated, mine-to-market plant nutrient company focusing on sub-Saharan Africa.

Kropz has an experienced management team in place and proven track record encompassing the entire project development pipeline, as well as in-depth understanding of the South and Southern African operating environment, regulations and mineral laws. Combined, the team has extensive experience in mining, minerals processing and infrastructure development.

As at Admission, Kropz's current flagship operation is the Elandsfontein Phosphate Project, a near-term producing asset in South Africa's Western Cape Province, close to export infrastructure and primed to take advantage of a recovery in phosphate prices.

Your attention is also drawn to the Admission Document that will be available on the microsite at www.kropz.com/aim-admission, by no later than 12.00 noon (London time) on the Business Day following the P-Proof Meeting, which contains detailed information about Kropz, and which should be read in conjunction with this document. The microsite can be accessed using Username: Project Fynbos; Password: T4H1nd@2R*n.

4. FURTHER TERMS OF THE OFFER

Cominco Shareholders should note that further terms of the Offer are set out in Appendix 1 and in the Acceptance Form.

Kropz will not withdraw the Offer unless the Conditions are not satisfied or waived by the Longstop Date or in the reasonable opinion of Kropz the Conditions are no longer capable of being satisfied or waived.

5. COMPULSORILY REDEMPTION OF MINORITY COMINCO SHAREHOLDERS

Shareholders holding 90 per cent. of the votes of the issued Cominco Shares have the right, pursuant to section 176 of the BVI Business Companies Act 2004, to direct Cominco to redeem compulsorily the Cominco Shares held by the remaining Cominco Shareholders.

If Kropz receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more of the Cominco Shares and the Offer becomes or is declared unconditional in all respects, then Kropz intends to apply the provisions of section 176 of the BVI Business Companies Act 2004 to compulsorily redeem any outstanding Cominco Shares held by the remaining Cominco Shareholders.

If the Offer becomes or is declared wholly unconditional but Kropz does not receive sufficient acceptances under the Offer to entitle it compulsorily to redeem the remaining Cominco Shares, Cominco Shareholders who have not validly accepted the Offer will be shareholders in an unlisted subsidiary company with no ready or liquid market for their Cominco Shares and no right for their Cominco Shares to be compulsorily redeemed by Kropz.

6. TAXATION

Cominco Shareholders who are in any doubt about their taxation position should consult with their own professional advisers.

7. OVERSEAS SHAREHOLDERS

The availability of the Offer to Overseas Shareholders may be affected by the laws of the relevant jurisdiction. Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements in their jurisdiction. If you remain in doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

The attention of the Overseas Shareholders or other Cominco Shareholders (including without limitation, nominees, trustees or custodians) who may have an obligation to forward this Document and its accompanying documents to any jurisdiction outside the UK is drawn to paragraph 6 of Part B of Appendix 1 to this Document and the relevant provisions of the Acceptance Form, which they should read before taking any action.

The Offer is not being made, directly or indirectly, in or into the United States, Canada, Japan, The Republic of South Africa or any other Restricted Jurisdiction. Accordingly, any accepting Shareholder who is unable to give the warranties set out in paragraph 2 of Part C of Appendix 1 may be deemed not to have validly accepted the Offer.

Unless permitted by applicable law and regulation, copies of this Document and the Acceptance Form and any other document related to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed, transmitted or sent in or into or from the United States, Canada, Japan, The Republic of South Africa or any other Restricted Jurisdiction and persons receiving this Document, the Acceptance Form and any other related document (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offer.

All Cominco Shareholders (including nominees, trustees or custodians) who would, or otherwise intend to, or may have a legal or contractual obligation to, forward this Document and/or the Acceptance Form and/or any related documents to any jurisdiction outside the United Kingdom, should read the further details in this regard, which are contained in paragraph 6 of Part B and paragraph 2 of Part C of Appendix 1 to this Document before taking any action.

8. PROCEDURE FOR ACCEPTANCE OF THE OFFER

This section must be read together with the notes to and instructions on the Acceptance Form. The Acceptance Form and the instructions thereon form part of the terms of the Offer.

8.1 To accept the Offer

To accept the Offer, you should complete the enclosed Acceptance Form in accordance with the instructions contained in Part C of Appendix 1 to this Document, and in accordance with the further instructions contained in the Acceptance Form.

8.2 General

The Acceptance Form, duly completed in all respects, signed and witnessed, should be returned by post or (during normal business hours only) by hand, together with the relevant share certificates to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Acceptances should be returned as soon as possible, and, in any case, by not later than 1 p.m. (London time) on 5 November 2018 (to accept by First Close Date) or by 1 p.m. (London time) on 19 November 2018 (to accept by the Final Offer Date). No acknowledgement of receipt of documents will be given.

Any Acceptance Form received in an envelope postmarked in any Restricted Jurisdiction or otherwise appearing to Kropz or its agents to have been sent from any such Restricted Jurisdiction may be rejected as an invalid acceptance of the Offer and will not constitute a valid acceptance of the Offer.

8.3 Share certificates not readily available or lost

Even if your share certificates are not readily available or are lost, you should nevertheless complete, sign and return the Acceptance Form as indicated above should you wish to accept this Offer.

The share certificates should be forwarded as soon as possible thereafter, or, if you have lost your share certificates, the lost share certificate indemnity should be completed in accordance with the instructions given and returned by post or by hand (in normal business hours only) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. No acknowledgement of receipt of documents will be given.

8.4 Validity of acceptances

Subject to the terms of the Offer, Kropz reserves the right to treat acceptances of the Offer as valid, even though not complete in all respects or not accompanied by the relevant share certificates and/or indemnity. In such event, no share allotment under the terms of the Offer will be made until after the relevant share certificates and/or indemnity in the form specified by Kropz has been received.

8.5 Overseas Shareholders

The attention of Cominco Shareholders who are citizens or residents of jurisdictions outside the United Kingdom is drawn to the relevant provisions of the Acceptance Form including Box 5 of the Acceptance Form.

9. SETTLEMENT

9.1 Completion of the Offer is conditional upon the Admission becoming effective. Admission is expected to take place on or before 8.00 a.m. on 8 November 2018 or such later date as notified by Kropz to the Cominco Shareholders (not being later than the Long Stop Date).

9.2 Subject to the Offer becoming or being declared unconditional in all respects, settlement of the consideration to which any Cominco Shareholder is entitled under the Offer (except as provided in paragraph 6 of Part B of Appendix 1 to this document in the case of an Overseas Shareholder) will be effected (i) in the case of acceptances received, complete in all respects, by First Closing Date, within 14 days of Completion; or (ii) in the case of acceptances received, complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects but while it remains open for acceptance, within 14 days of Final Closing Date, in the following manner:

9.2.1 If Box 7 on the Form of Acceptance is completed, the Offer Shares to which the Cominco Shareholder is entitled will be issued in uncertificated form and Kropz will procure that Euroclear is instructed to credit the appropriate stock account in CREST of the Cominco Shareholder concerned with such Cominco Shareholder's entitlement to Offer Shares pursuant to the Offer.

9.2.2 If Box 7 on the Form of Acceptance is not completed the Offer Shares to which the Cominco Shareholder is entitled will be issued in certificated form and definitive certificates for the Offer Shares will be despatched by post at the risk of the person(s) entitled thereto to the Cominco Shareholder or agent whose name and address (outside a Restricted Jurisdiction) is set out in Box 1 of the Form of Acceptance or, if none is set out, to the first named holder at his or her registered address.

9.3 Kropz reserves the right to issue all or any of the Offer Shares, for all or any Cominco Shareholder(s), in the manner referred to in paragraph 9.2.2 above, if, for any reason, it wishes to do so.

