

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt about the contents of this Document, or the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other independent professional adviser who, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000, or from an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

Copies of this Document are being sent to Shareholders. If you have sold or otherwise transferred all of your ordinary shares in Empire Metals Limited please forward this Document and the accompanying form of proxy on at once to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or transferred part only of your holding in ordinary shares in Empire Metals Limited you should retain this Document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

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## **EMPIRE METALS LIMITED NOTICE OF GENERAL MEETING**

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This Circular should be read in its entirety. Your attention is drawn to paragraph 7 of this Circular which contains the recommendation from the Directors that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of the General Meeting of Empire Metals Limited is to be held at 7-9 Swallow Street, London, W1B 4DE at 3:00 p.m. GMT on 11th November 2020 is set out at Part II to this Circular. A Form of Proxy (and a Form of Direction for holders of Depository Interests in CREST) is attached at the end of this document for use at the Meeting.

A Form of Proxy is enclosed with this notice for use in connection with the business to be conducted at the Meeting. To be valid, Forms of Proxy and any power of attorney or other authority under which it is signed must be lodged with Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by no later than 48 hours prior to the time fixed for the General Meeting.

A Form of Direction is enclosed with this notice for use in connection with the business to be conducted at the Meeting. To be valid, Forms of Direction and any power of attorney or other authority under which it is signed must be lodged with Link Market Services Trustees (Nominees) Limited, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by no later than 72 hours prior to the time fixed for the General Meeting.

**In light of the UK Government's current response to the COVID-19 outbreak, which includes restrictions on all gatherings of more than six people and does not permit people from separate householders to mix, the Directors have adopted measures it considers reasonable and necessary to safeguard the Directors and its Shareholders. In particular:**

- **the Directors will ensure that the minimum number of persons are physically in attendance to ensure that the quorum requirements for the meeting are met.**
- **Shareholders will not be permitted to attend the General Meeting, and if they attempt to do so, will be refused entry to the meeting.**
- **voting at the General Meeting will be carried out by way of poll so that votes cast in advance and the votes of all Shareholders appointing the Chairman of the General Meeting as their proxy can be taken into account.**
- **As usual, the results of the General Meeting will be announced as soon as practicable after it has taken place.**

**Further details are set out in Paragraph 5 of Part I of this Circular.**

**Part I**  
**Empire Metals Limited**  
**(the “Company”)**

**Directors**

Neil O’Brien (*Non-Executive Chairman*)  
Michael Struthers (*Chief Executive Officer*)  
Gregory Kuenzel (*Finance Director*)  
Peter Damouni (*Non-Executive Director*)  
David Ajemian (*Non-Executive Director*)

**Registered Office**

7-9 Swallow Street  
London  
W1B 4DE

26 October 2020

*To the Shareholders of the Company and, for information only, holders of instruments capable of conversion into shares*

**To the Shareholders and, for information only, to the Option Holders and Warrant Holders**

**General Meeting**

Dear Shareholder,

I am writing to explain the resolutions to be proposed at the General Meeting which is to be held at 3:00 p.m. on 11 November 2020 at 7-9 Swallow Street, London, W1B 4DE (‘GM’). The resolution is set out in the Notice of General Meeting on page 5 of this document.

**1. Introduction**

The Company has entered into a sale and purchase agreement (subject to certain conditions) for the conditional sale and purchase of the Company’s wholly-owned subsidiary GMC Investments Limited (‘GMCIL’), to Candelaria Mining Corporation (TSXV: CAND) (‘Candelaria’, ‘CAND’ or the ‘Buyer’), for an all-equity total consideration of CAD 7 million dollars. GMCIL holds an interest in 50% of the issued share capital of Georgian Copper & Gold Limited (**GCG**).

The initial consideration of CAD 2 million will be satisfied on completion by Candelaria (the ‘Initial Consideration’) issuing and allotting common shares of an equal value (based on a valuation of CAD 0.50 per share) (‘Consideration Shares’), plus additional consideration of up to CAD 5 million satisfied by the issue of Consideration Shares, subject to the achievement of certain milestones being achieved in Georgia. GMCIL is the owner of a 50% interest in JSC Georgian Copper and Gold (‘GCG’), which in turn holds the rights to copper-gold projects under a 30-year mining concession in Georgia.

For the purposes of this document, the term CAD means Canadian dollars.

**2. The Transaction**

The Initial Consideration of CAD 2 million is to be satisfied via the allotment and issue of 4,000,000 Consideration Shares based on a valuation of CAD 0.50 per share. Candelaria will be required to ensure that such Consideration Shares are admitted to trading on the TSX Venture Exchange.

The Consideration Shares will be payable in full on completion. Further payments (‘Additional Shares’) totalling CAD 5 million will be paid by Candelaria subject to the following milestones being achieved:

- On approval of a reserves report (prepared in accordance with local standards) on the Kvemo Bolnisi East project by the Interagency Committee on Mineral Reserves in Georgia (‘Milestone 1’), an additional payment of CAD 1 million to be satisfied via the allotment and issue of Common Shares in the Buyer (based on a 10-day average closing price) (‘Milestone 1 Consideration’).
- On completion of a JORC or NI43-101 compliant Mineral Resource on the Dambludi project (‘Milestone 2’), or one other project other than Kveemo Bolnisi East, an additional payment of CAD 2 million to be satisfied via the allotment and issue of Common Shares in the Buyer (based on a 10-day average closing price) (‘Milestone 2 Consideration’).