9.4 The Offer Shares are eligible for CREST settlement. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument in accordance with the requirements of CREST. The articles of association of Kropz permit the holding and transfer of Kropz Shares to be

evidenced in uncertificated form in accordance with the requirements of CREST. Accordingly, following Admission, settlement of transactions in Kropz Shares may take place within the CREST system if the relevant Shareholder so wishes. CREST is a voluntary system and Cominco Shareholders who wish to receive and retain share certificates will be able to do so.

10. CONDITIONS TO THE OFFER

10.1 The Offer is subject to certain conditions as set out in Part A of Appendix 1.

10.2 If the Offer does not become or is not declared unconditional in all respects by the Long Stop Date, the Acceptance Form together with accompanying share certificate(s) and/or other documents of title will be returned by post within 14 calendar days of the Offer lapsing to the person whose name and address (outside a Restricted Jurisdiction) is set out in the Acceptance Form or if none, to the first named holder at his or her registered address.

11. FURTHER INFORMATION

Your attention is drawn to the further information relating to the Offer contained in the Appendices to this Offer Document and in the accompanying Acceptance Form.

Yours faithfully

Ian Harebottle
Chief Executive Officer
Kropz Plc

APPENDIX 1

PART A: CONDITIONS OF THE OFFER

1. CONDITIONS

The Offer will be subject to the following conditions having been satisfied or waived (if capable of being waived) on or before the Longstop Date:

- 1.1 valid acceptances of the Offer being received by no later than 1 p.m. on the First Closing Date (or such later times and/or dates as Kropz decides, provided that such later time and/or date shall be not later than the Longstop Date) in respect of not less than 70 per cent. (or such lesser percentage, being not less than 51 per cent., as Kropz may decide) of the Cominco Shares in issue at the date of this Document;
- 1.2 the Mining Exploitation Convention not having lapsed or terminated and becoming unconditional in all respects and having completed in accordance with its terms;
- 1.3 the Port Agreement not having lapsed or terminated and becoming unconditional in all respects and having completed in accordance with its terms;
- 1.4 the Cominco Completion Meeting having taken place and Kropz being satisfied that the Key Completion Documents have been delivered to Kropz (or as Kropz directs) prior to Admission;
- 1.5 the Placing Agreement becoming unconditional in all respects (save for Admission) and not having been terminated in accordance with its terms;
- 1.6 Kropz raising a minimum of US\$35 million pursuant to the Placing and Subscription (before expenses); and
- 1.7 Admission becoming effective.

2. WAIVER OF CONDITIONS

Kropz reserves the right to waive in whole or in part all or any of Conditions other than the conditions set out in paragraph 1.5, 1.6 and 1.7 (the Admission Condition, the Placing Condition and the Minimum Raise Condition) above.

Kropz shall be under no obligation to waive or determine to be, or treat as, fulfilled, any Condition that has not been satisfied notwithstanding that the other conditions of the Offer may have been waived or fulfilled and that there are no circumstances indicating that any of such Conditions may not be capable of fulfilment.

PART B: FURTHER TERMS OF THE OFFER

1. Definitions

Except where the context requires otherwise, any reference in this Part B of Appendix I or in Part C of this Appendix I and in the Form of Acceptance to:

- a. the “Offer” means the Offer and any improved offer thereof or extension thereto and also, where the context requires, includes any election or alternative available in connection therewith;
- b. the “Offer becoming, or being declared, unconditional as to acceptances” (and similar terms) means the Acceptance Condition becoming, or being declared, satisfied, whether or not any other Condition remains to be fulfilled, and references to the Offer having become, or having been declared, unconditional as to acceptances shall be construed accordingly;
- c. the “Offer becoming unconditional in all respects” (and similar terms) means all the Conditions to the Offer becoming, or being declared, satisfied, or where capable of being waived, waived, and references to the Offer having become, or having been declared, unconditional in all respects shall be construed accordingly;
- d. “acceptances of the Offer” will include deemed acceptances of the Offer including acceptances by email;
- e. “send”, “sent” or “sending” or a similar expression in relation to any document, announcement or other information shall include distribution in hard copy form or by email or publication on a website.

3. ACCEPTANCE PERIOD

The Offer will be open for acceptance until 1 p.m. on the Final Closing Date. Kropz reserves the right (but will not be obliged) at any time or from time to time to extend the Offer after such time and, in such event, will make a public announcement of such extension in the manner described in paragraph 5.2 below, provided that such extension shall not be later than the Longstop Date.

4. ACCEPTANCE CONDITION

For the purpose of determining at any particular time whether the Acceptance Condition is satisfied, Kropz may only take into account valid Acceptance Forms received in accordance with the terms of the Offer.

5. GENERAL

- 5.1 Acceptances under the Offer are irrevocable, except as otherwise may be required by applicable law.
- 5.2 By 8.00 a.m. (London time) on the Business Day (the “relevant day”) following the day on which the Offer is due to expire or becomes or is declared unconditional as to acceptances or is extended, as the case may be, Kropz will make an appropriate announcement and simultaneously publish the requisite announcement on the Kropz website (www.kropz.com) and send the announcement to a regulatory information service. Such announcement will state the total number of Cominco Shares for which acceptances of the Offer have been received.
- 5.3 A copy of any announcement made by or on behalf of Kropz in accordance with paragraph 5.2 will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Kropz’ website at www.kropz.com as soon as possible after the making of such announcement and in any event by no later than 12 noon (London time) on the following Business Day and will remain on such website while the Offer remains open for acceptances.
- 5.4 Each of the Conditions shall be regarded as a separate condition and shall not be limited by reference to any other Condition.

5.5 The Offer will lapse on:

- 5.5.1 the Longstop Date unless on or before that date all the Conditions have been satisfied or (if capable of waiver) waived or, where appropriate, have been determined by Kropz in its reasonable opinion to be and remain satisfied; or
- 5.5.2 if earlier, such date when, in the reasonable opinion of Kropz, any of the Conditions becomes incapable of being satisfied and such Condition(s) has not, to the extent permitted, been waived by Kropz.

If the Offer lapses for any reason:

- (a) it will not be capable of further acceptance;
 - (b) accepting Cominco Shareholders and Kropz will cease to be bound by Acceptance Forms submitted before the time required as set out in the Document; and
 - (c) Acceptance Forms and share certificates will be returned by post within 14 calendar days of the Offer lapsing, at the risk of the Shareholder in question, to the person or agent whose name and address is set out in the relevant box on the Acceptance Form or, if none is set out, to the first-named holder at his registered address.
- 5.6 Settlement of the consideration to which any Cominco Shareholder is entitled will be effected in the manner prescribed in paragraph 9 of the letter from Kropz contained in Part 1 of this Document.
- 5.7 The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Acceptance Form constitute part of the terms of the Offer. Words and expressions defined in this Document have the same meaning when used in the Acceptance Form unless the context requires otherwise. The provisions of this Appendix shall be deemed to be incorporated into, and form part of, the Acceptance Form.
- 5.8 The Offer is made in respect of all Cominco Shares issued on the date of the Offer and any further Cominco Shares issued prior to the date on which the Offer closes. Any omission or failure to send this Document, the Acceptance Form or any other document relating to the Offer and/or notice required to be sent under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is, or should be, made shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. The Offer is not being made, and will not be made, directly or indirectly, in or into or by the use of mails of, or by any other means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or other forms of electronic transmission) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of any Related Jurisdiction and will not be capable of acceptance by any such use, means instrumentally or facility or from within any Restricted Jurisdiction.
- 5.9 Kropz reserves the right to treat as valid in whole or in part any acceptance of the Offer if received by Kropz or otherwise on behalf of Kropz which is not entirely in order or in the correct form or which is not accompanied by (as applicable) the relevant share certificates and/or other relevant documents or is received by it at any place or places or in any form or manner determined by Kropz otherwise than as set out in this Document or in the Acceptance Form. In that event, no issue of Offer Shares will be made until after the acceptance is entirely in order and the relevant share certificates or satisfactory indemnities have been received by Kropz.
- 5.10 If all Conditions are satisfied, fulfilled or, to the extent permitted, waived and sufficient acceptances are received and/or sufficient Cominco Shares are otherwise acquired, Kropz intends to apply the provisions of section 176 of the BVI Business Companies Act 2004 to redeem compulsorily any outstanding Cominco Shares.
- 5.11 All powers of attorney, appointments of agents and authorities on the terms conferred by or referred to in this Appendix or in the Acceptance Form are given by way of security for the performance of the obligations of the relevant Shareholder and are irrevocable (in respect of powers of attorney, in accordance with section 4 of the Powers of Attorney Act 1971).

- 5.12 No acknowledgement of receipt of any Acceptance Form, communication, notice or share certificates will be given by or on behalf of Kropz. All communications, notices, certificates and remittances to be delivered by or sent to or from Cominco Shareholders (or their designated agents) will be delivered by or sent to or from them (or their designated agents) at their own risk.
- 5.13 The Offer is made on the date of this Document and is capable of acceptance from that date. Acceptance Forms and copies of this Document are available from Kropz at its registered office. This Offer is being made only by means of this Document.
- 5.14 The Offer extends to holders of Cominco Shares to whom this Document, the Acceptance Form or any related documents may not be despatched, and such persons may collect copies of these documents from Kropz at its registered office.
- 5.15 The Offer, all acceptances of the Offer and the Acceptance Form and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing and the relationship between a Cominco Shareholder and Kropz shall be governed by and will be construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to settle any dispute arising from or connected with the Offer, all acceptances of the Offer and by the execution of an Acceptance Form (by him or on his behalf) each Shareholder irrevocably submits to the jurisdiction of the courts of England and Wales.
- 5.16 Any non-contractual obligations arising out of or in connection with the Offer and/or the Acceptance Forms and all acceptances and/or elections in respect thereof will be governed by the laws of England and Wales.
- 5.17 Cominco Shares will be acquired by Kropz pursuant to the Offer with full title guarantee, free from all liens, charges, equities, encumbrances, options, rights of pre-emption and other third party rights and interests of any nature whatsoever and together with all rights attaching or accruing to them as at the date of this Document, or subsequently attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after that date. Insofar as a dividend and/or a distribution and/or a return of capital is proposed, declared, made, paid or payable by Cominco in respect of a Cominco Share on or after that date, Kropz reserves the right to reduce by the amount of the dividend and/or distribution and/or return of capital, the consideration payable under the Offer in respect of an Cominco Share, except insofar as the Cominco Share is or will be transferred pursuant to the Offer on a basis which entitles Kropz to receive the dividend and/or distribution and/or return of capital but if that reduction in price has not been effected, the person to whom the Offer consideration is paid in respect of that Cominco Share, will be obliged to account to Kropz for the amount of such dividend and/or distribution and/or return of capital.
- 5.18 Each Cominco Shareholder who accepts the Offer warrants to Kropz that he is the registered holder of and legally and beneficially owns the number of Cominco Shares inserted or deemed to be inserted in the relevant Acceptance Form and has all authority to accept the Offer in respect of such number of Cominco Shares.
- 5.19 Each Cominco Shareholder who accepts the Offer and will hold 1 per cent. or more of the Enlarged Share Capital on Admission and has not entered into a Lock-In Agreement (as defined in the Admission Document) prior to Admission, shall be required to enter into a lock-in and orderly market deed between such Cominco Shareholder, the Company, Grant Thornton and each of the Joint Brokers following Admission in the form set out in Appendix 3.
- 5.20 Cominco Shareholders who accept the Offer or whose Cominco Shares are compulsorily acquired shall be deemed to waive any pre-emption rights under the Cominco Articles or otherwise and to give all waivers and consents required for Kropz to be registered as the holder of the Cominco Shares which are the subject of the Offer for which acceptances have been received.
- 5.21 All references in this Appendix to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).

6. OVERSEAS SHAREHOLDERS

- 6.1 The making of the Offer in, or to persons resident in, or nationals or citizens of, jurisdictions outside the United Kingdom or to persons who are custodians, nominees of or trustees for such persons may be prohibited or affected by the laws of the relevant jurisdiction. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions. No person receiving a copy of this Document and/or an Acceptance Form or any other document in connection with this Offer in any jurisdiction other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Acceptance Form, if, in the relevant jurisdiction, such invitation or offer cannot lawfully be made to him or such Acceptance Form cannot lawfully be used without contravention of any relevant or other legal requirements. In such circumstances, this Document and/or such Acceptance Form are deemed to be sent for information purposes only. It is the responsibility of any Overseas Shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, including obtaining any governmental, exchange control or other consents which may be required or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties or other requisite payments due in that jurisdiction. Any such Overseas Shareholder shall be responsible for any such issue, transfer or other taxes or duties or other payments by whomsoever payable and Kropz (and any person acting on behalf of it) shall be fully indemnified and held harmless by such overseas shareholders for any such issue, transfer or other taxes or duties or other payments which Kropz (and any person acting on behalf of it) may be required to pay. If you are an Overseas Shareholder and you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- 6.2 This Document does not constitute an offer to persons resident in Restricted Jurisdictions and the Offer is not being made, and will not be, directly or indirectly, in or into or by use of the mails of, or by any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any area subject to its jurisdiction or any political division thereof, nor is it being made in any Restricted Jurisdiction and the Offer cannot be accepted by any such use, means or instrumentality or otherwise from within any Restricted Jurisdiction.
- 6.3 Copies of this Document, the Acceptance Form and any related documents are not being (unless determined otherwise by Kropz in its sole discretion), and must not be, mailed or otherwise distributed or sent in, into or from any Restricted Jurisdiction or to persons whom Kropz knows to be custodians, trustees or nominees holding Cominco Shares for persons with registered addresses in any Restricted Jurisdiction. Persons receiving those documents (including, without limitation, custodians, nominees and trustees) should not distribute, mail or send them in, into or from any Restricted Jurisdiction or use such mails or any such means, instrumentality or facility for any purpose directly or indirectly in connection with the Offer, and so doing may render any purported acceptance of the Offer invalid.
- 6.4 Persons wishing to accept the Offer must not use the mails of any Restricted Jurisdiction or any such means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of the Offer. All Cominco Shareholders (including nominees, trustees or custodians) who may have a contractual or legal obligation, or may otherwise intend, to forward this Document and/or Acceptance Form, should read the further details in this regard which are contained in this paragraph 6 and in Part C of this Appendix before taking any action. Envelopes containing Acceptance Forms, evidence of title or other documents relating to the Offer should not be postmarked in any Restricted Jurisdiction or otherwise despatched from such jurisdictions and all acceptors must provide addresses outside any such Restricted Jurisdictions for the receipt of the consideration to which they are entitled under the Offer or for the return of the Acceptance Form or documents of title. All shareholders (including nominees, trustees and custodians) who have a contractual or legal obligation, or may otherwise intend, to forward this Document, the Acceptance Form or any related document, should read further the details in this regard which are contained in this paragraph 6 of Part B and in Part C of this Appendix 1 before taking any action.