- On completion of a positive feasibility study and final investment decision on the gold oxides at Kverno Bolnisi East ('Milestone 3'), an additional payment of CAD 2 million to be satisfied via the allotment and issue of Common Shares in the Buyer (based on a previous 10-day average closing price) ('Milestone 3 Consideration).

The sale is subject to and conditional upon, inter alia, a right-of-first-refusal ('ROFR') in favour of Empire's Georgian partners, CMG, which must be exercised within 20 business days from Empire submitting an offer. This offer has been submitted concurrent with this notice.

The Consideration Shares and Additional Shares will be subject to a hold period of 12 months from the date of the agreement.

Subject to the ROFR and Empire shareholder's approval, and TSX Venture Exchange approval, the transaction is expected to close on or before 7 December 2020.

### **3. General Meeting**

You will find at the end of this document a notice convening the General Meeting to be held at 3:00 p.m. on 11 November 2020 at 7-9 Swallow Street, London, W1B 4DE. The Resolution to be proposed at the General Meeting is as follows:

#### **Resolution 1 – The sale of GMC Investments Limited**

This is an Ordinary Resolution approving the sale of GMC Investments Limited to Candelaria Mining Corporation.

### **4. Irrevocable Undertaking**

The Company has received irrevocable undertakings to vote in favour of the Resolution in respect of 77,891,842 Ordinary Shares, which represents 30.77 per cent. of the Ordinary Shares on issue.

### **5. COVID-19 and GM proceedings**

In light of the UK government's current response to the COVID-19 outbreak, which includes restrictions on all gatherings of more than six people and that people from separate households should not mix, the Company is adopting the following arrangements in order to ensure the health and safety of our Shareholders, Directors, employees and other key stakeholders is protected:

- The GM will be held at the Company's office located at 7-9 Swallow Street, London, W1B 4DE. However, given the current the restrictions regarding Covid-19 the Company means Shareholders will not be permitted to attend the General Meeting, and if they attempt to do so, will be refused entry to the meeting.
- The GM will only address the formal matters contained in the Notice of General Meeting.
- In accordance with the Company's Articles, the quorum necessary to constitute the GM is two members in person or proxy, therefore two officers of the Company (who are also Shareholders) will be in attendance to form the quorum and conduct the business of the Meeting.
- It is not currently known what restrictions will be in place at the time of the GM so we would urge shareholders to check the Company's website for any changes as a result of new Government guidelines.
- Voting at the General Meeting will be carried out by way of poll. All Shareholders are urged to appoint the Chairman of the Meeting as their proxy, with voting instructions. Please refer to the Notes to the Notice of General Meeting for more information regarding proxy voting.

The UK government may change current restrictions or implement further measures relating to the holding of general meetings prior to the GM. Any changes to the GM (including the arrangements outlined above) will be made available on the Company's website at [www.empiremetals.co.uk](http://www.empiremetals.co.uk) and by means of the Regulatory Information Service.

### **6. Form of Proxy**

A Form of Proxy for use at the GM is enclosed. Please complete and sign the Form of Proxy and return it to the Company's Registrars so as to arrive no later than 48 hours (excluding non-working days) before the time fixed for the GM.

The return of the form of proxy does not normally prevent you from attending the GM and voting in person, however given the unprecedented circumstances resulting from the COVID-19 outbreak, and as noted

above, unless the UK government relaxes the current Stay at Home measures Shareholders who attempt to attend the meeting in person will not be admitted to the Meeting.

#### **7. Board Recommendation**

The Board considers that each of the Ordinary Resolutions is in the best interests of the Company and its Shareholders as a whole and it unanimously recommends to Shareholders that they should vote in favour of each of them.

Yours faithfully

Neil O'Brien

Chairman

## Part II

### Empire Metals Limited

(Incorporated in the British Virgin Islands under the BVI Business Companies Act, 2004 (as amended)  
with registered number 1570939)

#### Notice of General Meeting

**NOTICE IS HEREBY GIVEN THAT** the General Meeting of shareholders of Empire Metals Limited (“the Company”) will be held at 7-9 Swallow Street, London, W1B 4DE at 3:00 p.m. GMT on 11 November 2020 for the purposes of considering and, if thought fit, approving the following resolution:

#### RESOLUTION

##### 1. Sale of GMC Investments Limited

THAT the Sale of GMC Investments Limited to Candelaria Mining Corporation be approved.

Registered Office  
Craigmuir Chambers  
PO Box 71  
Road Town  
Tortola, British Virgin Islands

26 October 2020

Neil O'Brien, Chairman

#### Notes:

- (i) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (ii) The time by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting is close of business on 9<sup>th</sup> November 2020. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned meeting. Changes to entries on the register of members after such times shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (iii) A Form of Proxy is enclosed with this notice for use in connection with the business set out above. To be valid, Forms of Proxy and any power of attorney or other authority under which it is signed must be lodged with Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by no later than 48 hours prior to the time fixed for the General Meeting.
- (iv) A Form of Direction is enclosed with this notice for use in connection with the business set out above. To be valid, Forms of Direction and any power of attorney or other authority under which it is signed must be lodged with Link Market Services Trustees (Nominees) Limited, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by no later than 72 hours prior to the time fixed for the meeting.
- (v) Completion and return of a Form of Proxy does not preclude a member from attending and voting at the Meeting or at any adjournment thereof in person.
- (vi) In the case of joint holders, the signature of only one of the joint holders is required on the Form of Proxy but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.
- (vii) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on 11<sup>th</sup> November 2020 at 3.00pm and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company’s agent, Link Asset Services (CREST Participant ID: RA10), no later than 72 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- (viii) CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (ix) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.