- 6.5 Subject to the provisions of this paragraph 6 and applicable laws, a Shareholder may at Kropz' absolute discretion be deemed not to have accepted the Offer if:
- 6.5.1 he puts "No" in Box 5 of the Acceptance Form and thereby does not make the representations and warranties set out in paragraph 2 of Part C of this Appendix;
 - 6.5.2 he completes Box 6 of the Acceptance Form with an address in a Restricted Jurisdiction or has a registered address in a Restricted Jurisdiction; and
 - 6.5.3 in any case, the Acceptance Form received from him is in an envelope postmarked in, or which otherwise appears to Kropz or its agents to have been sent from, or otherwise evidences use of any means of instrumentality of interstate or foreign commerce of, a Restricted Jurisdiction.
- Kropz reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph 2 of Part C of this Appendix could have been truthfully given by the relevant Cominco Shareholder and, if such investigation is made and as a result Kropz determines (for any reason) that such representations and warranties could not have been so given, such acceptance may be rejected as invalid.
- 6.6 If any person, despite the restrictions described above and whether pursuant to a contractual or legal obligation or otherwise, sends, forwards or otherwise distributes this Document, the Acceptance Form or any related document in, into or from any Restricted Jurisdiction or uses the mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction in connection with that forwarding, that person should:
- 6.6.1 inform the recipient of such fact;
 - 6.6.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - 6.6.3 draw the attention of the recipient to this paragraph 6.
- 6.7 Kropz reserves the right to notify any matter, including the making of the Offer, to all or any Cominco Shareholders:
- 6.7.1 with a registered address outside the United Kingdom; or
 - 6.7.2 whom Kropz knows to be a custodian, trustee or nominee holding Cominco Shares for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom,
- by notice in the London Gazette or paid advertisement in one or more newspapers published and circulated in the United Kingdom. Such notice shall be deemed to have been sufficiently given, despite any failure by any such Cominco Shareholder to receive or see that notice. A reference in this Document to a notice or the provision of information in writing by or on behalf of Kropz is to be construed accordingly. No such document will be sent to an address in any Restricted Jurisdiction.
- 6.8 Any acceptance of the Offer by Cominco Shareholders holding Cominco Shares who are unable to give the representations and warranties set out in paragraph 2 of Part C of this Appendix is liable to be disregarded.
- 6.9 Kropz reserves the right, in its absolute discretion, to treat any acceptance as invalid if it believes that such acceptance may violate applicable legal or regulatory requirements.
- 6.10 The provisions of this paragraph 6 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Cominco Shareholders or on a general basis by Kropz in its sole discretion. Subject to this discretion, the provisions of this paragraph 6 supersede any terms of the Offer inconsistent with them. References in this paragraph 6 to a Shareholder shall include the person or persons executing an Acceptance Form and, in the event of more than one person executing the Acceptance Form, the provisions of this paragraph 6 apply to them jointly and severally.

6.11 Cominco Shareholders resident in Australia – This Offer is an exempt offer under Chapter 6D.2 of the Corporations Act (2001) Cth. The Offer is being made solely to those Cominco Shareholders resident in Australia who qualify for one or more of the exemptions set out in section 708 of the Corporations Act (2001) Cth.

This Offer Document is not intended to provide the basis of any investment or credit decision, or any other risk evaluation, and may not be considered as a recommendation or advice by Kropz or any other person in connection with an investment in Cominco. Each Australian Cominco Shareholder to whom this Offer Document is given (**Recipient**) must make its own independent assessment and investigation of the business opportunity and should not rely on any statement or the adequacy or accuracy of any information set out in this Offer Document. Any Recipient should determine whether to accept the Offer on the basis of independent investigations and independent professional advice that it considers necessary or desirable.

This Offer Document has not been, and will not be, lodged with the Australian Securities and Investments Commission. Any invitation to purchase or subscribe for the Offer Shares will be an offer that does not need disclosure for the purposes of section 708 of the Corporations Act (2001) Cth.

Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your appropriate adviser in the relevant jurisdiction.

PART C: ACCEPTANCE FORM

1. For the purposes of this Part C of this Appendix 1 and the Acceptance Form, the phrase “Ordinary Shares comprised in the acceptance” shall mean the number of Cominco Shares of the relevant class inserted in Box 1 of the Acceptance Form or, if no number is inserted (or a number greater than the relevant Cominco Shareholder’s holding of Cominco Shares), the greater of:
 - 1.1 the relevant Cominco Shareholder’s entire holding of Cominco Shares (hereafter **Relevant Shares**) as disclosed by details of the register of members made available to Kropz prior to the time the Acceptance Form is processed by them;
 - 1.2 the relevant Cominco Shareholder’s entire holding of Relevant Shares as disclosed by details of the register of members made available to Kropz prior to the latest time for receipt of the Acceptance Form which can be taken into account in determining whether the Offer is unconditional; and
 - 1.3 the number of Relevant Shares in respect of which share certificates or an indemnity in lieu thereof in a form acceptable to Kropz is received.
2. Without prejudice to the terms of the Acceptance Form and the provisions of Parts A, B and C of this Appendix 1, each Cominco Shareholder by whom, or on whose behalf, an Acceptance Form is executed and lodged with Kropz, irrevocably warrants and agrees to and with Kropz (so as to bind him, his personal or legal representatives, heirs, successors and assigns) that:
 - 2.1 the execution of the Acceptance Form, whether or not any boxes are completed and whether or not the Acceptance Form is validly executed as a deed, shall constitute:
 - 2.1.1 an acceptance of the Offer in respect of the number of Relevant Shares inserted or deemed to be inserted in Box 1 of the Acceptance Form; and
 - 2.1.2 an undertaking to execute any further documents, take any further action and give any further assurances which may be required to enable Kropz to obtain the full benefit of Part C of this Appendix 1 and/or to perfect any of the authorities expressed to be given under this Document and the Acceptance Form and otherwise in connection with his acceptance of the Offer,

in each case on and subject to the terms and conditions set out or referred to in this Document and the Acceptance Form, and that each such acceptance and undertaking shall be irrevocable. If no boxes are completed in any Acceptance Form, or the total number of Relevant Shares inserted in Box 1 of any such form is greater than the number of Relevant Shares held by the relevant Cominco Shareholder or the word “ALL” is inserted in Box 1 or the acceptance is otherwise completed incorrectly, but the Acceptance Form is signed, it will be deemed to be an acceptance of the Offer in respect of the total number of Cominco Shares registered in the Cominco Shareholder’s name;
 - 2.2 he or she is irrevocably and unconditionally entitled to transfer the Relevant Shares in respect of which the Acceptance Form is completed and that the Relevant Shares in respect of which the Offer is accepted, or is deemed to be accepted, are sold, free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever;
 - 2.3 unless “No” is inserted in Box 5 of the Acceptance Form, such Cominco Shareholder:
 - 2.3.1 has not, directly or indirectly, received or sent copies or originals of this Document or the relevant Acceptance Form or any related documents in, into or from any Restricted Jurisdiction or any other jurisdiction where such actions may constitute or result in the Offer constituting a breach of any legal or regulatory requirements of such jurisdiction;
 - 2.3.2 has not, in connection with either the Offer or the execution or delivery of any Acceptance Form, utilised, directly or indirectly, the mails of, or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction;
 - 2.3.3 is accepting the Offer from outside any Restricted Jurisdiction and was outside such jurisdictions when the relevant Acceptance Form was delivered;

- 2.3.4 in respect of the Relevant Shares, is not and is not accepting the Offer through an agent or fiduciary acting on a non-discretionary basis for a principal; and
- 2.3.5 if such Cominco Shareholder is a citizen, resident or national of a jurisdiction outside the United Kingdom, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in Kropz or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance of the Offer;
- 2.3.6 if such Shareholder is resident in Australia, by retaining this Offer Document and completing the Acceptance Form, the Recipient represents to Kropz that it is a sophisticated investor under section 708(8) of the Corporations Act 2001 (Cth) or a professional investor under section 708(11) of the Corporations Act 2001 (Cth), or both.
- 2.4 the execution of the Acceptance Form and its delivery to the Receiving Agent (acting on behalf of Kropz) constitutes the irrevocable and separate appointment of Kropz and any directors of, or any person authorised by Kropz as his agent and/or attorney with an irrevocable instruction and authorisation to such agent and/or attorney (in accordance with section 4 of the Powers of Attorney Act 1971) to:
- 2.4.1 complete and execute all or any forms of transfer, renunciation and/or other documents at the discretion of such agent and/or attorney in relation to the Relevant Shares comprised in the acceptance in favour of Kropz or such other persons as Kropz or its agents may direct;
- 2.4.2 deliver any forms of transfer, renunciation and/or other documents at the discretion of such agent and/or attorney together with any share certificate for registration relating to such Relevant Shares within six months of the Offer becoming unconditional in all respects; and
- 2.4.3 execute all such documents and do all such acts and things as may, in the opinion of such agent and/or attorney, be necessary or expedient for the purposes of, or in connection with the acceptance of the Offer and to vest in Kropz (or its nominees) the full legal title and beneficial ownership of the Relevant Shares comprised in the acceptance;
- 2.5 the execution of the relevant Acceptance Form and its delivery to Kropz constitutes (subject to the Offer becoming or being declared unconditional in all respects) an irrevocable instruction and authorisation to Cominco or its agents to procure the registration of the transfer of the Relevant Shares comprised in the Acceptance Form and the delivery of the share certificates in respect of the Relevant Shares to Kropz or as it may direct;
- 2.6 the execution of the relevant Acceptance Form constitutes the giving of authority to Kropz and its directors and agents within the terms set out in Part B (in respect of the Acceptance Form) and this Part C of this Appendix;
- 2.7 the execution of the relevant Acceptance Form and its delivery to Kropz constitutes (subject to the Offer becoming or being declared unconditional in all respects) an irrevocable undertaking in further consideration for the Offer Shares, from each Cominco Shareholder that will hold 1 per cent. or more of the Enlarged Share Capital on Admission (or, who would have held had they accepted the Offer prior to Admission, 1 per cent. or more of the Enlarged Share Capital on Admission) and has not entered into a Lock-In Agreement (as defined in the Admission Document) prior to Admission, to enter into a lock-in and orderly market deed between such Cominco Shareholder, the Company, Grant Thornton and each of the Joint Brokers following Admission in the form set out in Appendix 3;
- 2.8 in respect of Relevant Shares in respect of which the Offer has been accepted or deemed to be accepted or as it may direct:
- 2.8.1 Kropz or its agents shall be authorised to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general or separate class meeting of Cominco) attaching to the Relevant Shares; and

- 2.8.2 the execution of any relevant Acceptance Form by a Cominco Shareholder shall constitute with regard to such Relevant Shares comprised in the acceptance:
- (a) an authority to Cominco or its agents to send any notice, circular, warrant or other document or communication which may be required to be sent to him as a member of Cominco to Kropz at its registered office;
 - (b) an irrevocable authority to Kropz and any directors of, or any person authorised by Kropz, to sign any document and do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Relevant Shares held by him (including, without limitation, signing any consent to short notice of a general or separate class meeting as his agent and/or attorney and on his behalf and executing a form of proxy appointing any person nominated by Kropz to attend general and separate class meetings of Cominco and attending any such meeting and exercising the votes attaching to the Relevant Shares comprised or deemed to be comprised in such acceptance on his behalf, where relevant such votes to be cast so far as possible to satisfy any outstanding Condition of the Offer); and
 - (c) the agreement of such Cominco Shareholder not to exercise any such rights without the consent of Kropz and the irrevocable undertaking not to appoint a proxy for or to attend such general or separate class meeting of Cominco;
- 2.9 he will deliver to Kropz, or procure the delivery to Kropz of, his certificates or other documents of title in respect of those Relevant Shares comprised in the acceptance or an indemnity acceptable to Kropz, as soon as possible, and in any event within 5 Business Days of the Offer becoming unconditional in all respects;
- 2.10 he will ratify each and every act or thing which may be done or effected by Kropz or any of its directors or agents, or by Cominco or its agents, as the case may be, in the exercise of any of the powers and/or authorities under this Document and to indemnify each such person against any losses arising therefrom;
- 2.11 if any provision of Part B or this Part C of this Appendix shall be unenforceable or invalid or shall not operate so as to afford Kropz or any of its directors, agents or persons authorised by it, or Cominco or any of its agents, the benefit of the authority expressed to be given therein, he will, with all practicable speed, do all such acts and things and execute all such documents that may be required or desirable to those persons to secure the full benefit of Part B or this Part C of this Appendix;
- 2.12 that he is the sole legal and beneficial owner of the Relevant Shares in respect of which the Offer is accepted or deemed to be accepted;
- 2.13 he is irrevocably and unconditionally entitled to sell and transfer the legal and beneficial ownership of the Relevant Shares comprised or deemed to be comprised in such acceptance and that such shares are sold fully paid with full title guarantee and free from all liens, charges, equities, encumbrances, options, rights of pre-emption and other third party rights and interests of any nature whatsoever and together with all rights attaching or accruing to them as at the date of this Document, or subsequently attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after that date;
- 2.14 the terms and conditions of the Offer shall be deemed to be incorporated in, and form part of, the Acceptance Form which shall be read and construed accordingly;
- 2.15 the Acceptance Form shall be deemed to be delivered on the date of its execution and shall take effect as a deed on such date;
- 2.16 the *eiusdem generis* principle of construction shall not apply to the terms and conditions of the Offer and/or the Acceptance Form. Accordingly general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words; and
- 2.17 the execution of the Acceptance Form constitutes his agreement to the terms of the Offer as set out in this Document.

A reference in this Part C of this Appendix 1 to a Cominco Shareholder includes a reference to the person or persons executing the relevant Acceptance Form and in the event of more than one person executing an Acceptance Form the provisions of this Part C of this Appendix 1 will apply to them jointly and to each of them.

APPENDIX 2

DETAILS OF IRRECOVABLE UNDERTAKINGS

The following Cominco Shareholders have given irrevocable undertakings to accept or procure acceptance of the Offer in respect of their registered holdings of issued Cominco Shares:

Name	Number of Cominco Shares	Percentage of Cominco Issued Share Capital
Ackerman Group Holdings Limited	10,864,875	23.13%
R & H Trust Co (Guernsey) Limited as Trustees of The Resource Securities Trust	10,508,905	22.38%
Macquarie Bank Limited	6,993,250	14.89%
Moez Daya	2,549,033	5.43%
Scarlatti Holdings Limited	762,529	1.62%
Cocacabana 2016 (PTC) Limited	758,502	1.62%
Riveck Nominees Pty Ltd ATF Ruth Paneth Superannuation Fund	196,744	0.42%
Cedar Assets Group Limited	46,667	0.10%
Crestmont Invest Ltd	29,167	0.06%
Jean-Pierre Conrad	16,667	0.04%
Tal Paneth	8,453	0.02%
Total	32,734,792	69.70%

DETAILS OF INDICATIONS OF INTENT

The following Cominco Shareholders have given indications of their intent to accept or procure acceptance of the Offer in respect of their registered holdings of issued Cominco Shares:

Name	Number of Cominco Shares	Percentage of Cominco Issued Share Capital
Fitel Nominees A/C C057258	300,000	0.64%
Pateen Services Inc.	233,333	0.50%
Boswell International Inc.	50,000	0.11%
George Kay	6,725	0.01%
Total	590,058	1.26%

APPENDIX 3
PRO FORMA LOCK-IN AND ORDERLY MARKET DEED



DATED

2018

- (1) GRANT THORNTON UK LLP
- (2) H & P ADVISORY LIMITED
- (3) MIRABAUD SECURITIES LIMITED
- (4) KROPZ PLC
- (5) THE LOCKED-IN PARTY

LOCK-IN AND ORDERLY MARKETING AGREEMENT

relating to shares in

KROPZ PLC

Issued Pursuant to an Offer for Cominco Shares

THIS AGREEMENT is made on ● 2018

BETWEEN:

- (1) **GRANT THORNTON UK LLP** a limited liability partnership incorporated and registered in England and Wales with registered number OC307742 whose registered office is at 30 Finsbury Square, London EC2A 1AG ("**Nomad**");
- (2) **H & P ADVISORY LIMITED** a private limited company incorporated and registered in England and Wales with registered number 11120795 whose registered office is at Ground Floor 2, Park Street, London W1K 2HX ("**H & P**"); and
- (3) **MIRABAUD SECURITIES LIMITED** a private limited company incorporated and registered in England and Wales with registered number 01654710 whose registered office is at 10 Bressenden Place, London SW1E 5DH ("**Mirabaud**"),
Mirabaud and H & P being, together, the **Joint Brokers**;
- (4) **KROPZ PLC** a public limited company incorporated and registered in England and Wales with registered number 11143400 whose registered office is at Suite 4f Easistore Building, North Farm Estate, Tunbridge Wells TN2 3EY ("**Kropz**"); and
- (5) **THE PERSON** whose names and addresses appear in the Schedule (the "**Locked-In Party**").

BACKGROUND

- (A) Kropz has made an Offer to purchase shares in the capital of Cominco Resources Limited in exchange for Kropz Shares ("the Offer").
- (B) Kropz is proposing to apply for its entire issued and to be issued share capital to be admitted to trading on AIM. The Nomad has agreed to act as nominated adviser to Kropz in connection with Admission and the Joint Brokers have each agreed to act as brokers to Kropz in connection with Admission.
- (C) The application for Admission is being made in conjunction with the Placing.
- (D) The Nomad and the Joint Brokers require the Locked-In Parties to enter into this Agreement restricting their ability to sell the Relevant Shares for the period of time referred to in this Agreement.

1 DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the following words and expressions shall have the following meanings:

Act	the UK Companies Act 2006 as amended;
Admission	the admission of the entire issued and to be issued share capital of Kropz to trading on AIM and such admission becoming effective in accordance with the AIM Rules;
Admission Document	the admission document in the agreed form (save for its dating and publication) to be published by Kropz on or about the date of this Agreement in connection with Admission;
AIM	a market operated by the London Stock Exchange for transactions in AIM Securities;
AIM Rules	the rules of the London Stock Exchange which govern the admission of securities to trading on and the regulation of AIM (as amended from time to time);
AIM Securities	securities which the London Stock Exchange has admitted to trading on AIM pursuant to the AIM Rules;
Code	The City Code on Takeovers and Mergers;
Directors	the directors of Kropz at the date of Admission;
Disposal	in respect of any Shares, any sale, grant of options, transfer, charge, mortgage pledge, hypothecation or other disposal of any interest therein, whether direct or indirect, and Dispose shall be construed accordingly;

Family Member	in relation to a Locked-In Party who is an individual, the spouse or civil partner and any child or grandchild (including any step or adopted child or grandchild) of that Locked-In Party;
Family Trust	in relation to the Locked-In Party who is an individual, a trust (whether arising under a settlement, declaration of trust or testamentary disposition or on an intestacy) which does not permit any of the trust property or the income from it to be applied otherwise than for the benefit of that Locked-In Party or a Family Member of that Locked-In Party and under which no power of control over the voting rights attached to any Relevant Shares the subject of the trust is capable of being exercised by or is subject to the consent of any person other than the trustee(s) or that Locked-In Party or a Family Member of that Locked-In Party;
Group Member	in relation to a Locked-In Party which is a company, any parent or subsidiary undertaking of such company;
Kropz Lock-In Agreements	the lock-in agreements to be entered into between, <i>inter alia</i> , the Company, the Nomad, the Joint Brokers, the Directors, Kropz International S.a.r.l and ARC Fund on or before Admission, on the same or substantially similar terms of this Agreement, and details of which are set out in the Admission Document;
London Stock Exchange	London Stock Exchange plc;
Nomad Agreement	the agreement dated on or around the date of this Agreement setting out the terms on which the Nomad will act as Kropz's nominated adviser from Admission;
Offer Document	the offer document being issued in connection with the Offer;
Placing	the placing of certain Shares in connection with, and conditional upon, Admission;
Placing Agreement	the agreement dated on or about the date of this Agreement between Kropz, the Joint Brokers and certain Locked-In Parties for the purposes of the Placing;
Proceedings	any proceedings, suit or action arising out of or in connection with this Agreement;
Relevant Shares	shall be taken to include the Shares specified in the Schedule against the name of the Locked-In Party, and does not include any shares acquired after Admission.
Shares	ordinary shares of 0.1 pence each in the capital of Kropz (or such other nominal amount of the Company's ordinary shares following any consolidation, sub-division, repayment or reduction of capital or other event giving rise to an adjustment of the nominal amount of such ordinary shares hereafter); and
Trading Day	a day upon which dealings in domestic securities may take place on the London Stock Exchange.

1.2 In this Agreement:

- 1.2.1 an **interest** in Shares shall, save where the context otherwise requires, have the meaning given to that term in section 820 of the Act, and the term **interested** shall be construed accordingly;
- 1.2.2 **parties** are the parties to this Agreement and references to a **party** shall be construed accordingly;
- 1.2.3 **holding company** and **subsidiary** shall have the meanings ascribed to them in section 1159 of the Act and **subsidiary undertaking** shall have the meaning given to that term in section 1162 of the Act;
- 1.2.4 **include** or **including** shall be construed without limitation; and

- 1.2.5 a **person** shall be construed so as to include any company, corporation or other body corporate, unincorporated association or partnership and the legal personal representatives and successors of any individual.
- 1.3 The Schedule forms part of this Agreement.
- 1.4 The index and headings of this Agreement are for convenience only and shall not affect the interpretation of this Agreement.
- 1.5 Words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.6 References to any statute or statutory provision shall include a reference to that statute or statutory provision as amended, extended, re-enacted, consolidated or replaced from time to time (whether before or after the date of this Agreement) and shall include any order, regulation, instrument or other subordinate legislation made under that statute or statutory provision save to the extent that such amendment, extension, re-enactment, consolidation or replacement imposes any new or extended liability or restriction on a party to this Agreement.
- 1.7 References to clauses are to clauses of this Agreement and references to the Schedule are to the schedule to this Agreement.

2 CONDITIONS

- 2.1 Subject to clause 2.2, this Agreement is conditional on the Kropz Lock-In Agreements being entered into on or before Admission.
- 2.2 If Admission has not become effective on or before 7 November 2018 (or such later date as the Nomad, Joint Brokers and Kropz may agree, being no later than 30 November 2018) then:
- 2.2.1 this Agreement shall cease and determine and no party to this Agreement will have any claim against any other party to this Agreement for costs, damages, compensation or otherwise; but so that
- 2.2.2 such termination shall be without prejudice to any accrued rights or obligations of any party under this Agreement.

3 RESTRICTIONS ON SALES

- 3.1 The Locked-In Party severally undertakes and agrees with each of the Nomad, the Joint Brokers and Kropz that, save as provided in clause 3.2, he or it will:
- 3.1.1 retain his or its entire interest and not Dispose or agree to Dispose of any interest in Relevant Shares during the period of 12 months from the date of Admission,; and
- 3.1.2 retain his or its entire interest and will not Dispose or agree to Dispose of any interest in Relevant Shares during the period of 12 months from the end of the period referred to in clause 3.1.1, except through either of the Joint Brokers (or their successors) whereupon, for a period of 30 Trading Days from, but excluding, the date of the Joint Brokers' receipt of the written Disposal request, the relevant Joint Broker shall be entitled to procure purchasers for all or any of the Relevant Shares mentioned in such notice on a best price and execution basis (and subject to any commissions payable being competitive with those charged by other brokers). If, upon expiry of such period of 30 Trading Days, purchasers have not been procured, the Locked-In Party shall be entitled to Dispose of all or any of the Relevant Shares referred to in such notice in the market through such broker as he shall, in his absolute discretion, decide.
- 3.2 The restrictions contained in clauses 3.1.1, or 3.1.2 shall not apply to the following:
- 3.2.1 a Disposal to the personal representatives of the Locked-In Party who dies during the period of restriction referred to therein (but noting that other than as provided for in clause 3.3.1, any subsequent proposed Disposal of Relevant Shares in the periods set out at clause 3.1.1 and 3.1.2 by such personal representatives shall be subject to the restrictions contained in such clauses);
- 3.2.2 a Disposal pursuant to an intervening Court order of competent jurisdiction, save that the Locked-in Party subject to the provisions of the Court order shall use reasonable endeavours to ensure that, where applicable, the terms of such Court order comply with the provisions of this Agreement;

- 3.2.3 a Disposal (or the giving of an irrevocable undertaking) to an offeror or proposed offeror acting in pursuance of a general offer or offer by way of scheme of arrangement and who has been named in an announcement made pursuant to the Code; or
- 3.2.4 a Disposal otherwise permitted by the AIM Rules as determined by the Nomad.
- 3.3 The restrictions contained in clause 3.1.2 shall additionally not prevent a Disposal:
- 3.3.1 by way of gift:
- (a) by the Locked-In Party (or, in the event of the death of the Locked-In Party, by his personal representatives) to a Family Member or to any person or persons acting as trustee or trustees of a Family Trust; or
 - (b) by the trustee(s) of a Family Trust to the new or continuing trustee(s) following a change in the identity of the trustee(s) of the Family Trust or to any person beneficially interested under the Family Trust; or
 - (c) in respect of a Locked-In Party which is a body corporate, to a Group Member or to its legal and beneficial shareholder(s),
provided that,
 - (d) prior to the making of any such transfer, the relevant transferor(s) shall have provided evidence that Kropz, the Nomad and Joint Brokers may reasonably require to prove that the transferee falls within one of the categories of permitted transferee specified in this clause 3.3.1 and the transferee shall have undertaken to Kropz, the Nomad and Joint Brokers by deed in terms reasonably acceptable to them to be bound by the restrictions set out in this Agreement in respect of the Relevant Shares which are the subject of the proposed transfer; and
 - (f) if following the making of any such Disposal and during the period set out in clause 3.1.2 the relevant transferor ceases to fall within one of the categories of permitted transferee specified in this clause 3.3.1, the Nomad and Joint Brokers may require, at their discretion, that the Shares subject to such Disposal be transferred back to the Locked-In Party (or, in the event of the death of the Locked-In Party, to his personal representatives);
- 3.3.2 pursuant to a scheme of reconstruction under section 110 of the UK Insolvency Act 1986 or an analogous procedure in any jurisdiction in relation to Kropz; or
- 3.3.3 pursuant to a compromise or arrangement under Part 26 of the Act or an analogous procedure in any jurisdiction between Kropz and its members which is agreed to by the members and (if required) sanctioned by the court; or
- 3.3.4 pursuant to the acceptance of an offer made by Kropz to purchase its own Shares which is made on identical terms to all holders of Shares and which otherwise complies with all applicable legal and regulatory requirements; or
- 3.3.5 pursuant to a transaction which has been notified in advance to Kropz, the Joint Brokers and the Nomad and to which Kropz, the Joint Brokers and the Nomad have each given their prior written consent.
- 3.4 Any proposed sale, transfer or other Disposal contemplated by clause 3.2 or clause 3.3 shall be notified in advance to the Nomad, Joint Brokers and Kropz in writing five Trading Days prior to the entry into of any agreement relating to the same and, as regards any transfer to personal representatives pursuant to clause 3.2.1, as soon after such transfer as shall be practicable and any such sale, transfer or other Disposal shall be carried out in accordance with generally accepted orderly market principles.
- 3.5 The Locked-In Party agrees that any Disposal of any Shares or interest therein pursuant to clauses 3.2.2 (but only where there is an on-market disposal required by such Court order), 3.2.4 and 3.3.5 above shall be carried out on its behalf by a Joint Broker in its capacity as broker to Kropz or its successor in that capacity as Kropz's broker under the AIM Rules.

4 WARRANTIES

- 4.1 The Locked-In Party warrants to the Nomad, the Joint Brokers and Kropz that he or it has full power and authority to enter into this Agreement, the terms of which will constitute binding obligations upon him or it, and further warrants as regards his or its interests in the share

capital of Kropz, including for these purposes any rights over Shares, that subject to the fulfilment of the conditions in the Offer Document and the allotment to the Locked-In Party of the Shares due to the Locked-In Party under the Offer Document:

- 4.1.1 as from Admission, he or it will be the beneficial owner of the Shares set out against its name in column 3 of the Schedule;
- 4.1.2 as from Admission, such Shares will be registered in his or its name set out in column 4 of the Schedule; and
- 4.1.3 as at the date of this Agreement and as at Admission, he or it has not been granted or otherwise does not hold options, warrants or other convertible securities or rights in respect of any Shares, other than as set out in column 4 of the Schedule.
- 4.1.4 save for the Shares set against his or its name in column 4 of the Schedule which it will hold at Admission, as at the date of this Agreement and as at Admission he or it has no interest in the share capital of the Company nor any rights over or in respect of Shares nor is he aware of any other interest in the share capital of the Company not referred to in the Schedule.

5 ISSUE OF ADMISSION DOCUMENT

- 5.1 The Locked-In Party acknowledges that the existence of this Agreement and its content are to be referred to in the Admission Document and that these are matters which can reasonably be expected to influence the decision of investors (both immediately prior to Admission and subsequently) whether or not to subscribe for or purchase shares in Kropz.
- 5.2 The Locked-In Party consents to the inclusion in the Admission Document of references to this Agreement and its content.

6 GENERAL

6.1 Remedies and enforcement

- 6.1.1 Each of the warranties and undertakings contained in this Agreement shall remain in full force and effect notwithstanding completion of the Placing and Admission.
- 6.1.2 The warranties contained in clause 4 shall be in addition to, and shall not be construed to limit, affect or prejudice, any other right or remedy available to Kropz, the Nomad and/or the Joint Brokers.
- 6.1.3 In view of the difficulties in placing a monetary value upon the effects of any breach of the terms of the undertakings referred to in this Agreement, the Locked-In Party recognise that the Nomad and/or the Joint Brokers and/or Kropz will be entitled to seek and the Locked-In Party shall not raise any objection to the Nomad and/or the Joint Brokers and/or Kropz seeking injunctive relief as well as any other relief which may be appropriate under the circumstances in any court of competent jurisdiction in the event of any breach or anticipatory breach of the obligations set out in this Agreement.
- 6.1.4 All the provisions of this Agreement shall (except for any obligation fully performed prior to or on the date hereof) continue in full force and effect after the date of this Agreement.

6.2 Assignment

- 6.2.1 This Agreement shall be binding upon and shall enure for the benefit of the successors in title of the parties hereto but, except as out in clause 6.2.2 and 6.2.3, shall not be assignable by any party without the prior written consent of the others.
- 6.2.2 The Nomad and any of the Joint Brokers may assign the benefit of this Agreement (provided that no such assignment shall impose any material administrative or financial burden nor any additional obligation upon Kropz or the Locked-In Party and any costs or expenses incurred by Kropz arising therefrom are reimbursed by the assignor) to any subsidiary undertaking or parent undertaking, but on terms that the benefit shall be reassigned to the Nomad or relevant Joint Broker if any such assignee ceases to be such a subsidiary undertaking or parent undertaking.
- 6.2.3 In the event that the Nomad ceases for whatever reason to be the nominated adviser to Kropz for the purposes of the AIM Rules the Nomad may assign all or any part of the benefit of, or its rights or benefits under, this Agreement to the person who

succeeds it as Kropz's nominated adviser for such purpose. If any such assignment takes place, references in this Agreement to the Nomad shall thereafter be construed as references to the person who has succeeded it as Kropz's nominated adviser.

6.2.4 If there is an assignment of the Nomad's rights in accordance with this clause 6.2, the Locked-In Party may discharge their obligations under this Agreement to the Nomad and Joint Brokers until they receive notice of the assignment.

6.3 **Third party rights**

No person who is not a party to this Agreement shall have any rights under or in connection with this Agreement by virtue of the Contracts (Rights of Third Parties) Act 1999.

6.4 **Delay and waiver**

No failure by any party to exercise, and no delay by it in exercising, any right, power or remedy in connection with this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right. The rights provided in this Agreement are cumulative and not exclusive of any other rights (whether provided by law or otherwise). Any express waiver of any breach of this Agreement shall not be deemed a waiver of any subsequent breach. No time or other indulgence granted to, or release or compromise of the liability of, any party to this Agreement shall affect the liability of any other party to this Agreement.

6.5 **Counterparts**

This Agreement may be entered into in any number of counterparts and by the different parties on separate counterparts, each of which when executed and delivered shall constitute an original, but all the counterparts together shall constitute one and the same instrument.

6.6 **Variation**

No variation of this Agreement shall be effective unless in writing and signed by, or on behalf of, each of the parties.

6.7 **Further assurance**

At any time after the date of this Agreement, the Locked-In Party shall, and shall use its reasonable endeavours to procure that any necessary third party shall, execute such documents and do such acts and things as the Nomad, and/or the Joint Brokers and/or Kropz may reasonably require for the purpose of giving full effect to all the provisions of, and to give the Nomad and/or the Joint Brokers and/or Kropz the full benefit of, this Agreement in relation to the obligations of the Locked-In Party.

6.8 **Illegality etc.**

If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to the extent necessary be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

6.9 **Whole agreement**

Save for the Placing Agreement, the Nomad Agreement and any engagement letters with the Joint Brokers, this Agreement contains the entire agreement and understanding between the parties in respect of the subject matter of this Agreement.

7 **NOTICES AND SERVICE OF PROCEEDINGS**

7.1 Save as specifically otherwise provided in this Agreement, any notice, consent, approval, claim, waiver or request relating to this Agreement shall be in writing delivered personally or sent by pre-paid first class post or, if to an overseas address, airmail post or by email (provided that a copy is also sent by pre-paid first class post or airmail post) to the address referred to in clause 7.3 of the party to be served.

7.2 Any such notice, consent, approval, claim, waiver or request:

7.2.1 if sent by post as provided in this clause 7, shall be deemed to have been served 24 hours after despatch, unless sent to an overseas address, in which case, it shall be deemed to have been served three clear Trading Days after despatch; and

7.2.2 if sent by email, as provided in this clause 7, shall be deemed to have been served at the time of transmission,

provided that:

7.2.3 if, in the case of delivery by hand or transmission by email, such delivery or receipt occurs on a day which is not a Trading Day; or

7.2.4 if, in the case of delivery by post, a period of 24 hours after despatch or three clear Trading Days after despatch (as the case may be) would expire on a day which is not a Trading Day or after 4.00 p.m. on a Trading Day,

then service shall be deemed to occur on the next following Trading Day.

7.3 In proving service it will be sufficient to prove, in the case of a letter, that such letter was properly stamped, addressed in accordance with the details given in this clause 7.3 and placed in the post and in the case of email, that such email was duly sent (provided that a copy is also sent by pre-paid first class post or airmail post) or at such other address or number in the United Kingdom as may be notified in writing for the purpose of this clause 7:

7.3.1 if to the Nomad:

Address: Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG

Email: Samantha.BS.Harrison@uk.gt.com

Attention: Samantha Harrison

7.3.2 if to H & P:

Address: H & P Advisory Limited, 10 Bressenden Place, London SW1E 5DH

Email: ac@hannam.partners

Attention: Andrew Chubb

7.3.3 if to Mirabaud:

Address: Mirabaud Securities Limited, 10 Bressenden Place, London SW1E 5DH

Email: rory.scott@mirabaud.co.uk

Attention: Rory Scott

7.3.4 if to Kropz:

Address: Suite 4f Easisitore Building, Longfield Road, Tunbridge Wells TN2 3EY

Email: ian@kropz.com

Attention: Ian Harebottle

7.3.5 if to the Locked-In Party, to the relevant address set out in column 2 of the Schedule.

8 APPLICABLE LAW ETC.

8.1 This Agreement and any dispute or claim arising out of or in connection with it (including any non-contractual claims or disputes) shall be governed by and construed in accordance with the laws of England and Wales.

8.2 In relation to any legal action or proceedings (a) arising out of or in connection with this Agreement or its implementation or effect or (b) relating to any non-contractual obligations arising out of or in connection with this Agreement, each of the parties irrevocably submits to the exclusive jurisdiction of the English Courts and waives any objection to proceedings in such courts on the grounds of venue or on the grounds that such proceedings have been brought in an inappropriate forum.

8.3 _____ irrevocably appoints _____ of _____ as their agent to receive on their behalf in England and Wales service of any proceedings arising out of or in connection with this Agreement. Such service shall be deemed completed and delivery to such agent (whether or not it is forwarded to and received by _____) and shall be valid until such time as the Company have received prior notice from _____ that such agent has ceased to act as agent for them.

IN WITNESS whereof this Agreement has been duly executed as a deed and has been duly delivered on the day and year first before written.

SCHEDULE
Locked-In Parties

(1)	(2)	(3)	(4)
Name	Address and email address	Number of Cominco Shares	Number of Kropz Shares immediately following Admission

EXECUTED and delivered as a **DEED** by **GRANT THORNTON UK LLP** acting by a member, in the presence of:

WITNESS:

Signature:

Address:

Occupation:

EXECUTED and delivered as a **DEED** by **H & P ADVISORY LIMITED** acting by _____ a director, in the presence of:

WITNESS:

Signature:

Address:

Occupation:

EXECUTED and delivered as a **DEED** by
MIRABAUD SECURITIES LIMITED acting by
_____ a director, in the presence
of:

WITNESS:

Signature:

Address:

Occupation:

EXECUTED and delivered as a **DEED** by
KROPZ PLC acting by
_____ a director, in the presence of:

WITNESS:

Signature:

Address:

Occupation:

SIGNED and delivered as a **DEED** by

 in the presence of:

WITNESS:

Signature:

Address:

Occupation:

